

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

LEGRA KITCHENS
COMMISSIONER

VERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



ELWIN C. "WOODY" BOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

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

AGENDA CITY OF PALATKA July 22, 2010

CALL TO ORDER:

- a. Invocation – The Reverend Dennis Childers, Chaplin, Hospice of the Nature Coast
- b. Pledge of Allegiance
- c. Roll Call

APPROVAL OF MINUTES – 6/24/10

1. PUBLIC RECOGNITION/PRESENTATIONS:

1. **RETIREMENT** – Fire Lt. Bill Dixon 11/28/79 through July 16, 2010 – 30 yrs 8 mos.

2. **4TH OF JULY CELEBRATION RECOGNITION:**

SPONSORSHIP

Jimmy & Tori Ashcraft, Ashcraft Marine – 4th of July Fireworks

FIREWORKS DISPLAY:

Gary Delia, Santori & Sons, Inc.

PARADE:

Sam Deputy, President, Downtown Palatka, Inc.

ENTERTAINMENT:

Denise Aiken, Executive Director, Larimer Arts Center

2. **PUBLIC COMMENTS** - (Speakers limited to three minutes – no action taken on items)

3. CONSENT AGENDA:

*a. **Authorize execution of Water Tank Lease Agreement with American Messaging Services** per recommendation of Water Plant Superintendent (\$500/month – three-year lease)

*b. **Authorize execution of Memorandum of Agreement with St. Johns County Sheriff's Dept.** to store equipment and vehicles at Palatka Municipal Airport during storm surges per Airport Manager's recommendation

*c. **ITEM PULLED FROM AGENDA**

*d. **Appoint Elizabeth L. Virnstein to the Palatka Tree Committee** (no set term – serves at the pleasure of the City Commission)

*e. **Appoint David Franke to Palatka Code Enforcement Board** as member with Engineering Experience to fill the remainder of a three-year term expiring Sept., 2010 and an additional 3-year term to expire Sept., 2013

*f. **Acknowledge issuance of Joint Workshop meeting calls as follows:**

1. Airport Advisory Board – 3:00 p.m. Airport tour and 4:00 p.m. Workshop

2. Downtown Merchants - Sidewalk Sales – 6:00 p.m.

*/**4. **TRIM CALENDAR** – Set Tentative Millage Rate for 2010/11 Budget Year – 8.65 mills proposed

*/**5. **RESOLUTION #8-74** authorizing the negotiation of a loan for an aggregate amount not to exceed \$8.5 million; approving the form, execution and delivery of the Loan Agreement with the Florida Municipal Loan Council; and approving the execution and delivery of a Bond Purchase Contract and Continuing Disclosure Agreement, in order to refinance certain bonds and other indebtedness for water and sewer projects - Adopt

AGENDA - CITY OF PALATKA
July 22, 2010
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- */**6. **RESOLUTION #8-75** authorizing the issuance of a \$2,570,070.75 Revenue Note and authorizing the award, form, execution and delivery of a Loan Agreement with SunTrust Bank and other actions to deliver the Note to provide funds to repay a portion of the Water Plant Construction Loan - Adopt
- * 7. **ORDINANCE** - Planning Board Case #PB 08-29/10-26 -- Request to close N.16th Street between St. Johns Avenue and Reid Street - St. Johns Automotive Real Estate, LLC; Juli Young, Agent; 1st Reading
- * 8. **ORDINANCE** amending the Palatka Municipal Code, Chapter 30, to add a deadline to make application to exceed allowable noise levels – 1st reading
- 9. **ADMINISTRATIVE REPORTS**
- 10. **COMMISSIONER COMMENTS**
- 11. **ADJOURN**

*Attachment **Separate Cover

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 288.105

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERK'S OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

Upcoming Events:

July 27 – Airport Tour/City Commission Workshop 3:00 p.m.
August 19 – 21 – FLC Annual Conference, Hollywood, FL
September 6 – City Offices closed for observation of Labor Day
September 16 – Palatka hosts NEFLC
October 1 – Employee Safety Luncheon

Board Openings:

Planning Board (Nov. 2010) 1 Vacancy (at large)
Fire Pension Board 1 Vacancy ("5th member")
Code Enforcement Board: 1 alternate
Historic Preservation Board: 1 alternate/1 w/ Legal Experience

Betsy Driggers

From: Mike Lambert
Sent: Monday, July 12, 2010 10:24 AM
To: Betsy Driggers
Subject: Agenda item

Betsy,

Please add to the commission agenda that we would like to honor LT Bill Dixon at the July 22nd meeting. He is retiring on July 16th. He began working for our department on November 28th, 1979, and has served our department and city for almost 31 years.

Thanks,

Chief Mike Lambert
City of Palatka Fire Department
500 North Moody Road
Palatka, Florida 32177
Office/Fax: 386.329.0155
Cell: 386.937.4217
Email: mlambert@palatka-fl.gov

*Agenda
Item*

3a

320 North Moody Rd.
Palatka, FL 32177
Tel. (386) 329-0144
Fax (386) 329-0106

City of Palatka
R. C. Willis Water Plant

To: Mayor, City Commissioners, and City Manager

From: Melvin Register, Water Plant Superintendent

Date: July 14, 2010

RE: Water Tank Lease Agreement

We have received a request from American Messaging Services to lease antenna space on our Elevated Water Storage Tank. They are the paging service for our local area. They service the City's after hours paging needs as well as the paging needs of Putnam Community Hospital. They have lost their current antenna space because the tower they use is being removed.

We currently have contracts in place T-Mobile, Sprint and George Brown Sales (GBS Online). Our standard contract calls for an initial lease period of five (5) years with four (4) five year renewals. The initial rental ranges from \$500.00 per month for GBS Online to \$1,000.00 per month for T-Mobile and Sprint.

I sent them a copy of our standard contract, with an initial rental of \$1,000.00, to American Messaging for their review.

They countered with an offer of \$500.00 per month which they proclaim to be their usual fee for antenna space rental. Also, they asked that the initial lease period and subsequent renewal periods be decreased from five to three years.

Since there is space available on the tower and considering the City's financial needs, it is my recommendation that American Messaging Services be granted a lease agreement for the terms that they have requested.

I have included a copy of the Lease document for your review.

WATER TOWER LEASE
BETWEEN
CITY OF PALATKA
AND
(Insert Lessee here)

THIS WATER TOWER LEASE (“Lease”) is made and entered into this ____ day of _____, 20____, between the **CITY OF PALATKA**, a municipal corporation organized and existing under the laws of the State of Florida, with an address of 201 N. 2nd Street, Palatka, Florida 32177, hereinafter referred to as the “Lessor”, and American Messaging Services, LLC, with an address of 1720 Lakepointe Drive, Suite 100, Lewisville, TX 75057, hereinafter referred to as the “Lessee”.

W I T N E S S E T H:

WHEREAS, Lessor is the owner of a parcel of land (the “Land”) described on Exhibit “A” attached hereunto and by reference made a part hereof; and

WHEREAS, Lessor is the owner of a 160 foot water tower (“Water Tower”) that is located on that certain tract of land more particularly described on Exhibit “A”; and

WHEREAS, Lessee desires to lease from Lessor, and Lessor agrees to lease to the Lessee, apportion of the Water Tower (“the water Tower Space”), located at 600 Westover Drive, in the City of Palatka, in Putnam County, State of Florida, together with the non-exclusive right, privilege and easement over and across a portion of the Land for access and utility service thereto (the “Access/Utility Easement”). Said Water Tower and Access/Utility Easement are shown on Exhibit “B”, attached hereto and by reference made a part thereof, and collectively identified as the “Leased Premises”.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged from one party to the other, Lessor and Lessee hereby agree as follows:

1. Leased Premises. Lessor hereby leases and lets to Lessee, and Lessee hereby leases and lets from Lessor, a portion of the Land consisting of a portion of the Water Tower (the “Water Tower Space”), together with the non-exclusive right, privilege and easement over and across a portion of the Land for parking, pedestrian and vehicular access to and from the Equipment Room Space and Water Tower Space as may be required to construct, install, operate, maintain, and repair Lessee’s Facilities, together with the right, privilege and easement over, under and across said portion of the Land for the purposes of providing and maintaining necessary utilities to Lessor’s Facilities.

A) Water Tower Space. Lessor hereby leases to Lessee space on the Water Tower to the extent necessary to enable Lessee to erect, maintain and operate antennas as part of its communications system and for no other purposes. Lessee may mount its various antennas between the 135 foot elevation and the 145 foot level of the Water Tower. The exact location between said elevations on the Water Tower will be determined by the Lessee so as to avoid interference with any of Lessor's equipment, cables, lines, antennas and/or any other property located on the Water Tower, as may be applicable.

Lessor agrees that Lessee may attaché necessary transmission lines, cables, antennas, fixtures, and other associated equipment to the water Tower Space to make said antennas operational. Lessee will provide all mounting hardware necessary for its installation. All installations shall be accomplished in accordance with specifications provided by the Lessor.

(OPTIONAL: B) Equipment Room Space. Lessee shall install (an equipment shelter(s) at the location of the Equipment Room Space to shelter its communications equipment.)

C) Access. Lessor agrees that Lessee shall have the right and non-exclusive access to the Equipment Room Space 24 hours a day, 7 days a week, as may be required to construct, install, operate, maintain and repair Lessee's Facilities.

D) Utility Service. Lessee shall be solely responsible for, and shall promptly pay all charges for utilities serving the Leased Premises and for the cost of the installation, maintenance, and repair of all utility meters associated with such utility service. Lessee shall have an electric meter installed at the Leased Premises and have the right to run necessary utility lines and other electrical equipment as maybe necessary from the utility source to the Equipment Room Space and to the Water Tower Space.

2. Review Period. The obligations of Lessee and Lessor under this lease are expressly subject to and conditioned upon Lessee's ability to use the Leased Premises for its intended use as a communications transmission/reception facility.

3. Survey. Lessee shall have the right to survey the land and the Leased Premises, at its sole expense. The survey legal description shall then replace Exhibits "A" and/or "B", which shall be attached hereto and made a part hereof, and shall control in the event of any inconsistencies between the survey legal descriptions and Exhibits "A" and/or "B" attached to this lease. Upon Lessor's request, Lessee agrees to provide Lessor with a copy of the completed survey.

4. Initial Term. The term of this Agreement (the "Initial Term") is three (3) years, commencing on the date both Lessee and Lessor have executed this Agreement ("Commencement Date"). This Agreement will be automatically renewed for four (4) additional terms (each a "Renewal Term") of three (3) years each, unless Lessee provides Lessor notice of its intention not to renew not less than 90 days prior to the expiration of the Initial Term or any Renewal Term.

5. Rental Fees. Within fifteen (15) days of the Commencement Date and on the first day of each year thereafter, Lessee shall pay to Lessor as rent Six Thousand and No/100 Dollars (\$6,000.00) per year ("Rent"). Rent for any fractional month at the beginning or at the end of the Term or Renewal Term shall be prorated. Rent shall be payable to Lessor at 201 N. 2nd Street, Palatka, Florida 32177: Attention Woody Boynton, City Manager. Rent shall be increased on each anniversary of the Commencement Date by an amount equal to three percent (3%) of the rent for the previous year.

A) Extension Terms. Provided that lessee has not breached any material term of this lease during its Initial Term and this lease has not been terminated as provided herein, Lessee shall have the option to extend this lease for up to four (4) additional three (3) year terms (each an "Extension Term"). Lessee shall automatically be deemed to have exercised its option as to each Extension Term unless Lessee delivers written notice to Lessor of its desire to conclude this lease, not less than ninety (90) days prior to the end of the then existing Initial Term or Extension Term, as the case may be. During each Extension Term, all terms and conditions of this lease shall remain in full force and effect.

B) The annual rental for the first year of the (1st) Extension Term shall be Six Thousand Five Hundred Fifty-Six Dollars and Thirty-Six Cents (\$6,556.36); the annual rental for the first year of the second (2nd) Extension Term shall be Seven Thousand One Hundred Sixty-Four Dollars and Thirty-One Cents (\$7,164.31); The annual rental for the first year of the third (3rd) Extension Term shall be Seven Thousand Eight Hundred Twenty-Eight Dollars and Sixty-Four Cents (\$7,828.64); and the annual rental for the first year of the fourth (4th) Extension Term shall be Eight Thousand Five Hundred Fifty-Four Dollars and Fifty-Seven Cents (\$8,554.57).

C) If at the end of the fourth (4th) Extension Term, or earlier as provided herein, this Lease has not been terminated by either party, this lease shall continue in force upon the same covenants, terms and conditions for a further term of one (1) year, and for annual terms thereafter until terminated by either party by giving to the other written notice of its intention to so terminate at least six (6) months prior to the end of such term.

6. Lessee's Use and Facilities. During this Lease, the Lessee shall use the Leased Premises for the purpose of constructing, maintaining, and operating a communications facility and uses incidental thereto, and shall have the right, at its expense, to construct or otherwise erect any improvements related to this purpose that Lessee deems necessary or desirable on all or any part of the Leased Premises, now or in the future with prior approval of the Lessor. Lessee shall have the right to install, construct, repair, maintain, operate or remove its communications facilities, including without limitation its equipment shelter(s), transmitters, receivers, generators for emergency power, antennas and related equipment and support structures and trade fixtures ("Lessee's Facilities"). Title to Lessee's Facilities shall be and remain solely in Lessee. All equipment, antenna support structures and trade fixtures placed on the Leased Premises, by Lessee are and shall remain the property of the Lessee and shall not be deemed to be fixtures of the Land.

In the event that any modifications are needed to the water Tower to accommodate Lessee's Facilities, Lessee shall bear all costs associated therewith. Lessee shall submit plans and specifications to Lessor for written approval prior to commencement of any modification.

Lessee's facilities shall be installed, constructed and maintained by Lessee at Lessee's sole cost and expense, in a good and workmanlike manner in accordance with Lessee's specifications. Lessee, at Lessee's sole cost and expense, shall maintain Lessee's Facilities in good order and repair. Lessee shall observe and comply with all applicable laws, statutes, ordinances, rules and regulations of the federal, state, and local governments and of other governmental authorities, affecting Lessee's Facilities or appurtenances thereto or any part thereof.

Lessor and Lessee agree that in the event of the Water Tower is no longer needed for use as a water tank tower; the Lessor shall not be required to maintain the Water Tower as an existing structure. In such an event, the Lessor shall provide Lessee with a minimum of 365 days prior written notice and Lessor shall have the right (but not the obligation) to construct a replacement structure, on the Land in lieu of the Water Tower upon which Lessee may then at its option locate subject to the same terms and conditions as contained within this lease. In the event Lessor determines not to construct a replacement structure, then Lessor may terminate this Lease and reimburse Lessee the pro-rata share of the rent that has been paid in advance of any unexpired term hereunder. The parties agree that any replacement structure shall be suitable for Lessee's intended use and built to a height at least equal to the height at which Lessee's Facilities are to be placed on the Water Tower pursuant to this lease.

At any time during this Lease, Lessee shall have the right to terminate this Lease upon the occurrence of any of the following events: (A) If the approval of or issuance of a license or permit by any agency, board, court or other governmental authority necessary for the construction and/or operation of the communications facility as now or hereafter intended by the Lessee cannot be obtained in Lessee's discretion, or is revoked; or (B) upon substantial detrimental interference with Lessee's operation, reception or transmission for which the Lessor or Lessor's agent or invitee is responsible and which the Lessor will not "cure" after reasonable notice, or, for which the Lessor or Lessor's invitee is not responsible but which it is not economically feasible for Lessee to "cure". Upon not less than thirty (30) days prior written notice of termination of this Lease by Lessee, this Lease shall automatically terminate and neither party shall have any further rights or obligations arising hereunder, except for the express terms pursuant to Paragraph 24 of this Lease.

7. FAA and FCC Requirements. Lessor shall comply, at Lessor's sole cost and expense, with all Water Tower marking and lighting requirements, if any, of the Federal Aviation Administration ("FAA"), provided that Lessee's installation of equipment and use of the Water Tower does not result in a requirement that lighting be installed which would otherwise be unnecessary. All additional lighting in such case would be the responsibility of the Lessee. Each party hereby agrees to and does indemnify and hold each other harmless from and against any and all fines, penalties, claims, causes of action, suits, costs and expenses (including without limitation, attorney's fees and court cost) caused by or resulting from said parties failure to comply with such requirements.

8. Maintenance of Water Tower. Lessor, at Lessor's sole cost and expense, shall maintain the Water Tower in good order and repair. Lessor shall observe and comply with all applicable laws, statutes, ordinances, requirements, orders, directives, rules and regulations of the federal, state, and local governments and of all other governmental authorities, now in effect or hereafter enacted, affecting the Land, Water Tower or appurtenances thereto or any part thereof, other than Lessee's Facilities. Lessor shall pay all third party costs, expenses, liabilities, losses, damages, fines or penalties, claims, and demands that may arise in any manner out of or imposed because of the failure of Lessor to comply with the foregoing.

A) Lessor and Lessee recognize that the Water Tower may require maintenance that may include sand blasting and painting. Lessor shall notify lessee no less than sixty (60) days in advance of any maintenance. Lessor and Lessee agree to cooperate in arranging such maintenance to be performed in a manner to minimize interference with Lessee's Facilities. In the event Lessee shall be unable to operate at the Water Tower due to such maintenance for a period greater than twelve (12) hours, Lessee shall be given the right to locate and operate on the Land temporary emergency equipment, including, but not limited to, a portable antenna up to the height contemplated by this Lease for placement of Lessee's Facilities on the Water Tower, necessary to maintain its communications capability on the Land.

9. Interference. Lessee shall operate Lessee's Facilities in a manner that will not cause harmful electrical interference to Lessor or to any other tenant of the Land or Water Tower provided that the rights of other such tenant, and Lessor's specific use of the site, predate this Lease. Lessee will resolve technical interference problems with other equipment located at the Property on the Commencement Date or any equipment that becomes attached to the Property at any future date when Lessee desires to add additional equipment to the Premises. Likewise, Lessor will not permit or suffer the installation of any future equipment which (a) results in technical interference problems with Lessee's then existing equipment or (b) encroaches onto the Premises. However, before this provision is relied upon to prevent the installation of future equipment, Lessee shall in good faith, devote all reasonable efforts to resolve technical difficulties which are the cause of the interference.

10. Damage or Destruction.

A) In the event of any such damage or destruction which renders Lessee's facilities non-operable for a period reasonably expected to exceed five (5) days, Lessee shall have, and Lessor hereby grants to Lessee, the right to bring and maintain upon the Land such temporary communications facilities as Lessee shall reasonably determine are necessary to continue to operate Lessee's communication system and provided i) that such temporary facilities do not materially interfere with Lessor's or any other Lessee's communications operations on the L or the repair or replacement of the damaged facilities; ii) that the Lessee obtains all necessary permits and authorizations for the construction and operation of such temporary facilities; iii) that the Lessee shall remove such temporary facilities upon the sooner of a) the restoration of service by Lessee's Facilities, or b) termination of this Lease.

B) In the event of the partial or total destruction of the Water Tower, and a determination by Lessor that repair would be an imprudent business decision, Lessor may elect not to repair or rebuild the Water Tower, and in such an event, may terminate this Lease and reimburse Lessee the pro-rata share of the rent that has been paid in advance of any unexpired term hereunder.

11. Notices. All notices, demands, requests, consents, and approvals desired, necessary, required or permitted to be given pursuant to the terms of this Lease shall be in writing and shall be deemed to have been properly given if personally delivered or sent, postage prepaid, by first class registered or certified United States mail, return receipt requested, addressed to each party hereto at the following address:

Lessor: CITY OF PALATKA
201 North 2nd Street
Palatka, Florida 32177
Attention: Woody Boynton, City Manager

Lessee: *(Insert Lessee Address here)*

or at such other address in the United States as Lessor or Lessee may from time to time designate in writing to the other. Lessor agrees to send copies of all notices required or permitted to be given to Lessee to each leasehold mortgagee that notifies Lessor in writing of its interest and the address to which notices are to be sent.

12. Assignment. Lessee may assign, mortgage or otherwise encumber this Lease or sublease all or any part of the Lease Premises, without Lessor's prior consent. Upon any such assignment of this Lease, Lessee shall remain fully responsible for the payment of rent unless Lessor assents in writing that the assignee is credit worthy and capable of satisfying the remaining rental obligation under the Lease. Upon such determination by the Lessor, the Lessor may release the Lessee from the remainder of the Lease term or extension thereto. Notwithstanding the foregoing, Lessee may assign this Lease to a general partner, a parent corporation or any of its subsidiaries, or any affiliate.

Any sublease, license, or assignment of this Lease that is entered into by the Lessor or Lessee shall be subject to the provisions of this Lease. Additionally, Lessee may, upon notice to Lessor, mortgage or grant a security interest in this Lease and the Lessee's Facilities, and may assign this Lease and the Lessee's facilities to any such mortgagees or holders of security interests including

their successors and assigns (hereafter collectively referred to as "Secured Parties"). In such event, Lessor shall execute such consent to leasehold financing as may reasonably be required by Secured Parties. Lessor agrees to notify Lessee and Lessee's Secured Parties simultaneously of any default by Lessee and to give Secured Parties the same right to cure any default as Lessee except that the cure period for any Secured Party shall not be less than ten (10) days after the receipt of the default notice. Lessee may assign this Lease without the consent of the Lessor to an affiliate of Lessee or to an entity which acquires Lessee's license. If a termination, disaffirmance or rejection of the Lease pursuant to the laws (including any bankruptcy or insolvency laws) by Lessee shall occur, or if Lessor shall terminate this Lease for any reason, Lessor will give to the Secured Parties the right to enter upon the Land during a thirty (30) day period commencing upon the Secured Party's receipt of such notice for the purpose of removing Lessee's Facilities, or any portion thereof. Lessor acknowledges that the Secured Parties shall be third-party beneficiaries of this Lease.

13. Liens. Lessee shall not create or permit to remain, and shall promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Leased Premises, or any part thereof, or upon Lessee's rights under this Lease that arises from the use or occupancy of the Leased Premises or by reason of any labor, service or material furnished or claimed to be furnished to or for the benefit of Lessee or by reason of any construction, repairs or demolition by or at the direction of Lessee.

14. Insurance. Lessee agrees to acquire and maintain, at its expense, during the term of this Lease commercial general liability insurance against claims for personal injury or property damage liability with a limit of not less than One Million and No/100 dollars (\$1,000,000) insuring Lessor and Lessee in the event of personal injury or of damage to the property arising out of the use and occupancy of the Leased Premises and appurtenant areas by Lessee, which insurance shall specifically name Lessor as a "co-insured". A certificate of insurance will be provided to Lessor if requested. Such insurance may be carried in whole or in part under any blanket policies that include other properties and provide separate coverage for the Leased Premises.

15. Indemnity. Lessee agrees to indemnify and hold the Lessor harmless from and against any loss, damage, or injury, including costs and expenses of defending against such claims, caused by, or on behalf of, or through the fault of the Lessee. Lessor agrees to indemnify and hold the Lessee harmless from and against any loss, damage, or injury, including costs and expenses of defending against such claims, caused by, or on behalf of, or through the fault of the Lessor. Nothing in this paragraph shall require a party to indemnify the other party against such other party's own, willful or negligent conduct.

16. Default. If either party is in default under this Agreement for a period of (a) fifteen (15) days following the receipt of notice from the non-defaulting party with respect to a default which may be cured solely by the payment of money, or (b) thirty (30) days following the receipt of notice from the non-defaulting party may pursue any remedies available to it against the defaulting party under applicable law, including, but not limited to, the right to terminate this Agreement. If the non-monetary default may not be reasonably cured within a thirty (30) day period, this

Agreement may not be terminated if the defaulting party commences action to cure the default within such thirty (30) day period and proceeds with due diligence to fully cure the default.

17. Taxes. Lessee shall be responsible for payment of all personal property taxes assessed directly upon and arising solely from its use of the facility on the Lease Premises. Lessor shall be responsible for payment of all real property taxes; provided, however, Lessee shall be responsible for making any necessary returns for and paying any and all property taxes separately levied or assessed against its improvements on the Leased Premises made by Lessee. Upon payment of such tax by Lessor, Lessee shall reimburse Lessor for the amount of any such tax payment within sixty (60) days of receipt of sufficient documentation indicating the amount paid and the calculation of Lessee's pro-rata share. Upon written request by Lessee, Lessor shall furnish evidence of payment of all taxes.

18. Lessor's Title. Lessor represents and warrants that, provided Lessee is not in default hereunder, Lessee shall peaceably and quietly hold and enjoy the Leased Premises during the term of this Lease, without hindrance or molestation by anyone. Lessor represents and warrants to Lessee that Lessor owns fee simple title to the Land and the Water Tower free and clear of any liens, encumbrances and restrictions that would impair Lessee's intended use of the Leased Premises and that the Lessor has the power and authority to execute and deliver this Lease and to carry out and perform all covenants to be performed by Lessor hereunder.

19. Title Insurance. Bothe Lessor and Lessee agree that each party will, upon request of the other, execute a Memorandum of Lease. Lessee may record a Memorandum of Lease or this Lease in the public records of the County where the Leased Premises is located. Lessor agrees that Lessee may obtain title insurance on the Leased Premises. Lessor, at Lessor's expense, shall cooperate with Lessee's efforts to obtain such title insurance policy by executing documents or obtaining requested documentation as required by the title insurance company.

20. Condemnation. If the whole of the Water Tower, or such portion of the Water Tower or the Land as will make the Leased Premises unusable for the Lessee's use, in Lessee's reasonable discretion, by Lessee for the purposes herein leased, is condemned by any legally constituted authority, or conveyed to such authority in lieu of such condemnation, then in any of said events, the term of this Lease shall end on the date when possession thereof is taken by the condemning authority, and rental shall be accounted for between the Lessor and lessee as of such date. In the event any portion of the Land is taken by condemnation or a conveyance in lieu thereof (other than as set forth in the o preceding sentence), at lessee's option, Lessee may (i) terminate this Lease, or (ii) elect to continue this Lease without reduction or set off with respect to the rent due. Lessee may claim and recover from the condemning authority such award as may be allowed by law, only to the extent that such recovery does not diminish Lessor's rights to recover from such condemning authority.

21. Sale. Should Lessor, at any time during the term of this Lease, decide to sell all or part of Land or the leased Premises to a purchaser other than Lessee, such sale shall be under and subject to this Lease and Lessee' rights hereunder.

22. Termination. Upon termination of this Lease, Lessee shall, within a reasonable period of time, remove all improvement, including its personal property and other fixtures and restore the Leased Premises to its original above ground condition, normal wear and tear are expected. This Lease shall terminate as of the date of termination of the Lessee's leasehold interest and Lessee shall pay its pro-rata share of the rent until the effective date of such termination.

23. Environmental Hazards. Lessor hereby represents that there are presently no environmental hazards located on or under the Leased Premises and agrees to hold Lessee harmless from any and all claims asserted against Lessee, or asserted against Lessor which adversely impact upon Lessee, for any such environmental hazards which are determined to have existed as of the date of the Lease and are later found at or under the Leased Premises. Lessee hereby agrees to hold Lessor harmless from any and all claims asserted against Lessor for any such environmental hazards being found at or under the Leased Premises as a result of the actions or inactions of Lessee, its agents, contractors, employees or invitees. For the purposes hereof, "Environmental Hazard" shall mean any substance, chemical or waste that is identified as dangerous, toxic or hazardous and subject to Federal, State or local environmental regulations, now or hereafter enacted or promulgated by any governmental authority or court ruling.

24. Severability. In the event any one or more of the paragraphs or provisions contained in this Lease shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Lease shall be continued as if such invalid, illegal or unenforceable provisions had never been contained herein; and the parties hereby declare that they would have agreed to the remaining portions or applications of this Lease if they had known that such affected provisions or portions thereof would be determined to be illegal, invalid or unenforceable.

25. Captions and Headings. Paragraph or section headings used in this Lease are for convenience and reference only and do not affect any provision of this Lease.

26. Entire Agreement. This Lease constitutes the full and complete agreement between the parties hereto with respect to the subject matter hereof and said parties shall not be bound by any statement, special condition or agreements not herein expressed. No alteration or amendment to this Lease by the parties hereto shall be effective unless in writing and signed by the parties hereto. This Lease and the performance thereof shall be governed, construed, interpreted and regulated by the laws of the State of Florida. Time is of the essence in this Lease.

27. Successors in Interest. This Lease shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties hereto.

28. Parties to be Responsible. Whenever under this Lease the consent or approval of either party is required or a determination must be made by either party, no such consent or approval shall be unreasonably withheld or delayed, and all such determinations shall be made on a reasonable basis and in a reasonable manner.

29. Radon gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health unit.

30. This Lease shall be executed in duplicate, each of which shall be deemed an original and constitute but one and the same Lease.

IN WITNESS WHEREOF, the parties hereto have set their hands and affixed their respective seals the day and year first above written.

LESSOR

Signed, sealed and delivered
In the presence of:

Witness
Print Name: _____

Witness
Print Name: _____

CITY OF PALATKA
A municipal corporation
By: _____
Print Name: _____
Title: City Manager
Address: 201 N. 2nd Street
Palatka, Fl 32177

STATE OF FLORIDA
COUNTY OF PUTNAM

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as City Manager, City of Palatka, a Florida municipal corporation, who is personally known to me or who has produced a _____ as identification and who did (did not) take an oath.

My Commission Expires:

(Seal)

NOTARY PUBLIC
Print Name: _____

LESSEE

Signed, sealed and delivered
In the presence of:

Witness
Print Name: _____

Witness
Print Name: _____

By: _____
Print Name: _____
Title: _____
Address: _____

STATE OF FLORIDA
COUNTY OF PUTNAM

The foregoing instrument was acknowledged before me this ____ day of _____,
20 ____, by _____, who is personally known to me or who has produced a
_____ as identification and who did (did not) take an oath.

My Commission Expires:

(Seal)

NOTARY PUBLIC
Print Name: _____

EXHIBIT A

Fee Simple Deed

PUTNAM COUNTY PUBLIC HOSPITAL

THIS INSTRUMENT, made this 17th day of March, 1934, between Putnam County Public Hospital Authority, a public corporation organized and existing under the laws of the State of Florida, of the County of Putnam and State of Florida, party of the first part, and the City of Palatka, Florida, a municipal corporation organized and existing under the laws of the State of Florida, the County of Putnam and State of Florida, party of the second part,

WITNESSETH that the said party of the first part, for and in consideration of the sum of One Dollar (\$1.00) and other valuable considerations, to them in hand paid, the receipt whereof hereby acknowledged, has granted, bargained, sold and transferred unto the said party of the second part, its heirs and assigns forever, all that certain parcel of land lying and being in the County of Putnam, State of Florida, more particularly described as follows:

- The South 15 feet of the West 150 feet of the East 500 feet of the North 575 feet of the Southwest 1/4 of the Section 12, Township 10 South, Range 1 East, Putnam County, Florida, being a part of the property owned by the City of Palatka to the Putnam County Public Hospital Authority, vide Deed Book 273, Page 225, Public Records of Putnam County, Florida.

TO HAVE AND TO HOLD with all the tenements, hereditaments and appurtenances, with every privilege, right, title, interest and estate, power, reversion, remainder and easement thereto belonging in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.

IN WITNESS WHEREOF, said Putnam County Public Hospital Authority has caused these presents to be signed in its name by its Chairman and attested by its Secretary, and its corporate



and to be affixed this 17th day of November, A. D. 1962.
Signed, sealed and delivered in the presence of:

W. S. McInnis
Chairman

PUTNAM COUNTY PUBLIC HOSPITAL AND
By W. S. McInnis (C.S.)
Chairman

E. Marshall Hall
Secretary

ATTEST:
By E. Marshall Hall (C.S.)
Secretary

STATE OF FLORIDA:
COUNTY OF PUTNAM:

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared E. Marshall Hall and W. S. McInnis, well known to me to be the Chairman and Secretary, respectively, of the corporation as set forth in this instrument, and they severally acknowledged executing the same freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 17th day of November, A. D. 1962.

A 47683

12:47 P 28 NOV '62

FILED AND RECORDED IN PUBLIC RECORDS OF PUTNAM COUNTY, FLA

Clara V. ...
CLERK OF CIRCUIT COURT

Herbert ...
NOTARY PUBLIC
My commission expires:

Notary Public, State of Florida at Large
My Commission Expires September 19, 1964

NOV 20 1962

NOV 20 1962

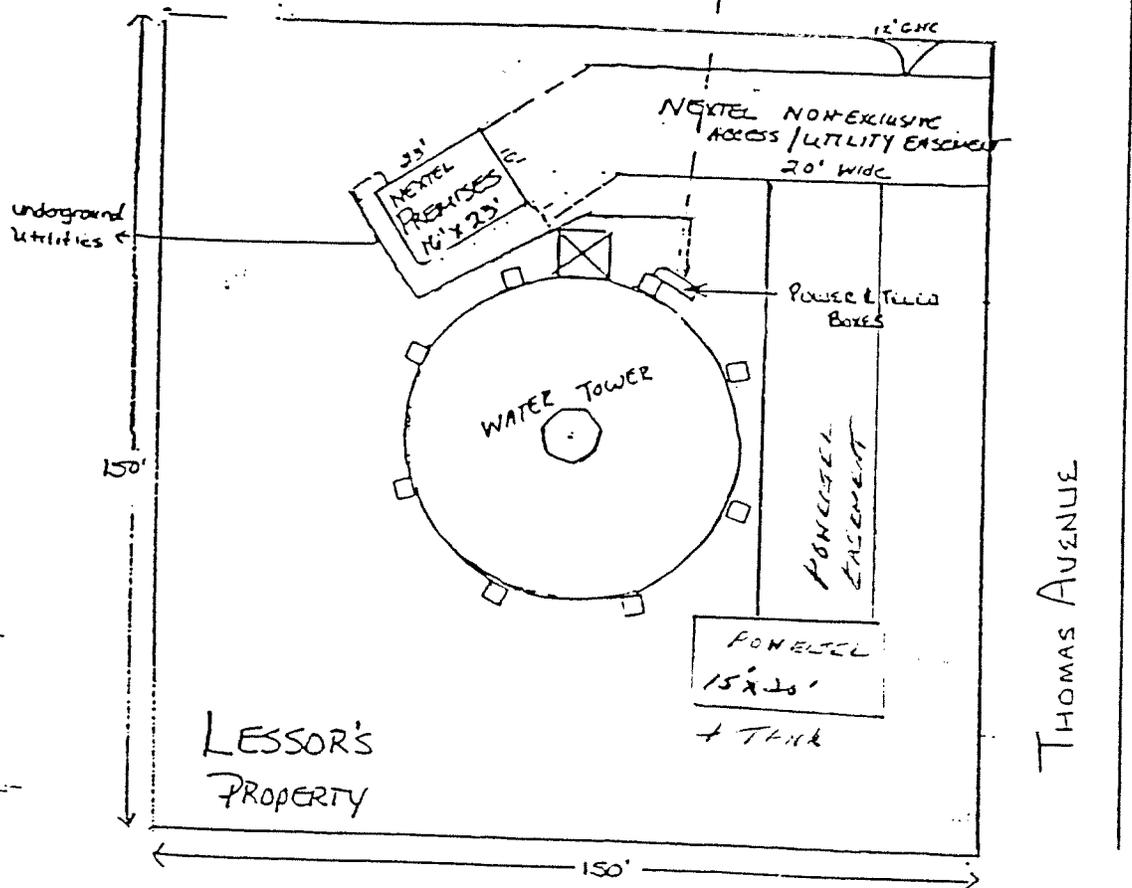
EXHIBIT B

Site Sketch

N
↑
(NOT TO SCALE)

- Equipment List:
- Up to 12 antennas
 - Shelter
 - Required cabling
 - 2 GPS antennas
 - 1 test mobile antenna

POWER
↑
POLE



*Agenda
Item*

3b

**MEMORANDUM OF UNDERSTANDING
BETWEEN SAINT JOHNS COUNTY SHERIFF'S OFFICE
AND THE CITY OF PALATKA
REGARDING
HURRICANE EVACUATION TEMPORARY SHELTER**

THIS AGREEMENT is made this _____ day of _____, 2010, between the St. Johns County Sheriff's Office (hereinafter "SJSO") and the City of Palatka (hereinafter "the CITY").

WHEREAS, SJSO proposes to take shelter onboard Palatka Municipal Airport property for the sole purpose of riding out storm surges and being able to quickly evaluate and re-establish the timely return to normal Command Operations; and

WHEREAS, SJSO will transport approximately (98) ninety-eight patrol vehicles, (17) seventeen trailers, (14) fourteen all terrain vehicles, (2) two Jet Ski's and trailers and (20) twenty specialty vehicles (i.e. mobile commands, tractor trailers, etc...) to a safe haven onboard Palatka Municipal Airport property to enhance the safe return to St. Johns County when "all clear" is granted. This property will be on the Stop Way for Runway 30. SJSO assumes responsibility of all placed property and releases the CITY of any damage and/or theft caused to said equipment stowed onboard City of Palatka Municipal Airport property.

NOW, THEREFORE, SJSO and the CITY agree that upon the decision to proceed with this Memorandum of Understanding (MOU), SJSO shall ensure that the following stipulations are implemented and shall remain in effect until this MOU is terminated.

Stipulation

SJSO agrees not to hold the CITY responsible for any damages caused by flying debris or damage caused by structural failure to and stored equipment and/or personnel. SJSO also agrees to correct or repair any damage inflicted upon Palatka Municipal Airport property by SJSO personnel. SJSO assumes no responsibility in rebuilding, repairing, compensating Palatka Municipal Airport for any damage caused by high winds or water. Finally, SJSO agrees to repair or compensate the CITY for any damage caused to paved surfaces on Airport property beyond that considered to be "normal wear and tear."

Witness

Witness

ATTEST:

Betsy J. Driggers, CITY CLERK

ST. JOHNS COUNTY SHERIFF'S OFFICE

By: David B. Shoar, SHERIFF

Date: _____

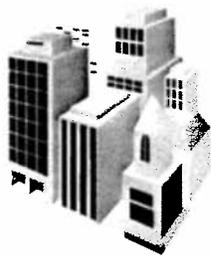
CITY OF PALATKA

By: Karl N. Flagg, Its MAYOR

Date: _____

*Agenda
Item*

3c



CITY OF PALATKA
Betsy Jordan Driggers
City Clerk
201 N. 2nd Street
Palatka FL 32177
Phone: 386-329-0100
Fax: 386-329-0106
e-mail: betsy@mail.qbso.net

Memorandum

To: City Commission
CC: Jim Lee, Planning Director
From: Betsy Driggers, City Clerk
Date: 7/16/2010
Re: Board of Zoning Appeals Appointments

Dwight Parker's term on the Board of Zoning Appeals expires July 31, 2010. He has submitted an application for reappointment to this Board and is the sole applicant. He meets all membership requirements.

Since the only application received is from the incumbent, **it is Staff's recommendation to re-appoint Dwight Parker to the Board of Zoning Appeals for a five-year term to expire July, 2015.**

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

ERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



ELWIN C. "WOODY" HOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

RUBY M. WILLIAMS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

*Betsy
or
Karen*

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

CITY OF PALATKA BOARD REAPPOINTMENT REQUEST

I wish to apply for reappointment to the BOARD OF ZONING APPEALS Board.
I understand that I will continue to serve in a volunteer capacity on this advisory board.

MEMBER: <u>DWIGHT G. PARKER</u>	# of years' prior service: <u>5</u>
Residence	Phone: <u>386-227-3586</u>
(911 Address) <u>6110 3RD MANOR W</u>	Fax: <u>NONE</u>
Business Name	Phone: _____
& Address	Fax: _____

(City Residents or business/property owners will be given preference when board member residency is not specified by statute or city ordinance)

Preferred Mailing Address: SAME AS ABOVE

E-mail: DWIGHT.PARKER@COMCAST.NET

Daytime Phone: 386-227-3586

AGREEMENT: By filing this document, I am indicating my desire to be reappointed to the advisory board upon which I currently serve. I also agree and understand that this document becomes a part of the official records of the City of Palatka, and I hereby certify that all the information contained herein is true, to the best of my knowledge. I also understand that, if appointed, the State of Florida may require me to file a financial disclosure with the Putnam Co. Supervisor of Elections each year covering my term of appointment.

Dwight G. Parker

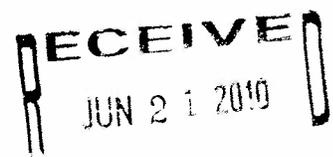
SIGNATURE OF APPLICANT

6/15/2010
DATE

Chairman/Director: Please return this form, together with a copy of this member's attendance record, to Betsy Driggers, City Clerk, 201 N. 2nd Street, Palatka, Florida.

CHAIRMAN/DIRECTOR'S COMMENTS (if any) _____

Chairman's/Director's Signature _____



BY: _____

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

VERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



ELWIN C. "WOODY" BOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

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

June 2, 2010

Mrs. Debbie Banks, Building & Zoning Administrator
205 N. 2nd Street
Palatka FL 32177

Dear Debbie:

The following Palatka Board of Zoning Appeals Members' term will expire at the end of July 2010:

Dwight Parker

Please have this member complete the enclosed Appointment Renewal Form indicating their continued interest in serving in this capacity. Please return these forms to City Hall by Wednesday, July 30, 2010, so that the Commission can consider their reappointment to another five-year term to expire July 2015.

Appointments to this Board will be considered at the July 22, 2010 meeting of the City Commission at 6:00 p.m.

Sincerely,

Karen M. Venables
Assistant City Clerk

KMV/s

cc: Dwight Parker

*Agenda
Item*

3d



CITY OF PALATKA
Betsy Jordan Driggers
City Clerk
201 N. 2nd Street
Palatka FL 32177
Phone: 386-329-0100
Fax: 386-329-0199
e-mail: bdriqqers@palatka-fl.gov

Memorandum

To: City Commission
From: Betsy Driggers, City Clerk
Date: 7/16/2010
Re: Tree Committee Appointment

The Tree Committee was created in order to oversee the tree renewal and preservation program for the City of Palatka, which fulfills state requirements for participation in the Tree City USA Program. Its members are appointed by the Commission and serve for an indefinite term. A vacancy exists due to the resignation of Ruby Singleton, and has existed for some time.

You will find attached an application for appointment from Mrs. Elizabeth Virnstein. Mrs. Virnstein is a master gardener and is and is otherwise qualified to serve on this Committee.

Mrs. Virnstein has been interviewed and briefed on the meeting dates and times and states she is willing to serve. Staff recommends the appointment of Mrs. Elizabeth Virnstein to the Tree Committee to fill the vacancy left by Ms. Singleton's resignation.

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

BRNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



EDWIN C. "WOODY" BOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

RUBY M. WILLIAMS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD B. HOLMES
CITY ATTORNEY

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

CITY OF PALATKA ADVISORY BOARD APPLICATION

I wish to apply for appointment to the Tree Committee Board.
I understand that, if appointed, I will serve in a volunteer capacity on this advisory board.

APPLICANT: Elisabeth L. Virstein (Must be at least 18 yrs. old)
Residence 142 Elgin Road, East Palatka 32131 Phone: 386-325-8362
(911 Address) 142 Elgin Road, East Palatka 32131 Fax: _____

Business Name _____ Phone: _____
& Address _____ Fax: _____

(City Residents or business/property owners will be given preference when board member residency is not specified by statute or city ordinance)

Preferred Mailing Address: _____

E-mail: revirstein@gmail.com Daytime Phone: 325-8362

PROFESSIONAL QUALIFICATIONS (include occupation - attach additional sheet if necessary)

35 years as a classroom teacher (now retired)
Florida Master Gardener

OTHER COMMENTS OR INFORMATION:

AGREEMENT: by filing this document, I agree and understand that this document becomes a part of the official records of the City of Palatka, and I hereby certify that all the information contained herein is true, to the best of my knowledge. I also understand that, if appointed, the State of Florida may require me to file a financial disclosure with the Putnam Co. Supervisor of Elections within thirty (30) days of my appointment, and each year thereafter, covering my term of appointment.

Elisabeth Virstein 6/28/10
SIGNATURE OF APPLICANT DATE

Applicants will be interviewed by the Palatka City Commission during regular public meetings.

July 16, 2010

TREE COMMITTEE

(Ord. 98-6, 2/26/98 - appointed by Mayor; expanded to seven members)

Sherrie Lowe (/chair)
27 Leyda Blvd.
E. Palatka, FL 32131

(h)328-9814
(c)530-0724
shermrk@aol.com

Carolyn Smith
1315 Hargrove Street

(h)325-1715
cbscarolyn@aol.com

Appt. 06/23/05

Mr. Earl Wallace
224 N. 6th Street

(h)328-3233
(f)328-3233

Appt. 05/17/93

VACANT

Mary Kay Engleking
107 Dinkla Lane

(h)328-6147 (c)972-5959
(f)328-6120 marykay@gbso.net

Appt. 10/13/05

R. Keith Valentine
P.O. Box 1129
Palatka, FL 32178

(day#)813-239-6749
(w)386-684-2042
(f)386-684-2082 keith@floridalandscapedoctor.com

Appt. 8-28-08

Commission Liaison:
Allegra Kitchens
1027 S. 12th Street

(h)& (f)325-3576
(c)546-0409 kitchenspw13@bellsouth.net

Jeff Norton
City Parks Supervisor
Keondra Wright (Sec.)

329-0100
jnorton@palatka-fl.gov
kwright@palatka-fl.gov

Woody Boynton
City Manager/Public Works Dir.

329-0107
wboynton@palatka-fl.gov

Debbie Banks
B & Z Administrator

329-0103 ext. 326
dbanks@palatka-fl.gov

Ramicah Watkins
Keep Putnam Beautiful

325-9598
keepputnamb1@gbso.net

Kurt Stroughton
Put. Co. Forrester
111 Yelvington Rd.
E. Palatka, FL 32131

(w)329-3717
stoughk@doacs.state.fl.us

(Consultant – Co. Extension)
20 Yelvington Rd.
E. Palatka, FL 32131

(w)329-0318

Administrative Support:
Karen Venables

(w)329-0100 ext. 231
kvenables@palatka-fl.gov

Agenda Item

3e



CITY OF PALATKA
Betsy Jordan Driggers
City Clerk
201 N. 2nd Street
Palatka FL 32177
Phone: 386-329-0100
Fax: 386-329-0199
e-mail: bdriqqers@palatka-fl.gov

Memorandum

To: City Commission
From: Betsy Driggers, City Clerk
Date: 7/16/2010
Re: Palatka Code Enforcement Board Appointment

Per City Commission policy, the City advertised that the Commission was seeking applicants for appointment to the Palatka Code Enforcement Board. This appointment will fill the balance of a three-year term that expires Sept. 30, 2010 and calls for a member with expertise in the Engineering field. This position was formerly held by Elizabeth Van Rensburg, who has accepted an appointment to the Historic Preservation Board.

David Franke, a resident of Palatka, has applied for appointment to this position and, while he is not an engineer, he has knowledge of the field by virtue of his experience in general contracting. He was interviewed by the Commission for a position on the Planning Board last November and comes with a recommendation for appointment from Debbie Banks, Building & Zoning Administrator. He has apprised of this Board's function, duties and responsibilities, has been advised of the meeting date, time and attendance requirements, and states he is available to attend as required. Staff is satisfied that he is a good candidate for appointment to this highly responsible Board. While the Code states that engineering experience is desired for this appointment, it is not required, and he has some experience with engineering principles and practices.

Policy calls for applicants' interviews at the commission meeting prior to appointments. **Since only one application has been received for this position, it is Staff's recommendation to waive the 2nd meeting requirement and appoint David Franke to the Palatka Code Enforcement Board as the Member with Engineering Expertise for the remainder of a three-year term to expire Sept. 30, 2010 and a full three-year term to expire Sept. 30, 2013.** Mr. Franke has been asked to attend the July 22nd meeting, should you have any questions of him

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

VERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



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

ELWIN C. "WOODY" ROYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

RUBY M. WILLIAMS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

CITY OF PALATKA ADVISORY BOARD APPLICATION

I wish to apply for appointment to the Code Enforcement Board.
I understand that, if appointed, I will serve in a volunteer capacity on this advisory board.

APPLICANT: DAVID FRANKE (Must be at least 18 yrs. old)
Residence 521- KIRBY ST. Phone: 326-1328
(911 Address) Fax: _____

Business Name _____ Phone: _____
& Address _____ Fax: _____

(City Residents or business/property owners will be given preference when board member residency is not specified by statute or city ordinance)

Preferred Mailing Address: 521- KIRBY ST.

E-mail: _____ Daytime Phone: 325-5857

PROFESSIONAL QUALIFICATIONS (Include occupation - attach additional sheet if necessary)

Home Depot - Kitchen/BATH/BAL. CONSULTANT, ALSO A TEACHING
COACH FOR MARKET AREA. DESIGN, STYLE, LAYOUT, PLANNING.

OTHER COMMENTS OR INFORMATION:

I Am PROFESSIONAL, CREATIVE, AND USE COMMON SENSE.

AGREEMENT: by filling this document, I agree and understand that this document becomes a part of the official records of the City of Palatka, and I hereby certify that all the information contained herein is true, to the best of my knowledge. I also understand that, if appointed, the State of Florida may require me to file a financial disclosure with the Putnam Co. Supervisor of Elections within thirty (30) days of my appointment, and each year thereafter, covering my term of appointment.

[Signature] 12/9/09
SIGNATURE OF APPLICANT DATE

Applicants will be interviewed by the Palatka City Commission during regular public meetings.

Betsy Driggers

From: Debbie Banks
Sent: Friday, July 16, 2010 7:58 AM
To: Betsy Driggers; Karen Venables
Subject: Dave Franke

I think Dave will be a good addition to the CEB.
Debbie

Updated July 16, 2010

CODE ENFORCEMENT BOARD

7 Members - 3-Yr. Terms

Appt. Date		Term Expires
7/23/09	Michael Gagnon (Subcontracting) 703 Emmett St. 325-9418 captainclub0607@yahoo.com	Sept. 2010
10/08/09	Vacant (Engineering)	Sept. 2010
VACANT	(Alternate #2)	Sept. 2010
11/11/04	Pat A. Wilson (Commercial/Industrial Real Estate) 516 River Street hm;325-7736 bn;937-7158 fax325-9306 wilson9318@bellsouth.net	Sept. 2010
11/11/99	Terrill L. Hill (Attorney) 211 N. 6th Street (326-0303 wk)	Sept. 2011
9/25/08	Douglas E. Webb (Architectural Exp. Sub) 6101 1 st Manor West, Palatka 386-328-8281 (days) 312-5049 (fax) nova0553@yahoo.com	Sept. 2011
10/27/05(alt) 10/26/06 10/09/08(alt)	John A. Lyon (Alternate #1) 417 Kirby Street	Sept. 2011
10/24/96	Kenneth M. Downs (Gen. Contractor) 2020 Ashbrooke Lane (H)328-7118 (W)328-3500 (F)325-9043 Palatka, FL 32177 (day)329-8116 or 326-7602	Sept. 2012
9/25/03	LaSandra Williams (Business) 1424 Ocean Street (H)328-1071 329-3867 fax 329-3857 williamL@dor.state.fl.us	Sept. 2012

Created by Ordinance #87-24 dated 9/10/87;
Ord. passed 1/9/92 allows for successive terms upon Commission approval
Ord. 02-01 Passed 1/10/02 adding two alternates
Ord. 04-24 Passed 9/9/04 amending jurisdiction & powers
Meets 4th Wednesday, 4 PM at City Hall

*Agenda
Item*

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KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

VERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



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

ELWIN C. "WOODY" BOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

RUBY M. WILLIAMS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

July 16, 2010

TO MESSRS: MARY LAWSON BROWN, ALLEGRA KITCHENS, VERNON MYERS, Jr.
AND JAMES NORWOOD, Jr.:

You are hereby notified that a workshop meeting of the Palatka City Commission is called to be held on Tuesday, July 27, 2010, at the regular meeting place of the Palatka City Commission, Palatka City Hall, 201 N. 2nd Street, Palatka, Florida, to commence at 4:30 p.m.

The purpose of the meeting is to hold a joint workshop with the Airport Advisory Board and Airport Engineers concerning the Palatka Municipal Airport Master Plan Update for 2010.

A tour of the Airport will precede the workshop and begins at 3:00 p.m. at the Palatka Municipal Airport, 4015 Reid Street, Palatka, at the Airport Terminal Building.

Karl N. Flagg
Karl N. Flagg, MAYOR

We acknowledge receipt of a copy of the foregoing notice of a special meeting on the 16th day of July, 2010.

Mary Lawson Brown
COMMISSIONER

Vernon Myers
COMMISSIONER

James Norwood, Jr.
COMMISSIONER

Allegra Kitchens
COMMISSIONER

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERK'S OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

201 N. 2ND STREET • PALATKA, FLORIDA 32177

PHONE: (386) 329-0100

www.cityofpalatka.com

FAX: (386) 329-0106

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

VERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



ELWIN C. "WOODY" BOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

RUBY M. WILLIAMS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

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

#3 (f) (2)

July 16, 2010

TO MESSRS: MARY LAWSON BROWN, ALLEGRA KITCHENS, VERNON MYERS, Jr.
AND JAMES NORWOOD, Jr.:

You are hereby notified that a workshop meeting of the Palatka City Commission is called to be held on Tuesday, July 27, 2010, at the regular meeting place of the Palatka City Commission, Palatka City Hall, 201 N. 2nd Street, Palatka, Florida, to commence at 6:00 p.m.

The purpose of the meeting is to hold a joint workshop with the Downtown Merchants to discuss merchandise being placed on sidewalks in the Central Business District.

/s/ Karl N. Flagg
Karl N. Flagg, MAYOR

We acknowledge receipt of a copy of the foregoing notice of a special meeting on the 16th day of July, 2010.

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Vernon Myers
COMMISSIONER

/s/ James Norwood, Jr.
COMMISSIONER

/s/ Allegra Kitchens
COMMISSIONER

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERK'S OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

Agenda

Item

***4*

See

Separate

Cover



CERTIFICATION OF TAXABLE VALUE

DR-420
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year 2010	County PUTNAM
Principal Authority CITY OF PALATKA	Taxing Authority CITY OF PALATKA

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value of real property for operating purposes	\$	353,890,633	(1)
2.	Current year taxable value of personal property for operating purposes	\$	57,939,007	(2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$	847,854	(3)
4.	Current year gross taxable value for operating purposes <i>(Line 1 plus Line 2 plus Line 3)</i>	\$	412,677,494	(4)
5.	Current year net new taxable value <i>(Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)</i>	\$	3,022,213	(5)
6.	Current year adjusted taxable value <i>(Line 4 minus Line 5)</i>	\$	409,655,281	(6)
7.	Prior year FINAL gross taxable value from prior year applicable Form DR-403 series	\$	416,061,561	(7)
8.	Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. If none, enter 0	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Number 3	(8)
9.	Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s. 9(b), Article VII, State Constitution? (If yes, enter the number of forms DR-420DEBT, <i>Certification of Voted Debt Millage</i> for each debt service levy.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Number 0	(9)

SIGN HERE	Property Appraiser Certification		I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser			Date
	Electronically Certified by Property Appraiser on 6/30/2010 2:48 PM			

SECTION II: COMPLETED BY TAXING AUTHORITY

If this portion of the form is not completed in FULL your authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is not applicable, -0-.

10.	Prior year operating millage levy <i>(If prior year millage was adjusted then use adjusted millage from Form DR-422)</i>		8.6500	per \$1,000	(10)
11.	Prior year ad valorem proceeds <i>(Line 7 multiplied by Line 10, divided by 1,000)</i>	\$	3,598,933		(11)
12.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value <i>(Sum of either Lines 6c or Line 7a for all DR-420TIF forms)</i>	\$	283,901		(12)
13.	Adjusted prior year ad valorem proceeds <i>(Line 11 minus Line 12)</i>	\$	3,315,032		(13)
14.	Dedicated increment value, if any <i>(Sum of either Line 6b or Line 7e for all DR-420TIF forms)</i>	\$	31,924,190		(14)
15.	Adjusted current year taxable value <i>(Line 6 minus Line 14)</i>	\$	377,731,091		(15)
16.	Current year rolled-back rate <i>(Line 13 divided by Line 15, multiplied by 1,000)</i>		8.7762	per \$1000	(16)
17.	Current year proposed operating millage rate		8.6500	per \$1000	(17)
18.	Total taxes to be levied at proposed millage rate <i>(Line 17 multiplied by Line 4, divided by 1,000)</i>	\$	3,569,660		(18)

19.	TYPE of principal authority (check one)	<input type="checkbox"/> County	<input type="checkbox"/> Independent Special District	(19)
		<input checked="" type="checkbox"/> Municipality	<input type="checkbox"/> Water Management District	
20.	Applicable taxing authority (check one)	<input checked="" type="checkbox"/> Principal Authority	<input type="checkbox"/> Dependent Special District	(20)
		<input type="checkbox"/> MSTU	<input type="checkbox"/> Water Management District Basin	
21.	Is millage levied in more than one county? (check one)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	(21)

DEPENDENT SPECIAL DISTRICTS AND MSTUs  **STOP HERE - SIGN AND SUBMIT**

22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. (The sum of Line 13 from all DR-420 forms)	\$	3,315,032	(22)
23.	Current year aggregate rolled-back rate (Line 22 divided by Line 15, multiplied by 1,000)		8.7762 per \$1,000	(23)
24.	Current year aggregate rolled-back taxes (Line 4 multiplied by Line 23, divided by 1,000)	\$	3,621,740	(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. (Total of Line 18 from all DR-420 forms)	\$	3,569,660	(25)
26.	Current year proposed aggregate millage rate (Line 25 divided by Line 4, multiplied by 1,000)		8.6500 per \$1,000	(26)
27.	Current year proposed rate as a percent change of rolled-back rate (Line 26 divided by Line 23, minus 1 , multiplied by 100)		-1.44 %	(27)

First public budget hearing	Date 9/9/2010	Time 6:00 PM	Place 201 N. 2nd Street, Palatka, Florida 32177
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SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer			Date	
	Title CITY MANAGER		Contact Name ELWIN C. BOYNTON, JR.		
	Mailing Address		Physical Address 201 N 2ND ST		
	City, State, Zip PALATKA, FL 32177		Phone Number		Fax Number



TAX INCREMENT ADJUSTMENT WORKSHEET

DR-420TIF
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year	2010	County	PUTNAM
Principal Authority	CITY OF PALATKA	Taxing Authority	CITY OF PALATKA
Community Redevelopment Area Downtown		Base Year	1983

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	38,397,099	(1)
2.	Base year taxable value in the tax increment area	\$	14,750,255	(2)
3.	Current year tax increment value (Line 1 minus Line 2)	\$	23,646,844	(3)
4.	Prior year Final taxable value in the tax increment area	\$	38,696,405	(4)
5.	Prior year tax increment value (Line 4 minus Line 2)	\$	23,946,150	(5)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser		Date

SECTION II: COMPLETED BY TAXING AUTHORITY *Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.*

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		95.00 %	(6a)
6b.	Dedicated increment value (Line 3 multiplied by the percentage on Line 6a) If value is zero or less than zero, then enter zero on Line 6b	\$	22,464,502	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	196,777	(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		0.0000 per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value (Line 5 multiplied by Line 7b, divided by 1,000)	\$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value (Line 7a divided by Line 7c, multiplied by 100)		0.00 %	(7d)
7e.	Dedicated increment value (Line 3 multiplied by the percentage on Line 7d) If value is zero or less than zero, then enter zero on Line 7e	\$	0	(7e)

SIGN HERE	Taxing Authority Certification	I certify the calculations, millages and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer		Date	
	Title	CITY MANAGER	Contact Name	ELWIN C. BOYNTON, JR.
	Mailing Address	ELWIN C. BOYNTON, JR., CITY MANAGER	Physical Address	201 N 2ND ST
	City, State, Zip	PALATKA, FL 32177	Phone Number	3863290100



TAX INCREMENT ADJUSTMENT WORKSHEET

DR-420TIF
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year	2010	County	PUTNAM
Principal Authority	CITY OF PALATKA	Taxing Authority	CITY OF PALATKA
Community Redevelopment Area	North Historic	Base Year	1994

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	4,030,950	(1)
2.	Base year taxable value in the tax increment area	\$	1,099,110	(2)
3.	Current year tax increment value (Line 1 minus Line 2)	\$	2,931,840	(3)
4.	Prior year Final taxable value in the tax increment area	\$	3,904,627	(4)
5.	Prior year tax increment value (Line 4 minus Line 2)	\$	2,805,517	(5)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.	
	Signature of Property Appraiser		Date

SECTION II: COMPLETED BY TAXING AUTHORITY *Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.*

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		95.00 %	(6a)
6b.	Dedicated increment value (Line 3 multiplied by the percentage on Line 6a) If value is zero or less than zero, then enter zero on Line 6b	\$	2,785,248	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	23,054	(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		0.0000 per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value (Line 5 multiplied by Line 7b, divided by 1,000)	\$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value (Line 7a divided by Line 7c, multiplied by 100)		0.00 %	(7d)
7e.	Dedicated increment value (Line 3 multiplied by the percentage on Line 7d) If value is zero or less than zero, then enter zero on Line 7e	\$	0	(7e)

SIGN HERE	Taxing Authority Certification	I certify the calculations, millages and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer		Date	
	Title	CITY MANAGER	Contact Name	ELWIN C. BOYNTON, JR.
	Mailing Address	ELWIN C. BOYNTON, JR., CITY MANAGER	Physical Address	201 N 2ND ST
	City, State, Zip	PALATKA, FL 32177	Phone Number	3863290100



TAX INCREMENT ADJUSTMENT WORKSHEET

DR-420TIF
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year 2010	County PUTNAM
Principal Authority CITY OF PALATKA	Taxing Authority CITY OF PALATKA
Community Redevelopment Area South Historic	Base Year 1994

SECTION I: COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	10,243,001	(1)
2.	Base year taxable value in the tax increment area	\$	3,217,275	(2)
3.	Current year tax increment value <i>(Line 1 minus Line 2)</i>	\$	7,025,726	(3)
4.	Prior year Final taxable value in the tax increment area	\$	11,014,090	(4)
5.	Prior year tax increment value <i>(Line 4 minus Line 2)</i>	\$	7,796,815	(5)

SIGN HERE	Property Appraiser Certification	I certify the taxable values above are correct to the best of my knowledge.		
	Signature of Property Appraiser			Date

SECTION II: COMPLETED BY TAXING AUTHORITY *Complete EITHER line 6 or line 7 as applicable. Do NOT complete both.*

6. If the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:				
6a.	Enter the proportion on which the payment is based.		95.00 %	(6a)
6b.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 6a)</i> If value is zero or less than zero, then enter zero on Line 6b	\$	6,674,440	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	64,070	(6c)
7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:				
7a.	Amount of payment to redevelopment trust fund in prior year	\$	0	(7a)
7b.	Prior year operating millage levy from Form DR-420, Line 10		0.0000 per \$1,000	(7b)
7c.	Taxes levied on prior year tax increment value <i>(Line 5 multiplied by Line 7b, divided by 1,000)</i>	\$	0	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value <i>(Line 7a divided by Line 7c, multiplied by 100)</i>		0.00 %	(7d)
7e.	Dedicated increment value <i>(Line 3 multiplied by the percentage on Line 7d)</i> If value is zero or less than zero, then enter zero on Line 7e	\$	0	(7e)

SIGN HERE	Taxing Authority Certification		I certify the calculations, millages and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer				Date
	Title CITY MANAGER		Contact Name ELWIN C. BOYNTON, JR.		
	Mailing Address ELWIN C. BOYNTON, JR., CITY MANAGER		Physical Address 201 N 2ND ST		
	City, State, Zip PALATKA, FL 32177		Phone Number 3863290100	Fax Number	



MAXIMUM MILLAGE LEVY CALCULATION PRELIMINARY DISCLOSURE

For municipal governments, counties, and special districts

DR-420MM-P
R. 6/10
Rule 12D-16.002
Florida Administrative Code

Year 2010	County PUTNAM
Principal Authority CITY OF PALATKA	Taxing Authority CITY OF PALATKA

1. Is your taxing authority a municipality or independent special district that has levied ad valorem taxes for less than 5 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No	(1)
--	--	-----

IF YES, STOP HERE. SIGN AND SUBMIT. You are not subject to a millage limitation.

2. Current year rolled-back rate from Current Year Form DR-420, Line 16	8.7762	per \$1,000	(2)
3. Prior year maximum millage rate with a majority vote from 2009 Form DR-420MM, Line 13	9.5259	per \$1,000	(3)
4. Prior year operating millage rate from Current Year Form DR-420, Line 10	8.6500	per \$1,000	(4)

If Line 4 is equal to or greater than Line 3, skip to Line 11. If less, continue to Line 5.

Adjust rolled-back rate based on prior year majority-vote maximum millage rate

5. Prior year final gross taxable value from Current Year Form DR-420, Line 7	\$	416,061,561	(5)
6. Prior year maximum ad valorem proceeds with majority vote <i>(Line 3 multiplied by Line 5 divided by 1,000)</i>	\$	3,963,361	(6)
7. Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value from Current Year Form DR-420 Line 12	\$	283,901	(7)
8. Adjusted prior year ad valorem proceeds with majority vote <i>(Line 6 minus Line 7)</i>	\$	3,679,460	(8)
9. Adjusted current year taxable value from Current Year form DR-420 Line 15	\$	377,731,091	(9)
10. Adjusted current year rolled-back rate <i>(Line 8 divided by Line 9, multiplied by 1,000)</i>		9.7410	per \$1,000 (10)

Calculate maximum millage levy

11. Rolled-back rate to be used for maximum millage levy calculation <i>(Enter Line 10 if adjusted or else enter Line 2)</i>	9.7410	per \$1,000	(11)
12. Change in per capita Florida personal income <i>(See Line 12 Instructions)</i>	.9811		(12)
13. Majority vote maximum millage rate allowed <i>(Line 11 multiplied by Line 12)</i>	9.5569	per \$1,000	(13)
14. Two-thirds vote maximum millage rate allowed <i>(Multiply Line 13 by 1.10)</i>	10.5126	per \$1,000	(14)
15. Current year proposed millage rate	8.6500	per \$1,000	(15)
16. Minimum vote required to levy proposed millage: (Check one)			(16)

- a. Majority vote of the governing body: Check here, if Line 15 is less than or equal to Line 13. The maximum millage rate is equal to the majority vote maximum rate. *Enter Line 13 on Line 17.*
- b. Two-thirds vote of governing body: Check here if Line 15 is less than or equal to Line 14, but greater than Line 13. The maximum millage rate is equal to proposed rate. *Enter Line 15 on Line 17.*
- c. Unanimous vote of the governing body, or 3/4 vote if nine members or more: Check here if Line 15 is greater than Line 14. The maximum millage rate is equal to the proposed rate. *Enter Line 15 on Line 17.*
- d. Referendum: The maximum millage rate is equal to the proposed rate. *Enter Line 15 on Line 17.*

17. The selection on Line 16 allows a maximum millage rate of <i>(Enter rate indicated by choice on Line 16)</i>	9.5569	per \$1,000	(17)
18. Current year gross taxable value from Current Year Form DR-420, Line 4	\$	412,677,494	(18)

19.	Current year proposed taxes (Line 15 multiplied by Line 18, divided by 1,000)	\$	3,569,660	(19)
20.	Total taxes levied at the maximum millage rate (Line 17 multiplied by Line 18, divided by 1,000)	\$	3,943,918	(20)

DEPENDENT SPECIAL DISTRICTS AND MSTUs  **STOP HERE. SIGN AND SUBMIT.**

21.	Enter the current year proposed taxes of all dependent special districts & MSTUs levying a millage (The sum of all Lines 19 from each district's Form DR-420 MM-P)	\$	0	(21)
22.	Total current year proposed taxes (Line 19 plus Line 21)	\$	3,569,660	(22)

Total Maximum Taxes

23.	Enter the taxes at the maximum millage of all dependent special districts & MSTUs levying a millage (The sum of all Lines 20 from each district's Form DR-420 MM-P)	\$	0	(23)
24.	Total taxes at maximum millage rate (Line 20 plus line 23)	\$	3,943,918	(24)

Total Maximum Versus Total Taxes Levied

25.	Are total current year proposed taxes on Line 22 equal to or less than total taxes at the maximum millage rate on Line 24? (Check one)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	(25)
-----	--	---	-----------------------------	------

SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of s. 200.065 and the provisions of either s. 200.071 or s. 200.081, F.S.		
	Signature of Chief Administrative Officer			Date	
	Title CITY MANAGER		Contact Name ELWIN C. BOYNTON, JR.		
	Mailing Address ELWIN C. BOYNTON, JR., CITY MANAGER		Physical Address 201 N 2ND ST		
	City, State, Zip PALATKA, FL 32177		Phone Number 3863290100	Fax Number	

Complete and submit this Form DR-420MM-P, Maximum Millage Levy Calculation-Preliminary Disclosure, to your property appraiser with the Form DR-420, Certification of Taxable Value.

*Agenda
Item*

5

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$8,500,000 FROM THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE FORM OF AND THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units ("Members") have created the Florida Municipal Loan Council ("Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and,

WHEREAS, the City of Palatka, Florida (the "Borrower"), a municipal corporation, is duly created and existing pursuant to the Constitution and laws of the State of Florida (the "State"); and,

WHEREAS, the Borrower finds and declares that there is a substantial need for the financing of a loan (the "Loan") secured by a Loan Agreement between the City of Palatka, Florida and the Florida Municipal Loan Council for refinancing certain bonds and other indebtedness undertaken to finance certain water and sewer projects listed on Exhibit "A" (collectively, the "Project"); and,

WHEREAS, the Borrower has determined that financing the Loan through a pooled financing program involving a limited number of local governmental units which regularly undertake projects requiring significant debt financing within the State of Florida would provide for low cost financing of such Loan through economies of scale, administrative support and access to expertise in accessing the capital markets; and,

WHEREAS, it is anticipated that the benefits of a pooled financing by the Borrower with a limited number of governmental units through the Florida Municipal Loan Council may be obtained through a promise to repay such loan under the program and supported by a general covenant to budget and appropriate for such purpose, by a specific revenue pledge of taxes or revenues or by a general obligation; and,

WHEREAS, by pooling the respective financial needs of these certain various local governmental units, the Borrower will be able to access additional markets and expects to

receive the benefits of lower interest rates on more favorable terms associated with such a large scale financing with such benefits being obtained for and inuring to the Borrower; and,

WHEREAS, the Council is in the process of issuing its Florida Municipal Loan Council Revenue Bonds, Series 2010A through 2010E or such other designations as maybe determined by the Council (the "Bonds") to finance loans and is seeking to make loans to governmental units; and,

WHEREAS, it is determined that a need exists to borrow funds to refinance the cost of the Projects; and,

WHEREAS, it is determined to be in the best interest of the Borrower to borrow funds from the Council from the proceeds of the Bonds to refinance the cost of the Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF PALATKA, FLORIDA:

Section 1: WHEREAS CLAUSES. The above whereas clauses are incorporated by reference into this Resolution.

Section 2: AUTHORITY. This Resolution is adopted pursuant to Chapter 166, Florida Statutes, the City Charter, and other applicable provisions of law.

Section 3: PROJECT. The refinancing of the bonds and the other indebtedness set forth on Exhibit A, the proceeds of which were used for the acquisition and construction of the certain projects is hereby approved.

Section 4: NEGOTIATED LOAN. Due to the complicated nature of the financings and the ability of the Council to access additional markets and for the Borrower to receive the benefits of lower interest rates and issuance costs, it is hereby determined that it is in the best interest of the Borrower that the Loan to the Borrower be made from the proceeds of the Bonds, as opposed to the Borrower borrowing funds pursuant to a public sale in order to accomplish the financing of the Projects.

Section 5: LOAN AMOUNT. The amount of the Loan to the Borrower evidenced by the Loan Agreement shall not exceed \$8,500,000. Such Loan shall be made at a discount which shall include a pro-rata portion of costs of issuance incurred by the Borrower, the Florida League of Cities, Inc. administrative fees, and other ongoing costs and shall bear interest and shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 6 hereof with such changes, insertions and omissions as may be approved by the Mayor or his designee. The redemption provisions, if any, relating to such Loan shall be as provided in the Loan Agreement.

Section 6: DELIVERY OF LOAN AGREEMENT AND CONTINUING DISCLOSURE CERTIFICATE. The Mayor or his designee or any other appropriate officers of the Borrower are hereby authorized and directed to execute and deliver the Loan Agreement to evidence the Loan, the pledge of certain revenues as set forth therein, and to undertake all actions in respect to the Loan Agreement, which is in substantially the form attached as Exhibit "B" with such changes, insertions and omissions as may be approved by the Mayor or his designee, the execution thereof being conclusive evidence of such approval.

Further, the Mayor or his designee or any other appropriate officers of the Borrower are authorized and directed to execute and deliver a Continuing Disclosure Certificate concerning compliance with existing or proposed rules of the Securities and Exchange Commission concerning continuing disclosure by the Borrower, to be entered into by and between the Borrower and the Florida League of Cities, Inc., in substantially the form attached as Exhibit "C" with such changes, insertions and omissions as may be approved by the officer executing such agreement, the execution thereof being conclusive evidence of such approval.

Section 7: INDENTURE. The Borrower hereby acknowledges and consents to the Bonds being issued pursuant to a Trust Indenture (the "Indenture") to be executed by the Council and Deutsche Bank Trust Company Americas, as Trustee.

Section 8: BOND PURCHASE CONTRACT. The form of the Bond Purchase Contract, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached as Exhibit "D" with such changes, insertions and omissions as may be approved by the Mayor or his designee, the execution thereof being conclusive evidence of such approval is hereby approved.

Section 9: OTHER INSTRUMENTS. The Mayor or his designee or any other appropriate officers of the Borrower are authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution, the Loan Agreement, the Continuing Disclosure Agreement, the Bond Purchase Contract, the Indenture or any other document required by the Council as a prerequisite or precondition to making the Loan (including but not limited to the execution of all tax documents relating to the tax exempt status of the Loan), and any such representations and agreements made therein shall be deemed to be made on behalf of the Borrower. All action taken to date by the officers of the Borrower in furtherance of the issuance of the Bonds and the making of the Loan is hereby approved, confirmed and ratified.

Section 10: ADDITIONAL INFORMATION; BOND INSURANCE. The Loan Agreement shall not be executed and delivered unless and until the Borrower has received all information required by Section 218.385, Florida Statutes. The Borrower authorizes the Issuer to determine whether the Bonds shall be insurable at advantageous premium rates, and if so to purchase bond insurance to secure the Bonds and to document as necessary the covenants required by such bond insurer.

Section 11: SEVERABILITY. If any section, clause, sentence, or phrase of this Resolution is for any reason held invalid or unconstitutional by a court of competent jurisdiction, the holding shall not affect the validity of the remaining portions of this Resolution.

Section 12: EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

PASSED AND DULY ADOPTED this ____ day of July, 2010.

(SEAL)

CITY OF PALATKA, FLORIDA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

EXHIBIT A

REFINANCED DEBT

EXHIBIT B

FORM OF LOAN AGREEMENT

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

EXHIBIT D

FORM OF BOND PURCHASE CONTRACT

REFINANCED DEBT

Water and Sewer System Revenue Bonds, 1998 Series	= \$5,288,794.53
Half Cent Sales Tax Revenue Note	= \$1,284,901.43
<u>SunTrust Short-Term Revenue Note</u>	<u>= \$1,550,000.00</u>
Total Refinanced Debt	= \$8,123,695.96

LOAN AGREEMENT

By and Between

FLORIDA MUNICIPAL LOAN COUNCIL

and

CITY OF PALATKA, FLORIDA

Dated as of August 1, 2010

FLORIDA MUNICIPAL LOAN COUNCIL
REVENUE BONDS, SERIES 2010[A]

This Instrument Prepared By:

JoLinda Herring, Esq.
Bryant Miller Olive P.A.
One Biscayne Tower
2 S. Biscayne Boulevard, Suite 1480
Miami, Florida 33131

and

Grace E. Dunlap, Esq.
Bryant Miller Olive P.A.
One Tampa City Center, Suite 2700
Tampa, Florida 33602

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LOAN AGREEMENT

This Loan Agreement (the "Loan Agreement" or the "Agreement") dated as of _____ 1, 2010 and entered into between the FLORIDA MUNICIPAL LOAN COUNCIL (the "Council"), a separate legal entity and public body corporate and politic duly created and existing under the Constitution and laws of the State of Florida, and the CITY OF PALATKA, FLORIDA (the "Borrower"), a duly constituted municipality under the laws of the State of Florida.

WITNESSETH:

WHEREAS, pursuant to the authority of the hereinafter defined Act, the Council desires to loan to the Borrower the amount necessary to enable the Borrower to finance, refinance or reimburse the cost of the Projects, as hereinafter defined, and the Borrower desires to borrow such amount from the Council subject to the terms and conditions of and for the purposes set forth in this Agreement; and

WHEREAS, the Council is a separate legal entity and public body corporate and politic duly created and existing under the laws of the State of Florida organized and existing under and by virtue of the Interlocal Agreement among initially, the City of DeLand, Florida, the City of Rockledge, Florida and the City of Stuart, Florida, as amended and supplemented, together with the additional governmental entities who become members of the Council, in accordance with Chapter 163, Part I, Florida Statutes, as amended (the "Interlocal Act"); and

WHEREAS, the Council has determined that there is substantial need within the State for a financing program (the "Program") which will provide funds for qualifying projects (the "Projects") for the participating Borrowers; and

WHEREAS, the Council is authorized under the Interlocal Act to issue its revenue bonds to provide funds for such purposes; and

WHEREAS, the Council has determined that the public interest will best be served and that the purposes of the Interlocal Act can be more advantageously obtained by the Council's issuance of revenue bonds in order to loan funds to the Borrowers to finance Projects; and

WHEREAS, the Borrower is authorized under and pursuant to the Act, as amended, to enter into this Loan Agreement for the purposes set forth herein; and

WHEREAS, the Borrower has determined that several sources of its revenues shall be pledged to secure this Loan Agreement; and

WHEREAS, the Council and the Borrower have determined that the lending of funds by the Council to the Borrower pursuant to the terms of this Agreement and that certain Trust Indenture dated as of August 1, 2010, between the Council and the Trustee (as defined herein) relating to the Bonds (as hereinafter defined), including any amendments and supplements thereto (the "Indenture"), will assist in the development and maintenance of the public welfare of the residents of the State and the areas served by the Borrower, and shall serve a public purpose by improving the health and living conditions, and providing adequate governmental services, facilities and programs and will promote the most efficient and economical development of such services, facilities and programs in the State; and

WHEREAS, neither the Council, the Borrower nor the State or any political subdivision thereof (other than each Borrower to the extent of their obligations under their respective Loan Agreements only), shall in any way be obligated to pay the principal of, premium, if any, or interest on those certain revenue bonds of the Council designated "Florida Municipal Loan Council Revenue Bonds, Series 2010[A]" (the "Bonds") as the same shall become due, and the issuance of the Bonds shall not directly, indirectly or contingently obligate the Borrower, the State or any political subdivision or municipal corporation thereof to levy or pledge any form of ad valorem taxation for their payment but shall be payable solely from the funds and revenues pledged under and pursuant to this Agreement and the Indenture.

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Unless the context or use indicates another meaning or intent, the following words and terms as used in this Loan Agreement shall have the following meanings, and any other hereinafter defined, shall have the meanings as therein defined.

"Accountant" or "Accountants" means an independent certified public accountant or a firm of independent certified public accountants.

"Accounts" means the accounts created pursuant to Section 4.02 of the Indenture.

"Act" means, collectively, to the extent applicable to the Borrower, Chapter 163, Part I, Florida Statutes, Chapter 166, Part II, Florida Statutes, and Chapter 125, Part I, as amended, and all other applicable provisions of law.

"Additional Bonds" means debt obligations issued at anytime under the provisions of Section 2.02(m) hereof with a lien on the Pledged Revenues on a parity with the Loan.

"Additional Payments" means payments required by Section 5.03 hereof.

["Alternate Surety Bond" means any letter of credit or surety bond obtained to replace the Surety Bond then in effect pursuant to the Indenture.]

["Alternate Surety Bond Provider" means any provider of an Alternate Surety Bond.]

"Arbitrage Regulations" means the income tax regulations promulgated, proposed or applicable pursuant to Section 148 of the Code as the same may be amended or supplemented or proposed to be amended or supplemented from time to time.

"Authorized Representative" means, when used pertaining to the Council, the Chairman of the Council and such other designated members, agents or representatives as may hereafter be selected by Council resolution; and, when used with reference to a Borrower which is a municipality, means the person performing the functions of the Mayor or Deputy, Acting or Vice Mayor thereof or other officer authorized to exercise the powers and performs the duties of the Mayor; and, when used with reference to a Borrower which is a County means the person performing the function of the Chairman or Vice Chairman of the Board of County Commissioners of such Borrower; and, when used with reference to an act or document, also means any other person authorized by resolution to perform such act or sign such document.

"Basic Payments" means the payments denominated as such in Section 5.01 hereof.

"Board" means the governing body of the Borrower.

"Bond Counsel" means Bryant Miller Olive P.A., Tampa, Florida or any other nationally recognized bond counsel.

"Bondholder" or "Holder" or "holder of Bonds" or "Owner" or "owner of Bonds" whenever used herein with respect to a Bond, means the person in whose name such Bond is registered.

["Bond Insurance" means the insurance policy of the Bond Insurer which insures payment of the principal of and interest on the Bonds when due.]

["Bond Insurance Premium" means the premiums payable to the Bond Insurer for the Bond Insurance.]

["Bond Insurer" means _____ and any successors thereto.]

"Bonds" means the \$_____ Florida Municipal Loan Council Revenue Bonds, Series 2010[A] issued pursuant to Article II of the Indenture.

"Bond Year" means a 12-month period beginning on _____ 2 and ending on and including the following _____ 1, except for the first period which begins on _____, 2010.

"Borrower" means the governmental unit which is described in the first paragraph and on the cover page of this Loan Agreement and which is borrowing and using the Loan proceeds to finance, refinance and/or be reimbursed for, all or a portion of the costs of one or more Projects.

"Borrowers" means, collectively, the Borrower executing this Loan Agreement and the other governmental units which have received loans from the Council made from proceeds of the Bonds.

"Business Day" means any day of the year which is not a Saturday or Sunday or a day on which banking institutions located in New York City or the State are required or authorized to remain closed or on which the New York Stock Exchange is closed.

"Certificate," "Statement," "Request," "Requisition" and "Order" of the Council mean, respectively, a written certificate, statement, request, requisition or order signed in the name of the Council by its Chairman, Program Administrator or such other person as may be designated and authorized to sign for the Council. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"Closing" means the closing of a Loan pursuant to the Indenture and this Agreement.

"Code" means the Internal Revenue Code of 1986, as amended, and the regulations promulgated, proposed or applicable thereunder.

"Commencement Date" means the date when the term of this Agreement begins and the obligation of the Borrower to make Loan Repayments accrues.

"Communications Services Tax Revenues" means all proceeds from the local communications service tax levied pursuant to Section 202.19, Florida Statutes and Ordinance Nos. 01-14 and 01-15 enacted by the Borrower on July 11, 2001 and received by the Borrower from the Local Communications Services Tax Clearing Fund.

"Council" means the Florida Municipal Loan Council.

"Cost" means "Cost" as defined in the Act.

"Cost of Issuance Fund" means the fund by that name established pursuant to Section 4.02 of the Indenture.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the Council or the Borrowers.

"Default" means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Escrow Account" shall mean the Escrow Account held for the benefit of the holders of the Refunded Bonds by the Escrow Holder under the Escrow Deposit Agreement.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement which shall be executed and delivered by and between the Borrower and the Escrow Holder, which agreement shall be in substantially the form approved by the Borrower's Mayor prior to the issuance of the Bonds.

"Escrow Holder" shall mean the qualifying bank or trust company which shall execute the Escrow Deposit Agreement with the Borrower prior to the issuance of the Bonds.

"Escrow Requirement" shall have the meaning assigned to such term in the Escrow Deposit Agreement.

"Event of Default" shall have the meaning ascribed to such term in Section 8.01 of this Agreement.

"Financial Newspaper" or "Journal" means The Wall Street Journal or The Bond Buyer or any other newspaper or journal containing financial news, printed in the English language, customarily published on each Business Day and circulated in New York, New York, and selected by the Trustee, whose decision shall be final and conclusive.

"Fiscal Year" means the fiscal year of the Borrower.

"Fitch" means Fitch Ratings, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Council, [with approval of the Bond Insurer,] by notice to the Trustee.

"Funds" means the funds created pursuant to Section 4.02 of the Indenture.

"Governmental Obligations" means (i) direct and general obligations of the United States of America, or those which are unconditionally guaranteed as to principal and interest by the same, including interest on obligations of the Resolution Funding Corporation and (ii) pre-refunded municipal obligations meeting the following criteria:

(a) the municipal obligations may not be callable prior to maturity or, alternatively, the trustee has received irrevocable instructions concerning their calling and redemption;

(b) the municipal obligations are secured by cash or securities described in subparagraph (i) above (the "Defeasance Obligations"), which cash or Defeasance Obligations may be applied only to interest, principal, and premium payments of such municipal obligations;

(c) the principal and interest of the Defeasance Obligations (plus any cash in the fund) are sufficient to meet the liabilities of the municipal obligations;

(d) the Defeasance Obligations serving as security for the municipal obligations must be held by an escrow agent or a trustee; and

(e) the Defeasance Obligations are not available to satisfy any other claims, including those against the Trustee or escrow agent.

Additionally, evidences of ownership of proportionate interests in future interest and principal payments of Defeasance Obligations are permissible. Investments in these proportionate interests are limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying obligations; and (c) the underlying obligations are held in a special account separate and apart from the custodian's general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated.

"Indenture" means the Trust Indenture dated as of August 1, 2010 between the Council and the Trustee, including any indentures supplemental thereto, pursuant to which (i) the Bonds are authorized to be issued and (ii) the Council's interest in the Trust Estate is pledged as security for the payment of principal of, premium, if any, and interest on the Bonds.

"Interest Payment Date" means _____ 1 and _____ 1 of each year, commencing _____ 1, 2010.

"Interest Period" means the semi-annual period between Interest Payment Dates.

"Interlocal Act" means Chapter 163, Part I, Florida Statutes.

"Interlocal Agreement" means that certain Interlocal Agreement originally dated as of December 1, 1998, initially among the City of Stuart, Florida, the City of Rockledge, Florida and the City of DeLand, Florida, together with the additional governmental entities who become members of the Council, all as amended and supplemented from time to time.

"Liquidation Proceeds" means amounts received by the Trustee or the Council in connection with the enforcement of any of the remedies under this Loan Agreement after the occurrence of an "Event of Default" under this Loan Agreement which has not been waived or cured.

"Loan" means the Loan made to the Borrower from Bond proceeds to finance certain Project(s) and to refund the Refunded Bonds in the amount specified in Section 3.01 herein.

"Loans" means all loans made by the Council under the Indenture to the Borrowers.

"Loan Agreement" or "Loan Agreements" means this Loan Agreement and any amendments and supplements hereto.

"Loan Repayment Date" means _____ 20, 2010, and thereafter each _____ 20th and _____ 20th, or if such day is not a Business Day, the next preceding Business Day.

"Loan Repayments" means the payments of principal and interest and other payments payable by the Borrower pursuant to the provisions of this Loan Agreement, including, without limitation, Additional Payments.

"Loan Term" means the term provided for in Article IV of this Loan Agreement.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Council, [with the approval of the Bond Insurer,] by notice to the Trustee.

"Opinion of Bond Counsel" means an opinion by Bond Counsel which is selected by the Council and acceptable to the Trustee.

"Opinion of Counsel" means an opinion in writing of a legal counsel, who may, but need not be, counsel to the Council, a Borrower or the Trustee.

"Outstanding Bonds" or "Bonds Outstanding" means all Bonds which have been authenticated and delivered by the Trustee under the Indenture, except:

(a) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity;

(b) Bonds deemed paid under Article IX of the Indenture; and

(c) Bonds in lieu of which other Bonds have been authenticated under Section 2.06, 2.07 or 2.09 of the Indenture.

"Person" means an individual, a corporation, a partnership, an association, a trust or any other entity or organization including a government or political subdivision or an agency or instrumentality thereof.

"Pledged Revenues" shall mean the Sales Tax Revenues, the Public Services Tax Revenues, and the Communications Services Tax Revenues.

"Principal Fund" means the [Series 2010A] Principal Fund created by Section 4.02 of the Indenture.

"Principal Payment Date" means the maturity date or mandatory redemption date of any Bond.

"Program" means the Council's program of making Loans under the Act and pursuant to the Indenture.

"Program Administrator" means the Florida League of Cities, Inc., a non-profit Florida corporation.

"Project" or "Projects" means a governmental undertaking approved by the governing body of a Borrower for a public purpose, including the refinancing of any indebtedness including the Borrower's Project detailed on Exhibit A hereof.

"Project Loan Fund" means the [Series 2010A] Project Loan Fund established pursuant to Section 4.02 of the Indenture.

"Proportionate Share" means, with respect to any Borrower, a fraction the numerator of which is the outstanding principal amount of the Loan of such Borrower made from proceeds of the Bonds and the denominator of which is the outstanding principal amount of all Loans made from proceeds of the Bonds and then outstanding.

"Public Service Tax" shall mean the public service tax levied by the Borrower pursuant to Section 166.231, Florida Statutes and the Public Service Tax Ordinance.

"Public Service Tax Ordinance" shall mean Ordinance No. 91-12 enacted by the Borrower on August 29, 1991, as amended and supplemented, in particular by Ordinance No. 92-119 enacted by the Borrower on October 8, 1992.

"Public Service Tax Revenues" shall mean the proceeds of all of the Public Service Tax received by the Borrower from the levy and collection of the Public Service Tax pursuant to the Act.

"Purchase Price" means the purchase price of one or more items of a Project payable by a Borrower to the seller of such items.

"Redemption Price" means, with respect to any Bond (or portion thereof), the principal amount of such Bond (or portion) plus the applicable premium, if any, payable upon redemption pursuant to the provisions of such Bond and the Indenture.

"Refunded Bonds" shall mean the outstanding City of Palatka, Florida Water and Sewer System Improvement and Refunding Revenue Bonds, Series 1998, dated August 1, 1998.

"Reserve Fund" means the [Series 2010A] Reserve Fund created by Section 4.02 of the Indenture.

"Revenue Fund" means the [Series 2010A] Revenue Fund created by Section 4.02 of the Indenture.

"Revenues" means all Loan Repayments paid to the Trustee for the respective accounts of the Borrowers for deposit in the Principal Fund and Revenue Fund to pay principal of, premium, if any, and interest on the Bonds upon redemption, at maturity or upon acceleration of maturity, or to pay interest on the Bonds when due, and all receipts of the Trustee credited to the Borrower under the provisions of this Loan Agreement.

"Sales Tax Revenues" shall mean the Borrower's sales tax revenues allocated to the Borrower from the Local Government Half-Cent Sales Tax Clearing Trust Fund, as defined and described in Part VI, Chapter 218, Florida Statutes.

"S&P" means Standard & Poor's, a division of the McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Council, [with the approval of the Bond Insurer,] by notice to the Trustee.

"Special Record Date" means the date established pursuant to Section 9.05 of the Indenture as a record date for the payment of defaulted interest, if any, on the Bonds.

"State" means the State of Florida.

"Supplemental Indenture" means any indenture hereafter duly authorized and entered into between the Council and the Trustee, supplementing, modifying or amending the Indenture, but only if and to the extent that such Supplemental Indenture is specifically authorized in the Indenture.

["Surety Bond" means the surety bond issued by the Surety Bond Provider guaranteeing certain payments into the Reserve Fund with respect to the Bonds and any other series of the Council's bonds or any Alternate Surety Bond.]

["Surety Bond Provider" means _____ and any successors thereto or any Alternate Surety Bond Provider.]

["System" shall mean the Borrower's complete water and sewer system now owned and operated by the Borrower, or hereafter constructed or acquired by the Borrower, together with all lands or interests therein, including plants, buildings, machinery, franchises, pipes, mains, fixtures, equipment and all property, real or personal, tangible, now or hereafter owned or used in connection therewith, and including any undivided or partial ownership interests therein.]

"Trust Estate" means the property, rights, Revenues and other assets pledged and assigned to the Trustee pursuant to the Granting Clauses of the Indenture.

"Trustee" means Deutsche Bank Trust Company Americas, as Trustee, or any successor thereto under the Indenture.

ARTICLE II

REPRESENTATIONS, WARRANTIES AND COVENANTS OF BORROWER AND COUNCIL

SECTION 2.01. Representations, Warranties and Covenants. The Borrower and the Council represent, warrant and covenant on the date hereof for the benefit of the Trustee, the Borrower, [the Bond Insurer] and Bondholders, as applicable, as follows:

(a) Organization and Authority. The Borrower:

(1) is a duly organized and validly existing municipality of the State and is a duly organized and validly existing Borrower; and

(2) has all requisite power and authority to own and operate its properties, to pledge the Pledged Revenues and to carry on its activities as now conducted and as presently proposed to be conducted.

(b) Full Disclosure. There is no fact that the Borrower knows of which has not been specifically disclosed in writing to the Council [and the Bond Insurer] that materially and adversely affects or, except for pending or proposed legislation or regulations that are a matter of general public information affecting State of Florida municipalities generally, that will materially affect adversely the properties, activities, prospects or condition (financial or otherwise) of the Borrower or the ability of the Borrower to perform its obligations under this Agreement.

The financial statements, including balance sheets, and any other written statement furnished by the Borrower to the Council, Wells Fargo Bank, National Association, as underwriter of the Bonds [and the Bond Insurer] do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein not misleading. There is no fact known to the Borrower which the Borrower has not disclosed to the Council, Wells Fargo Bank, National Association, as underwriter of the Bonds [and the Bond Insurer] in writing which materially affects adversely or is likely to materially affect adversely the financial condition of the Borrower, or its ability to make the payments under this Agreement when and as the same become due and payable.

(c) Pending Litigation. To the knowledge of the Borrower there are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower, except as specifically described in writing to the Council, Wells Fargo Bank, National Association, as underwriter of the Bonds [and the Bond Insurer,] in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, prospects or condition (financial or otherwise) of

the Borrower, or the existence or powers or ability of the Borrower to enter into and perform its obligations under this Agreement.

(d) Borrowing Legal and Authorized. The execution and delivery of this Agreement and the consummation of the transactions provided for in this Agreement and compliance by the Borrower with the provisions of this Agreement:

(1) are within the powers of the Borrower and have been duly and effectively authorized by all necessary action on the part of the Borrower; and

(2) do not and will not (i) conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Borrower pursuant to any indenture, loan agreement or other agreement or instrument (other than this Agreement) or restriction to which the Borrower is a party or by which the Borrower, its properties or operations are bound as of the date of this Agreement or (ii) with the giving of notice or the passage of time or both, constitute a breach or default or so result in the creation or imposition of any lien, charge or encumbrance, which breach, default, lien, charge or encumbrance (described in (i) or (ii)) could materially and adversely affect the validity or the enforceability of this Agreement or the Borrower's ability to perform fully its obligations under this Agreement; nor does such action result in any violation of the provisions of the Act, or any laws, ordinances, governmental rules or regulations or court orders to which the Borrower, its properties or operations may be bound.

(e) No Defaults. No event has occurred and no condition exists that constitutes an Event of Default, or which, upon the execution and delivery of this Agreement and/or the passage of time or giving of notice or both, would constitute an Event of Default. The Borrower is not in violation in any material respect, and has not received notice of any claimed violation (except such violations as (i) heretofore have been specifically disclosed in writing to, and have been in writing specifically consented to by the Council [and the Bond Insurer] and (ii) do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the Borrower with the terms hereof), of any terms of any agreement or other instrument to which it is a party or by which it, its properties or operations may be bound, which may materially adversely affect the ability of the Borrower to perform hereunder.

(f) Governmental Consent. The Borrower has obtained, or expects to obtain when required, all permits, approvals and findings of non-reviewability required as of the date hereof by any governmental body or officer for the acquisition and/or installation of the Project, including construction and renovation work, the financing or refinancing thereof or the reimbursement of the Borrower therefor, or the use of such Project, and, prior to the Loan, the Borrower will obtain all other such permits, approvals and findings as may be necessary for the foregoing and for such Loan and the proper application thereof; the Borrower has complied with or will comply with all applicable provisions of law requiring any notification, declaration,

filing or registration with any agency or other governmental body or officer in connection with the acquisition or installation of the Project, including construction and renovation work necessary for such installation, financing or refinancing thereof or reimbursement of the Borrower therefor; and any such action, construction, installation, financing, refinancing or reimbursement contemplated in this Loan Agreement is consistent with, and does not violate or conflict with, the terms of any such agency or other governmental consent, order or other action which is applicable thereto. No further consent, approval or authorization of, or filing, registration or qualification with, any governmental authority is required on the part of the Borrower as a condition to the execution and delivery of this Loan Agreement, or to amounts becoming outstanding hereunder.

(g) Compliance with Law. The Borrower is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject, and which are material to its properties, operations, finances or status as a municipal corporation or subdivision of the State.

(h) Use of Proceeds.

(1) The Borrower will apply the proceeds of the Loan from the Council solely for the refinancing for the cost of the Projects as set forth in Exhibit A hereto and redeeming and paying in full the debt listed thereon including the Refunded Bonds. If any component of the Project listed in Exhibit A is not paid for out of the proceeds of the Loan at the Closing of the Loan, Borrower shall, as quickly as reasonably possible, with due diligence, and in any event prior to December 31, 2010, use the remainder of the amounts listed in Exhibit A and any investment earnings thereon to pay the cost of the Project, provided that, such time limit may be extended by the written consent of the Council with notice to the Trustee, and provided further that Borrower may amend Exhibit A without the consent of the Council or the Trustee (but with notice thereto) but with a favorable opinion of Bond Counsel (to the effect that such an amendment and the completion of the revised Project will not adversely affect the validity or tax-exempt status of the Bonds) regarding the amended Exhibit A, to provide for the financing of a different or additional Project if Borrower, after the date hereof, deems it to not be in the interest of Borrower to acquire or construct any item of such Project or the cost of the Project proves to be less than the amounts listed on Exhibit A and the investment earnings thereon. Borrower will provide the Trustee with a requisition in the form of the requisition attached hereto as Exhibit E for the expenditure of the remaining amounts of the Loan in the Project Loan Fund.

(2) [reserved.]

(3) Borrower understands that the actual Loan proceeds received by it are less than the sum of the face amount of the Loan Agreement plus the reoffering premium in an amount equal to a discount as described in Section 3.01 hereof. Borrower will accordingly be responsible for repaying, through the Basic Payments portion of its Loan Repayments, the

portion of the Bonds issued to fund only its Loan including the portion issued to fund the underwriting discount, original issue discount and other fees and costs of issuing the Bonds.

(4) The Borrower covenants that it will make no use of the proceeds of the Bonds which are in its control at any time during the term of the Bonds which would cause such Bonds to be "Arbitrage Bonds" within the meaning of Section 148 of the Code.

(5) The Borrower, by the Trustee's acceptance of the Indenture, covenants that the Borrower shall neither take any action nor fail to take any action or to the extent that it may do so, permit any other party to take any action which, if either taken or not taken, would adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Bonds.

(i) Project. All items constituting the Project are permitted to be financed and refinanced with the proceeds of the Bonds and the Loan pursuant to the Act.

(j) Compliance with Interlocal Act and Interlocal Agreement. All agreements and transactions provided for herein or contemplated hereby are in full compliance with the terms of the Interlocal Agreement and the Interlocal Act.

(k) Additional Funding. It is hereby ascertained, determined and declared as follows:

(1) For the benefit of its inhabitants, the Borrower presently owns, operates and maintains the System.

(2) The Borrower has heretofore issued and has presently outstanding and unpaid the Refunded Bonds.

(3) The Borrower deems it necessary, desirable and in the best financial interest of the Borrower that the Refunded Bonds be refunded in order to effectuate interest cost savings and a reduction in the debt service applicable to bonded indebtedness. Simultaneously with the issuance of the Bonds, a sufficient portion of the proceeds of the Bonds and other funds available will be paid by the Borrower to the Escrow Holder for deposit by the Escrow Holder into the Escrow Account established pursuant to the Escrow Deposit Agreement, to effectuate the refunding and defeasance of the Refunded Bonds by providing for the payment of the principal of, premium, if any, and interest on the Refunded Bonds as provided in the Escrow Deposit Agreement.

(4) Neither this Agreement nor the Loan shall constitute a lien upon the System or upon any other property of the Borrower or situated within its territorial limits.

(5) The refunding of the Refunded Bonds in the manner herein provided is hereby authorized.

SECTION 2.02. Covenants of Borrower. The Borrower makes the following covenants and representations as of the date first above written and such covenants shall continue in full force and effect during the Loan Term:

(a) Security for Loan Repayment. The Borrower agrees to pay when due under this Loan Agreement as promptly as money becomes available to the Trustee for deposit directly into the appropriate Fund or Account created in the Indenture, amounts of Pledged Revenues sufficient to satisfy the Loan Repayment as required under this Loan Agreement. The Borrower does hereby irrevocably pledge the Pledged Revenues to the payment of the Loan Repayments.

[(b) Delivery of Information to the Bond Insurer. Borrower shall deliver to the Bond Insurer and the Council as soon as available and in any event within 270 days after the end of each Fiscal Year an audited statement of its financial position as of the end of such Fiscal Year and the related statements of revenues and expenses, fund balances and changes in fund balances for such Fiscal Year, all reported by an independent certified public accountant, whose report shall state that such financial statements present fairly Borrower's financial position as of the end of such Fiscal Year and the results of operations and changes in financial position for such Fiscal Year.]

[(c) Information. Borrower's chief financial officer shall, at the reasonable request of the Bond Insurer, discuss Borrower's financial matters with the Bond Insurer or their designee and provide the Bond Insurer with copies of any documents reasonably requested by the Bond Insurer or its designee unless such documents or material are protected or privileged from disclosure under applicable Florida law.]

(d) [Reserved].

(e) Further Assurance. The Borrower shall execute and deliver to the Trustee all such documents and instruments and do all such other acts and things as may be reasonably necessary to enable the Trustee to exercise and enforce its rights under this Loan Agreement and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be reasonably necessary or required by the Trustee to validate, preserve and protect the position of the Trustee under this Loan Agreement.

(f) Keeping of Records and Books of Account. The Borrower shall keep or cause to be kept proper records and books of account, in which correct and complete entries will be made in accordance with generally accepted accounting principles, consistently applied (except

for changes concurred in by the Borrower's independent auditors) reflecting all of its financial transactions.

(g) Payment of Taxes, Etc. The Borrower shall pay all legally contracted obligations when due and shall pay all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which penalties attach thereto, and all lawful claims, which, if unpaid, might become a lien or charge upon any of its properties, provided that it shall not be required to pay any such tax, assessment, charge, levy or claim which is being contested in good faith and by appropriate proceedings, which shall operate to stay the enforcement thereof.

(h) Compliance with Laws, Etc. Subject to an annual appropriation of legally available funds, the Borrower shall comply with the requirements of all applicable laws, the terms of all grants, rules, regulations and lawful orders of any governmental authority, non-compliance with which would, singularly or in the aggregate, materially adversely affect its business, properties, earnings, prospects or credit, unless the same shall be contested by it in good faith and by appropriate proceedings which shall operate to stay the enforcement thereof.

[(i) Tax-exempt Status of Bonds. The Council and the Borrower understand that it is the intention hereof that the interest on the Bonds not be included within the gross income of the holders thereof for federal income tax purposes. In furtherance thereof, the Borrower and the Council each agree that they will take all action within their control which is necessary in order for the interest on the Bonds or this Loan to remain excluded from gross income for federal income taxation purposes and shall refrain from taking any action which results in such interest becoming included in gross income.]

The Borrower and the Council further covenant that, to the extent they have control over the proceeds of the Bonds, they will not take any action or fail to take any action with respect to the investment of the proceeds of any Bonds, with respect to the payments derived from the Bonds or hereunder or with respect to the issuance of other Council obligations, which action or failure to act may cause the Bonds to be "arbitrage bonds" within the meaning of such term as used in Section 148 of the Code and the regulations promulgated thereunder. In furtherance of the covenant contained in the preceding sentence, the Borrower and the Council agree to comply with the Tax Certificate as to Arbitrage and the provisions of Section 141 through 150 of the Internal Revenue Code of 1986, as amended, including the letter of instruction attached as an Exhibit to the Tax Certificate, delivered by Bryant Miller Olive P.A. to the Borrower and the Council simultaneously with the issuance of the Bonds, as such letter may be amended from time to time, as a source of guidelines for achieving compliance with the Code.]

(j) Information Reports. The Borrower covenants to provide the Council with all material and information it possesses or has the ability to possess necessary to enable the Council to file all reports required under Section 149(e) of the Code to assure that interest paid

by the Council on the Bonds shall, for purposes of the federal income tax, be excluded from gross income.

(k) Limited Obligations. Anything in this Loan Agreement to the contrary notwithstanding, it is understood and agreed that all obligations of the Borrower hereunder shall be payable only from Pledged Revenues as provided for hereunder and nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage or lien upon any assets or property owned by the Borrower and no Bondholder or any other person, including the Council, the Trustee [or the Bond Insurer,] may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Borrower. The obligations hereunder do not constitute an indebtedness of the Borrower within the meaning of any constitutional, statutory or charter provision or limitation, and neither the Trustee, the Council, [the Bond Insurer,] or the Bondholders or any other person shall have the right to compel the exercise of the ad valorem taxing power of the Borrower or taxation of any real or personal property therein for the payment by the Borrower of its obligations hereunder. Except to the extent expressly set forth in this Loan Agreement, this Loan Agreement and the obligations of the Borrower hereunder shall not be construed as a limitation on the ability of the Borrower to pledge said Pledged Revenues or any revenues or taxes of the Borrower for other legally permissible purposes. It is the intent of the parties hereto and they do hereby covenant and agree, that the liability of the Borrower hereunder is a several liability of the Borrower expressly limited to the Loan Repayments and the Borrower shall have no joint liability with any other Borrower or the Council for any of their respective liabilities, except to the extent expressly provided hereunder.

(l) Reporting Requirements. (i) The Borrower will file or cause to be filed with the Bond Insurer] and with the Council any official statement issued by, or on behalf of, [the Borrower in connection with the incurrence of any additional indebtedness by the Borrower secured by Non-Ad Valorem Revenues. Such official statements shall be filed within sixty (60) days after the publication thereof.

(ii) The Borrower agrees to provide not later than December 31 of each year, a certificate of its Chief Financial Officer stating that to the best of its knowledge the Borrower is in compliance with the terms and conditions of this Loan Agreement, or, specifying the nature of any noncompliance and the remedial action taken or proposed to be taken to cure such noncompliance.

(m) Additional Bonds. There shall have been obtained and filed with the Borrower a statement of the Director of Finance or his/her designee: (1) stating that he or she has examined the books and records of the Borrower relating to the Public Service Tax Revenues, the Communications Services Tax Revenues and the Sales Tax Revenues which have been received by the Borrower; (2) setting forth the amount of such Public Service Tax Revenues, the Communications Services Tax Revenues and Sales Tax Revenues during any twelve (12) consecutive months designated by the Borrower within the eighteen (18) months immediately

preceding the date of delivery of such Additional Bonds with respect to which such statement is made, and (3) stating that the amount of such Public Service Tax Revenues, the Communications Services Tax Revenues and the Sales Tax Revenues received during the aforementioned 12-month period equals at least ___ times the maximum annual debt service on all Bonds then Outstanding Bonds and such additional bonds or other indebtedness to be secured by these revenue sources with respect to which such statement is made.

SECTION 2.03. Imposition and Collection of Revenues The Borrower covenants to do all things necessary or required on its part by the Act or otherwise to maintain the levy, collection and receipt of the Public Service Tax Revenues, the Communications Services Tax Revenues and the Sales Tax Revenues. The Borrower shall exercise all legally available remedies to enforce such levy, collection and receipt now or hereafter available under law. The Borrower will not take any action or enter into any agreement that shall result in reducing the level of Public Service Tax Revenues, the Communication Services Tax Revenues and Sales Tax Revenues received by the Borrower from that level prevailing at the time the Borrower takes such action or enters into such agreement. The Borrower will keep books and records of the receipt of the Public Service Tax Revenues, the Communication Services Tax Revenues and the Sales Tax Revenues in accordance with generally accepted accounting principles applicable to entities similar to the Borrower.

ARTICLE III

THE LOAN

SECTION 3.01. The Loan. The Council hereby agrees to loan to the Borrower and the Borrower hereby agrees to borrow from the Council the sum of \$_____ (\$_____ par amount of Bonds plus \$_____ reoffering premium). This amount includes an amount equal to _____% which reflects the Borrower's share of the cost of the initial issuance of the Bonds subject to the terms and conditions contained in this Loan Agreement and in the Indenture. The amounts advanced net of the cost of the initial issuance are to be used by the Borrower for the purposes of financing or refinancing the cost of, or receiving reimbursement for the equity in, the Projects and to refund the Refunded Bonds in accordance with the provisions of this Loan Agreement.

SECTION 3.02. Evidence of Loan. The Borrower's obligation hereunder to repay amounts advanced pursuant to Section 3.01, together with interest thereon, and other payments required under this Loan Agreement, shall be evidenced by this Loan Agreement.

ARTICLE IV

LOAN TERM AND LOAN CLOSING REQUIREMENTS

SECTION 4.01. Commencement of Loan Term. The Borrower's obligations under this Loan Agreement shall commence on the date hereof unless otherwise provided in this Loan Agreement.

SECTION 4.02. Termination of Loan Term. The Borrower's obligations under this Loan Agreement shall terminate after payment in full of all amounts due under this Loan Agreement and all amounts not theretofore paid shall be due and payable at the times and in the amounts set forth in Exhibit D attached hereto; provided, however, that all covenants and all obligations provided hereunder specified to so survive (including the obligation of the Borrower to pay its share of the rebate obligations of the Council owed on the Bonds and agreed to by the Borrowers pursuant to Section 5.03(b)(7) hereof) shall survive the termination of this Loan Agreement and the payment in full of principal and interest hereunder. Upon termination of the Loan Term as provided above, the Council and the Trustee shall deliver, or cause to be delivered, to the Borrower an acknowledgment thereof.

SECTION 4.03. Loan Closing Submissions. Concurrently with the execution and delivery of this Loan Agreement, the Borrower is providing to the Trustee the following documents each dated the date of such execution and delivery unless otherwise provided below:

(a) Certified resolutions of the Borrower substantially in the form of Exhibit B attached hereto;

(b) An opinion of the Borrower's Counsel in the form of Exhibit C attached hereto to the effect that the Loan Agreement is a valid and binding obligation of the Borrower and opining to such other matters as may be reasonably required by Bond Counsel, underwriter's counsel [and the Bond Insurer] and acceptable to Borrower's Counsel;

(c) A certificate of the officials of the Borrower who sign this Loan Agreement to the effect that the representations and warranties of the Borrower are true and correct;

(d) A certificate signed by the Authorized Representative of the Borrower, in form and substance satisfactory to Bond Counsel, stating (i) the estimated dates and the amounts of projected expenditures for the Project and (ii) that it is reasonably anticipated by the Borrower that the Loan proceeds will be fully advanced therefor and expended by the Borrower prior to December 31, 2010, and that the projected expenditures are based on the reasonable expectations of the Borrower having due regard for its refinancing needs and the revenues available for the repayment thereof.

(e) This executed Loan Agreement;

(f) An executed Escrow Deposit Agreement;

(g) An opinion (addressed to the Council, the Trustee, [the Bond Insurer] and the Borrower) of Bond Counsel to the effect that such financing, refinancing or reimbursement with Loan proceeds is permitted under the Act, the Indenture and the resolution authorizing this Loan Agreement and will not cause the interest on the Bonds to be included in gross income for purposes of federal income taxation or adversely affect the validity, due authorization for or legality of the Bonds; and

(h) Such other certificates, documents, opinions and information as the Council, [the Bond Insurer,] the Trustee or Bond Counsel may require, such requirement to be evidenced (in the case of parties other than the Trustee) by written notice of such party to the Trustee of such requirement.

All opinions and certificates shall be dated the date of the Closing.

ARTICLE V

LOAN REPAYMENTS

SECTION 5.01. Payment of Basic Payments. Borrower shall pay to the order of the Council all Loan Repayments in lawful money of the United States of America to the Trustee. No such Loan Repayment shall be in an amount such that interest on the Loan is in excess of the maximum rate allowed by the laws of the State of Florida or of the United States of America. The Loan shall be repaid in Basic Payments, consisting of:

- (a) principal in the amounts and on the dates set forth in Exhibit D; plus
- (b) interest calculated at the rates, in the amounts and on the dates set forth in Exhibit D;

On or before the fifteenth (15th) day of the month immediately preceding each Interest Payment Date, the Trustee shall give Borrower notice in writing of the total amount of the next Basic Payment due. The Basic Payments shall be due on each _____ 20th and _____ 20th, or if such day is not a Business Day, the next preceding Business Day (a "Loan Repayment Date"), commencing _____ 20, 2010, and extending through _____ 20, 20___, unless the due date of the Basic Payments is accelerated pursuant to the terms of Section 8.03 hereof.

[SECTION 5.02. Payment of Surety Bond Costs; Funding of Reserve Fund. The Borrower recognizes that the Surety Bond Provider has provided to the Council the Surety Bond for deposit to the Reserve Fund in lieu of a cash payment or deposit by the Borrower. The Surety Bond shall secure and satisfy the Reserve Requirement (as defined in the Indenture) and any other reserve requirement of bonds as listed on Annex A to the Surety Bond. The Borrower, or any other borrower, whose loan was funded with proceeds of a bond issue listed on Annex A to the Surety Bond, may draw on the Surety Bond in an amount equal to or less than the limit of the Surety Bond, all in accordance with Section 4.08 of the Indenture. The Borrower hereby agrees to pay to the Trustee an amount equal to the amount drawn by the Borrower (or on behalf of the Borrower) on the Surety Bond as set forth in subsection (c) of Section 5.03 hereof. Such Surety Bond may be replaced by an Alternate Surety Bond issued with respect to funding the reserve fund of subsequent bonds issued by the Council whose reserve fund shall be on a parity with the Bonds, all in accordance with Section 4.08 of the Indenture.] [add provisions relating to funding a Reserve Fund]

SECTION 5.03. Payment of Additional Payments. In addition to Basic Payments, Borrower agrees to pay on demand of the Council or the Trustee, the following Additional Payments:

- (a) (i) Borrower's Proportionate Share of: the annual fees or expenses of the Council, if any, including the fees of any provider of arbitrage rebate calculations; [the Bond

Insurance Premium of the Bond Insurer (to the extent not previously paid from the Cost of Issuance Fund);] the fees of the Program Administrator and the fees of the rating agencies (to the extent not previously paid from the Cost of Issuance Fund); and (ii) Borrower's equal share of the annual fees of the Trustee; annual fees of the Registrar and Paying Agent; [and the Surety Bond premium of the Surety Bond Provider and any related fees in connection with the Surety Bond (to the extent not previously paid from the Cost of Issuance Fund)].

(b) All reasonable fees and expenses of the Council or Trustee relating to this Loan Agreement, including, but not limited to:

- (1) the cost of reproducing this Loan Agreement;
- (2) the reasonable fees and disbursements of Counsel utilized by the Council, the Trustee [and the Bond Insurer] in connection with the Loan, this Loan Agreement and the enforcement thereof;
- (3) reasonable extraordinary fees of the Trustee following an Event of Default hereunder;
- (4) all other reasonable out-of-pocket expenses of the Trustee and the Council in connection with the Loan, this Loan Agreement and the enforcement thereof;
- (5) all taxes (including any recording and filing fees) in connection with the execution and delivery of this Loan Agreement and the pledge and assignment of the Council's right, title and interest in and to the Loan and the Loan Agreement, pursuant to the Indenture (and with the exceptions noted therein), and all expenses, including reasonable attorneys' fees, relating to any amendments, waivers, consents or collection or enforcement proceedings pursuant to the provisions hereof;
- [(6) all reasonable fees and expenses of the Bond Insurer relating directly to the Loan; and]
- (7) the Borrower's share of any amounts owed to the United States of America as rebate obligations on the Bonds related to the Borrower's Loan, which obligation shall survive the termination of this Loan Agreement.
- (8) fees and costs of maintaining a rating on the Loan.

[(c) For repayment of the Surety Bond held by the Trustee an amount equal to any amount drawn by the Borrower (or on behalf of the Borrower) from the Surety Bond due to the Borrower's failure to pay its Basic Payments in accordance with Section 5.01 hereof, at the times and in the manner and together with interest and expense due thereon all as provided in Section 4.08(a) of the Indenture undertaken in order to reinstate the Surety Bond. The Borrower

shall repay such amount drawn on the Surety Bond due to the Borrower's failure to pay its Basic Payments with the first available funds after payment of the current Loan Repayment. The Borrower shall repay only the amount drawn due to its failure to pay its Basic Payment.]

[(c) For replenishment of the [Series 2010A] Reserve Fund held by the Trustee an amount equal to any amount drawn by the Borrower (or on behalf of the Borrower) from the [Series 2010A] Reserve Fund due to the Borrower's failure to pay its Basic Payments in accordance with Section 5.01 hereof, at the times and in the manner and together with interest and expense due thereon all as provided in Section 4.08(a) of the Indenture undertaken in order to replenish the [Series 2010A] Reserve Fund. The Borrower shall repay such amount drawn on the [Series 2010A] Reserve Fund due to the Borrower's failure to pay its Basic Payments with the first available funds after payment of the current Loan Repayment. The Borrower shall repay only the amount drawn due to its failure to pay its Basic Payment.]

SECTION 5.04. Interest Earnings or Investment Losses and Excess Payments.

(a) On each Interest Payment Date the Trustee shall credit against Borrower's obligation to pay its Loan Repayments, Borrower's share of any interest earnings which were received during the prior Interest Period by the Trustee on the Funds and Accounts (except the Project Loan Fund) held under the Indenture, or shall increase the Borrower's obligation to pay its Loan Repayment, by Borrower's share of any investment losses which were incurred during the prior Interest Period on the Funds and Accounts (except the Project Loan Fund) held under the Indenture.

(b) The credits provided for in (a) shall not be given to the extent the Borrower is in default in payment of its Loan Repayments. If past-due Loan Repayments are later collected from such defaulting Borrower, the amount of the missed credit shall, to the extent of the amount collected, be credited in proportion to the amount of credit missed, to the now non-defaulting Borrower from the past-due Loan Repayments.

(c) The credits may be accumulated. If the credit allowable for an Interest Period is more than required on the next ensuing Interest Payment Date to satisfy the current Loan Repayment, it may be used on the following Interest Payment Date.

SECTION 5.05. Obligations of Borrower Unconditional. Subject in all respects to the provisions of this Loan Agreement, including but not limited to Section 2.02(a) hereof, the obligations of Borrower to make the Loan Repayments required hereunder and to perform and observe the other agreements on its part contained herein, shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any Bonds remain outstanding or any Loan Repayments remain unpaid, regardless of any contingency, act of God, event or cause whatsoever. This Loan Agreement shall be deemed and construed to be a "net contract," and Borrower shall pay absolutely net the Loan Repayments and all other

payments required hereunder, regardless of any rights of set-off, recoupment, abatement or counterclaim that Borrower might otherwise have against the Council, the Trustee, [the Bond Insurer] or any other party or parties.

SECTION 5.06. Refunding Bonds. In the event the Bonds are refunded, all references in this Loan Agreement to Bonds shall be deemed to refer to the refunding bonds or, in the case of a crossover refunding, to the Bonds and the refunding bonds (but Borrower shall never be responsible for any debt service on or fees relating to crossover refunding bonds which are covered by earnings on the escrow fund established from the proceeds of such bonds). The Council agrees not to issue bonds or other debt obligations to refund the portion of the Bonds allocable to this Agreement without the prior written consent of the Authorized Representative of the Borrower.

SECTION 5.07. Prepayment. The Loan may be prepaid in whole or in part by the Borrower on the dates and in the amounts on which the Bonds are subject to optional redemption and notice provisions pursuant to Section 3.01 of the Indenture.

ARTICLE VI

DEFEASANCE

This Loan Agreement shall continue to be obligatory and binding upon the Borrower in the performance of the obligations imposed by this Loan Agreement and the repayment of all sums due by the Borrower under this Loan Agreement shall continue to be secured by this Loan Agreement as provided herein until all of the indebtedness and all of the payments required to be made by the Borrower shall be fully paid to the Council, the Trustee [or the Bond Insurer]. Provided, however, if, at any time, the Borrower shall have paid, or shall have made provision for payment of, the principal amount of the Loan, interest thereon and redemption premiums, if any, with respect to the Bonds and shall have paid all amounts due pursuant to Section 5.03 hereof, then, and in that event, the covenant regarding the Sales Tax Revenues and the lien on the revenues pledged, if any, to the Council for the benefit of the holders of the Bonds shall be no longer in effect and all future obligations of the Borrower under this Loan Agreement shall cease. For purposes of the preceding sentence, deposit of sufficient cash and/or Governmental Obligations in irrevocable trust with a banking institution or trust company, for the sole benefit of the Council, the principal, interest and prepayment premiums, if any, received will be sufficient (as reflected in an accountants verification report provided to the Trustee by the Borrower) to make timely payment of the principal, interest and prepayment premiums, if any, on the Outstanding Loan, shall be considered "provision for payment." The prepayment premium, if any, shall be calculated based on the prepayment date selected by the Borrower in accordance with Section 5.07 hereof.

If the Borrower determines to prepay all or a portion of the Loan pursuant to Section 5.07 hereof, the Council shall redeem a like amount of Bonds which corresponds in terms of amount and scheduled maturity date to such Loan prepayment pursuant to Section 3.01 of the Indenture.

If the Borrower shall make advance payments to the Council in an amount sufficient to retire the Loan of the Borrower, including redemption premium and accrued interest to the next succeeding redemption date of the Bonds, all future obligations of the Borrower under this Loan Agreement shall cease, including the obligations under Section 5.03 hereof, except as provided in Section 4.02 hereof. However, prior to making such payments, the Borrower shall give at least 60 days' irrevocable notice by certified or registered mail to the Council [and the Bond Insurer].

ARTICLE VII

ASSIGNMENT AND PAYMENT BY THIRD PARTIES

SECTION 7.01. Assignment by Council. The Borrower expressly acknowledges that this Loan Agreement and the obligations of the Borrower to make payments hereunder (with the exception of certain of the Council rights to indemnification, fees, notices and expenses), have been pledged and assigned to the Trustee as security for the Bonds under the Indenture, and that the Trustee shall be entitled to act hereunder and thereunder in the place and stead of the Council whether or not the Bonds are in default.

SECTION 7.02. Assignment by Borrower. This Loan Agreement may not be assigned by the Borrower for any reason without the express prior written consent of the Council, [the Bond Insurer] and the Trustee.

[**SECTION 7.03. Payments by the Bond Insurer.** The Borrower acknowledges that payment under this Loan Agreement from funds received by the Trustee or Bondholders from the Bond Insurer do not constitute payment under this Loan Agreement for the purposes hereof or fulfillment of its obligations hereunder.]

[**SECTION 7.04. Payments by the Surety Bond Provider.** The Borrower acknowledges that payment under this Loan Agreement from funds received by the Trustee or Bondholders from the Surety Bond Provider do not constitute payment under this Loan Agreement for the purposes hereof or fulfillment of its obligations hereunder.]

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.01. Events of Default Defined. The following shall be "Events of Default" under this Loan Agreement and the terms "Event of Default" and "Default" shall mean (except where the context clearly indicates otherwise), whenever they are used in this Loan Agreement, any one or more of the following events:

(a) Failure by the Borrower to timely pay any Loan Repayment, when due, so long as the Bonds are outstanding;

(b) Failure by the Borrower to timely pay any other payment required to be paid hereunder on the date on which it is due and payable, provided the Borrower has prior written notice of any such payments being due;

(c) Failure by the Borrower to observe and perform any covenant, condition or agreement other than a failure under (a), on its part to be observed or performed under this Loan Agreement, for a period of thirty (30) days after notice of the failure, unless the Council, [the Bond Insurer] and the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Council, [the Bond Insurer] or the Trustee, but cannot be cured within the applicable 30-day period, the Council, [the Bond Insurer] and the Trustee will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure is corrected;

(d) Any warranty, representation or other statement by the Borrower or by an officer or agent of the Borrower contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement, is false or misleading in any material respect when made;

(e) A petition is filed against the Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within 60 days of such filing;

(f) The Borrower files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(g) The Borrower admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator or trustee) of the Borrower or any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than 60 days;

(h) Default under any agreement to which the Borrower is a party evidencing, securing or otherwise respecting any indebtedness of the Borrower outstanding in the amount of \$100,000 or more if, as a result thereof, such indebtedness may be declared immediately due and payable or other remedies may be exercised with respect thereto;

(i) Any material provision of this Loan Agreement shall at any time for any reason cease to be valid and binding on the Borrower, or shall be declared to be null and void, or the validity or enforceability of this Loan Agreement shall be contested by the Borrower or any governmental agency or authority, or if the Borrower shall deny any further liability or obligation under this Loan Agreement; or

(j) Final judgment for the payment of money in the amount of \$250,000 or more is rendered against the Borrower, the payment of which would materially adversely affect the Borrower's ability to meet its obligations hereunder (it being agreed that, if insurance or adequate reserves are available to make such payment, such judgment would not materially affect the Borrower's ability to meet its obligations hereunder) and at any time after 90 days from the entry thereof, unless otherwise provided in the final judgment, (i) such judgment shall not have been discharged, or (ii) the Borrower shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and have caused the execution of or levy under such judgment, order, decree or process of the enforcement thereof to have been stayed pending determination of such appeal, provided that such execution and levy would materially adversely affect the Borrower's ability to meet its obligations hereunder; or (iii) the Borrower is not obligated with respect to such judgment pursuant to the provisions of Chapter 768, Florida Statutes or other applicable law.

SECTION 8.02. Notice of Default. The Borrower agrees to give the Trustee, [the Bond Insurer] and the Council prompt written notice if any petition, assignment, appointment or possession referred to in Section 8.01(e), 8.01(f) and 8.01(g) is filed by or against the Borrower or of the occurrence of any other event or condition which constitutes a Default or an Event of Default, or with the passage of time or the giving of notice would constitute an Event of Default, immediately upon becoming aware of the existence thereof.

SECTION 8.03. Remedies on Default. Whenever any Event of Default referred to in Section 8.01 hereof shall have happened and be continuing, the Council or the Trustee shall, [with the written consent of the Bond Insurer or upon the direction of the Bond Insurer,] in

addition to any other remedies herein or by law provided, have the right, at its or their option without any further demand or notice, to take such steps and exercise such remedies as provided in Section 9.02 of the Indenture, and, without limitation, one or more of the following:

(a) Declare all Loan Repayments, in an amount equal to 100% of the principal amount thereof plus all accrued interest thereon to the date on which such Loan Repayments shall be used to redeem Bonds pursuant to Section 3.02 of the Indenture and all other amounts due hereunder, to be immediately due and payable, and upon notice to the Borrower the same shall become immediately due and payable by the Borrower without further notice or demand.

(b) Take whatever other action at law or in equity which may appear necessary or desirable to collect amounts then due and thereafter to become due hereunder or to enforce any other of its or their rights hereunder.

SECTION 8.04. [Reserved].

SECTION 8.05. No Remedy Exclusive; Waiver, Notice. No remedy herein conferred upon or reserved to the Council or the Trustee is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Council or the Trustee to exercise any remedy reserved to it in this Article VIII, it shall not be necessary to give any notice other than such notice as may be required in this Article VIII.

SECTION 8.06. Application of Moneys. Any moneys collected by the Council or the Trustee pursuant to Section 8.03 hereof shall be applied (a) first, to pay any attorney's fees or other expenses owed by the Borrower pursuant to Section 5.03(b)(3) and (4) hereof, (b) second, to pay interest due on the Loan, (c) third, to pay principal due on the Loan, (d) fourth, to pay any other amounts due hereunder, and (e) fifth, to pay interest and principal on the Loan and other amounts payable hereunder but which are not due, as they become due (in the same order, as to amounts which come due simultaneously, as in (a) through (d) in this Section 8.06).

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. Notices. All notices, certificates or other communication hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

Council: Florida Municipal Loan Council
c/o Florida League of Cities
301 South Bronough Street
Tallahassee, Florida 32301

[Bond Insurer:]

Trustee: Deutsche Bank Trust Company Americas
Trust & Securities Services (Municipal Group)
60 Wall Street, 27th Floor
New York, New York 10005

For purposes other than presentation of Bonds for transfer, exchange or payment:

Deutsche Bank Trust Company Americas
Trust & Securities Services (Municipal Group)
60 Wall Street, 27th Floor
New York, New York 10005

Borrower: City of Palatka, Florida
201 N. 2nd Street
Palatka, Florida
Attention: Director of Finance

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 9.02. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Council and the Borrower and their respective successors and assigns.

SECTION 9.03. Severability. In the event any provision of the Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 9.04. Amendments, Changes and Modifications. This Loan Agreement may be amended by the Council and the Borrower as provided in the Indenture; [provided, however, that no such amendment shall be effective unless it shall have been consented to in writing by the Bond Insurer.]

SECTION 9.05. Execution in Counterparts. This Loan Agreement may be simultaneously executed in several counterparts, each of which, when so executed and delivered, shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.06. Applicable Law. This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 9.07. Benefit of Bondholders; Compliance with Indenture. This Loan Agreement is executed in part to induce the purchase by others of the Bonds. Accordingly, all covenants, agreements and representations on the part of the Borrower and the Council, as set forth in this Loan Agreement, are hereby declared to be for the benefit of the holders from time to time of the Bonds. The Borrower covenants and agrees to do all things within its power in order to comply with and to enable the Council to comply with all requirements and to fulfill and to enable the Council to fulfill all covenants of the Indenture. The Borrower also acknowledges that the Council has delegated certain of its duties under the Indenture to its Program Administrator, including the direction to make investments in accordance with Article VII thereof, including but not limited to the investment of the Borrower's Project Loan Fund.

SECTION 9.08. Consents and Approvals. Whenever the written consent or approval of the Council shall be required under the provisions of this Loan Agreement, such consent or approval may be given by an Authorized Representative of the Council or such other additional persons provided by law or by rules, regulations or resolutions of the Council.

SECTION 9.09. Immunity of Officers, Employees and Members of Council and Borrower. No recourse shall be had for the payment of the principal of or premium or interest hereunder or for any claim based thereon or upon any representation, obligation, covenant or agreement in this Loan Agreement against any past, present or future official officer, member, counsel, employee, director or agent, as such, of the Council or the Borrower, either directly or through the Council or the Borrower, or respectively, any successor public or private corporation thereto under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, counsels, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement.

SECTION 9.10. Captions. The captions or headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of this Loan Agreement.

SECTION 9.11. No Pecuniary Liability of Council. No provision, covenant or agreement contained in this Loan Agreement, or any obligation herein imposed upon the Council, or the breach thereof, shall constitute an indebtedness or liability of the State or any political subdivision or municipal corporation of the State or any public corporation or governmental agency existing under the laws thereof other than the Council. In making the agreements, provisions and covenants set forth in this Loan Agreement, the Council has not obligated itself except with respect to the application of the revenues, income and all other property as derived herefrom, as hereinabove provided.

SECTION 9.12. Payments Due on Holidays. With the exception of Basic Payments, if the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Loan Agreement, shall be other than on a Business Day, such payments may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Loan Agreement.

SECTION 9.13. Calculations. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 9.14. Time of Payment. Any Loan Repayment or other payment hereunder which is received by the Trustee or Council after 2:00 p.m. (New York time) on any day shall be deemed received on the following Business Day.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Florida Municipal Loan Council has caused this Loan Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers and the City of Palatka, Florida, has caused this Loan Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attached by its duly authorized officers. All of the above occurred as of the date first above written.

FLORIDA MUNICIPAL LOAN COUNCIL

(SEAL)

By: _____
Name:
Title: Chairman

ATTEST:

By: _____
Name: Michael Sittig
Title: Executive Director

LOAN AGREEMENT

CITY OF PALATKA, FLORIDA

(SEAL)

By: _____

Name:

Title:

ATTESTED BY:

By: _____

Name:

Title: City Clerk

Approved as to form and correctness
this ___ day of _____, 2010.

By: _____

Name:

Title:

EXHIBIT A

CITY OF PALATKA, FLORIDA
USE OF LOAN PROCEEDS

DESCRIPTION OF PROJECT TO BE ACQUIRED OR CONSTRUCTED
AND DEBT TO BE REFINANCED

PROJECT

TOTAL AMOUNT
TO BE FINANCED

EXHIBIT B

CERTIFIED RESOLUTION OF THE BORROWER

See Document No. ____

EXHIBIT C

OPINION OF BORROWER'S COUNSEL

[Letterhead of Counsel to Borrower]

____, 2010

_____ Mail Code: WS7517

Florida Municipal Loan Council
c/o Florida League of Cities, Inc.
301 Bronough Street
Tallahassee, Florida 32301

Deutsche Bank Trust Company Americas
Trust & Securities Services (Municipal Group)
60 Wall Street, 27th Floor
New York, New York 10005

Bryant Miller Olive P.A.
One Tampa City Center
201 North Franklin Street, Suite 2700
Tampa, Florida 33602

Wells Fargo Bank, National Association
2363 Gulf-to-Bay Boulevard
Mail Code: WS7517
Clearwater, Florida 33765

[Bond Insurer]

Gentlemen:

We are counsel to the City of Palatka, Florida (the "Borrower"), and have been requested by the Borrower to give this opinion in connection with the loan by the Florida Municipal Loan Council (the "Council") to the Borrower of funds to finance or refinance or reimburse the Borrower for all or a portion of the cost of a certain Project (the "Project") as defined in, and as described in Exhibit A of, the Loan Agreement, dated as of _____, 2010 (the "Loan Agreement"), between the Council and the Borrower.

In this connection, we have reviewed such records, certificates and other documents as we have considered necessary or appropriate for the purposes of this opinion, including applicable laws, and ordinances adopted by the City Council of the Borrower, the Loan Agreement, Trust Indenture dated as of _____ 1, 2010 (the "Indenture") between the Council and Deutsche Bank Trust Company Americas, as trustee (the "Trustee"), Resolution No. _____ adopted by the Borrower on _____, 2010 (the "Resolution"), a Continuing Disclosure Agreement dated as of _____ 1, 2010 (the "Continuing Disclosure Agreement") between the Borrower and the Florida League of Cities, Inc., and a Bond Purchase Contract dated _____, 2010 (the "Bond Purchase Contract") between the Council, Banc of

America Securities LLC and the Borrowers. Based on such review, and such other considerations of law and fact as we believe to be relevant, we are of the opinion that:

(a) The Borrower is a municipality duly organized and validly existing under the Constitution and laws of the State of Florida and under the provisions of the Constitution and laws of the State of Florida. The Borrower has the legal right and all requisite power and authority to enter into the Loan Agreement, to adopt the Resolution and to consummate the transactions contemplated thereby and otherwise to carry on its activities and own its property.

(b) The Borrower has duly authorized, executed and delivered the Resolution, the Loan Agreement, the Bond Purchase Contract and the Continuing Disclosure Agreement, and such instruments are legal and binding obligations of the Borrower enforceable against the Borrower in accordance with its terms, except to the extent that the enforceability hereof may be subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity, and to the sovereign police powers of the State of Florida and the constitutional powers of the United States of America.

(c) The execution and delivery of the Ordinance, the Continuing Disclosure Agreement, the Bond Purchase Contract and the Loan Agreement, the consummation of the transactions contemplated thereby, the purchase or construction of the Project or the reimbursement for costs of the acquisition or construction thereof or the refinancing of the indebtedness to be refinanced with the proceeds of the loan and the fulfillment of or compliance with the terms and conditions of the Loan Agreement, the Bond Purchase Contract and the Continuing Disclosure Agreement does not and will not conflict with or result in a material breach of or default under any of the terms, conditions or provisions of any agreement, contract or other instrument, or law, ordinance, regulation, or judicial or other governmental order, to which the Borrower is now a party or it or its properties is otherwise subject or bound, and the Borrower is not otherwise in violation of any of the foregoing in a manner material to the transactions contemplated by the Loan Agreement.

(d) There is no litigation or legal or governmental action, proceeding, inquiry or investigation pending or, to the best of our knowledge, threatened by governmental authorities or to which the Borrower is a party or of which any property of the Borrower is subject, which has not been described in the Official Statement or otherwise disclosed in writing to the Council [and the Bond Insurer] and which, if determined adversely to the Borrower, would individually or in the aggregate materially and adversely affect the validity or the enforceability of the Loan Agreement, the Bond Purchase Contract or the Continuing Disclosure Agreement.

(e) Any indebtedness being refinanced, directly or indirectly, with the proceeds of the Loan was initially incurred by the Borrower, and the proceeds of such indebtedness have been fully expended, to finance the cost of the Project.

We are attorneys admitted to practice law only in the State of Florida and express no opinion as to the laws of any other state and further express no opinion as to (i) the status of interest on the Bonds under either Federal laws or the laws of the State of Florida, or (ii) economic or financial matters described in the Official Statement relating to the Borrower.

Very truly yours,

EXHIBIT D

DEBT SERVICE SCHEDULE

<u>Date</u>	<u>Principal Amounts</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total</u>
-------------	------------------------------	--------------------------	-----------------	--------------

*Loan repayments are actually due _____ 20th and _____ 20th of each year.

[TO COME]

EXHIBIT E TO LOAN AGREEMENT
FORM OF REQUISITION CERTIFICATE

TO: DEUTSCHE BANK TRUST COMPANY AMERICAS, AS TRUSTEE
FROM: CITY OF PALATKA, FLORIDA (THE "BORROWER")
SUBJECT: LOAN AGREEMENT DATED AS OF THE 1ST DAY OF _____, 2010

This represents Requisition Certificate No. ___ in the total amount of \$_____ for payment of those Costs of the Project detailed in the schedule attached.

The undersigned does certify that:

1. All of the expenditures for which monies are requested hereby represent proper Costs of the Project, have not been included in a previous Requisition Certificate and have been properly recorded on the Borrower's books as currently due and owing.
2. The monies requested thereby are not greater than those necessary to meet obligations due and payable or to reimburse the Borrower for funds actually advanced for Costs of the Project. The monies requested do not include retention or other monies not yet due or earned under construction contracts.
3. This requisition is in compliance with Section 5.03 of the Indenture.
4. After payment of monies hereby requested, to the knowledge of the undersigned, there will remain available to the Borrower sufficient funds to complete the Project substantially in accordance with the plans.
5. The Borrower is not in default under the Loan Agreement and nothing has occurred that would prevent the performance of its obligations under the Loan Agreement.

Executed this ____ day of _____, 2010.

CITY OF PALATKA, FLORIDA

By: _____
Name:
Title:

*Agenda
Item*

6

201 N. 2nd Street
Palatka, FL 32177
Tel. (386) 329-0100
Fax (386) 329-0195

City of Palatka
Office of the Finance Director

To: Mayor Flagg, Commissioners

From: Matt Reynolds, Finance Director

Date: July 20, 2010

RE: Water Fund Short Term Loan

I have included the final draft of the resolution and loan agreement as well as the other paperwork required for the short term loan with SunTrust bank for your review. However, there are still a few adjustments that are required in order to finalize all of the documents. I will forward the finalized paperwork as soon as it becomes available from our bond counsel.

If you have any questions or concerns, please feel free to contact me.

Betsy Driggers

1-tem #6

From: Matt Reynolds
Sent: Wednesday, July 21, 2010 3:41 PM
To: Betsy Driggers
Subject: FW: Palatka - SunTrust Loan
Attachments: R-AWARD-7-21-10-BL.doc; R-AWARD-7-21-10.doc; AVG certification.txt

Betsy,

8-75

An updated version of the SunTrust short term loan resolution and loan agreement is attached. "R-AWARD-7-21-10.doc" is the clean version without the edits.

Thanks,

Matt Reynolds
Director of Finance
City of Palatka
201 N. 2nd Street
Palatka, FL 32177
Phone: (386)329-0100 Ext. 212
Fax: (386)329-0195
mreynolds@palatka-fl.gov

From: John McWilliams [mailto:JMcWilliams@lfmlaw.net]
Sent: Wednesday, July 21, 2010 3:42 PM
To: Lisa C. Hayes; Matt Reynolds; Rhonda Bond-Collins
Subject: Palatka - SunTrust Loan

Matt, Lisa And Rhonda,

Attached is the latest draft of the resolution with the Loan Agreement and the form of the Note attached. The changes are black lined for your convenience. Also attached is a clean version.

Please let me have your comments as soon as possible.

Thank you,

Jack

John L. McWilliams, III
Livermore, Freeman & McWilliams, P.A.
320 First Street North, Suite 603
Jacksonville Beach, Florida 32250
Tel: 904-399-0500
Fax: 904-398-0500
Cell: 904-704-7127
E-mail: jmcwilliams@lfmlaw.net

ITEM #6

Draft

July 19, 2010

RESOLUTION NO. 8-75

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PALATKA, FLORIDA; AUTHORIZING THE ISSUANCE OF A \$2,570,070.75 REVENUE NOTE TO PROVIDE FUNDS TO REPAY A PORTION OF THE INTERIM CONSTRUCTION LOAN FROM THE FLORIDA RURAL UTILITY FINANCING COMMISSION DUE ON AUGUST 1, 2010; APPROVING A FORM OF LOAN AGREEMENT AND AUTHORIZING EXECUTION AND DELIVERY OF THE LOAN AGREEMENT AND OTHER ACTION IN CONNECTION WITH THE DELIVERY OF THE NOTE; AUTHORIZING AWARD OF THE NOTE TO SUNTRUST BANK; PROVIDING FOR PAYMENT FROM CERTAIN SPECIFIED NON-AD VALOREM REVENUES AS SET FORTH IN THE LOAN AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Palatka, Florida (the "City") has determined to finance the cost of a short term loan over a term of six months to repay a portion of the interim construction loan from the Florida Rural Utility Financing Commission due on August 1, 2010:

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF PALATKA, FLORIDA:

Section 1. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of the Act, as defined in the Loan Agreement, a form of which is attached hereto as Exhibit A.

Section 2. DEFINITIONS. All terms in this resolution shall have the meanings as defined in the Loan Agreement.

Section 3. PROJECT AUTHORIZED. There is hereby authorized the repayment of a portion of the interim construction loan from the Florida Rural Utility Financing Commission due on August 1, 2010.

Section 4. AUTHORIZATION OF LOAN AND NOTE. Subject and pursuant to the provisions of this resolution, the City is authorized to incur a Loan and to issue a Note in evidence thereof, in the forms of the Loan Agreement and the Form of Note attached hereto as Exhibits A and B. All of the terms and covenants contained in the Loan Agreement and the Form of Note are incorporated hereby by reference.

Section 5. SALE OF NOTE.

(A) Findings. It is hereby found, determined and declared, that in accordance with the provisions of Part III, Chapter 218, Florida Statutes, a negotiated sale of a Note is in the best interest of the City because of the small size of the issue, the time constraints involved in a public offering, and the flexibility available in structuring the Note in a negotiated sale.

(B) The City has solicited proposals for the Loan and has determined that the proposal of SunTrust Bank is the best interest of the City.

(C) Award of Loan. The City hereby awards the Loan to SunTrust Bank on the terms and conditions set forth herein, and in the Bank's proposal attached hereto as Exhibit C. The amount of the loan shall be \$2,570,070.75, bearing interest at % over a term of six months.

Section 6. NECESSARY ACTION. The Mayor and the City Clerk of the City are authorized and directed to execute and deliver the Loan Agreement and the Note to SunTrust Bank upon disbursement of the loan proceeds without further authority from the City Commission. The Mayor, City Clerk, City Manager and Director of Finance are designated as the agents of the City in connection with the Loan and are authorized and empowered to take all actions and steps to execute and deliver any and all instruments, documents or contracts on behalf of the City which are necessary or desirable in connection with the execution and delivery of the Loan Agreement and the Note, and which are not inconsistent with the terms and provisions of this resolution.

Section 7. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

Adopted this July 22, 2010.

CITY OF PALATKA, FLORIDA

(SEAL)

By: _____
Karl N. Flagg
Mayor

ATTEST:

By: _____
Betsy J. Driggers
City Clerk

**EXHIBITS
TO
RESOLUTION**

Exhibit A - Loan Agreement

Exhibit B - Form of Note

Exhibit C - Proposal of SunTrust Bank

EXHIBIT A

LOAN AGREEMENT

between

CITY OF PALATKA

and

SUNTRUST BANK

Dated as of July , 2010

\$2,570,070.75
Revenue Note

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "Agreement"), dated as of July , 2010, by and between the **CITY OF PALATKA, FLORIDA** (the "City"), a municipal corporation under the laws of the State of Florida, and **SUNTRUST BANK**, Jacksonville, Florida (the "Lender"),

WITNESSETH:

WHEREAS, the City has, by adoption of Resolution No. (the "Resolution") on July 22, 2010, authorized the repayment of a portion of an interim construction loan from the Florida Rural Utility Financing Commission (the "Project"), by a loan (the "Loan") in the amount of \$2,570,070.75 from the Lender;

NOW THEREFORE, in consideration of the premises and the respective representations and covenants herein contained, the parties hereto agree as follows:

Section 1. Definitions. The following terms in this Agreement shall have the following meanings, unless the text otherwise expressly requires:

"Act" means Chapter 166, Part II, Florida Statutes, and other applicable provisions of law.

"City" means the City of Palatka, Florida

"Communications Services Tax Revenues" means all proceeds from the local communications service tax levied pursuant to Section 202.19, Florida Statutes and Ordinance Nos. 01-14 and 01-15 enacted by the City on July 11, 2001 and received by the City from the Local Communications Services Tax Clearing Fund, junior and subordinate to the obligations of the City under that certain executory loan agreement between the City and the Florida Municipal Loan Council pertaining to the issuance of the Florida Municipal Loan Council Revenue Bonds, Series 2010.

"Non-Ad Valorem Revenues" means all legally available revenues and taxes (other than ad valorem taxes) derived from any source and legally available to pay principal of and interest on the Note.

"Note" means the City's \$2,570,070.75 Revenue Note to be dated on or before August 1, 2010.

"Pledged Revenues" means the Communications Services Tax Revenues; the Public Service Tax Revenues; the Sales Tax Revenues and the Water and Sewer Revenues.

"Public Service Tax Revenues" means the proceeds of the public service tax levied by the City pursuant to Section 166.231, Florida Statutes, and Ordinance, No. 91-12, enacted by the City on August 28, 1991, as amended and supplemented, in particular by Ordinance No. 92-119 enacted by the City on October 8, 1992, junior

and subordinate to the obligation of the City under that certain executory loan agreement between the City and the Florida Municipal Loan Council pertaining to the issuance of the Florida Municipal Loan Council Revenue Bonds, Series 2010.

"Sales Tax Revenues" means the City's sales tax revenues allocated to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund, as defined and described in Part VI, Chapter 218, Florida Statutes, junior and subordinate to the obligation of the City under that certain executory loan agreement between the City and the Florida Municipal Loan Council pertaining to the issuance of the Florida Municipal Loan Council Revenue Bonds, Series 2010.

"Water and Sewer Revenues" means (i) the proceeds received by the City from that certain Drinking Water State Revolving Fund Financial Assistance Agreement (DW5419010) between the Department of Environmental Protection of the State of Florida and the City (the "DEP Agreement") and (ii) the gross revenues derived yearly by the City from the operation of its water and sewer systems after payment of the operation and maintenance expenses of such systems and after satisfaction of all yearly payment obligations on account of the City's outstanding Water and Sewer System Improvement and Refunding Revenue Bonds, Series 1998, and any other senior obligations issued pursuant to that certain Drinking Water State Revolving Fund Financial Assistance Agreement (DW5419010) between the Department of Environmental and Protection of the State of Florida and the City for which the consent of the Department has been obtained the DEP Agreement.

Section 2. Findings. It is hereby found, determined and declared by the City that the City receives Pledged Revenues each year, which are legally available to pay the Loan. Such Pledged Revenues will be sufficient to pay all principal of and interest on the Note when due.

Section 3. Loan. The Lender agrees to make a Loan to the City for the purpose of financing the cost of the Project. The Loan shall be evidenced by the Note containing the terms in the Resolution, this Agreement and the proposal of the Lender.

Section 4. Source of Payment for Loan. The principal of and interest on the Note and all other payments provided for in this Agreement are secured by a lien upon and pledge of the Non-Ad Valorem Revenues and shall be payable solely from the Pledged Revenues. The Note shall not constitute a general obligation, or a pledge of the faith, credit or taxing power of the City, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any political subdivision thereof, or the City shall be obligated to pay the principal of the Note, the interest thereon, or other costs incidental thereto except from the sources described in this Section, in the manner provided in this Agreement. The Note shall not constitute a lien upon any property of the City, except the Pledged Revenues and the money in the Project Fund until spent as provided herein.

Section 5. Covenants Regarding Non-Ad Valorem Revenues. In the event that the Pledged Revenues are ever insufficient to pay the principal of and interest on

the Note, the City covenants and agrees to appropriate in its annual budget, by amendment, if necessary, and to pay when due under this Agreement, as promptly as money becomes available for payments due on the Note, amounts of Non-Ad Valorem Revenues of the City sufficient to pay the principal of and interest on the Note when due. Such covenant and agreement on the part of the City to budget and appropriate such amounts of Non-Ad Valorem Revenues to the payment of the Note shall be cumulative, and shall continue until such Non-Ad Valorem Revenues in amounts sufficient to pay the principal of and interest on the Note when due shall have been budgeted, appropriated and actually paid to the Lender. The City further acknowledges and agrees that the obligation of the City to include the amount of payments due on the Note in each of its annual budgets and to pay such amounts from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein.

Neither this Loan Agreement nor the obligations of the City hereunder shall be construed as a pledge of or a lien on any legally available Non-Ad Valorem Revenues of the City, except the Pledged Revenues and the money in the Project Fund until spent, as set forth herein.

Section 6. Prepayment. The Note may be prepaid prior to maturity in whole on any date at a prepayment price of par plus accrued interest to the date of prepayment and without prepayment penalty. Notice of any prepayment shall be mailed by the City, first-class mail, postage prepaid, to the Lender at least fifteen (15) days prior to the date fixed for prepayment at its Notice Address hereunder.

Section 7. Application of Loan Proceeds. All proceeds received from the Loan shall be deposited in a Project Fund to be separately accounted for, and shall be applied by the City for payment of costs of the Project. Pending such expenditure, the proceeds of the Loan may be invested in lawful investments for the City maturing at or prior to the times when such funds will be needed. The earnings thereon shall be available only for the purposes of the Loan and thereafter any such earnings shall be applied to (1) prepayment of the Loan or (2) such other purpose as the Commission shall approve with an approving opinion of bond counsel stating that such purpose constitutes a lawful use of Note proceeds. The Lender shall have a lien on the money in the Project Fund until spent as provided herein.

Section 8. General Covenants of the City.

(1) The City will provide to the Lender (a) annual financial statements of the City prepared by an independent accounting firm in accordance with generally accepted accounting principles promptly after the date such statements are available, but not later than the two hundred tenth (210th) day following the end of each Fiscal Year and accompanied by an unqualified opinion of such accounting firm, which financial statements include specifically all receipts of and application of the Pledged Revenues hereunder, and (b) a copy of the City's annual budget and any amendments thereto, within thirty (30) days after its adoption.

(2) The City will maintain a system of accounting in accordance with generally accepted accounting principles, and will obtain a certificate of the accountants preparing such statements addressed to the City's Director of Finance stating that either (i) during the course of their audit of the financial statements of the City nothing came to their attention which led them to believe that the City was in default under this Loan Agreement, or (ii) the nature and extent of any matter which led them to believe that such default had occurred.

(3) The City shall provide to the Lender such other information as the Lender shall reasonably request from time to time to be submitted to it within a reasonable time period.

(4) The City shall submit to the Lender, on a quarterly basis, within twenty (20) days after the end of each calendar quarter, a schedule of cash and investments, by type.

(5) The City will immediately give the Lender written notice of any Event of Default or an event which with the passage of time would become an Event of Default under this Loan Agreement of which it shall have actual knowledge or written notice.

(6) The Lender shall be permitted, at all reasonable times, to examine the books and records of the City.

(7) It shall be an "Event of Default" under this Loan Agreement if:

(i) the City shall fail to pay maturing principal and interest on the Note when due;

(ii) the City shall fail to comply with any other covenant made in this Loan Agreement, which failure shall continue for more than thirty (30) days;

(iii) The maturity of any other obligations payable from Pledged Revenues shall have been accelerated following an event of default related thereto, or a default shall have occurred respecting any other obligation payable from Pledged Revenues or any part thereof; or

(iv) There shall occur the filing by the City of a voluntary petition in bankruptcy, or the commission by the City of any act of bankruptcy, or the adjudication of the City as a bankrupt, or the assignment by the City for the benefit of its creditors, or the entry by the City into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceeding for its reorganization, instituted under the provisions of the Federal Bankruptcy Code, as amended, or any similar act in any jurisdiction which may now be in effect or hereinafter amended.

(8) Following an Event of Default, the Lender (a) may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State of Florida, or granted and contained herein, (b) may enforce and compel the performance of all duties required herein or by any applicable statutes to be performed by the City or by any officer thereof, and (c) if any Event of Default has occurred and is continuing may by notice in writing to the City, declare the principal of the Note then unpaid to be immediately due and payable, and upon such declaration the principal of the Note, together with interest accrued thereon, to the date of such declaration, shall become due and payable immediately at the place of payment provided therein, anything in this Loan Agreement or in the Note to the contrary notwithstanding.

If after the principal of the Note has been so declared to be due and payable, (i) all arrears of interest upon the Note (and interest on overdue installments of interest) and overdue installments of principal, if any, are paid by the City, (ii) the City also performs all other things in respect to which it may have been in default hereunder and (iii) the City pays the reasonable charges of the Lender, including reasonable attorneys' fees, then, and in every such case, the Lender by written notice to the City, may, but shall not be required to, annul such declaration and its consequences and such annulment shall be binding upon the Lender but no such annulment shall extend to or affect any subsequent default or impair any right or remedy consequent thereon.

Nothing herein, however, shall be construed to grant to the Lender any lien on the assets of the City, except the Pledged Revenues and the money in the Project Fund until spent as provided herein.

(9) The City will not issue any other obligations payable from the Pledged Revenues, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge against the Pledged Revenues, or any part thereof, except with the prior written consent of the Lender.

(10) The City will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended in order to ensure that the interest on the Note will be excluded from gross income from federal income tax purposes and that the Note will not be or become a "private activity bond" under the Code, and that the Note retains its status as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code.

The City will diligently enforce collection of its Pledged Revenues in each fiscal year. However, nothing in this subsection shall be construed to require the City to levy ad valorem taxes in any fiscal year.

Section 9. Qualified Tax-Exempt Obligations. The City hereby represents and finds that it reasonably anticipates not more than \$30,000,000 of tax-exempt obligations (other than certain private activity bonds) will be issued by the City and its subordinate governmental entities in calendar year 2010. The City hereby directs its Mayor or its Director of Finance, as his designee, to recertify these representations

upon issuance of the Note, and the Note is hereby designated as a "qualified tax-exempt obligation" under Section 265(b)(3) of the Code.

Section 10. Waiver of Jury Trial. WITH RESPECT TO ANY SUIT OR ACTION BETWEEN THE CITY AND THE LENDER RELATING TO THE LOAN, OR THIS LOAN AGREEMENT, THE CITY AND THE LENDER EACH EXPRESSLY WAIVES ANY RIGHT TO A JURY TRIAL, AND AGREES THAT THE EXCLUSIVE VENUE FOR ANY SUCH SUIT OR ACTION SHALL BE PUTNAM COUNTY, FLORIDA.

Section 11. Notice Address. Notices shall be given by each party to the other at the Notice Address set forth below by first class mail, postage prepaid, or sent by facsimile transmission to the telephone number set forth below. Either party may change its Notice Address by giving notice of such change in the same manner.

Notice Addresses

As to the City: Elwin C. Boynton, City Manager
Matt Reynolds, Finance Director
City of Palatka
201 North Second Street
Palatka, Florida 32177
(904) 329-0100

As to the Lender: Lisa Hayes
Vice President
SunTrust Bank
76 South Laura Street, Suite 20
Jacksonville, Florida 32202
(904) 632-2561

IN WITNESS WHEREOF, the City and the Lender have executed and delivered this Loan Agreement as of July , 2010.

CITY OF PALATKA, FLORIDA

(SEAL)

By: _____
Karl N. Flagg
Mayor

ATTEST:

By: _____
Betsy J. Driggers
City Clerk

SUNTRUST BANK

By: _____
Lisa Hayes
Vice President

EXHIBIT B

R-1

\$2,570,070.75

**UNITED STATES OF AMERICA
STATE OF FLORIDA
CITY OF PALATKA, FLORIDA
REVENUE NOTE, SERIES 2010**

KNOW ALL MEN BY THESE PRESENTS, that the City of Palatka, Florida, a municipal corporation of the State of Florida (hereinafter called "City"), for value received, hereby promises to pay to the order of SunTrust Bank (the "Bank"), on January 15, 2011, the aggregate Principal Amount of \$2,570,070.75, solely from the Pledged Revenues hereinafter mentioned, and to pay solely from such revenues, interest on said sum from the date of this Note or from the most recent interest payment date to which interest has been paid, at the Rate of Interest of two and sixty-six hundredths percentum ~~Percent (2.66%)~~ per annum on the unpaid balance of such Principal Amount until the payment of such Principal Amount. Interest on this Note shall be paid on the first day of each month commencing on September 1, 2010 until final payment of the Principal Amount and shall be computed based upon ~~the actual number of days elapsed in a year of 365 or 366 days, as applicable.~~ a year of 360 days consisting of twelve 30 day months. The Rate of Interest shall be adjusted as follows:

(1) In the event of a change from the current thirty-five percent (35%) rate in the maximum federal income tax rate applicable to corporations, the interest rates on the Note shall be automatically adjusted, up or down, in order to maintain the same after-tax yield to the Bank.

(2) The interest rate shall be adjusted (retroactively, if necessary) to provide the Bank with the same after-tax yield on the Note if:

(a) any amendments to existing law, other than a change in the corporate tax rate, are adopted which adversely affect such after-tax yield:

(b) the Note ceases to be a "qualified tax exempt obligation" under Section 265 of the Internal Revenue Code of 1986 (the "Code"); or

(c) there occurs a final determination by the Internal Revenue Service or a court that interest on the Note is not excluded from gross income for federal income tax purposes ("Determination of Taxability").

The principal of the Note shall be payable in installments on the Maturity Dates and in the amounts as specified in the attached Maturity Schedule.

All payments shall be applied first to interest and then to principal on this Note. The principal of and interest on this Note, when due and payable, shall be paid by check or draft mailed to the Bank, at its address designated to the City, or by wire

transfer to the domestic account of the Bank, upon written request and furnishing of wire transfer instructions to the City. All amounts due hereunder shall be payable in any coin or currency of the United States of America, which is at the time of payment legal tender for the payment of public or private debts.

If the date for payment of the principal or interest on the Note shall be a Saturday, Sunday, legal holiday or a day on which the Bank's offices in Florida are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday or legal holiday or a day on which such banking institutions are authorized to close; provided, that interest shall accrue to the date of payment.

This Note evidences a Loan made pursuant to Resolution No. of the City adopted on July -22, 2010 and a Loan Agreement dated as of July , 2010 (the "Loan Agreement") between the City and the Bank to finance the cost of a Project, as described in the Loan Agreement, pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Chapter 166, Part II, Florida Statutes, as amended and other applicable provisions of law (the "Act").

All of the terms of the Loan Agreement are incorporated herein by reference. This Note is a special obligation of the City payable solely from the City's Pledged Revenues, as provided in the Loan Agreement. In the event that the Pledged Revenues are ever insufficient to pay the principal and interest on this Note, the City has covenanted to appropriate in the annual budget, by amendment if necessary and to pay when due under the Loan Agreement, amounts of Non-Ad Valorem Revenues of the City sufficient to pay the principal of and interest on the Note.

This Note does not constitute a general obligation, or a pledge of the faith, credit or taxing power of the City, the State of Florida or any political subdivision thereof, within the meaning of any constitutional or statutory provision or limitation. Neither the State of Florida nor any political subdivision thereof, nor the City, shall be obligated to pay the principal of this Note, the interest thereon or other costs incident thereto, except from the Pledged Revenues, in the manner provided in the Loan Agreement. It is further agreed between the City and the Bank that this Note and the indebtedness evidenced hereby shall not constitute a lien on any property of the City, except the Pledged Revenues and the money in the Project Fund until spent.

This Note may, at the option of the City, be prepaid prior to maturity in whole on any date at a prepayment price (plus accrued interest to the date fixed for redemption) equal to the principal amount thereof and without prepayment penalty.

Notice of prepayment will be given by the City as provided in the Loan Agreement. All prepayments will cease to bear interest after the specified prepayment date provided funds for prepayment have been tendered to the Bank.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Note exist, have happened and have been performed in regular and due form and time as

required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of this Note does not violate any constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, the City of Palatka, Florida, has issued this Note and has caused the same to be executed by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, and its official seal or a facsimile thereof to be affixed, impressed, imprinted, lithographed or reproduced hereon, as of July , 2010.

CITY OF PALATKA, FLORIDA

(SEAL)

By: _____
Karl N. Flagg
Mayor

ATTEST:

By: _____
Betsy J. Driggers
City Clerk

*Agenda
Item*

7

ORDINANCE NO.: _____

AN ORDINANCE VACATING ALL OF THAT PORTION OF 16TH STREET WHICH LIES BETWEEN ST. JOHNS AVENUE AND REID STREET (HIGHWAY 17) IN PALATKA, FLORIDA; PROVIDING FOR REVERTER TO THE CITY OF PALATKA; AUTHORIZING EXECUTION OF DOCUMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

It is hereby determined that the property hereinafter described to be vacated is no longer necessary as a right-of-way, and it is in the best interest of the public that said property be vacated and closed as a right-of-way and as a public property and be released from any and every public right, use, title and interest, except as hereinafter provided.

THEREFORE BE IT ORDAINED AS FOLLOWS:

SECTION ONE: Vacation and Description

The following described property be, and the same is hereby vacated and closed as a right-of-way and said property be, and the same is hereby released and discharged of any and every public right, use, title and interest of the City of Palatka for right-of-way purposes, except that the City of Palatka shall retain an easement for all lawful utility purposes including but not limited to storm drainage. The property described in Schedule "A" is the property being vacated herein and said property shall revert to the adjoining and abutting owners who have a reversionary interest, except and subject to: a) a reverter in the event the property ceases to be used as a new car sales center for a period of time, subject to the definitions and terms set forth in Section Two hereof; and b) any easements of record and any easement rights of the City of Palatka over, under and across said property lying and being in Putnam County, Florida, and more particularly described as follows, to wit:

SEE SCHEDULE "A" ATTACHED HERETO AND MADE A PART HEREOF

SECTION TWO: Reverter

In the event that any material part or portion of the property described in Schedule "A" and the adjacent parcels owned by the Petitioner, St. Johns Chevrolet-Buick-Pontiac-Oldsmobile-GMC, L.L.C. and St. Johns Automotive Real Estate, L.L.C., as described in Schedule "C" attached hereto and made a part hereof, are not collectively used as a new car sales center for a period of time of 180 consecutive days or more, then in that event, the property described in Schedule "A" shall revert to the City of Palatka in fee simple, free and clear of any and all claims whatsoever. For the purposes of this Ordinance No. _____, a "new car sales center" shall be defined to include all activities routinely associated with a facility which sells new cars, to include but not be limited to the sale of used cars; repair of automobiles; preparation of automobiles for sale; modification of new or used cars; financing of new or used cars; and any other activity related to the repair and sale of cars so long as said activity is ancillary to the new car sales operation.

If any material part or portion of the properties described in Schedule "A" and Schedule "C" are not used as specified above, the City Manager shall have the authority, after due notice to adjoining property owners and other parties having a legal interest in said property, to set said matter for a public hearing to request the City Commission initiate the reverter as set forth in Section One (a) above, thereby returning the property described in Schedule "A" to a public right-of-way. The City Commission shall have the sole authority to determine the extent of all issues relating to non-usage and the quantity of property constituting "material part or portion of the property".

SECTION THREE: Authorization

The Mayor and City Manager of the City of Palatka are hereby authorized and directed to execute such instruments as may be necessary or required to show that said right-of-way has been absolutely and completely vacated.

SECTION FOUR: Legislative Intent

This ordinance is consistent with provisions of the Florida Constitution, Florida Statutes and applicable case law. [See City of Temple Terrace v. Tozier, 903 So. 2d 970 (Fla. 2d DCA 2005); Sun Oil Company v. Gerstein, 206 So. 2d 439 (Fla. 3rd DCA 1968)].

SECTION FIVE: Effective Date

This ordinance shall take effect on, and the effective date shall be, the date of the adoption of said ordinance by the City Commission of the City of Palatka, Florida.

PASSED AND ADOPTED BY THE City Commission of the City of Palatka, Florida, at its regular meeting held on the 26th day of August, 2010.

1st Reading July 22, 2010

2nd Reading August 26, 2010

ATTEST:

SIGNED:

BY: CITY CLERK

BY: MAYOR

Adopted by roll call vote as follows:

Approved as to contents and form.

JAY D. ASBURY
ACTING CITY ATTORNEY

SCHEDULE "A"

All of that property lying and being within the right-of-way area of 16th Street which lies between St. Johns Avenue and Reid Street in Palatka, Florida.

SCHEDULE "C"

PARCEL #1 - All of Block 303 of the City of Palatka, Florida, EXCEPT the South 100 feet of Lot 2 of Merwin and Ginn's Subdivision of said Block as recorded in Map Book 2, page 5 of the public records of Putnam County, Florida, said EXCEPTED parcel being also described as the South 100 feet of the West 50 feet of said Block 303.

PARCEL #2 - Lots 1, 2, 5, 6, 7 and 13 of Block 295 of the City of Palatka, according to Merwin's Subdivision of said Block, as per plat thereof recorded in Map Book 2, page 13 of the public records of Putnam County, Florida.

PARCEL NOS. 37-10-26-6850-3030-0010, 42-10-27-6850-2950-0010, 42-10-27-6850-2950-0050, 42-10-27-6850-2950-0070 and 42-10-27-6850-2950-0130

PARCEL #1 - Lots 9, 10 and 11 of Block 295, in C.A. Merwin Subdivision of the City of Palatka, as recorded in Map Book 2, Pages 13 and 36, of the public records of Putnam County, Florida. SUBJECT TO an easement across the Northern 5 feet of Lot 10 as described in O.R. Book 394, Page 1799 of the Public Records of Putnam County, Florida.

PARCEL #2 - Lots 10 and 11 of Block 295, according to Campbell's Map of said City of Palatka and more particularly described as follows: Beginning at the Southeast corner of said Block 295, and running thence Northerly, along the West line of Fifteenth (formerly Byron) Street, 150 feet to a point on said line; thence Westerly on the line dividing Lots 9 and 12, 100 feet to a point on said line; thence Southerly on the line dividing Lots 8 and 10, 150 feet to its intersection with the North line of Lemon Street; thence Easterly, along said North line of Lemon Street, 100 feet to place of beginning.

Lot 12, Block 295, of MERWINS AND GINNS MAP, according to plat thereof recorded in Map Book 2, Page 13 of the Public Records of Putnam County, Florida.

All of Lot 2, except the North 50 feet thereof conveying to E.W. Williams and R.G. Williams by deed recorded in Official Records Book 77, Page 574, Block 303, MERWIN AND GINN SUBDIVISION, of Blocks 303 and 304, City of Palatka, according to plat thereof recorded in Plat Book 2, Page 5, in the Office of the Clerk of Circuit Court, Putnam County, Florida.

**Planning Board Staff Report
July 6, 2010**

Case: PB 08-29/10-26
Address: N 16th Street between St. Johns Avenue and Reid Street
Applicant: St. Johns Chevrolet-Buick-Pontiac-Oldsmobile-GMC LLC
Agent: Juli Young
Request: To close that portion of N 16th St. between St. Johns Avenue and Reid Street

APPLICABLE CODE REFERENCE:

Sec. 54-44. Board to act as supervisor of plats; approval of street dedications.

The city planning board shall be the supervisor of plats. It shall provide rules and regulations governing the platting of all lands within the city and within the planning district, so as to require that such platting shall conform to the official map, and may, in behalf of the local government within the limits of which the land in question is situated, make such other requirements as may lawfully be made. All plans, plats, replats or descriptions showing the layout of any street, highway or alley upon private property, or of building lots in connection with or in relation to such highway, street or alley, to be dedicated to public use or to the use of purchasers or owners of lots fronting on or adjacent to such highway, street or alley, and located within the city or within the planning district, shall be submitted to the city planning board and approved by it before they shall be recorded. The disapproval or failure to approve of any such plan, plat, replat or description by the city planning board shall be deemed a refusal by the local government within the limits of which the land in question is situated, of the proposed dedication shown thereon. The approval of the city planning board shall be deemed an acceptance of the proposed dedication; but shall not impose any duty upon the city or any other local government concerning the maintenance or improvement of any such dedicated parts, until the proper authorities of the city or other local government shall have made actual appropriation of the same entry, use and improvement. (Code 1981, § 14-29)

BACKGROUND:

The applicant is requesting to close N 16th Street “to meet manufacturer’s facility requirements and in an effort to enhance the security of the business’s assets and the safety of the business’s patrons.” The business (Beck Chevrolet) is located on both sides of the street they are requesting the City to close.

Previously the Planning Board heard this request on September 1, 2009 and the City Commission heard the request on October 22 and November 12, 2009. At their November meeting the Commission approved an ordinance to close the street. The ordinance contained a requirement for a restrictive covenant and a clause to make the time come and go for all business to be recorded. The ordinance was never recorded; the ordinance became null and void; and that is the reason the Planning Board is hearing this case again.

Notices to surrounding property owners were mailed and the advertisement was run. Departmental review requests were sent to police, fire, water/sewer/streets/sanitation, and building in 2008 and all City Departments were again asked to comment. Other utilities include: ATT, Comcast, Gas Authority, and Florida Power & Light. Department & utility company responses are included under “Considerations” below.

CONSIDERATIONS

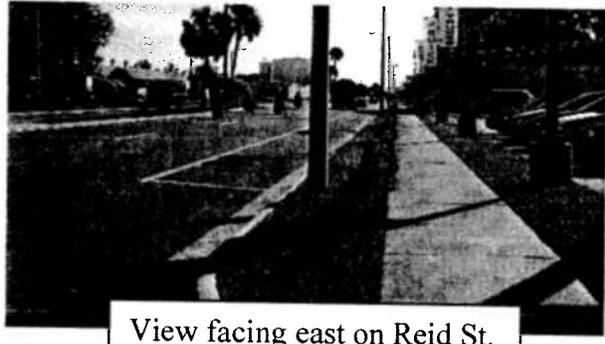
A review of the Comprehensive Plan and the Municipal Code does not provide guidelines other than Section 54-44 above. Items to consider are:

- Safety – In 2008 the Police Dept. stated first responders will have to use alternate routes but overall response time should not increase; 2010 – no further comments.
- Chief Building Official – In 2008 no issues but stated all utilities needed to be contacted; 2010 – no further comments.
- Drainage – In 2008 the Streets Dept. stated this section of N 16th St. contains storm catch basins and a storm line from St. Johns Ave. to Reid St. If the road is closed, the City would need an easement over the storm lines for maintenance; in 2010 – no further comments.
- Water/Sewer lines – In 2008 the Utilities Dept. stated they have a 2” galvanized water line and a 6” clay sewer line in the 100 block of N 16th St. Since the house they served have been torn down they can cap these old lines. In 2010 – no further comments.
- Public access – this street has historically been open for thru traffic. This will present a change of the traffic pattern and proper signage would need to be installed at the owner’s expense directing traffic to other streets.

PHOTOS



Posting off St. Johns Ave.



View facing east on Reid St.



Facing west on Reid St.



Posting off Reid St.

1010 Ocean Street
Palatka, FL 32177
Tel. (386) 329-0107
Fax (386) 326-2788

City of Palatka Public Works
Sanitation/Streets Division

To: Debbie Banks, Assistant Director PZ & B

From: Woody Boynton, Public Works Director

Date: October 22, 2008

RE: N. 16th Street between Reid Street and St. Johns Ave.

We take no exception to vacating this portion of N. 16th Street as long as the City is given an easement over the utilities currently existing at this location. The transfer should also include that no permanent structures may be built upon the property. However, without a site plan to review, it is difficult to make a comprehensive review of the proposal and ensure that appropriate safety measures are taken at St. Johns Ave and Reid Street (i.e. signage, curbing etc.). Therefore, we request that a site plan be submitted and reviewed prior to the property being vacated.

It would be appropriate to conduct traffic counts in this area to determine what affects closing the street would have on other residents or commercial users in the area. It is recommended that this traffic count include turning traffic into Beck's Service Center as it appears that much of the traffic currently using this street is for access to the service center. Cut-through traffic for areas south of this location can still be maintained at 15th or 17th Street and turn lanes exist at both intersections with Reid Street.

It is my understanding that a letter has been received from FDOT indicating that they take no exception to the lane closure. A permit from the FDOT should be solicited by the applicant and any conditions of the permit incorporated into the City's permit.

Should you have any questions, please call.

May 20th, 2010

Issues stated above are still appropriate, however I will state I believe the applicant satisfied the above criteria during the initial submittal. No further comments

—  5/20/10

Debbie Banks

From: Mike Lambert
Sent: Thursday, May 20, 2010 3:27 PM
To: Debbie Banks
Subject: RE: 16th Street Closing Request

No issues. No further comments.

Chief Mike Lambert
City of Palatka Fire Department
500 North Moody Road
Palatka, Florida 32177
Office/Fax: 386.329.0155
Cell: 386.937.4217
Email: mlambert@palatka-fl.gov

From: Debbie Banks
Sent: Wed 5/19/2010 12:56 PM
To: Joff Filion; Mark Lynady; Mike Lambert; Gary Getchell; Ed Chandler; Woody Boynton
Subject: 16th Street Closing Request

I have recently received an application requesting that portion of N 16th Street between Reid St. and St. Johns Avenue be closed. Several months ago the City Commission approved this same request, however, written into the ordinance was a requirement that if the ordinance was not recorded within 120 days it would revert back to an open street (something to that effect, I did not read it). There are no changes to the original request but I will need your comments (if you have any) with either a cover sheet with a current date referring to your comments made previously or new comments by May 28, 2010.

I have attached the scanned application submitted by the applicant for your information.

Thank you,
Debbie

City of Palatka
Utilities Dept.
1010 Ocean St.
Palatka FL 32177

Memo

To: Debbie Banks, Assistant Planning Director
From: Ed Chandler, Superintendent of Streets
CC: file
Date: 10/10/2008
Re: 100 block of N. 16th St.

This portion of 16th St. contains storm catch basins and a storm line from St. Johns Ave. to Reid St. If the road is closed we would need an easement over the storm lines for maintenance.

Ed Chandler, Superintendent



Debbie Banks

From: Gary Getchell
Sent: Thursday, May 20, 2010 7:09 AM
To: Debbie Banks
Subject: RE: 16th Street Closing Request

No comments.

GSG

From: Debbie Banks
Sent: Wednesday, May 19, 2010 12:56 PM
To: Joff Filion; Mark Lynady; Mike Lambert; Gary Getchell; Ed Chandler; Woody Boynton
Subject: 16th Street Closing Request

I have recently received an application requesting that portion of N 16th Street between Reid St. and St. Johns Avenue be closed. Several months ago the City Commission approved this same request, however, written into the ordinance was a requirement that if the ordinance was not recorded within 120 days it would revert back to an open street (something to that effect, I did not read it). There are no changes to the original request but I will need your comments (if you have any) with either a cover sheet with a current date referring to your comments made previously or new comments by May 28, 2010.

I have attached the scanned application submitted by the applicant for your information.

Thank you,
Debbie

Debbie Banks

From: Joff Fillion
Sent: Thursday, May 20, 2010 7:05 AM
To: Debbie Banks
Subject: RE: 16th Street Closing Request

No comment.

Joff

From: Debbie Banks
Sent: Wednesday, May 19, 2010 12:56 PM
To: Joff Fillion; Mark Lynady; Mike Lambert; Gary Getchell; Ed Chandler; Woody Boynton
Subject: 16th Street Closing Request

I have recently received an application requesting that portion of N 16th Street between Reid St. and St. Johns Avenue be closed. Several months ago the City Commission approved this same request, however, written into the ordinance was a requirement that if the ordinance was not recorded within 120 days it would revert back to an open street (something to that effect, I did not read it). There are no changes to the original request but I will need your comments (if you have any) with either a cover sheet with a current date referring to your comments made previously or new comments by May 28, 2010.

I have attached the scanned application submitted by the applicant for your information.

Thank you,
Debbie

STATE OF FLORIDA

County of Putnam

The undersigned personally appeared before me, a Notary Public for the State of Florida, and deposes that the Palatka Daily News is a daily newspaper of general circulation, printed in the English language and published in the City of Palatka in said County and State; and that the attached order, notice, publication and/or advertisement:

Notice is hereby given that t

Was published in said newspaper 1 time(s) with said being made on the following dates:

06/19/2010

The Palatka Daily News has been continuously published as a daily newspaper, and has been entered as second class matter at the post office at the City of Palatka, Putnam County, Florida, each for a period of more than one year next preceding the date of the first publication of the above described order, notice and/or advertisement.

Vicki Rafuse

Sworn to and subscribed to before me this 21st day of June, 2010 by Vicki Rafuse, Administrative Assistant, of the Palatka Daily News, a Florida corporation, on behalf of the corporation.

Mary Kaye Wells

Mary Kaye Wells, Notary Public
My commission expires July 22, 2011

Notary Seal
Seal of Office:

Personally known to me, or
Produced identification:
Did take an oath



PUBLIC NOTICE

Notice is hereby given that the City of Palatka Planning Board will hold a public hearing at their regular meeting on Tuesday, July 6, 2010 at 4:00PM at City Hall, 201 North 2nd Street, Palatka, FL for the purpose of hearing a:

Request to close a street - Case PB 10-26

Location: N 16th between St. Johns Ave. and Reid St.

Applicant: St. Johns Chevrolet-Buick-Pontiac-Oldsmobile-GMC LLC

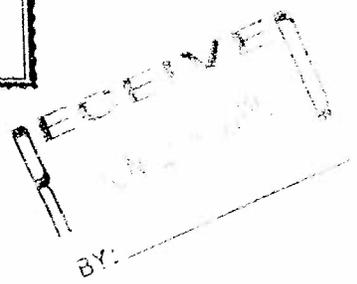
All interested parties are invited to attend this public hearing.

Debbie Banks
Director of Bldg. & Zoning

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE PLANNING BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING WILL NEED A RECORD OF THE PROCEEDINGS THAT INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED, AT THE EXPENSE OF THE APPELLANT. F.S. 288.0105

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE BUILDING DEPT. AT (386)329-0103 AT LEAST 24 HOURS IN ADVANCE TO REQUEST SUCH ACCOMMODATIONS.

Legal No. 05505249
06/19/2010





City of Palatka

Building & Zoning

201 N. 2nd Street

Palatka, Florida 32177

386-329-0103 • Fax 386-329-0172



As an owner of adjacent property, you are hereby notified of a pending action before the Planning Board which may be of concern to you:

PUBLIC NOTICE

Notice is hereby given that the **CITY OF PALATKA PLANNING BOARD** will hold a public hearing on **July 6, 2010** at 4:00 P.M. at City Hall, 201 N 2nd St. for the purpose of hearing the following matter:

Request to close that portion of N 16th Street between St. Johns Ave. and Reid St.

Location: N 16th between St. Johns Ave. and Reid St.

Applicant: St. Johns Chevrolet-Buick-Pontiac-Oldsmobile-GMC LLC

Agent: Juli Young **Case:** PB 10-26

All interested parties are invited to attend this public hearing.

Debbie Banks
Director of Bldg. & Zoning

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE PLANNING BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING WILL NEED A RECORD OF THE PROCEEDINGS THAT INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED, AT THE EXPENSE OF THE APPELLANT. F.S. 286.0105

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE BUILDING DEPT. AT (386)329-0103 AT LEAST 24 HOURS IN ADVANCE TO REQUEST SUCH ACCOMMODATIONS.

MARY LAWSON BROWN + THEODORE BROWN
PO BOX 236
PALATKA FL 32178

PB 10-26

SONIA ALTENBACH
8925 ADAMS WALK DR
JACKSONVILLE FL 32557

PB 10-26

KENT ARTHUR+TERRY ARTHUR SCROGGI
Sherry Scroggins
1609 ST JOHNS AVE
PALATKA FL 32177

PB 10-

BLUE SKY TRUST
PO BOX 115
BOSTWICK FL 32007

PB 10-26

SALVADOR E + YVONNE CAMACHO
35 FARMBROOK LANE
PALM COAST FL 32137

PB 10-26

SAM + LORRAINE BALDWIN
PO BOX 2103
PALATKA FL 32178

PB 10-26

IKELER FAMILY PARTNERSHIP LTD
P. O. Box 1850
EUSTIS FL 32727

PB 10-26

ASKEW VICKERS
PO BOX 2093
PALATKA FL 32178

PB 10-26

MIKE S NOU
293 WEST RIVER RD
PALATKA FL 32177

PB 10-26

DOC + BAC INC
114 LISA LN
PALATKA FL 32177

PB 10-26

KOSTKA LLC
3574 US 1 SOUTH STE 113
ST AUGUSTINE FL 32086

PB 10-26

RANDALL S MATHEWS INC
1202 CARR ST
PALATKA FL 32177

PB 10-26

JAMES A + CYNTHIA LEAKE
529 WEST RIVER RD
PALATKA FL 32177

PB 10-26

H VERNON JR + LINDA D MYERS
1419 REID ST
PALATKA FL 32177

PB 10-26

Orentheus Andres Hutcherson
2688 Cottage Dr.
Corona, CA 92881

PB 10-26

ARTIC AIR INC
PO BOX 911
PALATKA FL 32178

PB 10-26

A M + F B HERMAN
1501 ST JOHNS AVE
PALATKA FL 32177

PB 10-26

Sandra F. Clark
10935 SW 179th St.
Miami, FL 33157

PB 10-26

Eleanor Grant & Hassan Furqun
1407 St. Johns Ave.
Palatka, FL 32177

PB 10-26

Twila Conway Miller
P. O. Box 1413
Palatka, FL 32178

PB 10-26

Wayne & Barbara Bullock
1428 St. Johns Ave.
PALATKA FL 32177

PB 10-26

Adam Griffin
2213 Laurel St.
Palatka, FL 32177

PB 10-26

Roland & Sean Pacetti
1817 Palma Ceia
Palatka, FL 32177

PB 10-26

Anna Rivera
Mario Rivera
111 S 16th St.
Palatka, FL 32177

PB 10-26



APPLICANT SUBMITTALS

Application for Street Closing/ Street Name Change/Vacating an Easement

This application must be typed or printed in black ink and submitted with any required attachments and application fee of \$130.00 (Checks payable to the City of Palatka) to:

City of Palatka Planning & Zoning
201 N 2nd Street
Palatka, FL 32177

Application Number: PB - <u>10-26</u>
Date Received: <u>5/18/10</u>
Hearing date: <u>7/6/10</u>

FOR INFORMATION REGARDING THIS FORM, CALL (386)329-0103

TO BE COMPLETED BY APPLICANT

Street Name and segment of street to be closed or legal description of easement to be vacated:	
<u>N 16th Street - Close segment between Reid St + St Johns Ave</u>	
Street Type: <input checked="" type="checkbox"/> Paved <input type="checkbox"/> Brick <input type="checkbox"/> Dirt <input type="checkbox"/> Unopened	Total length of the street segment/easement: <u>CARR St. - St. Johns 1745.17 / Madison - Wapalaw 2811.71</u> Total length of street/easement to be closed: <u>Between St. Johns + Reid St.</u> <u>≈ 329 feet (Portion of N. 16th St.)</u>
Why is the applicant requesting that the <u>street segment</u> be closed or easement vacated?	
<u>to meet manufactures minimum facility requirements + in an effort to enhance the security of the business' assets + the safety of the business' patrons.</u>	
<input checked="" type="checkbox"/> If the applicant owns property adjacent to the street segment/easement, attach copy of recorded deed including parcel number.	
<input checked="" type="checkbox"/> Survey (if required) or drawing of proposed area to be closed/vacated (Attached)	
Owner Name: <u>St. Johns Automotive Real Estate LLC</u>	
Owner Address: <u>1601 Reid Street</u> <u>Palatka FL 32177</u>	
Phone Number: _____	
Agent Name: <u>Juli Young</u>	
Agent Address: <u>2510 Hwy 17 N</u> <u>Palatka FL 32177</u>	
Phone Number: <u>386-916-5258</u>	

This application submitted by:

Signature of owner(s): [Signature]

Print owner(s) names(s): Preston B. Sloan

Signature of Agent(s): [Signature]

Print Agent(s) names: Juli Young

STATE OF FLORIDA

County of Putnam

Before me this day personally appeared Preston B. Sloan who executed the foregoing application and acknowledged to and before me that no executed this document for the purposes therein expressed.

WITNESS my hand and official seal, this 18th day of May A.D. 2010.



[Signature]
Notary Public

My commission expires: Sept. 28, 2011 State of Florida at Large

FOR OFFICIAL USE ONLY			
Date Submitted	Received By:	Preliminary review by:	
Sign(s) Posted	Surrounding property owners notices sent:	Legal Ad Ran:	Attachments Reviewed:
Date:	Date:	Date:	<input type="checkbox"/> Legal Description
By:	By:		<input type="checkbox"/> Copy of Recorded Deed
			<input type="checkbox"/> Fees



Florida Department of Transportation

CHARLIE CRIST
GOVERNOR

3600 DOT Road
St. Augustine, FL 32084

STEPHANIE C. KOPELOUSOS
SECRETARY

June 24, 2008

Beck Automotive
256 US 17
Palatka, FL 32177
Attention: Juli Holmes

Dear Juli,

Per our meeting and conversations, we do not oppose the closing of 16th Street at SR 15 (US 17); however, the City of Palatka must make the final approval. If you move forward with this proposal, you will need to obtain a permit for the work within the department's right of way necessary to facilitate the street closure.

If you have any questions, please feel free to call me at (904) 825-5023.

Sincerely,

A handwritten signature in cursive script that reads "Connie B. Walker".

Connie B. Walker
Maintenance Permits Manager



Pete Hassett
Area Mgr Osp Plng & Eng Design
900 Nova Rd
Daytona Beach, FL 32117

December 16, 2008

Juli Holmes
256 Hwy 17 N
Palatka, FL 32177

of: 386.328.8863 ext. 172

Subject: ***Petition to vacate Streets and Right of Ways:
Abandon a portion of N 16th St between Reid St and St. John's Av located In Putnam
County, FL. The street borders the following parcels.
PARCELID 37-10-26-6850-3030-0010
PARCELID 42-10-27-6850-2950-0010
PARCELID 42-10-27-6850-2950-0030
PARCELID 42-10-27-6850-2950-0040
PARCELID 42-10-27-6850-2950-0050***

To Ms. Holmes:

Our engineering department has reviewed the above referenced request. Presently, AT&T has existing facilities in the area. AT&T objects to the abandonment of the above referenced Right of Way unless a utility easement is recorded or arrangements are made to have the facilities placed out of service. The approximate cost to have the facilities placed out of service is \$750.00.

-- If further assistance is needed, please do not hesitate to call; **Earl Beck**, at **386.257.7994**.

Thank You,


Pete Hassett
Area Mgr Osp Plng & Eng Design

Putnam County

Proposed segment to be closed

Reid St.

St. Johns Ave.

Palatka

1601

303

1515

1513

1501

1511

8350

111

107

295

1522

1512

1508

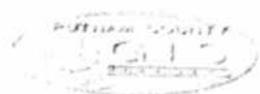
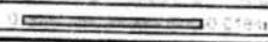
1615

1609

1519

1509

Today: 9/16/2008 - Putnam County, FL - GIS Office - Copyright © 2008



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Putnam County GIS
P.O. Box 307
Palatka, FL 32178



- Legend
- Community Name
 - Address
 - Block Number
 - Lot Number
 - Township Range
 - Hydrography
 - Parcels
 - Subdivisions
 - Municipal Boundary
 - County Line
 - State
 - Interstate
 - Highway
 - 2006 Aerials

Disclaimer: All provided Putnam County GIS data are to be considered a generalized spatial representation that is subject to revisions. This information is provided as a visual representation only and is not to be used as a legal or official representation of legal boundaries. The Putnam County Board of County Commissioners as well as the constitutional offices including the Clerk of the Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector assume no responsibility associated with its misuse.



General Motors

GLENN K. HOLLADAY

Area Sales Manager

(800) 248-0178 x8129

(904) 292-4939 Fax

(904) 891-8195 Mobile

Monday, October 12, 2009

TO: Preston Sloan

RE: Minimum Acreage Requirement

Preston,

It was very enjoyable spending quality time last week with you discussing the plans, vision and goals for the future of Beck Chevrolet Buick GMC in Palatka. It is imperative that your organization move forward aggressively with the completion of the real estate acquisition/modification necessary to bring your current facility up to the minimum acreage requirement. Recognizing this as a high priority to both General Motors and the Beck organization, there is one troubling aspect of our conversation that regrettably we didn't have the time to fully explore.

The topic of meeting both your land requirement shortfalls: single parcel operation and total minimum acreage came up several times during our discussions and at that time you indicated you were diligently working to satisfy the requirements. Please understand, it is imperative that you continue to move forward swiftly with your current plans as any deviation would result in a breach of the terms contained in the Compliance Section 7(b) of the GM Dealer Sales and Service Agreement / Participation Agreement dated June 1, 2009. I cannot stress this point enough.

As you know, the principal shortcomings of your current location are its inability to satisfy the minimum acreage requirement in a single parcel environment. This is necessary for your store to accommodate the current inventory stocking requirements as well as provide a uniform general appearance. Surprisingly, its appearance is of greater issue than is inability for inventory. Your CSI suffers due to the appearance of your current location, primarily in that your display area is scattered and lacks uniformity.

You have thus far committed enormous resources to satisfying the other requirements which leaves you with only one hurdle between you and your permanent Sales and Service Agreement with The New General Motors Corporation. I strongly urge you to understand the importance of your endeavors and stay focused on completing your master plan.

Sincerely,

Glenn Holladay

FOR REFERENCE
OCTOBER 22, 2009
AND
NOVEMBER 12, 2009
CITY COMMISSION MINUTES

10/22/09
C. M. Commission
minutes

5. **PUBLIC HEARING - ORDINANCE** - Planning Board Case #PB 08-29 - Request to close N. 16th Street between St. Johns Avenue and Reid Street - St. Johns Automotive Real Estate, LLC; Juli Holmes, Agent; 1st Reading – Planning Board Recommendation to Deny – The Clerk read an ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, CLOSING, VACATING AND ABANDONING THAT PORTION OF NORTH 16TH STREET LOCATED IN MERWIN'S SUBDIVISION LYING WEST OF BLOCK 295 AND EAST OF BLOCK 303 AND RESERVING REQUIRED UTILITY EASEMENTS, WITHIN THE CITY OF PALATKA, FLORIDA; AND PROVIDING AN EFFECTIVE DATE. Commissioner Norwood moved to pass the ordinance on first reading as read. Commissioner Myers seconded the motion. Mayor Flagg opened the public hearing.

Mr. Boynton read a memo from Don Holmes, City Attorney, into the record stating this matter is not an appeal of the recommendation made by the Planning Board. The City's code does not delegate final permission to the Planning Board to close a street. Any street closure should be treated in the same fashion as a zoning request. The Commission is free to consider the recommendation of the Planning Board along with any new evidence presented to the Commission.

Juli Holmes, Agent, 256 Hwy 17 North, Palatka, said they are here seeking to close this road as part of a redevelopment of the Beck Chevrolet site in order to meet manufacturer guidelines and modernize their size. She shared information with the Commission, part of which was shared with the Planning Board, and distributed that package (filed). She said the top page is a letter from General Motors. There is a lot of information in the package. GM has a new facility requirement requiring dealerships to operate on one parcel with a minimum acreage requirement in order to maintain a license to operate as a dealer. Beck has to satisfy both requirements. They want to keep their dealer license. She read the letter into the record, and referenced the source. She pointed out that the letter states if Beck does not meet these requirements they will be in breach of their dealer agreement.

Janis Fleet, Architect/Planning Consultant, said this street closure will have a major impact on the future of the City. This is being required of Beck in order to retain licensure by GM. This dealership was one of the GM dealerships that was selected to remain open in the face of nationwide dealer closures of 41%. The requirement is Beck continues to upgrade and renovate the dealership. She produced a drawing of the proposed dealership site upgrades (filed), stating new dealerships have a totally different look than old dealerships. GM's philosophy is that, as people are making a major investment in a car, they should do so in a nice, secure location. This is for an important \$1.5 million dollar improvement to the existing site and will aesthetically improve the parcel. It will have a significant impact. Thirty four percent (34%) of the people in Putnam County own a GM product. This is the only GM dealership in Putnam County. Those owners will have to go out of the county to service their vehicle or spend money. This is significant. The assessed property taxes are substantial and this dealership employ 73 people with an annual payroll of \$2.5 million per year. She is also the planning consultant for Green Cove Springs and knows what happens when people leave. She knows what happens when dealerships close. She worked with the GCS council on a visioning session; the #1 goal was redevelopment of the vacant former auto dealership sites, which remain vacant. She showed photographs of three of those sites, stating there are no plans in the near future to redevelop those vacant sites. They don't want that to happen in Palatka. This would promote redevelopment in this area.

Regarding traffic patterns and impact to neighbors, they are talking about closing one block of 16th Street. It only goes for three blocks, merging with Hwy 17, and is a very short street. The street north of Reid Street is closed. The collector is 15th Street. Anyone traveling North on 16th

Street has to turn right or left on Reid Street. You cannot go straight. This will make that intersection safer. This will have minimal impact. Cars that travel that street do so to access the dealership. As to impact opinions gathered from various Agencies, none have a specific problem with this closure. This closure will have major benefits. It will provide an improved look to the City and the construction will create jobs. Beck is willing to expand in this down economy. This will generate \$1.6 million in new construction and will increase the value of the property. It will increase safety of customers. The Beck dealership has offered various conditions as part of this. They are willing to provide a utility easement and have agreed that no structures will be constructed on the area of the closed street. They are also willing to take a reverter clause that if Beck sells the dealership the r/w will be given back to the City and brought back to pre-closure conditions. The Beck dealership is willing to pay the assessed value of the land. They don't want this for free, as is generally the case when roads are closed.

Ms. Fleet said they know they have had resistance from St. Johns Auto Body. They would be willing to allow access through the property. They want to be able to use it for turning for their tractors. There is a lock box that would allow them use of the area and they can add this to the conditions. It is important to the local economy to maintain this dealership. The consequences of doing nothing will be grave.

Jason Brown, St. Johns Auto Body, 1609 St. Johns Avenue, said he is concerned that the City Attorney deals with Beck LLC and is their attorney. This item started off tonight with a memo that was read into the record regarding Mr. Holmes' opinion how to deal with the issue. This is a conflict of interest. He is Beck's acting attorney over his daughter. He recused himself from this issue as it relates to giving advice during the Planning Board hearings. Mayor Flagg said it is his job to interpret the law. The information shared by the City Manager is so that the Commission is not guessing as to what the procedure would be. They are limited to transcripts if this is an appeal process, but it is not. Mr. Brown said he owns and operates St. Johns Auto Body Towing. His company is growing in a down economy. He is prospering and is continually buying new trucks. He hires people locally. These are large trucks. In order to turn these trucks he needs public right of way. These roads are heavily used. On any given day people are parked up and down 17th Street. The day Beck showed a photo taken of a large semi being towed by a large wrecker/tractor, those roads were clear. He requires a large radius to operate his truck. When they towed the truck that hit the Fruit Market, they had to navigate 16th Street as the other roads had cars lined up and down both sides. He drives that road every day. They bring business into town. St. Johns Auto Body is his family's business and they will suffer a loss. Beck will plant trees around the perimeter of this closed street which will block the view of his business. They just spent money on a new large sign advertising their business. Every corner around 15th and 17th Street has established businesses. They have their family-owned business for 33 years. Beck has only had this business for a year. The prior owners had it for 50 years and never requested a road closure or gates.

Mr. Brown asked Mr. Boynton if he travels 16th Street; he said he doesn't. Mr. Brown said when it rains the water travels down St. Johns Avenue and turns either way on 16th Street. Seven manholes are located on 16th Street. Rain floods into his yard. He asked what the City plans to do about that. If they close the road, it shouldn't be the City's responsibility to pay for that. When discussing a road closure requested by a local church, the question was asked as to whether or not it was good for the community. Another church was denied a request to close a road. He asked what gives a dealership more precedence than a church. Regarding GM's threat to the dealership about pulling out, during Planning Board hearings Mr. Beck has made the statement that this is not really a concern for them, as they own the Beck Nissan site, which does have the acreage. There is a lot of seasonal entertainment here; they should make the

current Beck Chevrolet building into a skate park. There are other things that can be done with that building. He is sorry for the business loss but there are many alternatives for that location.

Kent Scroggins, owner, St. Johns Auto Body, 115 Orange Dr., E. Palatka, said they've been back there on St. Johns Avenue since 1978. Over that period of time they would walk across St. Johns Avenue with not much traffic. Today there is a lot more traffic and that will only increase in the future. If they close the street and build this big dealership, will that help the City? There is a dealership on Hwy 100 that used to be the Chrysler store. Being a small building, it promoted turning it into something else. Those properties in Green Cove Springs were huge properties. These smaller properties can be utilized as something else. He's heard Mr. Sloan state if Beck doesn't get a street closure they will go somewhere else and open a dealership. He believed a dealership required 5 acres; city blocks are 2 acres. These are two city blocks. They stated at the last meeting they were going to turn the building at 15th & Reid into a day care. They would be better off to leave well enough alone. He doesn't think this is good for the City.

Askew Vickers, 207 N. 18th Street, said he opposes the closing of 16th Street. If they give a street to this business, they have to give streets to other businesses. This property belongs to the City. They shouldn't give away property to benefit a business. The Planning Board refused this. Mr. Holmes is Beck's attorney. He has a conflict of interest. Mr. Vickers said Mr. Holmes can't be here representing two people. They are setting precedence here.

Juli Holmes, Beck Agent, said, to clarify, she understands the dealership has been there for 50 years. The business today has been in existence since June. Old franchise agreements protected both the dealer and manufacturer; new agreements do not. These are not suggestions. They are not taking out infrastructure or restricting access regarding drainage. Water problems can be solved. It was stated they can just move their facility. They cannot just move a facility. GM has assigned a team of architects to each dealer that they have given a temporary license to. GM has to approve the new buildings. They will spend \$4 to \$5 million on this. She appreciates this is an inconvenience to St. Johns Auto Body. They've offered the City a reverter clause and to compensate the City for the property at just value. They've offered 24/7 access to come through that property. Beck simply needs to close the road in order to maintain their business.

Mr. Brown referred to Ms. Fleet's diagram, asking her to point out where they plan to offload vehicles. Ms. Fleet said this is a conceptual plan and is not a final plan. They haven't worked out those details yet. This is a general diagram and premature. They can't even start working towards that because the road is not yet closed. Mr. Brown said, in other words, this can all change and buildings may be located elsewhere. He understands the owner of the house on that lot has stated the house is not for sale until she dies. There is a house in the middle of the parking lot shown. Apparently this is all conceptual. Mayor Flagg said if this moves forward there would have to be an approved site plan; they understand this is conceptual. Mr. Brown said there are seven drains on this roadway, and asked whether or not Beck plans to install drains. Mayor Flagg said the city would address all utility issues before final approval. Everything is very preliminary right now. If there is a next step there are a lot of logistics that need to be developed; St. Johns Auto Body will be part of that process. Mr. Brown asked if he as a taxpayer will be paying to move the drainage facilities. Mayor Flagg said they don't approve any plans that would cause the citizens to pay any money for someone else's benefit. People can apply for grants to address these issues.

Mr. Brown referred to the Family Life Center's street closure request and said that was a good investment. It was a church. This issue is not an investment in the City; it directly benefits a business owner who puts his money into his other businesses.

Kent Scroggins said this is the main entrance to his business. He asked what type of monetary reward he can expect from the City, as he will be damaged when they take away the main entrance to his business. When it gets to that point, he gets triple the amount of damages if he can prove collusion, and he will have been damaged if the City cuts off the main entrance to his business.

Commissioner Norwood said he hates to see any road closed, and hates to see businesses close. He is concerned when 73 employees lose their jobs and does not want to become Green Cove Springs. He doesn't like giving city property away, but they have granted road closures for different reasons. This has an economic impact upon the city and those employees. Regarding tree heights, they can regulate that. Flooding can be addressed as they have done in the past. The owner of the house situated in the proposed parking lot has passed away; she was his aunt. Her grandson now lives there.

Commissioner Myers said the letter from GM speaks volumes and states their position explicitly. This is a difficult choice. The Beck Group's issue is more pressing. The positives outweigh the negatives. An improved tax base and aesthetics will benefit the City. They need to preserve jobs. The Beck group has been a good corporate citizen.

Commissioner Brown said it makes her angry to know the taxpayers bailed out GM, and now they are putting these conditions upon local business and government. She didn't sleep over this issue last night. They shouldn't be having to close through streets. This street is paved and used. She received more information on this today, but they have not closed a paved street in the past. If she wants to go to the Northside, she has to traverse 11th or 19th street to do so. They apparently never took the time to open the streets in between. Traffic is increasing. She asked if the Jefferson house has been sold. Ms. Holmes said they have communicated with that family and are negotiating the purchase of their property. Commissioner Brown said this puts a business in jeopardy, and asked if there is any way to reach a compromise. Ms. Holmes said they can provide them with an option for a more direct route if that will promote a win/win situation. Commissioner Brown asked if they can sit down together to work out the details.

Sherri Scroggins, 115 Orange Drive, E. Palatka, co-owner, St. Johns Auto Body, asked if one business is more important than another? She said this road has been open the entire time they have owned their business. If it is closed, they will be harmed. When she came here in 1994 Mr. Williams owned the business and he opened their gates to them. 16th Street is their major access; almost all their business comes from 16th Street. They have a large truck and gain access to their property through 16th Street. She doesn't know why GM requires the closure of this street; this is the first they've heard of this condition. If cars are in the lot, are they going to have enough room to get their large wrecker through? Are they going to be liable if their truck hits one of Beck's cars? 16th Street has been paved, there and in use for many years. Their customers utilize this street. Her business is just as important as Beck's. She pays her taxes also. They give to the community, also. Mayor Flagg said they are not talking about wealth, but this Commission has an important decision to make. They don't want to lose focus on that. Commissioner Brown said she has received calls from people who live in this area regarding this issue. They need to grow Palatka. They will be making changes. She understands family-owned businesses and their issues. The parties need to talk this out.

Commissioner Kitchens asked Ms. Holmes what the minimum acreage needed by GM is. Ms. Holmes said 3.7 acres. Commissioner Kitchens said in an earlier meeting she had expressed concern about having a legal question when the City attorney is not present. This is just such an instance. Regarding the reverter clause, she said that is all well and fine, but If the federal government forecloses, would the federal government's agreement trump their reverter clause? If the dealership files bankruptcy, would a judgment trump the City's reverter clause? Ms. Fleet said the only thing she can tell her is that would cloud the title of the property, as the easement or reverter would be recorded. Anyone purchasing the property would have to clear the title. It is part of the condition of the road closure and it would have to be honored.

Commissioner Kitchens asked Mr. Sloan, who was present, if he plans to move the dealership out of the city or let employees go if this road is not closed?

Breck Sloan, Beck Auto Group, said they have looked at new construction costs, which would be "around \$4.5 million. Even as "rich: as the Beck Dealership is, it would be difficult to get financing for any auto dealership. It would not succeed. Commissioner Kitchens asked if they can relocate to the Nissan dealership. Mr. Sloan said they own three properties, which are currently leased out. This is a time constraint issue.

Commissioner Kitchens asked Mr. Boynton if the City will require those seven storm drains to remain open. Mr. Boynton said the infrastructure can be re-evaluated and better maintained. The pipe underneath that road is in poor condition. It would be his recommendation to replace that pipe and increase the capacity. They would then put a storm drain at the head of the system, on St. Johns Avenue, which would alleviate some of the problems. The system would be improved.

Commissioner Kitchens said to Mr. Brown that she spoke with Mr. Sloan regarding the issue of his trucks having to come straight into his property. Apparently when the government took over GM they laid down some very stringent guidelines. The government laid down these acreage and parcel requirements. Mr. Sloan either gets this space or loses this dealership. He has to have title of the road. Commissioner Kitchens said she asked Mr. Sloan if he would be willing to grant an easement to St. Johns Auto Body granting them ingress/egress. Ms. Holmes has stated tonight that they would be willing to do that tonight. This would be a 60-foot easement, which is the same size as the road. She asked if that would suffice, and noted nothing has fallen off his large wrecker truck yet. She believes this would solve the visibility issue, also. She asked Mr. Brown if Beck Chrysler would give him a 60' easement and make sure trees don't block the way, if that would solve the problem. Mr. Brown said he won't answer as he will likely have to get a lawyer on this issue.

Mr. Brown asked as to the acreage required for a dealership.

Ms. Holmes said GM requires them to have 3.7 acres. Mr. Brown said Beck Nissan sits on 10 acres. He has an open lot to the rear that is not being used. He also owns another adjacent fenced-in parcel of property that is adjacent to the school. He said FHP record show the two business he leases adjacent property to now are two separate towing/wrecker business – Johnson's Towing and Johnson Brother's Wrecker Services, both owned by Mr. Beck, which he leases to himself, and asked if those are the businesses he noted the property was leased to?. Mr. Sloan said that is one of them. Commissioner Kitchens noted it is a sad state of affairs that the Federal government has taken over GM and has put local government in the middle of this. Commissioner Kitchens said recently a church wanted to close a paved street, and requested to close it for safety reasons. The City did not close that street because it was a through street.

Generally they close roads that are not much used. Regarding the trip count for this case, in their package it was noted the trips were counted on March 16. It looks like there was a max of 438 trips in a four-hour period. If 73 of those are employees of Beck Chevrolet, it is apparently a heavily traveled street. Putting that traffic onto 15th & 17th Street may overburden those streets. She is concerned about the other businesses. She has received citizen complaints and there is a petition signed with 23 signatures. She tries to go with a majority of citizens. She is also concerned about the 73 employees. They generally don't close roads that are well-traveled. St. Johns Auto Body and the dealership need to come together and strike a compromise.

Mayor Flagg said it seems to him that the option of closing without vacating seems to have some merit. Mr. Boynton said if the road is vacated it would make it difficult to take a reverter clause. If they add "without vacating" to the title and ordinance they would be able to work with it. This will give them more flexibility. Commissioner Kitchens said if they close the street without abandoning it, the City doesn't give up the title. Beck's problem will not be solved. This may need to be tabled until they can get a legal opinion. They may not be able to convey title without vacating it. There was discussion on the possibility of tabling the item to a time certain.

Commissioner Norwood said the title would be subject to the reverter clause as long as it is recorded. Commissioner Kitchens said she is 98% certain that the City would retain title if the property is not vacated. Commissioner Brown asked if the two businesses can sit down and work something out so that no one is punished. They don't want either business to go away. Commissioner Kitchens concurred with tabling this until they receive a legal opinion and the two parties can mediate.

Sherri Scroggins said this letter Ms. Holmes has distributed is tantamount to only hearing one side of a telephone conversation. It doesn't state the number of acres required. She concurred with tabling the matter.

Ms. Holmes produced Beck's dealer agreement (no copy provided or filed), which states their minimum acreage requirement is 3.7 acres; this is based on volume of business. They have to have everything implemented and commenced by January 1, including the building architecture. This is their last and only pending issue. Commissioner Kitchens said she understands from Mr. Sloan they haven't received approval from SJRWMD as they have no plans to submit to them.

Ms. Fleet said much of the land is impervious or already paved. SJRWMD is part of the permitting and design process. It is a plus that this land is already paved. Mr. Boynton said, as to closing without vacating, he asked for that opinion and was told that if the city vacates the street, the property goes back to the adjacent property owners, but if the city closes it without vacating it, they can convey title to St. Johns Chevrolet with language included within the deed that the property would revert back to the City at such time the property ceases to be used as an auto dealership. Commissioner Kitchens asked if anyone else can bid on the property if it is declared surplus. Mr. Boynton said it would be surplussed with the intent to quit-claim the property to Beck Chevrolet. Mr. Brown said he would put a bid on it if the City surplusses it. DeDe Sharples, 125 Nellie Street, Palatka, said she is glad they are considering tabling this until next month. She has lived here for 40 years and has seen a lot of growing pains including making St. Johns Avenue one-way before turning it back into a two-way street. This issue is complicated and needs more discussion. If there is some way to reach a compromise that would be the best solution. She suggested that before they close this street they put up barricades to see how closing this street affects others. She did not know anything about this meeting until she read about it today. She said the City and County's meetings are not well advertised.

Mayor Flagg asked Ms. Banks as to what advertising requirements should be met if the Commission tables this.

Debbie Banks, Building & Zoning Administrator, said if they table the issue to a time certain the advertising stays current. The Clerk said if they do not table to a time certain the issue is considered disposed of and they would need to re-advertise. If they table to a time certain it continues this public hearing and the advertising stays current. Discussion ensued as to a date to table to in order to keep the 2nd reading on November 12. Mrs. Banks noted the City cannot barricade 16th Street.

Mr. Sloan said the city was not able to certify the traffic count discussed prior, because a traffic count done by counters doesn't take into consideration that Beck was the largest generator of that traffic. Most of those trips were employees or customers. They have 60 -70 repair orders per day and 73 employees. Most people dropping their car off leave in a courtesy van, plus they drive customer vehicles to diagnose and again to confirm repair of problems. Much of this traffic is self generated and constitutes multiple trips by one vehicle.

Mayor Flagg closed the public comment portion of the public hearing and noted there is a motion on the table to pass this ordinance on first reading, made by Commissioner Norwood and seconded by Commissioner Myers.

Commissioner Brown moved to continue the public hearing on the proposed ordinance to close a portion of 16th Street between St. Johns Avenue and Reid Street, St. Johns Automotive Real Estate, applicant, to October 29, 2009 at 6:00 p.m. The motion was seconded by Commissioner Kitchens. There being no further discussion, a roll-call vote was taken, with the following results:

Commissioners Brown, Kitchens, Myers, Norwood and Mayor Flagg, yes; Nays, none. The public hearing was declared tabled to a time certain, and continued to October 29, 2009 at 6:00 p.m.

KARL N. FLAGG
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

VERNON MYERS
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



ELWIN C. "WOODY" BOYNTON, JR.
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

RUBY M. WILLIAMS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD P. HOLMES
CITY ATTORNEY

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

MINUTES CITY OF PALATKA October 29, 2009

Proceedings of a regular meeting of the City Commission of the City of Palatka, Florida, held on the 29th day of October, 2009.

PRESENT: Mayor Karl N. Flagg
Commissioner Mary Lawson Brown
Commissioner Allegra Kitchens
Commissioner Vernon Myers, Jr.
Commissioner James Norwood, Jr.

Also present: City Manager Elwin C. "Woody" Boynton, Jr.; Jay Asbury, Special Legal Counsel to the Commission; City Clerk Betsy Jordan Driggers, Finance Director Matt Reynolds; Assistant Police Chief James Griffith.

CALL TO ORDER – Mayor Flagg called the meeting to order at 6:00 p.m. and read the following meeting call, dated October 26, 2009:

TO MESSRS: MARY LAWSON BROWN, ALLEGRA KITCHENS, VERNON MYERS
AND JAMES NORWOOD, JR.:

You are hereby notified that a special meeting of the Palatka City Commission is called to be held on October 29, 2009, at the regular meeting place of the Palatka City Commission at City Hall, 201 N. 2nd Street, Palatka, Florida, to commence at 6:00 p.m.

The purpose of the meeting is to hear a continuance of the following Public Hearing from the Regular October 22, 2009 Meeting's Orders of the Day:

PUBLIC HEARING - ORDINANCE - Planning Board Case #PB 08-29 - Request to close N.16th Street between St. Johns Avenue and Reid Street - St. Johns Automotive Real Estate, LLC; Juli Holmes, Agent; 1st Reading – Planning Board Recommendation to Deny – **CONTINUED FROM OCTOBER 22, 2009**

/s/ Karl N. Flagg

Karl N. Flagg, MAYOR

The following commissioners acknowledged receipt of a copy of the foregoing notice of a special meeting on the 26th day of October, 2009.

/s/ Mary Lawson Brown

/s/ Vernon Myers

COMMISSIONER

COMMISSIONER

/s/ James Norwood, Jr.

/s/ Allegra Kitchens

COMMISSIONER

COMMISSIONER

INVOCATION – Commissioner Norwood

PLEDGE OF ALLEGIANCE – Commissioner Kitchens

Mayor Flagg directed the Clerk to re-read a ordinance entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, CLOSING, VACATING AND ABANDONING THAT PORTION OF NORTH 16TH STREET LOCATED IN MERWIN'S SUBDIVISION LYING WEST OF BLOCK 295 AND EAST OF BLOCK 303 AND RESERVING REQUIRED UTILITY EASEMENTS, WITHIN THE CITY OF PALATKA, FLORIDA; AND PROVIDING AN EFFECTIVE DATE. Mayor Flagg noted that at the 10/22/09 meeting Commissioner Norwood moved to pass the ordinance on first reading as read. Commissioner Myers seconded the motion. He stated the Commission will take up where it left off, in commission deliberation, as the public input portion of the Public Hearing was closed on October 22, 2009.

Mayor Flagg introduced Jay Asbury, Esquire, as special counsel to the Commission and acting interim city attorney, as Mr. Holmes, the City's attorney, has recused himself from these proceedings due to his relationship with Beck Automotive.

Commissioner Kitchens said she e-mailed her legal questions to Mr. Asbury on Tuesday for an opinion. She noted that Ms. Holmes, agent for the petitioner, stated that if the Beck dealership ever ceased to exist that the Street would revert to the City and it would be reconstructed to pre-closing status. She asked if the dealership had to declare federal bankruptcy, would the bankruptcy court have the power to override the deed and keep the street? Also, if the Federal Government foreclosed on GM, would they be able to override the deed? Mr. Asbury said, to answer the bankruptcy court question, which he double-checked the Bankruptcy Council, the Bankruptcy court would be bound to any agreements. As to what would happen if the federal government were to take over GM, no one knows as this has never happened before. He has not heard of any cases where the government is stepping into any dealerships. He doesn't see this happening in Palatka, but no one knows what will happen. Commissioner Kitchens said the City Manger could close the street without abandoning it and retain title to the street. She asked if the City will retain title to the Street if this happens. Mr. Asbury said they could really get into a "title seminar" tonight, but the answer to the question is that the City does not have title to the street now. The legal theory of platting and subdivisions is that when the original developer platted the neighborhood and set down the street, the government approved the plat, which was then dedicated to the public. The title remains with the developer, but it encumbers those areas with the verbiage put on them, such as street, park, boat ramp, etc. As the developer sells out, the people that step into his "shoes" on those abutting properties have the underlying title, although it's not worth anything. Under the legal theory of vacation, upon the city vacating it, the title moves from the abutting titles and the abutting owners pick up the property and the property lines come together. The City does not own it, but controls it and holds the right to use it as a street in trust for the public. It is not a burden on the govt. to close roads; they have almost absolute complete discretion to close any roadway they want, and the only way they've gotten into jams by doing that is by doing it arbitrarily. People who don't own property along those abutting lines don't have a lot to be hurt about. He cited one case in particular, used in teaching seminars, is an Escambia county case circa 1958, where that County closed a long road area and some folks didn't like it. Eighty-one citizens brought a lawsuit challenging the abandonment, and some proved they had to travel 4 – 8 miles further due to the closure. The court said since they didn't live on that road they weren't damaged any more than the

general public was. The Commission has the ability to act justly in the best interest of the citizens and if they do that this is not an issue.

Commissioner Kitchens said the dealership needs title to the street to own the property, and asked if the City closes the street without vacating it, if the title goes to the property owner. Mr. Asbury said the title does not go to the abutting property owners without vacating it. Commissioner Kitchens asked if they close it without legally vacating if the property will still belong to the City. Mr. Asbury said he feels that is not a good idea, as if Palatka closes it off but lets someone else use it, the City is still liable for whatever happens upon it, without having any control over what happens upon it. Since the underlying ownership is with the abutting owners, and the citizens have the right to use the land as a street, maybe through their ownership that may meet the GM test, but he has no clue as to what GM wants. Commissioner Kitchens said she discussed public disclosure regarding contact with the petitioner prior to the meeting. Mr. Asbury said he does not see any conflict here; he believes if their City Attorney were sitting here and a conflict was developing he would let them know. Commissioner Kitchens said she met with Mr. Sloan and other citizens asked if she should publicly disclose that. Mr. Asbury said it certainly doesn't hurt, but they are not sitting in a quasi-judicial procedure; this is city business.

Commissioner Brown said she asked the two parties to sit down and negotiate this through and come to a meeting of the minds. She'd like to know if that occurred. She has spoken to both sides. The more people they talk to, the more ideas they get. She also spoke with the property owner of the home in that block.

Breck Sloan, 2601 Fairway Drive, applicant, said they met over four or five issues, and he believes they have come to an agreement on all but one of those. They worked on that until about 30 minutes ago and will continue to work on that, depending upon the results of this meeting. Both sides are cooperating.

Jason Brown, 212 Mimosa, concurred and said they need some additional time for a few issues, but they are all good to go on this. They still oppose the closing of 16th Street but are negotiating.

Commissioner Myers said his questions had been answered. Both sides have valid considerations and he appreciates those as a business owner. As commissioners they act in the best interest of the citizens. He's made many communications on this with both sides. The major concerns are the economic ramifications and jobs, and the economic vitality of the area. For citizens to prosper they need to preserve jobs. He has much respect and admiration for both sides and thanks them for their positions.

Commissioner Norwood concurred and thanked the parties for coming together to mediate. They are charged with making difficult decisions. He has weighed the benefit of having the dealership, and considered FDOT's plans to close some streets at some point in order to move traffic along Hwy 17 more quickly. They need to ensure access to the utilities on 16th Street. He wants to be sure that everyone has had an opportunity to voice their concerns between the Beck dealership and St. Johns Chevrolet.

Mayor Flagg said he wants them all to enjoy a win-win situation. He wants to protect city infrastructure, neighborhood integrity, the interests of all concern, jobs, safety of community and welfare, municipal vitality, and consider reasonable accommodations. They need to minimize adverse existing issues and anticipate future environmental issues, economic issues, and minimize impact of services and infill needs within the City's core. They need to maximize property within the inner city.

Mayor Flagg said the ordinance has been read, motioned and seconded. He'd like read into the record the difference in the original proposed ordinance vs. an alternative ordinance.

Mr. Asbury said he has not reviewed the existing ordinance. Mayor Flagg noted the new ordinance contains the reverter clause. Instead of having to adjust the proposed ordinance, the most precise way would be to withdraw the second and motion, and deliberate a new motion. Commissioner Norwood withdrew his motion. Commissioner Myers withdrew his second.

Mr. Asbury said the proposed ordinance can be changed if it's not changed in substance, such as misspelled words, but this ordinance does the same thing as the other ordinance. It vacates the street. It goes on to say that all owners or lien holders of the landholders that abut the street that takes any interest will have 30 days from the date of passage to give them an acceptable and reportable form of a reverter restriction with reverter language that says if any of the property described in Schedule C, which is the whole property, stops being used as a new car sales outlet, then the reverter kicks in and Palatka gets the strip back 'in fee simple" which means they can do anything they want with it. Once this is passed, there will be a time frame within which people need to get documents signed, and he didn't want people to run out of time.

Mr. Asbury said Section 1 of the ordinance vacates the Street and retains any easements, rights and easements of record. He may even tweak this a little more and address the stormwater situation. They don't want to give away any rights the City may need to push some water through there. Section 2 talks about compliance on the restrictive covenant, which will be recorded, and says that through any breach of the agreement, i.e. not using it as a new car outlet, the property will revert to the City of Palatka. Section 3 is just a safety clause, giving authority to the City Manager and City Attorney, stating it will bear the City Managers signature, and authorizes the Mayor and City Manger to sign the documents. Section 4 addresses the legislative intent, stating the intent is not just to vacate a road, but to set two things in motion: One is to vacate the street, and the second is that the property is to be used in a particular way, and if those don't happen, this ordinance will no longer be in effect. This is to ensure the road way will be used as it was intended to be used according to the legislative intent. The effective date is 35 days from the adoption to give everyone time to effectuate it. If everything is done by the second reading, they can make it effective immediately.

Mayor Flagg said under Item 2, Section 2, the commission can decide what is reasonable. He believes 180 days is reasonable. Mr. Asbury said if the place should cease to be used to sell new cars for 180 days it will revert. Mayor Flagg said as to the time of enactment, they have set a standard of ordinances taking effect upon adoption. Mr. Asbury said this is the time frame he felt was reasonable in order to the paperwork approved by Mr. Boynton and Mr. Holmes. If people can handle their responsibilities within two weeks, these deadlines can be changed. Mr. Boynton said many things need to be done and they have the holidays to contend with. If it's done by November 12 they can change it to 'effective immediately" and record it accordingly. They will work diligently to get everything taken care of by November 12. Mayor Flagg said he was always taught that you can't change an ordinance on 2nd reading and asked if this constitutes such a change. Per discussion, there was commission concurrence that there is no problem with the language as is. Commissioner Kitchens asked if, for some reason, something happened and the reverter deed wasn't signed, if the ordinance would be legal and stand. Mr. Boynton said then he and the Mayor wouldn't sign it if the reverter deed is not signed. Mr. Asbury said two things have to happen. One is they take the first step and agree to vacate the road. The next thing is for them to comply and satisfy the City Manager and City Attorney. He

would assume that if things don't happen the way they are supposed to, that the ordinance will be eliminated and not passed. It's a self-acting deal.

The Clerk then read the new ordinance, entitled AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, VACATING ALL OF THAT PORTION OF 16TH STREET WHICH LIES BETWEEN ST. JOHNS AVENUE AND REID STREET (HIGHWAY 17) IN POALATKA, FLORIDA; AUTHORIZING EXECUTION OF DOCUMENTS; REQUIRING RESTRICTIVE COVENANTS WITH REVERTER CLAUSE; PROVIDING FOR THE TIME LIMITATION FOR COMPLIANCE; AND PROVIDING FOR AN EFFECTIVE DATE. Commissioner Norwood moved to pass the ordinance on first reading with Section II specifying 180 days for the reverter clause. Commissioner Myers seconded the motion. