

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 July 28, 2016

Proceedings of a Regular meeting of the City Commission of the City of Palatka, Florida, held on the 28th day of July, 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; Public Works Manager Jonathan Griffith

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

INVOCATION & PLEDGE OF ALLEGIANCE – Dr. Robert Mills, Associate Pastor; First Baptist Church of Pensacola

APPROVAL OF MINUTES – 07/14/16 Budget Workshop; 07/14/16 Regular Meeting - Commissioner Campbell moved to adopt the minutes as read. Commissioner Brown seconded the motion, which passed unopposed.

1. PUBLIC RECOGNITION/PRESENTATIONS

RECOGNITION – 2016 Fourth of July Fireworks Contributors – Mayor Hill presented certificate of appreciation to those who helped sponsor the Fireworks Show. Plaques were presented to those who contributed \$750 or more. Waste Pro USA was recognized for sponsoring the Kid Zone.

RETIREMENT – Linda Lanham, Public Works Customer Service; 16.5 years of service – Ed Chandler provided remarks, saying Linda was thorough and efficient. Shawn Ladd provided remarks saying she's like a mother to them at Public Works and they will miss her. Jonathan Griffith said she's made things easy on him during his transition. She is a no nonsense person, is almost irreplaceable and is the heart of public works. They all wish her well. Mr. Suggs provided remarks saying it has been a pleasure getting to know her in her daily routine and as a person in the community. She is always willing to do whatever it takes to get things done. Everyone she works with holds her in high regard. Mayor Hill said she takes complaints every day and treats people with dignity. She takes a lot of pride in her work. He presented her with a plaque recognizing her outstanding service with the City from Dec. 5, 2000 to July 2, 2016.

2. PUBLIC COMMENTS

Jim Padgett, 1622 CR 308, Crescent City, LIFT Putnam Inc., said he is scheduled to reappear before the Commission on 9/8/16. A request for budget inclusion and narrative on the LIFT Putnam program was distributed (filed). LIFT Putnam, Inc. is a charitable educational foundation formed early this year. It is a 501c3 with a statutory mission to assist local students with an overall purpose to lift the quality of life in Putnam County through a long-term plan whereby they help students with achievement and performance in school with a goal of increasing graduation rates and college readiness. Their exclusive purpose is to raise money to allow 4-year old children to go to pre-K here in Putnam County, a "universal" pre-K program where children are transported to and from school, fed two meals at school, and have an academic curriculum. This costs \$160 per month per student. The four year olds that can benefit the most come from economic depressed families who cannot afford the enrollment fee. These children will be able to start school a year early. Over a period of time, through that additional preparation, children will perform better throughout school and do better on standardized tests. This will improve school and district grades and will make Putnam County more attractive overall. The foundation is independent of the school board and is semi-autonomous. They have been provided with office space in the School District Offices.

3. CONSENT AGENDA

- a. **Adopt Resolution No. 2016-12-47** authorizing the Mayor and City Clerk to execute and attest a Development / Sale Agreement with Anthony Harwell for 215 Dodge Street
- b. **Adopt resolution 2016-12-48** authorizing the City Manager and City Clerk to execute and attest a Supplemental Joint Participation Agreement with FDOT increasing the amount of FDOT funding to \$334,200 and total project amount to \$640,900 for obstruction/tree removal and mitigation at the Palatka Municipal Airport (52% FDOT; 47% FAA; 1% City of Palatka Funding)
- c. **Adopt Resolution No. 2016-12-49** confirming and accepting the ranking of Proposals received for the Palatka Golf Club and authorizing negotiations – Adopt
- d. **Grant permission to exceed allowable noise levels, close a street, and allow for outside service of alcohol for Special Events Permit No. 16-36** - Bartram Trail Designation Celebration and Frolic, September 5, 2016 from 9 a.m. until 5 p.m. - Keep Putnam Beautiful & Bartram Trail Conference, Applicants; Marcia Marinello, Agent
- e. **Appoint Richard B. Stackpole to the Palatka Historic Preservation Board** as member with Architectural Experience for a 3-year term to expire June, 2019.
- f. **Grant permission to exceed allowable noise levels for Special Events Permit No. 16-35**, Florida Bass Nation State Championship on August 27-28, 2016 from 4 a.m. until 6 p.m.- Florida Bass Nation; David Driggers, Applicant

Item 3(a) was pulled for discussion on amendments. Item (c) was pulled for discussion by Mayor Hill. Item (e) was removed at the request of the Clerk, to be brought back in September. Commissioner Campbell moved to pass Consent Agenda Items (b), (d) and (f) as proposed and recommended. Commissioner Norwood seconded the motion, which passed unopposed.

- 3(a). **Adopt Resolution No. 2016-12-47** authorizing the Mayor and City Clerk to execute and attest a Development / Sale Agreement with Anthony Harwell for 215 Dodge Street – Adopt a Resolution entitled A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND ATTEST A DEVELOPMENT/SALE AGREEMENT FOR 215 DODGE STREET. Mr. Holmes said he distributed an amended "articles of agreement" with minor changes (filed). The purchaser's address was amended and language was added to allow the city manager to extend the deadline for one year for good cause. There are some blanks in the Agreement that need to be filled. It is proposed that the first blank be completed by inserting the number "45,000" and the second blank "60 days" and 3rd blank inserting "15,000" with a final

addition, to insert "but in any event prior to the commencement of construction" following "60 days." Mr. Holmes noted that Mr. Harwell had suggested the changes in Paragraph 2. He did not discuss the specific numbers with him in paragraph 8. Those were submitted by staff.

Anthony Harwell, 816 Oak St., said he took the average of the two estimates to come to the 1/3rd of the deposit. He was not expecting the \$45,000 or \$15,000. Mr. Holmes said they were trying to come up with a device by which some properties acquired by the City could be put back on the tax rolls. People submitted proposals as to how much they would be willing to pay for the property, provided they repair it and put it back on the tax rolls, with protections for the City and its citizens. Mr. Harwell's proposal was accepted. The provisions provide both parties with protections. This is the one that includes an agreement for deed to provide the applicant the ability to acquire the property with no upfront money. It provides an assurance that the property will have no mechanics liens attached to it should the City have to take it back. Mr. Griffith provided the estimates, and suggested putting 1/3 of the funds "up front" with the intent that at no time there would be no more work in progress than in the amount of the money held in security. This can be done in phases. If it's not completed in 15 months, with latitude to build in an extra year granted by the City Manager, it will revert to the City. If there is anything the Commission wants to change, they can. Mr. Griffith said the \$45,000 is an estimate based upon the cost of repairs needed, but Mr. Harwell said he is going to put in "sweat equity" as he is the owner/builder. Mr. Holmes said they have changed the concept drastically to provide the City with security and Mr. Harwell with flexibility in up-front cost.

Paragraph #9, insurance, is blank. Mr. Holmes said the project is not limited in phases; he will need building permits to do work. When he applies for a building permit, a value is placed on that work. Discussion ensued regarding this provision. Mr. Harwell said the lower initial cost would be better with him; he would like to get in there and begin work. He intended to do this in three phases. Mr. Holmes noted the first estimate of repairs was around \$70,000 and they reduced it to \$45,000 in consideration of the 'sweat equity.' The deposit has to be posted before he can begin work. Commissioner Norwood moved to amend the Resolution and Agreement to require 25% of the estimated cost of repair instead of one-third (see reference to "third blank") and adopt the Resolution as amended. Commissioner Brown seconded the motion, which passed four in favor, opposed by Mayor Hill.

- 3(c). Adopt Resolution No. 2016-12-49** confirming and accepting the ranking of Proposals received for the Palatka Golf Club and authorizing negotiations – Adopt – A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, ACCEPTING THE RANKING OF PROPOSALS FOR THE OPERATION OF THE GOLF COURSE AND/OR FOOD AND BEVERAGE OPERATION. Mayor Hill said he pulled this item to touch on the highlights of the proposal. Mr. Griffith said the #1 ranked proposal was submitted by Hertz Golf. Mr. Weed, BWGD, withdrew his proposal at the presentation meeting. Mr. Hertz proposes a lease arrangement with a revenue sharing agreement whereby he would receive 25% of revenues and 10% going into capital improvements. They want to take on all operations costs, and propose the city continue to pay current equipment leases, and includes operation of the restaurant. Two of the respondents stated they had interested restaurateurs to bring forward. The restaurant has to be leased at fair market rate. That would be a rental incorporated within this or a separate agreement. It doesn't matter to USDA as long as there is job creation. Discussion ensued regarding existing lease agreements for equipment. Commissioner Campbell moved to adopt the Resolution approving the ranking of responses as proposed. Commissioner Borom seconded the motion, which passed unopposed.

