



MINUTES
WORKSHOP CITY COUNCIL MEETING
JULY 19, 2010, AT 6:00 P.M
CITY HALL, 116 FIRST STREET
NEPTUNE BEACH, FLORIDA

Pursuant to proper notice a Workshop Meeting of the City Council of the City of Neptune Beach was held July 19, 2010 at 6:00 p.m., in the Council Chambers, City Hall, 116 First Street, Neptune Beach, Florida.

Attendance:

IN ATTENDANCE:

STAFF:

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

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

Call to Order/Roll
Call

Mayor Pruette called the meeting to order at 6:00 p.m.

PRESENTATIONS

FMIT

TOM CONLEY – FLORIDA MUNICIPAL INSURANCE TRUST: Mr. Tom Conley stated he was present only to thank the city for purchasing insurance through Florida Municipal Insurance Trust. He explained Florida Municipal Insurance Trust was a non-profit insurance trust administered by the Florida League of Cities. They return money to cities if no major storms occur during the year and they would be sending a check to Neptune Beach for approximately \$26,000 this year. City Manager Jarboe asked Mr. Conley how much money they returned to the City last year. Mr. Conley replied they refunded the City \$23,000 last year.

Councilor Weldon asked if they only provided property damage insurance. Mr. Conley replied they also provided general liability for public officials, police liability, auto, property, medical and workers compensation.

Water & Sewer
Rate Study

BURTON & ASSOCIATES – WATER & SEWER RATE STUDY: City Manager Jarboe stated a representative from Burton and Associates was here to give a presentation on the Water & Sewer Rate Study.

Mr. Andy Burnham, Senior Vice President & Project Manager explained the last time the water and sewer rate study was conducted was in 2007. At that time the Council adopted a three year rate adjustment the last of which was effective this current fiscal year.

The purpose of the rate study was to evaluate the financial status and performance of the water and sewer enterprise fund. The objective was to develop a financial management plan that would; 1) satisfy operating and capital cost requirements, 2) ensure financial solvency and regulatory compliance, 3) Establish and maintain adequate operating reserves, and 4) minimize rate increases to customers.

He estimated the cost of capital improvement requirements from 2010 to 2020 would amount to \$8.9 million dollars. This included the following:

- Nitrogen removal solution - \$1.9 million
- Future sewer line replacement – \$2.6 million
- Future water line replacement - \$1.9 million
- Other infrastructure, sewer and reuse projects - \$0.8 million
- Renewal, replacement, and rehabilitation projects - \$1.7 million

He explained there was a negative operating reserve balance at the end of fiscal year 2009 of \$660,000. The City should have a target balance of \$480,000 to cover three months of operating and maintenance expenses. The City is currently \$1.1 to \$1.2 million dollars from where it should be on an operating reserve point.

He stated water consumption has declined due to the current economic conditions, conservation awareness and other factors. This resulted in reduced revenues of an estimated \$2.8 million.

The goals of the study were to establish and maintain operating reserves equal to three months of operating and maintenance by fiscal year 2014, fund the capital improvement plan and develop a plan of annual rate adjustments.

He presented the following rate adjustment plans to the Council:

1. Plan 1: A one-time rate adjustment of 20.5% in fiscal year 2011 followed by inflationary adjustments of 2.5% beginning fiscal year 2012 through fiscal year 2015.
2. Plan 2: A level multi-year plan of adjustments – increasing the rate 7.8% in 2011, 7.8% in 2012, 7.9% in 2013, 7.9% in 2014 and 2.5% in 2015.

The conclusions were that the current rates did not meet certain critical financial requirements and without the rate adjustments the reserve balance would become increasing negative and the City would be in default of the State Revolving Loan Agreement.

The recommendation was to implement either of the two plans of annual rate adjustments and to update the revenue sufficiency analysis annually to verify or modify rate adjustments plan based upon economic conditions.

Mayor Pruette stated the previous auditors had noted the water and sewer funds were deteriorating. She asked Council if they had any questions or comments.

Councilor Tucker commented that she would like to see a comparison of water rates to other similar cities.

Councilor Weldon asked Mr. Burnham if they had any samples of similar size communities in Florida that were charging similar rates. Mr. Burnham replied the rate adjustment plans were comparable to other small communities.

Vice Mayor Lee stated the reserve funds were in the negative before the previous water and sewer rate study and those three rate adjustments were going to build up the three months of operating reserves. He questioned if the decrease in consumption was why the reserves were still negative. Mr. Burnham responded that was correct in addition to the unoccupied homes and commercial buildings. Vice Mayor Lee questioned if the operation of the water and sewer system was efficient. Mr. Burnham replied the operating cost have been reduced and the reduction in water usage was the sole cause of the revenue difference.

Councilor Pardee clarified the operating reserve funds were used in case of emergencies. Mr. Burnham replied the reserves were intended for liquidity purposes, monthly variances and cash flow due to weather patterns and seasonal demands also the timing of writing checks verses when the revenue was received. The reserves are also used for unanticipated operating expenses associated with a natural disaster. Councilor Pardee asked how much the City was short on reserves. Mr. Burnham replied the reserve funds were a negative \$700,000. Councilor Pardee asked if he was correct in the explanation that Plan 1 would increase the reserves by 2012 and Plan 2 would increase the reserves by 2014. Mr. Burnham responded under Plan 2 the reserves would break even at a zero reserve.

Mayor Pruette added if the water consumption changed and people started using more water the reserves could increase faster. She also said that once people got used to conserving they would continue to conserve. Mr. Burnham stated if that was to happen the City could evaluate the rate adjustment plan.

Mayor Pruette thanked Mr. Burnham for an excellent presentation and asked Council if they wanted to forward the water and sewer rate adjustment to the August workshop meeting.

City Manager Jarboe stated an Ordinance would need to be prepared in order to adjust the water and sewer rates. The Ordinance would require two readings and a public hearing to notify the rate payers. Mr. Burnham added the process would need to be started at least 30 in advance of the public hearing.

Mayor Pruette stated she would call a Special Meeting prior to the regular August meeting for discussion.

Consensus: **FORWARD TO A SPECIAL MEETING PRIOR TO THE REGULAR AUGUST MEETING.**

FIND Island

JOHN DAVIS – JTA – F.I.N.D. MITIGATION SITE SCHEDULE: Mr. John Davis distributed copies of the Mitigation Site Schedule to Council. The schedule is as follows:

- June 15, 2010 – SJRWMD and ACOE permit applications submitted
- July 20, 2010 – Release Request for Proposals (RFP) for spoil material removal
- September 2010 – Receive Technical Proposals for spoil removal
- January 2011 – Receive SJRWMD and ACOE permit approvals
- February 2011 – Receive Price Proposal for spoil removal
- February 2011 – Award contract for spoil removal

- March 2011 – Execute contract for spoil removal
- April – July 2011 – Removal of spoil

Council members thanked Mr. Davis for the update and his efforts to assist.

Beaches Trolley

Mayor Pruette presented a contribution check for \$1,000 to Mr. Mike Miller, JTA, for the operation of the Beaches Trolley. Mr. Miller thanked Council for the contribution. He added this was the third year of the Trolley operation and he hoped it lasted for many more.

CITY MANAGER'S ACTION LIST

City Manager Jarboe reported on the following:

- We received a Green Grant for \$57,000 to use towards making the City Hall green. He did not have permission to expend the funds from the Green Grant yet. The City also received a grant for approximately \$3,700 to use towards the purchase of a green vehicle. There was also approximately \$15,000 to use towards an energy audit.
- He would provide Council a copy of the preliminary budget before the end of the week.
- He will propose a property tax in the near future.
- The new Publix Shopping Center should be completed the second week of August.
- Public Services has completed the sewer crossover ditch at Fletcher High School.

PUBLIC COMMENTS

Cynthia Key, 225 Myra Street, voiced concern regarding a major dirt issue with the properties that abutted hers. She asked the Council if they could help her with the problem. City Manager Jarboe responded the City could not require the property owners to do anything.

Lynda Padrta, 1113 First Street, stated the water and sewer rate study was great adding that the reduction in water usage has a far more impact than only Neptune Beach. She was concerned about combining the Board of Appeals and the Planning & Development Review Board because of the differences in responsibilities. She did not see how the City would save money by having a Magistrate in lieu of the Code Enforcement Board.

PROPOSED ORDINANCES

AN ORDINANCE OF THE CODE OF ORDINANCES OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING SEC. 17-37. REQUIREMENT OF PLANS AND SPECIFICATIONS. AND SEC. 17-38. PERMIT. AND CHAPTER 27 UNIFIED LAND DEVELOPMENT REGULATIONS* SEC. 27-15. DEFINITIONS. AND SEC. 27-32. GENERALLY. DIVISION 2. PLANNING AND DEVELOPMENT REVIEW BOARD AND SEC. 27-36. ESTABLISHMENT. AND SEC. 27-38. OFFICERS. AND SEC. 27-39. GENERAL FUNCTIONS, POWERS AND DUTIES. AND SEC. 27-40. BOARD PROCEDURES. AND SEC. 27-41. VOTING AND QUORUM. AND DELETING DIVISION 3. BOARD OF APPEALS AND SEC. 27-46. ESTABLISHMENT. AND SEC. 27-47. MEMBERSHIP AND OFFICERS. AND SEC. 27-48. GENERAL FUNCTIONS, POWERS AND DUTIES. AND SEC. 27-49. BOARD PROCEDURES. AND SEC. 27-50. VOTING AND QUORUM. AND SEC. 27-51. RIGHTS OF DISQUALIFIED MEMBER. AND SEC. 27-52. LEGAL REPRESENTATION. AND

AMENDING-DIVISION 6. CITY COUNCIL SEC. 27-66. CITY COUNCIL. AND SEC. 27-82. PROCEDURE FOR APPLYING FOR AND ISSUING DEVELOPMENT ORDERS. AND SEC. 27-87. REQUIRED AND OPTIONAL CONTENTS OF PRELIMINARY DEVELOPMENT ORDERS. AND SEC. 27-102. PROCEDURES FOR PLATTING. AND SEC. 27-124. PROCEDURE FOR MINOR DEVIATIONS. AND SEC. 27-125. PROCEDURE FOR MAJOR DEVIATIONS. AND SEC. 27-132. REVIEW OF LEGISLATIVE DECISIONS. AND SEC. 27-133. REVIEW OF ADMINISTRATIVE DECISIONS. AND SEC. 27-141. GENERALLY. AND SEC. 27-144. NOTICE REQUIREMENTS. AND SEC. 27-145. PROCEDURES FOR APPLYING FOR AND ISSUING A VARIANCE FOR PROPERTY LOCATED WITHIN THE R-1, R-2, R-3, R-4 AND R-5 ZONING DISTRICTS. AND SEC. 27-145.1 ADMINISTRATIVE VARIANCES. AND SEC. 27-145.2. PROCEDURES FOR APPLYING FOR AND ISSUING A VARIANCE FOR PROPERTY LOCATED WITHIN THE C-1, C-2, C-3, CBC AND CONSERVATION ZONING DISTRICTS. AND SEC. 27-147. REQUIRED FINDINGS NEEDED TO ISSUE A VARIANCE. AND SEC. 27-148. IMPOSITION OF CONDITIONS IN ISSUING A VARIANCE. AND SEC. 27-150. SPECIAL PROVISIONS WHERE VARIANCE IS SOUGHT TO REQUIREMENTS IN SPECIAL FLOOD HAZARD DISTRICTS. AND SEC. 27-153. PROCEDURE FOR APPEAL. AND SEC. 27-158.1. NOTICE REQUIREMENTS. AND SEC. 27-159. PROCEDURES FOR APPLYING FOR AND ISSUING A SPECIAL EXCEPTION. AND SEC. 27-160. REQUIRED FINDINGS NEEDED TO RECOMMEND A SPECIAL EXCEPTION. AND SEC. 27-161. IMPOSITION OF CONDITIONS IN ISSUING A SPECIAL EXCEPTION. AND SEC. 27-177. PROCEDURE FOR REZONING OF LAND. AND SEC. 27-178. NOTICE AND PROCEDURAL REQUIREMENTS FOR REZONING OF LAND OR CHANGES TO CODE. AND SEC. 27-184. SIMULTANEOUS ACTION ON AMENDMENT TO THE COMPREHENSIVE PLAN AND THIS CODE. AND SEC. 27-187. PROCEDURE FOR AMENDING THE COMPREHENSIVE PLAN. AND SEC. 27-219. INTERPRETATION OF ZONING DISTRICT BOUNDARIES. AND SEC. 27-228. USES PERMITTED BY SPECIAL EXCEPTION. AND SEC. 27-361. EXPIRATION OF CONCURRENCY CERTIFICATE. AND SEC. 27-363. PROCEDURE FOR APPEAL. AND SEC. 27-407. ESTABLISHMENT OF SPECIAL FLOOD HAZARD DISTRICTS, COASTAL HIGH HAZARD DISTRICTS, AND SHALLOW FLOODING DISTRICTS. AND SEC. 27-413. PROCEDURE FOR APPEAL. AND SEC. 27-446. PERMIT APPLICATION PROCEDURES. AND SEC. 27-448. CHAMPION AND HERITAGE TREES. AND SEC. 27-449. TREE PRESERVATION DURING DEVELOPMENT AND CONSTRUCTION. AND SEC. 27-453. PROCEDURE FOR APPEAL. AND SEC. 27-457. LANDSCAPING REQUIREMENTS FOR VEHICULAR USE AREAS. AND SEC. 27-476. STREET DESIGN STANDARDS. AND SEC. 27-538. EXEMPTIONS. AND SEC. 27-539. SUBMISSION OF PLANS. AND SEC. 27-540. OFF-STREET PARKING REQUIREMENTS. AND SEC. 27-544. MOTORCYCLE PARKING REQUIREMENTS. AND SEC. 27-545. DEFERRAL OF PARKING REQUIREMENTS. AND SEC. 27-546. REDUCTION FOR MIXED OR JOINT USE OF PARKING SPACES. AND SEC. 27-547. SPACES REQUIRED FOR OFF-STREET LOADING. AND SEC. 27-548. DESIGN STANDARDS FOR OFF-STREET PARKING AND LOADING AREAS. AND SEC. 27-596. ART PROJECT. AND SEC. 27-609. PROCEDURE FOR APPEAL. AND SEC. 27-626. DEFINITIONS. AND SEC. 27-627. APPLICATION REQUIREMENTS FOR NOMINATION. AND SEC. 27-628. PROCEDURE FOR DESIGNATING A LANDMARK AND HISTORIC DISTRICT. AND SEC. 27-629. CONDITIONS FOR NOT DESIGNATING A NOMINATED LANDMARK OR HISTORIC DISTRICT. AND SEC. 27-633. IDENTIFICATION OF LANDMARKS AND HISTORIC DISTRICTS. AND SEC. 27-635. EXCEPTIONS. AND SEC. 27-636. APPLICATION REQUIREMENTS FOR CERTIFICATE OF APPROPRIATENESS. AND SEC. 27-637. PROCEDURE FOR APPLYING FOR AND ISSUING A CERTIFICATE OF APPROPRIATENESS. AND SEC. 27-642. PROCEDURE FOR APPEAL. AND PROVIDING AN EFFECTIVE DATE.

Mayor Pruette asked Community Development Director Amanda Askew to come forward to respond to questions from the Council.

Councilor Pardee asked if there were changes to the Ordinance other than only the names of the Board.

Community Development Director Askew replied the function of the Board of the Appeals and the Planning & Development Review Board will remain the same with the new Community Development Board. She also changed that plans be submitted to the Building Department or Community Development Director instead of to the Building Official.

Councilor Pardee was concerned combining the Boards may extend the length of the meetings. Mrs. Askew stated it would not because there was usually only one item on the agenda. She added that there was an item for a Board of Appeals meeting this month but it had to be postponed due to lack of a quorum.

Vice Mayor Lee questioned how much money it would save the city to combine the Boards. City Manager Jarboe stated a memo was previously sent out to the Council explaining the City would save approximately \$3,900 per year. City Clerk Volpe stated the savings would be in advertising and staff cost.

Councilor Weldon added that in addition to cost saving this would also create a larger pool of qualified citizens willing to volunteer. The Community Development Board would approve residential variance requests and recommend approval or denial to Council regarding commercial developments, variances and special exceptions.

Councilor Weldon asked how the findings of facts would be used. Mrs. Askew replied the Code reads that the Board of the Appeals and the Planning & Development Review Board must complete the findings of facts for variance request. However, the Council is not required to complete the findings of facts. Council would still be required to review the recommendations of the Community Development Board for commercial variances, development orders and special exceptions.

Councilor Weldon felt combining the Boards would save the City a reasonable amount of money, streamline the process for applicants, and allow for a larger pool of volunteers qualified to serve on the Board.

Councilor Tucker stated she supported combining the Boards. She questioned how many members would serve on the Board. Mrs. Askew replied there would be 7 regular members and 2 alternate members.

Mayor Pruette felt the Board members needed more training and the city could not afford it.

Vice Mayor Lee asked how many members there were currently serving on both boards. City Clerk Volpe replied the Board of Appeals currently had 5 regular members and one alternate. The Planning & Development Review Board has 2 regular members that would be termed out by the end of this year.

City Clerk Volpe suggested keeping the regular members currently serving until their terms expired.

Vice Mayor Lee asked Mrs. Askew to find out which members wished to serve on the new Board and work out the details. Mayor Pruette stated she was the one that placed members on the Board and she would get with Mrs. Askew.

Mayor Pruette stated she appreciated all the Board volunteers. She felt the City had to look at every way to save money and this was one way the city could save money.

Consensus: **FORWARD TO THE AUGUST REGULAR MEETING FOR FIRST READ.**

CONTRACTS / AGREEMENTS / NONE

ISSUE DEVELOPMENT

CEB

CODE ENFORCEMENT MAGISTRATE: Councilor Pardee stated he liked having a Code Enforcement Board because it allowed citizens of the community to participate in code enforcement issues within the community. He felt a Special Magistrate would not have the same community involvement. He also did not see how this would save the city money because a Special Magistrate would be paid \$175.00. He asked to see a cost comparison.

Vice Mayor Lee agreed with Councilor Pardee that he would like to see a cost comparison. He was also concerned that a special magistrate would delay the process.

Councilor Tucker also agreed she would like to see a cost comparison. She voiced concern regarding the Code Enforcement Board being composed of citizens was controversial because it pitted neighbors against neighbors.

Mayor Pruette added that it is hard for some citizens to look a neighbor in the eye and tell them you are going to fine them.

Councilor Weldon stated the Code Enforcement Board had a history of being inconsistent making legally damaging decisions. He added that many of the citizens serving on the board did not have the training to apply the law consistently. He felt the board also had a history of trying to moderate what the Council has dictated in the Code. He felt there was no other consistent way to enforce the Code than using a Special Magistrate who is removed from the community and would apply the Code as it is written. He added the Jacksonville Beach has been very satisfied using a Special Magistrate.

Mayor Pruette stated it was easier to get members to volunteer for the Code Enforcement Board than any of the other boards. She would also like to see a cost saving comparison.

City Manager Jarboe stated a Special Magistrate would cost more money.

Consensus: **GET A COST ANALYSIS AND FORWARD TO THE AUGUST WORKSHOP MEETING.**

PORF

POLICE OFFICERS RETIRMENT FUND BOARD: Mayor Pruette stated the Council appointed two of the members to this five member board and those members had to live in the City. One of those appointees, Mr. Donald Padgett was forced to resign because he moved out of the city and the Council needed to appoint another member.

Assistant Chief Tony Carrillo, Chairman of the Police Officers Retirement Fund Board, stated Don Padgett was no longer interested in serving on the board and the Council needed to appoint a new member.

Mayor Pruette stated the appointment should be a person with a background in insurance, an attorney, or a CPA. She asked Council to let her know if they knew anyone in the community that would be interested in serving on the Board. The next PORF Board meeting was in August.

Vice Mayor Lee asked if there was job description for the board members. Mr. Carrillo replied the board made decisions based on advice from the Board's attorney and financial advisors. City Clerk Volpe responded the Code of Ordinances describes the duties of the Board.

Mayor Pruette read the following aloud from the May 20, 2010, PORF Board meeting: "actually they have to approve it. They don't even have to say. They have to rubber stamp it. So right, the City does not take action on that, but they can't say we don't like your choice. They have to appoint him to the Board. The other two are their appointments and they appoint anybody who lives in the City". She asked Assistant Chief Carrillo to pass the following information to Mr. Christian: We want to work together with the Board in a collective way, because it is an important issue we want the right person that will help the city. This Council does not rubber stamp anybody. We never have.

Hurricane
Preparedness

HURRICANE PREPAREDNESS INFORMATION: City Manager Jarboe explained Director of Public Safety, Chief Sembach acts as the City's coordinator for civil defense as well as disaster related activities.

Chief Sembach explained there were some changes in hurricane forecasting this year. Forecasting has become more precise. They are able to predict landfall much better. Also instead of 36 hours notice for a hurricane watch we now have 48 hours. Also instead of 24 hours for a hurricane warning we now have 36. This gives us an extra 12 hours to prepare. The ability to narrow the point of landfall which means fewer people will have to be evacuated. They also changed the S? Simpson Hurricane Scale so that the storm surge and the category number are separate.

If the City were to get hit with a category 2 or category 3 hurricane the barrier island would be underwater and a mandatory evacuation would be required. The mandatory evacuation would be a strong recommendation, however, they could not force people to evacuate.

The beaches will work as a team and evacuees will not be able to re-enter the barrier island until all three beaches were deemed safe. He would be working with together with the county at the emergency operation center with Mayor Pruette as the representative for the City. Duval County will have four complexes set up and one of those will be at the beach.

The department spent \$10,000 of stimulus money this year on hurricane supplies and equipment. They now have 60 portable stop signs, two large generators, air compressors, helmets and gloves and they are well prepared for a natural disaster.

Mayor Pruette stated she went to a hurricane preparedness workshop a few weeks ago and she was informed that citizens would be able to reenter the barrier island by showing a drivers license with a current beach address. She was also learned that no one could reenter until all three beach cities were safe.

City Manager Jarboe added that all requisition request go through the State to FEMA then back down to the County level.

Mayor Pruette stated she also learned FEMA would purchase an entire gas station to provide gas for city vehicles. Chief Sembach replied they would requisition tanker trucks and drive them to Neptune Beach, that was part of the master plan.

Councilor Tucker asked if the Chief needed any information from the Council regarding their whereabouts after evacuation. Chief Sembach stated the Council could evacuate to where ever they wanted but Mayor Pruette had to go the emergency operations center downtown.

Chief Sembach added there would be a hotel available for city employees to evacuate to.

Local Mitigation

RESOLUTION 2010-XX: A RESOLUTION OF THE CITY OF NEPTUNE BEACH CITY COUNCIL ACCEPTING THE LOCAL HAZARD MITIGATION STRATEGY DOCUMENT.

This is a revised edition of a previously adopted Resolution that allows the City to be eligible for funding for reimbursement from FEMA.

Consensus: **FORWARD TO THE AUGUST CONSENT AGENDA.**

Sewer Impr. Loan

LOAN FOR SEWER IMPROVEMENTS UP TO 2.4 MILLION: City Manager Jarboe stated this would allow him to request proposals for the loan for the nitrogen, retrofit of the sewer plant, and the reuse project. The additional over the 1.9 million would be for contingencies as recommended by the engineer.

Vice Mayor Lee asked if the interest would decrease with the principal when half of the loan was paid back. Finance Director Steve Ramsey replied as the principal amount decreases the interest payment will also decrease.

Vice Mayor Lee asked if there would be penalty to transfer the loan to a State Revolving Fund. Mr. Ramsey replied "no" that was one of the conditions that would be placed on the loan.

COUNCIL COMMENTS

Councilor Weldon asked when the elimination of side yard pick-up would be effective. City Manager Jarboe explained he was still negotiating with Waste Pro and would have the final details for the next workshop meeting. Councilor Weldon stated there needed to be at least one month notice to residents. City Manager Jarboe replied the alert system, website, and door hangers would be used to notify residents.

Adjournment

There being no further business, the meeting adjourned at 8:00 pm.

Harriet Pruette, Mayor

Attest:

Lisa Volpe, CMC, City Clerk

Approved: _____