



# City of Palm Coast

City Hall  
160 Lake Avenue  
Palm Coast, FL 32164  
www.palmcoastgov.com

## Meeting Minutes City Council Workshop

*Mayor Milissa Holland*  
*Vice Mayor Steven Nobile*  
*Council Member Robert G. Cuff*  
*Council Member Nick Klufas*  
*Council Member Heidi Shipley*

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Tuesday, June 13, 2017

9:00 AM

City Hall Community Wing

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### City Staff

**Jim Landon, City Manager**

**William Reischmann, City Attorney**

**Virginia A. Smith, City Clerk**

>Public Participation shall be in accordance with Section 286.0114 Florida Statutes.

>Other matters of concern may be discussed as determined by City Council.

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### A. Call to Order

*Mayor Holland called the meeting to order at 9:00 a.m.*

### B. Pledge of Allegiance to the Flag

### C. Roll Call

*Records Coordinator Barbara Redline called the roll.*

**Present:** 5 - Mayor Holland, Vice Mayor Nobile, Council Member Cuff, Council Member Klufas, and Council Member Shipley

### D. PRESENTATIONS

#### 1 [17-264](#) PRESENTATION - 2017 LEGISLATIVE SESSION REPORT

*Mr. Landon gave a brief overview of this item and introduced Mr. Douglas Bell, Lobbyist with the law firm Metz, Husband & Daughton, P.A. Mr. Bell gave an update on this year's legislative session.*

*Budget priorities for the City: Two water projects; the first recommendation was funding for pump station generators due to recent storms and the need. The other was lining of piping and manholes. Unfortunately, neither of those received funding despite their best efforts. \$2.5 bil. in local government requests and \$730 mil. of that was specifically for water projects. There was a lot of competition.*

*Mayor Holland - Flagler Beach was able to make it into the appropriation category for their utility project, but Palm Coast was not able to. Was there a reason given for why our legislator was not successful at all to get at least one project in the appropriations category? Mr. Bell - That project was ultimately vetoed by the Governor. He asked if that was a sewer project. Mayor Holland - It was a sewer expansion upgrade to their system. Mr. Bell - That sort of project, unlike Palm Coast's, where there was greater emphasis on taking offline or reducing the impact of wastewater leaching into the Intracoastal; that is why it was a priority for the legislature. The City did not have any of those types of projects.*

*He went through the bills that passed:*

*Additional homestead exemption - legislature passed a bill which will put on the ballot in the 2018 general election, a proposal for the electorate to vote on for additional homestead exemption for the assessed value of property between \$100,000-\$125,000; this will be an additional hit on the City's revenue.*

*Mayor Holland expressed the homestead exemption will most likely pass and it will affect the City's revenue. Do we have any projected figures of that impact, and if so, she believes we need to come up with some type of informational component for the residents for this ballot measure that is to come to them so they understand the consequences, etc. Does the Florida League of Cities (FLC) have a position on that homestead exemption? Mr. Bell - It was one of them that they were fighting on all fronts; the artillery was coming from everywhere. Mr. Bell spoke of legislation that passed years ago that prohibits local governments from lobbying on ballot initiatives so that is a challenge in getting that information out there. Attorney Reischmann - It is called electioneering, local governments cannot defend themselves, cannot expend any public funds; it would be very difficult. You would be prohibited from doing any type of public campaign for or against a ballot measure.*

*Preemption of the City's authority over what is called small or micro antennas that are up to a size of a refrigerator that are added onto utility poles, etc., that are on City property. It limits the City's ability to charge for the installation of those at \$150 per antenna. Attorney Reischmann asked if this bill was received by the Governor yet. Mr. Bell was not certain. The Governor has 15 days to veto it once he has received it.*

*Preemption of unmanned aircraft, i.e., drones - legislature preempted the City's ability to regulate those, however, they did leave intact your ability to regulate drones that travel on sidewalks, etc., to make deliveries.*

*Preemption of the City's ability to regulate Uber, Lyft, etc.*

*Enterprise Florida - During the regular session, this was essentially eliminated; funding was cut from \$76 mil. down to \$25 mil. However, during the special session, the Governor was able to resurrect those issues and restore the \$76 mil. for Visit Florida \$16 mil. for Enterprise Florida and then provide a grant fund for \$85 mil. for economic development. So, those issues were restored to rate of prior to recession.*

*Mayor Holland - The Job Growth fund for \$85 mil., so the way the dollars are going to*

be allocated down, it is her understanding that a lot of it is going to be done through Career Source and put through local State colleges, etc.. Do you know specifically within that legislation; is it going to go through regional workforce boards or is it going to be applicable Statewide? Mr. Bell - He did not know the answer, but it would make sense that it would be regional.

Public Records bill - after a few years they were able to pass legislation that would hopefully quell some of these lawsuits; it requires 5-day notice prior to a lawsuit being filed, and it also does not allow for damages in these lawsuits. Mr. Bell explained they can get attorneys' fees if the City does not comply.

Medical Marijuana - That did not pass through regular sessions, however, was successful during special session. It adds an additional 10 medical marijuana treatment centers, which pushes it up to 17 or so for the entire State, and it also allows for each of those treatment centers to have 25 dispensing facilities across the State. The number of treatment centers and the number of dispensing facilities will increase by 4 for the treatment centers and by 5 for the dispensing facilities for every 100 additional patients that sign up and are in the registry. As the demand increases, the number of treatment centers and the number of dispensing facilities will increase. In terms of regulation, it is almost an all or nothing; you can either ban them outright or you can regulate them consistent with how you regulate pharmacies.

Mayor Holland - The Department of Health is going to manage that process? Mr. Bell - Yes.

Mayor Holland - Does the all or nothing approach include the growing? Mr. Bell - No, the cultivation and processing is all preemptive to the State.

Mayor Holland - So, they are going to make a determination on who is eligible to do that and which area? Mr. Bell - Yes. Attorney Reischmann - The law has not been signed yet; it says specifically, by ordinance to ban medical marijuana treatment center dispensing facilities from being located within the boundaries of that municipality, so that right has not been preempted. It is the dispensing facilities that are 17 x 25 that can ultimately show up; that is the maximum Statewide; they are going to start in the northeast region. It will depend on population.

Mayor Holland - Is it legal to grow marijuana in the State of Florida now because it is for medicinal purposes. Attorney Reischmann - If they had a license, yes.

Mayor Holland - The smoking of medical marijuana, has that been decided or determined? Attorney Bell - He believes the bill does not allow smoking. Attorney Reischmann - It doesn't.

VM Nobile - So, as far as the nurseries that are going to grow and process; a nursery can apply for this and if they are accepting, it just bypasses us? Attorney Reischmann - He is not certain, but the process of getting a license is extensive, requires history; there are 7 now; we don't know where the other 10 will be; those that have already started the process will be next in line.

Mayor Holland - Do they have to have a State license? Mr. Bell - Yes. Attorney Reischmann - There are 25 pages to this (bill).

Mr. Bell - The Governor has indicated he will sign it.

CM Klufas - Isn't it all or nothing? Attorney Reischmann - You can ban it (the dispensing).

VM Nobile - The smoking issue is a big thing for him. Attorney Reischmann - Vaping, you cannot smoke it. Mr. Landon - The actual using of the marijuana is not really a land issue.

Mayor Holland - Do they have to have a prescription card? Mr. Bell - They have to be on the registry. Attorney Reischmann - Correct, and law enforcement will have access to the registry.

Attorney Reischmann - We can ban dispensing but we cannot limit the number of them; regulate them no differently than how we regulate pharmacies.

CM Shipley - But aren't the numbers limited? Attorney Reischmann - 7x25 is a decent number; his guess is as good as ours. He suggests to get ahead of this train to get guidance from Council as to how staff should deal with this.

Mr. Landon - There will be a presentation coming to Council to aid in making their decision.

CM Klufas - When does that (moratorium) expire? Attorney Reischmann - Sept. 2nd.

Mr. Bell spoke about the bills that failed.

Mayor Holland asked about the business tax bill that failed and expressed how it is important to the City's budget. Mr. Bell - Local governments are in a very difficult place right now; legislature does not seem to be on the same page. It is important to continue to reach out and invite them to walk through your budget and how business tax turns into a service to constituents; continue to work with them on a frequent basis.

**The Presentation was Received and Filed.**

**2**     [17-224](#)

**RESOLUTION 2017-XX APPROVING AN AGREEMENT WITH THE SEVENTH DAY ADVENTIST CHURCH FOR THE CONSTRUCTION AND USE OF A PARKING LOT ON CITY PROPERTY**

Mr. Landon gave a brief overview of this item. Mr. Beau Falgout, Administrative Services and Economic Development Director, gave a PowerPoint presentation, which is attached to these minutes. Mr. Olney McLarty with the Seventh Day Adventist Church was available for questions.

VM Nobile - Is that grass parking? Mr. Falgout - Most of it will be paved? Mr. Bill Hoover, Senior Planner - The interior will remain grass; all the perimeter parking will be paved (Shared Parking Layout Option "A" slide).

CM Shipley - So, this is something we would have to pave in the future when we do our park anyway, but if we let them use it they will do it for us? Mr. Landon - Yes, well said.

Mayor Holland - What are you looking for besides the shared agreement; what will that look like if the church is holding service on a certain day and the City has activities during that time? Mr. Falgout explained we will work together like neighbors; cordon off the parking different parking areas; share the parking.

CM Klufas - Do you anticipate in phase 1, 86 parking spaces to be sufficient to remediate the issue? How bad is the parking on Sundays? Mr. McLarty - 86 will be more than sufficient at this point.

*CM Cuff - Consent of the mortgagee; State and Church (and that can't encumber City property)? Mr. Landon - Right, we still own the property; basically when we need to use the property it is in our control, and also if we are going to use it for our park obviously it is our maintenance responsibility too.*

*CM Cuff - What about insurance? Mr. Falgout - Indemnification section \$2 mil. (Attorney Reischmann confirmed).*

*CM Cuff asked about input from the neighborhood and access from Burroughs Drive. Mr. Hoover - No present access.*

*CM Cuff - What about the median cut for the church? Mr. Landon - None of that will change.*

*CM Cuff - How do you get out of the church and go south? Mr. Hoover - You have to make a u-turn.*

**The Resolution was Continued.**

Enactment No: R2017-73

**3**      [17-261](#)

RESOLUTION 2017-XX APPROVING DARK FIBER INDEFEASIBLE RIGHT OF USE (IRU) EXCHANGE AGREEMENT WITH CONTACT NETWORK, LLC, d/b/a INLINE, FOR FIBER OPTIC CABLE LOCATED THROUGHOUT THE CITY

*Mr. Landon gave a brief overview of this item.*

*CM Shipley - Have we ever done this before? Mr. Landon - We have leased our fiber before with another company.*

*CM Klufas - They have paid us, correct?*

*Mr. Steve Viscardi, Information Technology Director, introduced Mr. Martin Costa, President of InLine.*

*Mr. Costa spoke about what InLine (subsidiary of Uniti Fiber) is doing in the State of Florida.*

*CM Klufas - When did you purchase it initially? Mr. Costa - About 6 weeks ago.*

*Mr. Viscardi gave a PowerPoint presentation, which is attached to these minutes.*

*>Installation slide:*

*Mayor Holland - When the City first set up the fiber and identified the backbone and where it would go throughout the City to create the framework that would allow for interconnections to take place in close proximity of those commercial opportunities, was there a master plan spelled out during that time period of users of the system?*

*Mr. Viscardi - Not so much of users but more covering the blanket area. The initial push for FiberNET was actually to connect all City facilities, but it is fairly well distributed throughout the City. It passes major intersections so that was a consideration, etc. Mr. Landon - All of the City's facilities are tied together except for one. There were a couple of major users that we targeted; school district was top on the list. We were successful in winning that bid. The other one was the hospital, until we lost them as a customer because they tied all their hospitals together (outside of Palm Coast). The other was the ISPs that were contracting with the small*

*businesses.*

*Mayor Holland - When the big box stores come in, why are they not taking advantage of that? Mr. Costa explained the customers start at the highest level food chain; the national companies do not want to go with the small companies. First you pick out the cell towers, next is the schools, then businesses/hospitals and medical facilities, smaller businesses, etc.*

*CM Klufas - They have a municipal broadband utility (Leesburg)? Mr. Costa - They do, they are selling it.*

*Mayor Holland - What is the difference between this and Land to Rail used by a lot of universities? Mr. Costa - We are part of Land to Rail, we out sold Stoneridge, Mississippi; they are taking fiber and want to build up to really high speed. We try to get the top 30% of the market place; they are buying fiber from people like us. Mr. Viscardi - The site that we are going to use for disaster recovery, Land to Rail is in there.*

*CM Shipley - You are going to come in and connect to ours, so does that save you money? Mr. Costa - Sure, he would not do it if it did not save them money. Mr. Viscardi continued with presentation to provide more information.*

*CM Klufas - The IRU, you cannot terminate that, right? Mr. Costa - You cannot terminate a lease or contract if it is written right; the difference is it is capitalized, etc.*

*CM Shipley - What does IRU stand for? Mr. Costa - Irrevocable Right of Use (aka Indefeasible Right of Use in this agenda item).*

*>City Lease of InLine Fiber slide:*

*Mayor Holland - How did they determine those locations? CM Klufas asked what is the intention of going outside of the City. Mr. Landon - They are going after the cell towers.*

*Mayor Holland - Is that how they come up with the locations? Mr. Costa - Yes.*

*Mr. Landon - Water tower on A1A which is part of our utility system has antennas on it; we lease it to carriers. We also have a customer there, the school district on A1A because they have a facility out there. This will actually give fiber that we would then control out on the barrier island so we can connect to the schools.*

*Mayor Holland - So the school district at another point in time, would be able to connect? Mr. Costa - If you write it into the contract, which is what we discussed, yes.*

*Mayor Holland - So even the future (fiber) that you are laying, we still have control over those contractual relationships we had in place? Mr. Landon - Correct.*

*>Proposed Key Agreement Terms slide:*

*There was discussion about Water Treatment Plant 2 (WTP2); it is the only facility that is not connected to our fiber because it was previously cost prohibitive.*

*VM Nobile - It will not cost us, we are swapping it? Mr. Viscardi - Yes, InLine wants to lease/buy/IRU 34 miles of our fiber; the City wants 15 miles of fiber so we will effectively swap the 15 we want so all those areas except that little piece that goes to WTP2; we would basically get that in the swap, etc.*

*CM Klufas asked if the fiber is run through conduit. Mr. Costa - Yes.*

CM Cuff - Who is paying us? Mr. Viscardi - \$12,600 connection cost savings per year with Spectrum.

Mayor Holland - Is this going to create a monopoly within our community; are we freezing out others? Mr. Costa - No, we would sell fiber to another ISP; you should sell fiber to an ISP. There is competition here, but it is not very dense.

CM Klufas - Have we evaluated what our market could actually pull in for our dark fiber; do we have any set of market rates or any criteria that we could judge against what our fiber is actually worth? Mr. Viscardi - We have our one dark fiber lease; the bigger question is that there is just not a lot of demand; there is not a lot of businesses within the City asking for 10 gigs of bandwidth, etc. They use them to go to some place else (Jacksonville, Miami).

CM Klufas - Where do we stand on the Strategic Action Plan (SAP) of having a feasibility report done for our fiber infrastructure similar to one like Ocala has done? What would the danger be of doing that or are we already pursuing that before we make these decisions on an infrastructure with a Council not 100% fully understanding it? Mr. Landon clarified the issue of how cell towers and fiber are disconnected. He never indicated that the infrastructure was disconnected the issue at the time was the marketing side of it and that the marketing of trying to get more antennas up has nothing to do with fiber; that is a different issue. Same thing is true with what we are doing here because the feasibility study or update to the business plan, City Council in its SAP said we need to move forward with that. We actually were proposing that ourselves because everyone knows our business plan is out of date; it is over 10 years old. The way that the process works is that City Council puts it on the SAP, Mr. Viscardi has now included that in his budget and that is coming to Council shortly and if you approve it in the budget, then we have a project that we start after the fiscal year with the dollars and move forward. That is still the game plan. The concept of the business plan is different than the infrastructure; right now what we are talking about is expanding our infrastructure. The fact that we will have fiber where we do not today plays into our business plan; expanding our infrastructure capabilities and the business plan will come up with how best to proceed with providing this as an opportunity to customers. Timing-wise, if we developed a business plan without knowing we had new opportunities out in the barrier island for example; we wouldn't have even considered that in the business plan, etc.

There was discussion about Ocala's feasibility study that CM Klufas emailed to Mr. Landon to forward on to Council so they would have a full understanding of what would be encompassed inside a feasibility report, and the proposal process and potential conflict with the City's purchasing policy.

Mayor Holland asked CM Klufas what he thought we were missing; the biggest component right now. CM Klufas -The feasibility report came back that they (Ocala) had sufficient capability to become an ISP themselves which allows them to open up contracts, provide service to local businesses and residents. They also own their own electrical utility. The State regulations are such that you cannot invest in your own fiber optic infrastructure unless you can make your money back in 4 years. At the end of the 4 years, if you have not made your money back your fiber goes to auction. That is why there are only 3 cities in Florida that have a fiber infrastructure. Since we already incurred the \$4 mil. cost, we are in very rare position that this is a feasible business that will pay for itself in 4 years, etc. Ocala was able to do that back in 2010 and today they have \$3 mil. in revenue through the local businesses and they sign up contracts every month in the neighborhood of \$79-\$119 a month business plans for

these local businesses. They provide a superior connection to what is available because, such as us, their population density isn't what Mr. Costa said he looks for. We are in a very rare position since we have already incurred that upfront cost, etc., to take advantage of that position today.

VM Nobile - His concern is hindering competition; he wants to save residents money.

Mayor Holland wants to see Ocala's feasibility study and she views this as a win-win because when we create this updated version of the business plan and go through the whole feasibility process; she believes there are areas that we are not getting into that we could get into. She does not think we are using it to its full potential; it is a good timeframe to do this. Mayor Holland asked CM Klufas if he thinks this is a good resolution for this.

CM Klufas - He is worried that he does not have the full scope of the capabilities of our infrastructure and entering into an agreement that we may never be able to sever; we are being rushed because this is only available for a small timetable and we have to make a decision.

Mr. Costa added that Ocala's electrical company runs cable on poles in the air (which is \$1.50 ft., versus InLine's underground which is \$10 ft.).

CM Klufas - Your number one priority is the cell phone towers, so how does that play into the Diamond Communications' contract? Mr. Costa - He does not know what the Diamond Communications contract is. Mr. Landon explained they are a consultant to determine where the soft spots are and encourage them to bring additional antennas so we have better cell phone coverage.

Mr. Landon explained he did not share the RFI (for Ocala's feasibility study) because it would taint the procurement process to come; trying to protect the process.

CM Klufas - Can he send to Attorney Reischmann? Mr. Landon - Yes.

The 3rd Tuesday in July (7/18/17) this will come back to Council.

(Written items #5-#11 were heard at this time, before lunch and then the overview of property taxes presentation (Item 4) was heard.

**The Resolution was Continued.**

#### 4 [17-143](#)

#### PRESENTATION - OVERVIEW OF PROPERTY TAXES

This item was heard after written Items 5-11 and lunch break.

Mr. Landon gave a brief overview of this item. Mr. Quinn gave a PowerPoint presentation, which is attached to these minutes. He was accompanied/assisted by Ms. Lina Williams, Budget Coordinator, and Ms. Helena Alves, Accountant.

>Property Taxes slide:

Mayor Holland - How much does \$1 mil. average generate for us? Mr. Quinn - It depends on your taxable value, for instance ours is about \$4 mil. based on last year.

>Property Tax Bill slide:

CM Klufas - Who determines the discretionary? Mr. Quinn - That is the Schools.

>Palm Coast Citizen's Tax Bill slide:

Mayor Holland - Diversifying the tax base, and what you generate residential to



*business, percentage of that often times allows for us to provide more services with less costs to the residents. That is why incentivizing bringing businesses is really important, do you have a number? Mr. Quinn - Something along the lines of a business out of every dollar of service might only be .50 cents, but a resident might use say \$1.50; these are not exact numbers; businesses do not have the same impact on our infrastructure as individuals do.*

*>Revenue Diversification Options slide:*

*Mayor Holland - What other special assessments are you talking about? Mr. Quinn - Fire assessment/fire readiness fee where, because the taxable value of homes vary wildly, some folks the amount they pay the City is extremely low. The question is, are they really paying their fair share for what it costs for the basic services for fire and police? What a lot of governments do is come up with a fixed fee that is in addition to your property taxes, say \$90 per year that covers the cost of just being ready and there 24/7 to go out in case you need it.*

*Mayor Holland - When you apply that, it goes solely towards that purpose? Mr. Quinn - Correct.*

*Mayor Holland - What would be an example of franchise fees besides electric franchise fees? Mr. Quinn - There are other utility franchise fees also; we currently have a natural gas franchise fee the City has, TECO propane; it does not produce a whole lot because there are not a lot of natural gas users. Really any kind of utility. We have a solid waste franchise fee; Waste Pro our residential solid waste provider in the City.*

*Mayor Holland - What does that generate? Mr. Quinn - With the new contract is probably going to be \$700,000; it goes in the general fund.*

*Mayor Holland - So, what are some of the other franchise fees? Mr. Quinn - It is mostly utility related; water, sewer, etc. Mr. Landon - Franchise fees are often thought of basically the same as rental fees; the right to use our right of way; all things you would see in our right of way unless the State exempts us from charging.*

*Mayor Holland - Has the City done a projection for that (franchise agreement with FPL)? Mr. Quinn - A typical franchise fee is 6%; that would generate approximately \$4 mil. a year to put their poles in our rights of way. Mr. Landon - It would probably be a line on residents' electric bill; 6% of usage; it does not cover 6% of the total bill.*

*Mayor Holland - Have you ever seen a franchise fee agreement where it does not allow alternative uses; a noncompete? Mr. Landon - In today's world with solar and wind, that is probably out of date. We have not looked at this for a while; we are not prepared to answer that.*

*Mayor Holland - Is that the only other option of a franchise fee agreement, TECO and solid waste? Mr. Quinn - TECO Gas, solid waste; the only other one that would have any significance as far as money would be FPL.*

*Mayor Holland - And those are unrestricted funds; could it be specifically earmarked for a project? Mr. Landon - Yes, sure it can by City Council policy; you can adopt a resolution, etc. Mr. Quinn - There is a lot of flexibility with how they are structured; one area where there might be some restriction is if you ever levied that category source and attached it to a bond.*

*Mayor Holland - The \$5 mil. annually, is that something that you have done a study on to see how that would generate? Mr. Quinn - He stays in contact with FPL*

periodically, and they provide us with data and those calculations.

Mayor Holland - And that is based on what, consumption use? Mr. Quinn - Basically, based on consumption use.

Mr. Quinn - With the way electric use goes the percentage is more 75% residential/25% business (real estate taxes it is 85%/25%).

Mayor Holland - Did you ever do an assessment of what it would be on an average bill? Mr. Quinn - He didn't have that information with him, but he can get it to Council.

There was discussion about the tax that expired after 10 years that the City used for street resurfacing; the County had the option of putting it back on the ballot to renew it or what they did was get the Small County Surtax which is the same but it did not take voter approval but super majority.

Mayor Holland asked about the rate (and use determined) by Council for public service (utility) tax. Mr. Quinn - 10% is the max., so City Council could say let's do 2%; whatever makes sense.

CM Klufas - So \$5 mil. a year, is that revenue generated by FPL or is that a subset of what we are? Mr. Quinn - \$50 mil. is a portion of the electric bills in Palm Coast; like 60% of the electric bills.

Mayor Holland - The Council will have to come up with some type of decision on, this is how much revenue we are generating at status quo; if we were to increase the millage rate we would generate this, and it could be applied towards a project; or adopting different diversification of revenue sources without increasing the millage rate or go back to the rollback rate that we could afford to pay for services and projects identified in the SAP, is that a fair statement? Mr. Landon - Yes.

CM Klufas - What are we trying to get each year, what do we need? Mr. Quinn - He does not know what that number is; we have discussions about new processes and programs; Council will have to let staff know. VM Nobile - Like 4%-5% increase each year.

CM Klufas - Are there any opportunities for investments in our existing infrastructure whether it be utility or City operations that could allow us to reallocate resources to other jobs or local tasks they were assigned to; like meter reading for wired meters; moving to another system; would be there a better use of our investments that would justify cost savings, etc.? Mr. Landon - Absolutely, meter readers is one of them; eventually the meters will be read where you don't have to drive by them at all. That might not actually save us dollars but may reduce the increases, because those same meter readers are the ones that fix the leaks, change out the meters, turn the water off and on, etc.

>Benefits of Revenue Diversification slide:

Mayor Holland - What is the percentage of commercial versus residential (taxes)? Mr. Quinn - 85% residential property taxes.

>Estimated Taxable Values 2017 Worksheet, which is attached to these minutes:

VM Nobile - What was last year's (taxable value increase)? last year. Mr. Quinn - It was 5% also last year, probably closer to \$200 mil.

CM Cuff - Does the proposed amendment affect the school tax? Mr. Quinn - No.

Mayor Holland asked for the worksheet to be emailed to Council.

**The Presentation was Received and Filed.**

**E. WRITTEN ITEMS**

- 5**     [17-255](#)     RESOLUTION 2017-XX APPROVING THE PRE-ANNEXATION AGREEMENT WITH SUNBELT PALM COAST MARINA, LLC, AND WGA INVESTMENTS, LLC, FOR THE PROPERTY KNOWN AS MARINA DEL PALMA
- (Written items #5-#11 were heard at this time, before lunch and before Item #4 - the overview of property taxes presentation).*
- Mr. Landon gave a brief overview of this Item 5 and the related Item 6. Mr. Falgout presented a map that is attached to this agenda item.*
- Mayor Holland asked if Sunbelt Palm Coast, LLC, is looking to annex into the City; that is what she was told. Mr. Landon stated all of those areas south of the proposed orange area (on the map) have been in here looking for annexation.*
- VM Nobile - Do we have a better picture of the proposal? Mr. Falgout - Yes, we should be able to get one.*
- The Resolution was Continued.**
- 6**     [17-256](#)     ORDINANCE 2017-XX RELATING TO THE VOLUNTARY ANNEXATION OF THE PROPERTY KNOWN AS MARINA DEL PALMA
- This item was discussed under Item 5.*
- Mayor Holland - Would that be two readings? Mr. Landon - Yes.*
- Mayor Holland - Would that be quasi-judicial? Attorney Reischmann - Annexations are not quasi-judicial.*
- The Ordinance was Continued.**
- 7**     [17-242](#)     ORDINANCE 2017-XX AMENDING CHAPTER 2, ADMINISTRATION, ARTICLE VI, RETIREMENT DIVISION 2, VOLUNTEER FIREFIGHTER RETIREMENT SYSTEM AND TRUST FUND
- Mr. Landon gave a brief overview of this item.*
- Mayor Holland - What was the purpose of them bringing it forth? Mr. Christopher Quinn, Finance Director - Annually, the pension attorney they review the pension ordinances for all of their plans and they factor in any tweaks to the language based on new interpretations of the State or case law that they may have been involved in with other plans to clarify some of the language; it really changes nothing as far as the plan goes. It just rewords some of the legalese that is in there.*
- Mayor Holland - You are comfortable with the changes? Mr. Quinn - Yes, he contacted the plan actuary and the actuary provided us with a new impact letter; this has zero impact on the plan.*
- CM Shipley - Can you give us the two versions, before and after, so we can see the difference? Mr. Quinn - Yes. Attorney Reischmann - It is really a technical change for availability of the benefits depending on termination for medical reasons or not.*

**The Ordinance was Continued.**

- 8     [17-258](#)     RESOLUTION 2017-XX GRANTING A RIGHT-OF-WAY AGREEMENT TO FPL AS REQUIRED FOR THE SOUTHERN WELLFIELD EQUIP 5 WELLS & RAW WATER MAIN, PHASE 2 PROJECT

*Mr. Landon gave a brief overview of this item.*

*No Council questions.*

**The Resolution was Continued.**

Enactment No: R2017-76

- 9     [17-259](#)     RESOLUTION 2017-XX APPROVING THE INTERLOCAL AGREEMENT WITH THE CITY OF BUNNELL TO MAINTAIN FDOT TRAFFIC SIGNALS WITHIN BUNNELL CITY BOUNDARIES

*Mr. Landon gave a brief overview of this item.*

*Mayor Holland - Did the City of Bunnell approve this? Mr. Landon - Yes, and asked for one adjustment; electric charges and costs; to remove "and costs." Other than that, it has been approved.*

**The Resolution was Continued.**

Enactment No: R2017-72

- 10    [17-228](#)     RESOLUTION 2017XX APPROVING PIGGYBACKING FLORIDA SHERIFFS ASSOCIATION CONTRACT #FSA16-VEH14.0 WITH TRADEWINDS POWER CORPORATION FOR THE PURCHASE OF 30 KW GENERATOR, TRANSFER SWITCH, ENCLOSURE, AND INSTALLATION

*Mr. Landon gave a brief overview of this item.*

*Mayor Holland - Where is the money coming out of? Mr. Landon - Utility fund, out of the capital.*

**The Resolution was Continued.**

Enactment No: R2017-74

- 11    [17-257](#)     RESOLUTION 2017-XX APPROVING PIGGYBACKING ORANGE COUNTY'S CONTRACT WITH FISHER SCIENTIFIC, LLC, TO PURCHASE AIR PAKS AND RELATED FIRE EMERGENCY RESPONSE SUPPLIES

*Mr. Landon gave a brief overview of this item.*

*No Council questions.*

*(Lunch break 11:52 am-12:30 pm)*

**The Resolution was Continued.**

Enactment No: R2017-75

**F. PUBLIC PARTICIPATION**

**Public Participation shall be held in accordance with Section 286.0114 Florida Statutes. After the Mayor calls for public participation each member of the audience interested in speaking on topics on the workshop agenda or any topic or proposition not on the agenda, shall come to the podium and state their name. Each speaker will have up to three (3) minutes each to speak. The Mayor will advise when the three (3) minutes are up and the speaker will be asked to take a seat and wait until all public comments are finished to hear answers to all questions. Once all members of the audience have spoken, the Mayor will close public participation and no other questions/comments shall be heard. Council and staff will then respond to questions posed by members of the audience. Should you wish to provide Council with any material, all items shall be given to the City Clerk and made part of the record. If anyone is interested in discussing an issue further or ask additional questions, individual Council Members and staff will be available after the meeting to discuss the matter and answer questions.**

*Robert MacDonald questioned why we have 15-20 employees sitting there at meetings; tax dollars, etc. He does not understand the purpose of having employees at a meeting if they are not going to contribute to the meeting.*

*Robin Rucker - Fieldstone Lane - Against the multipurpose bike path in the FPL easement. Old Kings Rd. is the proper place for the path. She has 50 signatures to stop this. When in Palm Coast, does no mean no?*

*Richard Mayo - F Section - Against the multipurpose bike path in the FPL easement. He hoped they would have put the sidewalk in when the school opened; they repeatedly asked for a sidewalk on Old Kings Rd. The young resident that was killed was a pedestrian, not going to the school. You have a grassy area along Old Kings Rd. for the path.*

*Woman resident (PSM-could not make out name) moved from Germany 2008; moved here recently - Against the multipurpose bike path in the FPL. When the kids are going to school, they are going to have to go to Old Kings Rd. to get through the easement; high voltage wires; it makes no sense to do that.*

*Judy - moved here 2002, - Against the multipurpose bike path in the FPL easement. Old Kings Rd. was already on the 5-year plan. She is across the street from the easement where the path is going to be. She is very concerned about dangerous snakes, possibility of fire from cigarette smoking. Put it on Old Kings Rd.*

*Ron Criscione - Against the multipurpose bike path in the FPL easement. He lives right behind there. How is the police going to protect the kids in that area? They are not going to be able to get back there.*

*Responses:*

*Mr. Landon - Employees at meetings - It is not just for people to answer questions. It is our culture and to make sure they are involved in the process. The directors need to know Council's discussions.*

*Mr. Landon - Path in FPL easement - this particular one has an interesting history. This is the second path that got started before he got here; connecting Matanzas High School, and construction started shortly after he got here. When construction was 85%-90% complete, residents demanded that we stop the path so we did. The design will be done within a few days; it was in the works 3-4 years. Do you spend your dollars on a temporary path or wait? So we worked on other paths that we would*

*not have to rip out. That program was centered around schools. Old Kings Rd. Extension, all of those were part of the overall plan. There is another side that Council had approved. Then there was the tragedy on Lakeview and students got involved. Council instructed staff to put in the path and lighting. It was not his idea. We would only have to pay for the asphalt. Staff came up with a way to get it done as instructed without going over budget. Do you have to pave this path, can you kill it? Sure. It is a waste of money to put in a path that you are going to tear out? It is up to City Council. We are just trying to be responsive.*

#### **G. DISCUSSION BY CITY COUNCIL OF MATTERS NOT ON THE AGENDA**

*VM Nobile - Town meeting last Wednesday; there is great opposition to this path. When there is that much opposition, you have to find a better way. There were a bunch at the town meeting and they were very upset because the people they were talking to (staff), could not make the decisions. We threw the kids in front of them, but the people were totally against the proposal. He does not like it. They all need to be heard before we make our decision. He would like to see it pulled, and he would like to see it listed on the agenda. We need to redo this process and give the residents a chance to say their piece and to see all the options. He does not understand why we cannot put a temporary path on Old Kings Rd. He would like to see multiple options and costs. He would also like to talk to the school board to let them know that path is going to be shut down temporarily when the Old Kings Rd. project is going to be done.*

*CM Shipley said it was a blood bath. She walked the path and she thought it would not be safe. She agrees it needs to be pulled and put on the agenda.*

*Mr. Landon will put on the agenda for next week.*

*CM Klufas - He had a good meeting with the government affairs director from Verizon; he thinks there may be an opportunity here to solve a few problems. CM Klufas was also a little bit disgruntled about the way the timing worked out. He is hopeful that Verizon can come in and give the presentation for installation of lights on a path like this; they also have emergency call buttons on lamp posts and two-way radio and one-way video; it could be a means for the Sheriff's office to help synergize, etc. Mayor Holland stated we do not want to spoil the purchasing process by asking one particular vendor to come and give a presentation in advance of bringing a proposal. VM Nobile - We could do an RFI (Request for Information). He wants to see all options available.*

*CM Klufas asked Mr. Landon if he interprets him asking for Verizon to come and give a smart city webinar initiative; as him declaring his preference for Verizon. Mr. Landon said it taints the system when a Council Member meets with a vendor who is basically lobbying for our business. If they get to City Council Members and you come forth and mention Verizon, yes, then all the others say why didn't they get the same opportunity and that is when the process gets tainted.*

*VM Nobile wants to see all options, not just Verizon.*

*CM Cuff would like to know what other technology is available within the constraints of our purchasing policy.*

*There was discussion that the technology options should be presented to Council without the company/vendor names.*

#### **H. DISCUSSION BY CITY ATTORNEY OF MATTERS NOT ON THE AGENDA**

*No comments.*

**I. DISCUSSION BY CITY MANAGER OF MATTERS NOT ON THE AGENDA**

*This Friday (6/16/17) opening 5-8 p.m. of Holland Park, ribbon-cutting ceremony at 5:30 p.m. If it is raining, Tuesday (6/20/17) at 8:00 a.m. will be the rain date.*

**J. ADJOURNMENT**

*The meeting was adjourned at 2:31 p.m.*

*Respectfully submitted,  
Barbara Redline*

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MEETINGS CALENDAR AND AGENDA WORKSHEET

[17-266](#)

ATTACHMENTS TO MINUTES