4. **PRESENTATION** and acceptance of FY2014/15 Audit and Comprehensive Annual Financial Report (CAFR) - Tina Robinson and John Rowe; Carr, Riggs and Ingram, Auditors, 906 S. SR 19, Palatka – Ms. Robinson said their firm has completed the audit for fiscal year ending September 30, 2015 and are here to present the results. The biggest change is the implementation of GASBY 68 accounting standard. Last year they had to implement Standard No. 67 related to pension plans, which required new additional disclosures and schedules. This year there is an additional layer on top of that. The affect is that the pension liability is now recorded in city-wide financial statements and enterprise funds like any other long-term obligation. Looking at Page 1 of the city-wide statement, section entitled "Non-current Liability" due in one year and more than one year, includes the pension liability. Detail is provided in the schedule on Page 29, governmental activities table, the last item in that table. This is a \$5 million liability currently. Two pages further in, on Page 31, this regards business type activity and shows \$2.6 million in pension liability related to the enterprise funds.

Looking back at Page 1, there are two new pension-related account types – 'deferred outflows of resources' and 'deferred inflows of resources,' which are separate of liabilities. There is detail on that on page 39. Those figures are applicable to future periods and will be amortized over the years. None of this hits within one year.

In the footnotes, #8, Pages 33 to 41, compared to last year, it is two pages longer than last year. New information includes pensions for City and Gas Authority, and they are separated. This is almost an 82%/18% proration of the overall general pension.

Page 36 has new disclosures on target allocation on long term expected rates of returns, and Page 37 contains new tables. In order to implement this standard, they had to restate the opening equity balances, so Note 14 on Page 45 restates the amount prior to Fiscal Year 2015.

Page 1, the bottom-line affect to city-wide statements shows unrestricted equity; first column, government activities shows a negative balance. In the second column on the same page is shown a negative impact of \$439,000 unrestricted. All governments will see this type of decrease in unrestricted balances and some will go into a deficit. They will talk more about the City's deficit.

Roman Numeral Page 13 at the top provides opinions overall on financial statements; they are fairly stated in all material respects. They did properly implement the new GASBY 68 standard. This is the top 2 paragraphs. They will also see opinions referred to in the Summary on Page 89. The first paragraph there refers back to the Auditor's Report. Paragraph 2 refers to the findings on internal controls over financial reporting; they are stated in further detail on the bottom and following page. The two additions reported this year were confined to one particular area – the bank balances not being completely reconciled due to software issues. No. 004 is where they feel like certain controls should be strengthened, and those are currently in place. They are to make sure no overlap is on invoices and that checks sequences are proper. No. 5 is segregation of duties due to a shortage of staff during part of last year. No. 002 is an immaterial over-expenditure of budget on the Better Place Plan. Page 89, paragraphs 4 – 6 concern the grants. They find no significant deficiencies in internal controls; they gave a clean opinion on that. This page enumerates the 3 major grants for the year.

As to the General budget, shown on pages 47 – 48, the City stayed well within the approved budget. As to the Downtown Redevelopment budget, they are required by the State to have a special opinion on that. This carries a cumulative fund balance of \$586,000, which is an increase over the prior year. Increment funds expended totals are shown; this is for things like the Main Street Manager, HIP grants, downtown events, SBDC, etc.

During the year the City incurred no new long term debt except for capital leases, police vehicles and a sanitation truck.

Page 80 begins the reports required by the State Auditor General. In the financial condition statement they are required to determine if the City falls into financial emergency or material deficiency by definition in Florida Statutes. The City should continue to watch the general operating reserves of the City, which are currently sufficient to cover 1.5 months. GFOA recommends goal to be two months. Partly due to delayed timing of grant reimbursements for capital projects plus aggregate deficit due to pension liability, total net unassigned and unrestricted were negative for the year. They received grant reimbursements during 2016 which covered that. There were no prior year findings so there was nothing to correct. There is a separate report on page 84 having to do with investment statutes they were required to report on separately; it is their opinion that the City complied with the statute. Separately they received a letter which touches on what she has just spoken of, their responsibilities, scope of the audit and the City's responsibility. The most significant disclosure this year was the pension.

This concluded her report. They appreciate staff being very cooperative in providing information needed for the audit. Scope of the audit is as defined in the engagement letter. It is very different than an operation audit, which is conducted by the State. There are no other findings that pose a risk for the City that come to mind. If they had found a significant risk they would have reported it. They usually mention the golf course; they know this is being looked at closely and the City has taken steps to remedy this situation.

Commissioner Brown moved to accept the FY2014/15 Audit and Comprehensive Annual Report (CAFR) as presented by Carr, Riggs & Ingram, Auditors. Commissioner Campbell seconded the motion, which passed unopposed.

PUBLIC HEARINGS:

5. **2016 TRIM CALENDAR: RESOLUTION** setting the Tentative Millage Rate for the 2016/17 Budget Year – 6.9967 mills proposed – Adopt – The Clerk read a Resolution entitled A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PALATKA, FLORIDA, ADOPTING THE TENTATIVE MILLAGE RATE OF 6.9967 MILLS FOR THE LEVYING OF AD VALOREM TAXES FOR THE FISCAL YEAR 2016/2017 AND PROVIDING FOR AN EFFECTIVE DATE. Commissioner Borom moved to adopt the Resolution as read. Commissioner Brown seconded the motion. Mr. Reynolds said this is required per the TRIM calendar. They have 35 days following July 1 to set a tentative millage rate. When adopting the final budget and millage rate they can adopt a rate lower than the tentative rate, but not higher. This tentative rate is the same as the current year millage rate. They proposed to set a 6.4 millage rate during budget workshops. This 6.4 rate is contingent upon ensuring that the Fire Assessment will be collected via the uniform collection method.

There being no public comment offered and no discussion, 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.

6. **PUBLIC HEARING:** 3829 Reid Street – Planning Board recommendation to annex and assign intensive commercial zoning to property – Julio Pena, Owner; Palatka Building & Zoning Dept., Applicant.

ORDINANCE annexing 3829 Reid Street - 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA ANNEXING INTO THE CORPORATE LIMITS OF THE CITY OF PALATKA, FLORIDA CERTAIN ADJACENT TERRITORY IDENTIFIED AS 3829 REID STREET, LOCATED IN SECTION 2, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUBLIC RECORDS OF PUTNAM COUNTY, FLORIDA CONTIGUOUS TO THE BOUNDARIES OF THE CITY OF PALATKA; AND PROVIDING AN EFFECTIVE DATE. Commissioner Brown moved to pass the ordinance on first reading as read. Commissioner Borom seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

ORDINANCE rezoning 3829 Reid Street - 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA PROVIDING THAT THE OFFICIAL ZONING MAP OF THE CITY OF PALATKA, FLORIDA BE AMENDED FROM PUTNAM COUNTY C-2 (COMMERCIAL, GENERAL LIGHT) TO CITY C-2 (INTENSIVE COMMERCIAL) FOR A PARCEL IDENTIFIED AS 3829 REID STREET, LOCATED IN SECTION 2, TOWNSHIP 10 SOUTH, RANGE 26 EAST; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to pass the ordinance on first reading. Commissioner Campbell seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

7. **PUBLIC HEARING:** 7000 Old Wolf Bay Road - Planning Board recommendation to annex and assign neighborhood commercial zoning to property - Mocking Bird Properties, Owners; Palatka Building & Zoning Dept., Applicant.

ORDINANCE annexing 7000 Old Wolf Bay Road - 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA ANNEXING INTO THE CORPORATE LIMITS OF THE CITY OF PALATKA, FLORIDA CERTAIN ADJACENT TERRITORY IDENTIFIED AS 7000 OLD WOLF BAY ROAD, LOCATED IN SECTION 9, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUBLIC RECORDS OF PUTNAM COUNTY, FLORIDA CONTIGUOUS TO THE BOUNDARIES OF THE CITY OF PALATKA; AND PROVIDING AN EFFECTIVE DATE. Commissioner Borom moved to pass the ordinance on first reading as read. Commissioner Brown seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

ORDINANCE rezoning 7000 Old Wolf Bay Road - 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA PROVIDING THAT THE OFFICIAL ZONING MAP OF THE CITY OF PALATKA, FLORIDA BE AMENDED FROM PUTNAM COUNTY AG (AGRICULTURE) TO CITY C-1A (NEIGHBORHOOD COMMERCIAL) FOR A PARCEL IDENTIFIED AS 7000 OLD WOLF BAY ROAD, LOCATED IN SECTION 9, TOWNSHIP 10 SOUTH, RANGE 26 EAST; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Borom moved to pass the ordinance on first reading as read. Commissioner Brown seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

8. **PUBLIC HEARING:** 300 N. State Rd. 19. - Planning Board recommendation to annex and assign intensive commercial and single-family residential zoning to property - Clay Electric Cooperative, Inc, Owner; Palatka Building & Zoning Dept., Applicant.

ORDINANCE annexing 300 N. State Road 19 and a parcel fronting on Stilwell Road- 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA ANNEXING INTO THE CORPORATE LIMITS OF THE CITY OF PALATKA, FLORIDA CERTAIN ADJACENT TERRITORY IDENTIFIED AS 300 NORTH STATE ROAD 19, LOCATED IN SECTION 02, TOWNSHIP 10 SOUTH, RANGE 26 EAST, PUBLIC RECORDS OF PUTNAM COUNTY, FLORIDA CONTIGUOUS TO THE BOUNDARIES OF THE CITY OF PALATKA; AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to pass the ordinance on first reading as read. Commissioner Brown seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

ORDINANCE #1 rezoning 300 N. SR 19 (8.38 acres) - 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA PROVIDING THAT THE OFFICIAL ZONING MAP OF THE CITY OF PALATKA, FLORIDA BE AMENDED FROM PUTNAM COUNTY IL (INDUSTRIAL LIGHT) AND C-2 (COMMERCIAL, GENERAL LIGHT) TO CITY C-2 (INTENSIVE COMMERCIAL) FOR A PARCEL IDENTIFIED AS 300 NORTH STATE ROAD 19, LOCATED IN SECTION 2, TOWNSHIP 10 SOUTH, RANGE 26 EAST; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to pass the ordinance on first reading as read. Commissioner Brown seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

ORDINANCE #2 rezoning 300 N. SR 19 (Stilwell Ave Parcel; 0.19 acres) – 1st Reading – the Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA PROVIDING THAT THE OFFICIAL ZONING MAP OF THE CITY OF PALATKA, FLORIDA BE AMENDED FROM PUTNAM COUNTY IL (INDUSTRIAL LIGHT) TO CITY R-1A (SINGLE FAMILY RESIDENTIAL) FOR LAND FRONTING STILWELL AVENUE AND LYING BETWEEN 110 AND 200 STILWELL AVENUE, LOCATED IN SECTION 2, TOWNSHIP 10 SOUTH, RANGE 26 EAST; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to pass the ordinance on 1st reading as read. Commissioner Campbell seconded the motion. There being no public comment offered and no discussion, 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 passed on first reading.

9. **ORDINANCE** amending Chapter 42, Article III of the Code of Ordinances, Burglar/Panic/Duress Alarms, to comply with Florida HB 535 1st Reading – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, AMENDING THE PALATKA CODE OF ORDINANCES, CHAPTER 42, ARTICLE III - BURGLAR/PANIC/DURESS ALARMS TO REVISE SEC. 42-79, USE OF LICENSED CONTRACTORS, AND SEC. 42-90, ALARM SYSTEM FEES AND FINES SCHEDULE, TO COMPLY WITH PROVISIONS OF HB 535 GOVERNING ALARM SYTSTEM REGISTRATIONS; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Brown moved to pass the ordinance on first reading as read. Commissioner Campbell seconded the motion. Chief Shaw said the Legislature passed a law that forbids law enforcement to enforce the code on non-registered alarms, so they cannot collect fees on them. There being no public comment offered and no further discussion, 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 passed on first reading.

10. **ORDINANCE** amending Chapter 2, Div. 6 of the Code of Ordinances to add a Defined Contribution Component to the Police Officers' Retirement Plan - 2nd Reading, Adopt – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, REVISING CHAPTER 2, DIVISION 7 OF THE CODE OF ORDINANCES OF THE CITY OF PALATKA, FLORIDA, ENTITLED POLICE OFFICERS' RETIREMENT PLAN, TO ADD A DEFINED CONTRIBUTION COMPONENT PURSUANT TO THE REQUIREMENTS OF F.S. 185.35(6); PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to adopt the ordinance on second reading. Commissioner Brown seconded the motion. There being no public comment offered and no discussion, 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 passed and adopted on 2nd reading.
11. **ORDINANCE** amending Chapter 2, Div. 7 of the Code of Ordinances to add a Defined Contribution Component to the Firefighters Retirement Plan – 2nd Reading, Adopt - The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, REVISING CHAPTER 2, DIVISION 6 OF THE CODE OF ORDINANCES OF THE CITY OF PALATKA, FLORIDA, ENTITLED FIREFIGHTERS' RETIREMENT PLAN, TO ADD A DEFINED CONTRIBUTION COMPONENT PURSUANT TO THE REQUIREMENTS OF F.S. 175.351(6); PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to adopt the ordinance on 2nd reading as read. Commissioner Campbell seconded the motion. There being no public comment offered and no discussion, 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 passed and adopted on 2nd reading.
12. **CITY MANAGER & ADMINISTRATIVE REPORTS:**
ANNUAL AUDIT AND AUDIT COMMITTEE – Finance Director Matt Reynolds said the last three pages of the Audit/CAFR (Item #4) concern the findings and his responses to the findings. As to the Engagement Letter, a few years ago the City established an Audit Committee, as required by Statute. As of June 30th the term expired on two of its five members. The audit term covers the rest of the year. He will be submitting an RFP for audit services. Within the enabling resolution for the Audit Committee, it states the Commission can serve as the audit committee or can appoint people to the audit committee. He would like input on the make-up of the Audit Committee before he begins preparing the RFP. He has to take this RFP in front of the Audit Committee before it is released. If they want to continue making appointments, they can make those reappointments. If the Commission wants to appoint itself as the Audit Committee, they can. After discussion there was consensus of the Commission to consider a resolution appointing the members of the Commission as the members of the Audit Committee at a future meeting. Mr. Reynolds noted the sole purpose of having an audit committee is to select an auditor. They put out a Request for Proposals (RFP) in 2013. This committee hasn't met in 3 years.

City Attorney Don Holmes said as to Water Taxi #1, Mr. Cunningham has promised delivery by end of August/first part of September. He has provided assurances to the bond company of this.

City Manager Terry Suggs said they have an issue with the General Pension Board membership as it is currently written in the ordinance. He would like some general guidance on this matter. He suggests mirroring the Fire and Police board make-up, wherein a 5th member is chosen by the other four members of the Board.

Mr. Suggs said they have an opportunity to bring in a 2nd tier retirement system to the City, not to replace what they have, but something that would allow the City to expand the applicant pool throughout the State. This would have no cost to the City and the City wouldn't have to do away with the plans now in place. He would like to continue that research and bring this back in September.

13. **COMMISSIONER COMMENTS**

Commissioner Brown said she looks forward to seeing all of them at FLC Annual Convention in Hollywood.

Mr. Suggs acknowledged ROCK participants in the intern program who are in the audience. He received good reports on these participants every day. They have done an exceptional job.

Commissioner Campbell thanked the ROCK kids for their willingness to participate in the internship program. He also gave kudos to PAL and 207 Burners for a successful backpack giveaway. He thanked Mr. Holmes for the opportunity to have dinner with the residents at the Boys Ranch. He looks forward to personally building a relationship with them. He is grateful for that opportunity.

Commissioner Borom requested an update on the Hampton Inn opening date.

14. **ADJOURN** – There being no further business to discuss, the meeting was adjourned at 7:30 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