TERRILL L. HILL
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

RUFUS J. BOROM
COMMISSIONER

JUSTIN R. CAMPBELL
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER

CITY of Palatka FLORIDA

Regular meeting 2nd and 4th Thursdays each month at 6:00 p.m.

TERRY K. SUGGS
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

JASON L. SHAW, SR.
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT

DONALD E. HOLMES
CITY ATTORNEY

MINUTES
CITY OF PALATKA
January 28, 2016

Proceedings of a Regular meeting of the City Commission of the City of Palatka, Florida, held on the 28th day of January, 2016.

PRESENT:	Mayor	Terrill L. Hill
	Commissioner	Mary Lawson Brown
	Commissioner	Rufus Borom
	Commissioner	Justin Campbell
	Commissioner	James Norwood, Jr.

Also Present: City Manager Terry Suggs; City Attorney Donald E. Holmes; City Clerk Betsy Jordan Driggers; Finance Director Matt Reynolds; Police Chief Jason Shaw; Fire Chief Mike Lambert; Planning Director Thad Crowe; Airport Manager John Youell; Grants Administrator Jonathan Griffith

CALL TO ORDER: Mayor Hill called the meeting to order at 6:00 p.m.

INVOCATION – The Reverend Don Hanna, Pastor, St. James United Methodist Church

PLEDGE OF ALLEGIANCE – Jaylen Session

APPROVAL OF MINUTES – 1/14/16 – Commissioner Campbell moved to adopt the minutes as read. Commissioner Brown seconded the motion, which passed unopposed.

1. **PUBLIC RECOGNITION/PRESENTATIONS**

PROCLAMATION – March of Dimes Fundraising Days - Jan. 27 thru April 9, 2016 – Greg Bacon, 2016 MOD Walk Chairperson, was present to receive the Proclamation, which was read and presented by Mayor Hill. Mr. Bacon said the Walk for Babies is scheduled for April 9th. If anyone wants to get involved they can contact him at City Shippers and he will set them up. There are many events scheduled. Mayor Hill said the City is sponsoring a Team and set the City's Team Fundraising Goal at $5,000, noting the City will meet and exceed that goal.

GAS AUTHORITY BOARD RETIREMENT: Ted MacGibbon, 27 yrs – Jud Neufeld, Chairman, Palatka Gas Authority Board, was present to receive the plaque on behalf of Mr. MacGibbon. Mr. Neufeld said MacGibbon was a large part of the growth of the Authority over the past few decades and gave of himself faithfully to his community. He cared for his community more than anyone else on the Board. He made a positive difference. Don Holmes said during Ted's break in service, he was actually serving as a City Commissioner, so he has had continuous service to the City of Palatka. Mr. MacGibbon is a man who is first devoted to his family.

EMPLOYEE RETIREMENT RECOGNITION:
Ronald Valentine, 31 yrs of service – Mayor Hill presented a plaque to Mr. Valentine, who was joined by his family, recognizing his devoted service as Streets Laborer II on the occasion of his retirement. He said Mr. Valentine is always happy and cheerful in service. Mr. Valentine said he was 25 when he started working for the City in the Sanitation Department, and noted all the departments he had worked for and promotions he had received.

Daniel Gibbs, 13 yrs of service - Mayor Hill presented a plaque to Mr. Gibbs, who was joined by his family, recognizing his devoted service to the city and citizens of Palatka as a Sanitation Driver on the occasion of his retirement.

Ed Chandler, Supervisor, said it has been an honor and privilege to work with both of these gentlemen, and expressed appreciate their service. Mayor Hill thanked them for providing excellent service and going above and beyond the call of duty.

James Griffith, 27 Years of Service – Assistant Police Chief Griffith was joined by family and members of the Palatka Police Department while Mayor Hill read and presented a plaque recognizing his 27 years of service to the Palatka Police Department as Patrol Officer, Detective, Community Service Officer, Communications Officer and Assistant Police Chief, and more recently as Interim Police Chief from January 1, 2015 through January 9, 2016. His wife, Lori Griffith, thanked the City for giving him the opportunity to work for the citizens for combined time of 36 years. Chief Griffith said the years have been easy and he appreciates those he has worked with over the years. Chief Shaw said Assistant Chief Griffith has trained most of the employees at the Police Department; they are better because of him. He thanked the Griffith family for loaning him to the Department and citizens.

