



MINUTES
REGULAR CITY COUNCIL MEETING
SEPTEMBER 9, 2009 AT 6:00 P.M.
CITY HALL, 116 FIRST STREET,
NEPTUNE BEACH, FLORIDA

Pursuant to proper notice a Regular Meeting of the City Council of the City of Neptune Beach was held September 9, 2009 at 6:00 p.m., in the City Hall Council Chambers, 116 First Street, Neptune Beach, Florida.

Attendance

IN ATTENDANCE:

STAFF:

Mayor Harriet Pruette
Vice Mayor John Weldon
Councilor Fred Lee
Councilor Eric Pardee
Councilor Kara Tucker
City Attorney Christopher White
City Manager Jim Jarboe
City Clerk Lisa Volpe, CMC

Community Development Director Amanda Askew
Director of Finance Steve Ramsey
Director of Public Safety David Sembach
Director of Public Service Leon Smith

Order Call/Pledge

Mayor Pruette called the meeting to order at 6:00 p.m. and asked Councilor Tucker to lead the Pledge of Allegiance.

Ord. No. 2009-08

ORDINANCE NO. 2009-08, ADOPTING FINAL MILLAGE RATES, FIRST READ AND PUBLIC HEARING: AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, ADOPTING FINAL MILLAGE RATES AND LEVYING AD VALOREM TAXES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2009, AND ENDING SEPTEMBER 30, 2010; SETTING FORTH CERTAIN INFORMATION REGARDING "ROLLED-BACK RATES"; DIRECTING THE CITY MANAGER TO ADJUST THE ADOPTED MILLAGE RATES IN THE EVENT OF CHANGES IN THE ASSESSMENT ROLL AND TAXABLE VALUE; PROVIDING AN EFFECTIVE DATE.

Mayor Pruette stated she respected and appreciated the Council's diligent and thoughtful deliberation regarding how best to address the city's revenue shortfall. She also appreciated and commended the hard work city staff put into the budget and their efforts to reduce the effect of the revenue shortfall.

City Manager Jarboe explained staff faced a challenge this year of reducing the budget to cover the \$338,000 shortfall of state revenue and property tax and an additional \$83,000.

Mayor Pruette read Ordinance No. 2009-08 by title only and opened the public hearing.

Lee Hope, 324 Driftwood Road, supported an increase in the millage rate and felt Council should vote on the budget as proposed.

William Jones, 506 Rosebud Lane, a retired Neptune Beach Police Officer, supported an increase in the millage rate.

Scott Wiley, 723 Davis Street, supported an increase in the millage rate. He encouraged Council to support the budget unanimously.

There being no further comments from the public, the public hearing was closed.

Councilor Pardee asked Finance Director Ramsey what the proposed millage rate would be if the sanitation and stormwater fees were not included in property taxes. Mr. Ramsey replied if the stormwater and sanitation fees were not included in property taxes the proposed millage rate of 3.22 could be lowered to 3.0510. The Council would need to adopt a Resolution to increase the stormwater and sanitation fees \$2.00 each at the next Budget meeting.

City Manager Jarboe was concerned that next year the State would cap the millage rate on all Florida cities. This could hurt Neptune Beach if the millage rate was not increased to 3.22.

Mayor Pruette was concerned taxes would have to be raised again in the near future if the Council voted for the lower 3.0510 millage rate. She felt stormwater and sanitation fees should be addressed during this budget process.

City Manager Jarboe stated the issue of raising the stormwater and sanitation fees or including them in property taxes was a policy issue to be determined by the Council not the staff.

Vice Mayor Weldon suggested Council agree to increase the millage rate to 3.0510 and adopt a Resolution implementing a \$2.00 increase in both the sanitation fee and stormwater fee.

Councilor Tucker stated she was against raising taxes but at this point she would support the lower millage rate of 3.0510.

Councilor Lee explained his strategy was to make sure the city had reduced expenses as much as possible before raising the millage rate. He would support the 3.0510 millage rate if Council agreed to the following conditions: 1) the sanitation and stormwater fee would not be included in the property tax rate, 2) Council will commit to reviewing the sanitation contract within the next two months, 3) a study to be conducted on city vehicle usage and the efficiency of those vehicles prior to next budget season, 4) Council begin the next year budget process three months earlier, and 5) the Senior Center to become financially self sufficient and phased out of the city budget within two years.

Mayor Pruette stated she would like to hold a budget meeting in January 2010 to brainstorm ideas that would increase city revenue. She agreed with reviewing the sanitation contract.

Councilor Pardee agreed with Councilor Lee's suggestions. He felt the stormwater and sanitation fees should not be included in property taxes. By not including these fees in property taxes each citizen would pay the same flat rate. These fees could also be changed by Resolution if necessary.

Moved by Pardee, seconded by Weldon.

Motion: **TO SET THE MILLAGE RATE FOR 2009/10 FY AT 3.0510 AND ALSO IMMEDIATELY ADDRESS A RESOLUTION TO ADJUST THE STORMWATER AND SANITATION FEES TO COMPENSATE FOR THE SHORTFALLS AND TO PASS ORDINANCE NO. 2009-08 ON FIRST READ.**

Mayor Pruette suggested including the increased amount of stormwater and sanitation fees in the motion. City Attorney White stated these fees must be raised by Resolution.

City Manager Jarboe stated Council needed to schedule a meeting for the second read of the ordinance. City Clerk Volpe stated the meeting for second read is scheduled for September 21, 2009.

For the Record Vice Mayor Weldon stated for the record the Resolution increasing stormwater and sanitation fees will be presented at the next meeting.

Roll Call Vote:

Ayes: 3 - Lee, Pardee, Weldon

Noes: 2 - Tucker, Pruette

MOTION FAILED

City Manager Jarboe stated the motion failed because at least 4 positive votes were necessary to increase the millage rate. The rate would automatically defer to the roll-back rate of 2.8 unless an opposing member presented a new motion.

Vice Mayor Weldon stated the Council had a responsibility to the entire community to act in a fiscally prudent manner. He felt for council members to oppose the motion without an explanation or suggestion was not prudent. He asked Mayor Pruette for her recommendation.

Mayor Pruette stated the Council had no other choice but to raise taxes and explained her reason. If you increase the millage rate to 3.2260 on a property assessed for \$350,000 the monthly increase would amount to \$9.12. But if you increase the millage to 3.0510 on the same home the increase would amount to \$4.75. Then when you add the \$4.00 increase in stormwater and sanitation fees the increase becomes \$8.75 which is only a .37 cent difference. She felt increasing the fee was simply another way of increasing taxes. She felt increasing the millage to 3.22 would be reasonable in case the State decides to cap city millage rates.

Vice Mayor Weldon asked Mayor Pruette if she would support raising the millage rate to 3.2260 if it included the stormwater and sanitation fees. Mayor Pruette replied she would support the 3.2260 if it included stormwater and sanitation fees.

Vice Mayor Weldon asked Councilor Tucker what she would propose. Councilor Tucker responded she heard from citizens who did not want a tax increase. She agreed the sanitation contract needed to be reviewed. She would support the lower millage rate increase of 3.0510.

Mayor Pruette added if the stormwater and sanitation fees were included in the property taxes they could be deducted from the Federal Income Tax.

Vice Mayor Weldon stated there was now 4 in favor of the 3.0510 millage rate. He encouraged the Council to support the original motion.

Councilor Lee stated he wanted a commitment from Council that the sanitation contract and the stormwater fees will be reviewed. He felt it was important for the citizens to understand the city has been supplementing the sanitation and stormwater. He believed once these fees were removed from the budget the Council would have the ability to see what department heads have actually cut from their budgets. He added one department within the General Fund budget was showing a 2% reduction in their budget. This was only because they did not receive a grant for this budget year. He felt that was not a cost savings to the city and the department could be more efficient.