SPECIAL MERIT RECOGNITION: MC Track Club – Mayor Hill said two members of this young organization placed nationally at the AAU Junior Olympics in Virginia. Treyvon Williams ran on the 15 yr old boys track team which placed 7th overall in the nation, and Torryence Poole, 11 yr old girls, is ranked 8th overall in discus and 2nd overall in shot put in the nation. He read and presented Certificates of Merit to members Markel Rasher, Steven Simmons, Jr., Jar'Tiyona Melton, Ta'Zarryia Poole, Kaven Berry, Dejon Jackson, Jamarion Douglas, Torr'yence Poole, Treyvon Williams, and Evan Godbolt; these are the members who qualified at the AAU Regionals Meet held in Tallahassee, in order to attend the Jr. Olympics. Coaches were also recognized. Coach Tan Clark-Jackson said they began this Club several years ago to instill a love of track and field in younger children and keep them busy. She noted the accomplishments of her players. They travel all over in their own personal vehicles. They have a Facebook page under "M'C Track Club" and welcome new members.

SPECIAL RECOGNITION – ROC KIDS – Mayor Hill called this group to the dais, saying they are always involved in the community and epitomize what a youth group that is committed to the community should be. They are being recognized and thanked for what they do and for the example they set in the community. Janeria Ware, Spokesperson, said ROC stands for Rescuing Our Community, which they do by rescuing themselves. They try to teach their group responsibility, morals and exposure through mentoring. They participate in Palatka Pride clean ups, volunteer at nursing homes and do much in the community. They travel to other cities to expose young people to places other than Palatka. She introduced the members present. They are a mentoring group that makes a difference in the community.

STUDENT OF THE MONTH – January, 2016 – Vice Mayor Brown joined Mayor Hill in presenting certificates to the following students in recognition of academic excellence, leadership, citizenship and attendance at their respective schools:

Jaylen Session Browning Pearce Elementary School

Ashton Smith	C. L. Overturf, Jr. 6th Grade Center
Trace Harris	Children's Reading Center Charter School
Christopher Staten	E. H. Miller School
Gabriel Goodson	James A. Long Elementary School
Alyssa Beasley	Jenkins Middle School
Chance Phipps	Kelley Smith Elementary School
Destiny Roberts	Mellon Elementary School
Jamarion Douglas	Moseley Elementary School
Brent Summers	Palatka High School
Katie Spinler	Peniel Baptist Academy
Kylar Lands	Putnam Academy of Arts and Sciences
Brittney Wykoff	Putnam Edge High School

2. **PUBLIC COMMENTS**

Normand Jutras, 412 Mulholland Park, said the Commission should empower the citizens of the community to be of service. There are many opportunities for service and one of those is the Community Development Agency. He said they need to form boards to move the Water and other departments forward.

Linda Crider, 116 Kirkland Street, extended an invitation to the Palatka Bicycle Festival, scheduled for April 9th. The members of the Commission are invited to attend their Bike & Eat which is every 3rd Tuesday, during which they meet at the designated restaurant, bike for an hour, and then have a meal.

3. **CONSENT AGENDA**

a **Adopt Resolution No. 2016-12-04** authorizing the execution of Work Order 15-48A with Passero & Associates in the amount of $6,000 for design revisions associated with CDBG project No. 15DB-OJ-04-64-02-C04 for Phase IV Riverfront Park Improvements.

b. **Adopt Resolution No. 2016-12-05** authorizing submission of a Federal Aviation Administration FY 2016 AIP grant pre-application for obstruction/tree removal and mitigation (Phase I).

c. **Adopt resolution 2016-12-06 authorizing** the City Manager and City Clerk to execute and attest a Joint Participation Agreement with Fla. Dept. of Transportation (FDOT) in the amount of $62,000 for obstruction/tree removal and mitigation at the Palatka Municipal Airport (100% FDOT REDI funded)

d. **Allow sales and consumption of alcoholic** beverages at the Palatka Municipal Golf Club on 2/7/16 for the Superbowl Tournament and on 3/13/16 and 3/20/16 for the Azalea Golf Tournaments from 7:00 a.m. to 1:00 p.m. (all Sunday dates)

e. **Board of Zoning Appeals Appointments:**
   1. **Appoint Allegra Kitchens** for the remainder of a 5-year term to expire July, 2019
   2. **Appoint Arthur Sprague** for the remainder of a 5-year term to expire July, 2020

Commissioner Brown moved to approve all items on the Consent Agenda as proposed. Commissioner Campbell seconded the motion, which passed unopposed.

ORDERS OF THE DAY – Mayor Hill received consensus of the Commission to move Agenda Item 6 to the front of the Orders of the Day.

6. **CRA FUNDING FOR MAIN STREET THIRD FRIDAY EVENTS:**

Authorization to continue funding for special events – Lara Diettrich, Planner/facilitator, was present to speak to this item. She distributed a handout to the members of the Commission (filed). She said at the January 11th CRA meeting/workshop, she was asked to look at clarification of state-levels Main Street procedures. In 2009 the former City Manager, former Planner and she met with Joan Jefferson,

the director at that time, regarding funding. They were specifically told that the CRA could not fund Main Street programs, and she shared that with them on January 11th. She has followed up with the current director and was given differing information, which she has distributed. There are four focus points of Main Street programs. Those four focus areas are part of the CRA Plan. There are eight (8) guided principals. These are public records. The discrepancy was in funding and staff; they were lead to believe these were two different autonomous groups that could not collude. This is neither completely true nor completely false. The TIF funds the CRA. Main Street can function on three sources of revenue, not one. One is City funds, one is CRA funds, and one is private memberships and private fundraising events; no one source funds Main Street. She distributed the 10 criteria for eligibility for recognition by the National Trust Main Street Center. This is not a gray area; these rules are in black and white. They can continue doing what they are doing but should balance fundraising with other funding sources. They are required to have a Main Street director. They can examine how they want to expend resources, look for duplications, and decide if they want to focus their efforts into one program. Mayor Hill thanked her for bringing clarity to the issue. Norwood moved to continue funding for Main Street program through the Community Redevelopment Agency TIF funding. Commissioner Campbell seconded the motion which passed unopposed.

Third Friday Special Events Permit: Grant permission to exceed allowable noise levels and allow closure of part of Memorial Drive & 100 Block of St. Johns Avenue for Special Events Permit No. 16-13 -- Palatka Main Street 3rd Friday Downtown Street Party, to be held February 19, 2016 and April 15, 2016 from 6 pm to 10 pm - Palatka Main Street, Inc./Harris Berns-Cadle, Applicant – ***Feb & Apr dates tabled on 1/14/16*** – Commissioner Borom moved to grant special requests for Special Events Permit 16-13 for February 19th and April 15th as requested. Commissioner Brown seconded the motion, which passed unopposed.

Mayor Hill then returned to the Orders of the Day.

4. **PALATKA GAS AUTHORITY BOARD APPOINTMENTS:**
Reappoint Jud Neufeld to the Palatka Gas Authority Board for a three-year term to expire January, 2019 (incumbent) – Commissioner Norwood moved to reappoint Mr. Neufeld as recommended. Commissioner Brown seconded the motion, which passed unopposed.

Consider applicants for appointment to Palatka Gas Authority (1 vacancy for a three-year term to expire January, 2019: Andrew Kiley and Andrew Rabun were present for interviews and described their qualifications. Mr. Rabun withdrew his application and said he would resubmit when another opening came up. He noted his father, Charles Rabun, currently services on the Authority. Commissioner Brown moved to appoint Andrew Kiley to a three-year term on the Palatka Gas Authority Board, to expire January, 2019. Commissioner Campbell seconded the motion, which passed unopposed.

5. **REQUEST** to amend Contract for Purchase and Sale between City of Palatka and Riverfront Development Group, LLC ***(tabled on 1/14/16)*** - Joseph C. "Corky" Diamond, Manager, 124 St. Johns Avenue, Palatka, said they have five months to complete the project. He distributed a handout entitled "Request for Amendment #1 to Contract for Purchase and Sale dated August 1, 2013" (filed). He said they are not in an adversarial state with the City; they are forming a partnership in redevelopment. They are working on completion of a phase of the Master Plan that was adopted in March, 2010. They are building Riverfront Square. They are announcing a change in their business plan. They were looking to do high end condos; after a marketing campaign, they don't believe they will be able to sell high end condos. They are proposing a mixed use student housing complex with commercial/retail on the bottom with restaurant. SJRJC students need adequate student housing. Student housing is a proven method of revitalization for downtowns. They are funding this project privately. They will make certain the City remains protected against liens. They are paying for improvements with all cash. The

Exhibit to the contract, 3rd page, shows the plans and specs for building. He has proposed an amendment which protects the City. To date they have built this all cash. He agreed to the Letter of Credit because he knew he was not seeking financing and he wanted to assure the City that they intended to build this all cash. They were issued a demolition and fortification permit without a Letter of Credit or bond. There is no financing and no liens. They estimate they will complete the project July 1, 2016. In October they were refused a building permit and he had to lay off 14 employees. He asked to have six months added back to the project completion date. He agreed to inclusion of the Letter of Credit because the Commission didn't believe they could complete this project all cash. Page 16 of the contract was read into the record. There are no liens because they have paid all cash. Mr. Diamond said as to paragraph 27.3.21 of the contract, it is their position that they have completed construction according to the plans that were submitted. They are not asking for grants or money from the City. They are asking for assistance by adopting their submitted amendment request. Mr. Holmes can check title daily and they will pay the title search charge. The cost to secure the Letter of Credit is upwards of $20,000. If there is ever a lien they will post a bond or a letter of credit and pay it off.

Per discussion, Mr. Diamond said they are not asking that the letter of credit provision be removed, just amended. Mr. Holmes said Mr. Diamond is asking that the protection be removed as shown in the addendum, i.e. 'buyers shall not be required to post a letter of credit or bond unless buyer incurs a lien or encumbrance.' At that point it is too late. If they take the property back, they take it back subject to any liens. If the contingency is 'when he allows the lien to be attached,' they are closing the barn door after the horse has escaped. He put this contact together as directed. The City agreed to sell the majority of a city block of land for $150,000. Obviously the City did not make money off of this. The gain was that a developer would build something upon it that would revitalize downtown. This is not a standard sale where there are no built-in contingencies. The gain for the citizens was not the purchase price, the gain was that something would be built downtown that would grow downtown. That is the premise behind the contract, which Mr. Diamond signed. He agreed to these terms which he is now asking to be eliminated or modified. It is the Commission's option to do that, but these terms were added so that if, in the process of trying to develop that property, he incurred liens, the City could implement a repurchase under this contract without having to put a lot of money out to satisfy those liens. He has not seen a lot of building there; Mr. Diamond does not have a building permit. He has done a lot of demolition. The "meat" of the project hasn't occurred. Not a lot has been built. When a bank loans money to build a house, they give the money out in draws as phases of construction are completed, and before they give the money out in draws they want proof that contractors have been paid and certain milestones have been met. A mechanics lien takes priority over almost every lien, including a first mortgage. The risk is that the City can buy the property back for what Mr. Diamond paid for it, but it may be subject to whatever liens were placed on the property. He noted Mr. Diamond agreed to this language. The Commission has the right to modify the language, but this language protects the City.

Mr. Diamond said he signed the contract because they did not intend to finance the project. He disagrees with Mr. Holmes, stating he signed the contract because the Contract says they don't need to put up a letter of credit if there is no financing. Mr. Holmes said this is a flat wrong statement. Mr. Diamond said he considers his Demo Fortification permit a building permit. They have spent over $1.3 million to date. He anticipates the cost to complete is $450 - $500 thousand. Discussion ensued regarding his understanding of part 3 of the contract and cost of completion. He referenced the contract exhibits as to plans and specifications. They have completed this plan and then some. They did not negotiate this contract based on a full set of plans. The original plans included the demolition and fortification; this is the $1.3 million. They are ready to pull permits on all four buildings. They have construction time. They won't spend any more than $100,000 per month. Mayor Hill said this is about a letter of credit with an estimated cost of around $20,000, which is around 1.6% of the total project cost. Discussion

ensued regarding demolition and fortification of the buildings, which Mr. Diamond stated is most of the work. He has the project schedule on his phone. Delivery date is July 1 to July 10.

Mr. Holmes said Mr. Diamond said the total project cost is $3,000,000. He said he's spent $1 million, he estimates another $500,000 to completion, which comes up $1.5 million short. The whole idea of a building permit is, you submit plans for your construction, and those plans can be checked, verified and work proceeds according to the plans. There is no set of approved plans on which a building permit has been issued. Although Mr. Diamond contends that what he has is almost complete, he can look through walls when he is driving down the street. Mr. Diamond said he will be complete in five months.

Discussion ensued regarding removing checks and balances and likelihood of liens. Mr. Diamond said if the City does not grant this amendment, he will have to shut the project down tomorrow. Clarity was requested on whether plans have been submitted to B&Z on this project.

Per the question, Thad Crowe, Planning Director, said his department has received plans for the next phase but they have not yet reviewed or approved the plans pending fulfillment of the Letter of Credit requirement. There is no other permit contemplated besides the Demo permit.

Mayor Hill said they need to gather more information on what it will take to complete the project, and the additional cost going in. One option is to reduce the requirement based upon the anticipated capital outlay going forward. He'd rather see numbers; he does not want to remove the City's protection. It looks like building has been going on without a permit for a long time.

There was concurrence on the importance of determining cost to complete the project going forward. Mr. Holmes said the City sold a very valuable block for $150,000 upon the condition he would build something there that would help the City. He has now changed what he will build there, upon which there are no guarantees. Mr. Diamond said they did all they could to market high-end condos. He wants to finish this project.

Mayor Hill opened the floor for Public Comment on the matter.

Michael Gagnon, 703 Emmett Street, said he's been working with Mr. Diamond for many years. His books are open to anyone to see. The property is now more valuable than what the City sold it for. He supports the City allowing him to begin work by adopting the proposed amendment.

Annie Svetlik, 511 N. 3rd Street, said this is a win/win situation. Mr. Diamond does an outstanding job on construction. The hard work has been done. She supports adopting the amendment and supports this project as student housing.

Arthur Sprague, 120 Herja Acre Lane, said he works with Mr. Diamond and believes the City is on the verge of a discrimination suit, as the town has allowed construction of the Hotel project with no letter of credit and no security for that project.

Linda Crider, 116 Kirkland, said she concurs with previous speakers regarding Mr. Diamond's work on the river center. She concurs with the student housing concept. She supports allowing him to continue to work on the project by devising a strategy to protect the City. She is willing to put up $20,000 from her own savings to secure this project.

Roberta Correa, 118 Dodge Street, concurred with speakers before her. This is about economic development. The property has been made structurally sound. She hopes they can work towards solutions.

Allegra Kitchens, 1027 S. 12th Street, said the property was assessed at around $700,000 when the City sold it for $150,000 to Mr. Diamond. She recommends the Commission give Mr. Diamond two and one-half years and table the rest of the issue until Mr. Holmes and Mayor Hill can look at the Seller's Protection, and be sure it is iron clad, and to gather solid figures on the remaining cost to complete the project.

Andrew Rabun, 500 Moseley Avenue, said he does not know Mr. Diamond, but once at Microsoft, his former employer, they did not require a letter of credit from a contractor, and the contractor racked up $500,000 in debts and liens for supplies, which Microsoft had to pay.

Commission discussion ensued regarding gathering estimated costs to complete the project and finding a workable solution which covers and protects the City. Per the question, Mr. Crowe said he could not confirm that the plans submitted were for a student housing project. Mayor Hill said they have an obligation to work with each other. The contract was negotiated and signed by both parties. They are bound by the terms. In trying to work with Mr. Diamond the City could have stopped him a long time ago. There is an opportunity for give-and-take dialogue on concessions. He suggested they gather that additional information, including looking at a final set of plans, make an assessment based upon real numbers, and make a decision at a future meeting. He asked the City Manager and City Attorney to lead that conversation and decide who needs to be at the table on behalf of the City. He believes Mr. Diamond needs to honor his commitment. They can hold a conversation to see if they can find middle ground based upon more information.

Commissioner Norwood moved to gather additional information, direct the City Manager and City Attorney to meet with and hold dialogue with Mr. Diamond, and bring this back for determination at a later date. Commissioner Brown seconded the motion, which passed unopposed.

7. **RESOLUTION** authorizing execution of US Department of Housing and Urban Development Conciliation Agreement/Voluntary Compliance Agreement between City of Palatka and Palatka Housing Authority, FHEO Case Number 04-15-0430-8/04-15-0430-6 – The Clerk read a resolution entitled A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, AUTHORIZING EXECUTION OF A US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CONCILIATION AGREEMENT/VOLUNTARY COMPLIANCE AGREEMENT BETWEEN CITY OF PALATKA AND PALATKA HOUSING AUTHORITY, FHEO CASE NUMBER 04-15-0430-8/04-15-0430-6. Commissioner Norwood moved to adopt the Resolution as read. Commissioner Campbell seconded the motion. Commissioner Norwood asked if they checked to be sure that the Commission concurs with the added language. Mr. Holmes said the language was modified and the modifications are included in the new version which was distributed today prior to the meeting. There being no further discussion or audience comment offered, a voice vote was taken which yielded the following results: Commissioners Borom, Brown, Campbell, Norwood and Mayor Hill, Yes; Nays, none. The Resolution was declared adopted.

8. **ORDINANCE** extending the 2008 Economic Recovery and Incentive Program, suspending the collection of certain impact fees, through December 31, 2017 – 2nd Reading, Adopt – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, AMENDING CITY OF PALATKA ORDINANCE NO. 08-20, THE CITY OF PALATKA 2008 ECONOMIC RECOVERY AND INCENTIVE PROGRAM; EXTENDING THE SUSPENSION OF COLLECTION OF THE CITY'S PARKS AND RECREATION FACILITIES IMPACT FEES, FIRE RESCUE IMPACT FEES, ROAD IMPACT FEES AND LAW ENFORCEMENT IMPACT FEES FOR A PERIOD NOT TO EXCEED TWO YEARS; PROVIDING FOR NOTICE OF IMPACT FEE RATES UPON EXPIRATION OF THE SUSPENSION PERIOD; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE. Commissioner Borom moved to adopt the ordinance on 2nd reading as read. Commissioner Campbell seconded the motion.

There being no discussion or audience comment offered, a voice vote was taken which yielded the following results: Commissioners Borom, Brown, Campbell, Norwood and Mayor Hill, Yes; Nays, none. The Ordinance was declared adopted.

9. **ORDINANCE** amending Chapter 50, Article III of the Code of Ordinances to amend various elements of the Special Events Ordinance – 2nd Reading, Adopt – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, AMENDING PALATKA MUNICIPAL CODE, CHAPTER 50, ARTICLE III, SPECIAL EVENTS, TO REVISE MEETING TIMEFRAMES, EXEMPT PERMIT FEES FOR FREE EVENTS OPEN TO THE PUBLIC, AND REDUCE NOTICE AREA FOR CLASS A AND B EVENTS; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Campbell moved to adopt the ordinance on 2nd reading as read. Commissioner Brown seconded the motion. There being no discussion or audience comment offered, a voice vote was taken which yielded the following results: Commissioners Borom, Brown, Campbell, Norwood and Mayor Hill, Yes; Nays, none. The Ordinance was declared adopted.

10. **ORDINANCE** amending Subpart B, Article II of City of Palatka Charter, Related Laws governing Palatka Gas Authority – 1st Reading – ***ITEM PULLED FROM THE ORDERS OF THE DAY***

11. **PALATKA GAS AUTHORITY - Municode** Agreement for combined utility billing – Mr. Suggs said this refers to a pending agreement between City of Palatka and Palatka Gas Authority on combined billing for three years. They propose to contract with Municode to generate and mail out combined billing. Commissioner Brown asked if a person cannot pay both bills at once, can they be paid separately. Mr. Suggs said customers can pay the bills separately or together, and all bills will be paid at the Palatka Gas Authority. It was noted that the agreement has not been distributed. Mr. Suggs said they are looking for consensus to combine billing services at this point. Bills can be paid on line. This will create efficiency and cost savings as well as convenience for citizens. One Water Desk employee will move to the Gas Authority and one will be reassigned. Commissioner Norwood moved to accept the recommendation of the City Manager to move forward with a combination of the Gas and Water bills, to be paid at the Palatka Gas Authority offices. Commissioner Borom seconded the motion.

    Allegra Kitchens, 1027 S. 12th Street, said her concerns have been addressed as to employees staying employed. She was concerned that she won't have an option to pay both bills separately. This is not a change that is best for citizens. She does not want water utility services moved out of City Hall. Mayor Hill said it is much easier to go through a drive through. If paying on line there is no difference.

    There being no further comment or discussion, a vote was taken and the motion passed unopposed.

12. **CITY MANAGER & ADMINISTRATIVE REPORTS**

    John Youell, Airport Manager, spoke on the upcoming Annual Airport Fly-In planned for 1/30/16.

    Jonathan Griffith, Project Manager, said Water Mgmt Bureau Chief notified them that all three applications that were submitted for reuse cost-share and stormwater projects ranked high enough for funding. They submitted a request for a total of $1.1 million for all three projects. They were informed SJRWMD wants to only fund a total of $500,000 per project. One is for reuse system improvement at WWTP, one for Booker Park retention, one for South Historic District stormwater runoff/retention. They need some direction on a response to Water Management. The grant amounts are $100,000 for WWTP Reuse generator, $496,000 for Booker Park retention pond, and $468,000 for the S. Historic District stormwater improvements. Mr. Suggs advised against using reserve funds, but noted that is the Commission's call to use around $75,000 to do two of these projects. Discussion ensued regarding which project creates the greatest benefit and is of higher priority to the City between the Booker Park and Historic District. The highest

ranked project is Booker Park, followed by the reuse system generator, followed by S. Historic District project. Discussion ensued regarding future grant opportunities with USDA and SJRWMD. Mr. Griffith said they need to pledge some money for this project. Following discussion on funding options and opportunities, there was consensus that the first choice is the Booker Park Retention Pond project, followed by the WWTP Reuse Generator.

Mr. Suggs said he and Mr. Griffith should attend the Water Management board meeting in South Florida for this discussion and award, thank them for what they are doing for this community, and lobby again for support. This meeting is scheduled for February 9th; this is a four-hour drive.

Mr. Griffith said the Hotel project is moving along quickly, but he is not sure if they are on track to be open by the Bassmaster Elite tournament.

13. **COMMISSIONER COMMENTS**
Commissioner Norwood reminded the Commission about prior discussion on funding a paving project at Crystal Cove Subdivision; saying this tax base needs to be protected. They need to keep that in the forefront. Mayor Hill requested Mr. Suggs do a cost analysis and send out a report to the Commission.

Commissioner Norwood asked if they are putting something on the Agenda regarding the CRA restructuring. Mayor Hill noted that is up for discussion on the Feb 8th CRA Agenda.

Commissioner Brown said she has spoken to representatives of the Jacksonville Beaver Street incubator and she'd like permission to continue to speak to them about getting a business incubator started with their help. They will come over and sit down with the Commission.

Commissioner Brown said she'd like to see a suggestion box at each department, and if someone comes up with a suggestion that saves the City money, he/she should receive recognition and a check.

She would like to see employees given priority on acquisition of city-owned housing and will devise a strategy to make this happen.

14. **ADJOURN** – There being no further business to discuss, the meeting was adjourned at 9:00 p.m. by Mayor Hill.

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE CITY COMMISSION WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE MAY NEED TO INSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. FS 286.105