Mayor Pruette stated she would support the 3.0510 millage rate increase.

City Attorney White advised someone on the opposing side needed to make a motion to reconsider the vote of the original motion.

Moved by Mayor Pruette, seconded by Weldon.

Motion: **TO RECONSIDER THE VOTE OF THE ORIGINAL MOTION.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

Moved by Pardee, seconded by Weldon

Motion: **SUBMIT THE MOTION AGAIN AS PREVIOUSLY STATED WITH THE INTENT THAT THE COUNCIL DO ITS BEST TO TRY TO REDUCE THE STORMWATER AND SANITATION FEES.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

Ord. No. 2009-09 ORDINANCE NO. 2009-09, ADOPTING A FINAL BUDGET, FIRST READ AND PUBLIC HEARING: AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA ADOPTING A FINAL BUDGET AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2009, AND ENDING SEPTEMBER 30, 2010; PROVIDING AN EFFECTIVE DATE.

Mayor Pruette read Ordinance No. 2009-09 by title only and opened the public hearing.

Scott Wiley, 723 Davis Street, felt it was necessary for the city to increase the millage rate. He agreed the city could find areas to reduce fees in the sanitation contract.

There being no comments from the public, the public hearing was closed.

Mayor Pruette voiced concern that the reserve fund was way too low and needed to be increase to 25% of operating expenses in case there is a major disaster. She felt the city needed to work harder to increase that fund. If there is a disaster, she felt all non-essential funding should be placed into the reserve fund.

Moved by Weldon, seconded by Pardee.

Motion: **TO PASS ORDINANCE NO. 2009-09 ON FIRST READ APPROVING THE CITY BUDGET AS SUBMITTED BY STAFF BASED ON A 3.0510 MILLAGE RATE.**

Councilor Lee agreed the Reserve Fund needed to be increased from 21% of operating cost to 25%. He stated the stormwater and sanitation fees will be removed from the General Fund which could help the reserve fund. He added the budget also reflected that all employees would not be receiving a pay increase this fiscal year.

Councilor Pardee felt budget cuts should be given back to the tax payers instead of being placed in the reserve fund.

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

Mayor Pruette stated the next budget meeting would be held on September 21st at 6:00 p.m.

Mayor Pruette recessed the meeting at 6:50 p.m. The meeting reconvened at 6:55 p.m.

AWARDS / PRESENTATIONS / RECOGNITION OF GUESTS / NONE

APPROVAL OF MINUTES

Moved by Councilor Lee seconded by Councilor Tucker.

Minutes

Motion: **TO APPROVE THE FOLLOWING MINUTES:**

AUGUST 3, 2009, BUDGET CITY COUNCIL MINUTES
AUGUST 3, 2009, REGULAR CITY COUNCIL MEETING
AUGUST 17, 2009, SPECIAL CITY COUNCIL MEETING
AUGUST 17, 2009, BUDGET CITY COUNCIL MEETING
AUGUST 17, 2009, WORKSHOP CITY COUNCIL MEETING

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

COMMUNICATIONS AND CORRESPONDENCE

Mayor Pruette disclosed she spoke with Daryl Grubbs and Curtis Winter regarding the Pine Street right-of-way.

Mayor Pruette stated as Mayor she would like her agenda to be one sided and have tabs. However, she liked receiving the e-mails and other correspondence double sided and felt the double sided copies saved the city money.

Councilor Pardee stated he also spoke with Mr. Grubbs regarding the Pine Street right-of-way. He preferred having his e-mail forwarded to him. He did not have a preference to how his agenda was put together.

Vice Mayor Weldon also disclosed he spoke with Mr. Grubbs and Mr. Wiley regarding the Pine Street right-of-way.

Councilor Tucker stated she also spoke with Mr. Grubbs regarding the Pine Street right-of-way.

Councilor Lee also disclosed he spoke with Mr. Grubbs.

CITY MANAGER REPORT

City Manager Jarboe reported the following:

- He would be working with the City of Jacksonville regarding Green Grants.
- The In-Pipe Technology has lowered the nitrogen and reduced a lot of the fat in certain lift stations. It also has reduced the amount of bugs in the system.

COMMENTS FROM THE PUBLIC

John Holmes, 914 Forest Street, opposed allowing parking on the Pine Street right-of-way.

Michael Harrigan, 910 Forest Street, opposed any additional parking on Pine Street. He felt it

would have a serious impact on the abutting residential property.

Robert Harding, 839 Forest Street, opposed the request to use the Pine Street right-of-way for parking. He presented a petition signed by neighbors opposing the request.

Theresa Zirkle, 843 Fourth Street, opposed the request to use the Pine Street right-of-way for commercial parking.

CONSENT AGENDA

CARRIBBEE ASSOCIATES, LLC, SIDEWALK LEASE AGREEMENT

RELAY FOR LIFE

Moved by Weldon, seconded by Lee.

Motion: **TO APPROVE THE CONSENT AGENDA.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette

Noes: 0

MOTION CARRIED

Councilor Pardee reminded the restaurants to keep the sidewalks clean.

VARIANCES / NONE

ORDINANCES

Ord. No. 2009-07

ORDINANCE NO. 2009-07, ALCOHOLIC BEVERAGES, SECOND READ AND PUBLIC HEARING: AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF NEPTUNE BEACH, FLORIDA DELETING CHAPTER 4 ALCOHOLIC BEVERAGES, SECTION 4-7 EMPLOYEES AND PROVIDING AN EFFECTIVE DATE.

Vice Mayor Weldon stated he introduced this Ordinance to eliminate the requirement that the City assist the State in enforcing background checks and fingerprinting of restaurant employees.

Mayor Pruette read Ordinance No. 2009-07 by title only and opened the public hearing.

There being no comments from the public, the public hearing was closed.

Moved by Weldon, seconded by Pardee.

Motion: **TO ADOPT ORDINANCE 2009-07 ON SECOND READ AND PUBLIC HEARING.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette

Noes: 0

MOTION CARRIED

OLD BUSINESS / NONE

NEW BUSINESS

PDRB-09-10

PDRB-09-10, PINE STREET RIGHT-OF-WAY:

Pine Street R-O-W

Councilor Lee explained due to a conflict of interest he would like to abstain from the vote. City Attorney White advised Councilor Lee to also abstain from the discussion.

Mr. Daryl Grubbs explained the primary objection of the Planning and Development Review Board was no public access to the parking area. He distributed a modified plan that added a driveway to provide direct public access to the parking area from Third Street. He felt the additional parking would not create more business for the office park but would make it easier and safer for the occupants of the building to park. The parking area would not create a drainage issue because it would be constructed of gravel. It would not be a noise problem because cars would primarily park there from 9:00 a.m. to 5:00 p.m. The trees and shrubs would be relocated to the north side of the property. The new parking area could also be used for a Trolley station and would count toward additional funding for the Beach Renourishment Project with no cost to the City.

Mayor Pruette asked Mr. Grubbs if he had received approval from the Florida Department of Transportation. Mr. Grubbs replied he would have to seek approval from the FDOT if it approved by the Council.

Moved by Weldon, seconded by Tucker.

Motion: **TO ACCEPT THE RECOMMENDATION OF THE PLANNING AND DEVELOPMENT REVIEW BOARD TO DENY THE REQUEST.**

Vice Mayor Weldon stated he has consistently disagreed with abandonment of right-of-ways. He opposed the proposal because he did not see a genuine hardship or good enough reason to sacrifice the public right-of-way.

Councilor Pardee stated he could see both sides of proposal. He felt the parking lot would serve the city well but he was also considering the opposition from the neighbors.

Roll Call Vote:

Ayes: 4 – Pardee, Tucker, Weldon, Pruette
Noes: 0
Abstain: 1 – Lee

MOTION CARRIED

PDRB-09-11
Sun Dog
207 Atlantic Blvd.

PDRB-09-11, EXPANSION OF SPECIAL EXCEPTION FOR SUN DOG OUTDOOR DINING, 207 ATLANTIC BOULEVARD: Community Development Director Amanda Askew explained the application for the Special Exception was for sixteen additional outdoor seats to be placed on the west side of the restaurant between the building and the parking lot.

Mayor Pruette stated the Planning and Development Review Board recommended approval of the additional outdoor seating as long as it was a non-smoking area.

Mr. Curtis Winter, owner of the Sun Dog Restaurant added the new outdoor seating will be consistent with the existing outdoor seating in the front of the building.

Mayor Pruette requested that Mr. Winter install cigarette butt containers.

Moved by Weldon, seconded by Lee.

Motion: **TO APPROVE PDRB 09-11, EXPANSION OF SPECIAL EXCEPTION FOR SUN DOG OUTDOOR DINING, 207 ATLANTIC BOULEVARD.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

Waste Pro

WASTE PRO MINORITY SALE: City Manager Jarboe stated the Waste Pro contract provided that any sell of interest over 20% be approved by the City Council.

Vice Mayor Weldon asked if the City would be giving up negotiating leverage. Finance Director Steve Ramsey stated the City would not lose negotiating leverage.

Moved by Weldon, seconded by Lee

Motion: **MOVE TO STRIKE FROM THE WASTE PRO CONTRACT THE MINORITY SELL PROVISION.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

TMDL Grant

LANDSCAPE IRRIGATION ORDINANCE AND COST SHARING AGREEMENT FOR REUSE AND TMDL GRANT: City Manager Jarboe explained the Cost Sharing Agreement was for a \$950,000 Grant through the St. Johns River Water Management District. They agreed to match the city with a \$700,000 grant for the rehabilitation of the sewer plant for TMDL and \$250,000 for reuse. A requirement for the grant was the city would have to implement their rules and regulations regarding water conservation.

Moved by Lee, seconded by Pardee.

Motion: **TO APPROVE THE COST SHARING AGREEMENT FOR REUSE AND TMDL GRANT.**

For the Record

Vice Mayor Weldon stated for the record he would like to remind the public this would mean the city would have to comply with the St. Johns River Water Management District watering limitations. This would radically limit the amount of water that could be applied to your lawn.

City Manager Jarboe stated currently everyone in the lower St. Johns River area was required to abide with the regulations. The St. Johns River Water Management District would continue to enforce these regulations. However, the city would also be required to take code enforcement action if a complaint was received.

Councilor Pardee felt the consequence of the watering requirement was worth the cost sharing agreement.

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

Res. No. 2009-10

RESOLUTION NO. 2009-10: A RESOLUTION APPOINTING MEMBERS TO THE PLANNING AND DEVELOPMENT REVIEW BOARD.

Richard Keene introduced himself to the Council. He stated that he previously served on the Code Enforcement Board. He was now retired from practicing law and would like to serve on

the Planning & Development Review Board.

Moved by Weldon, seconded by Tucker.

Motion: **TO APPROVE RESOLUTION 2009-10.**

Roll Call Vote:

Ayes: 5 – Lee, Pardee, Tucker, Weldon, Pruette
Noes: 0

MOTION CARRIED

OPEN DISCUSSION

Councilor Pardee asked to place the discussion of leasing public property on an upcoming workshop agenda.

Vice Mayor Weldon agreed the City needed a policy regarding abandonment of right-of-ways.

For the Record Mayor Pruette stated for the record she has always been against abandonment of public property. She would place the issue on the September workshop agenda.

Adjournment There being no further business, the meeting adjourned at 7:45 p.m.

Harriet Pruette, Mayor

ATTEST:

Lisa Volpe, CMC, City Clerk

Approved: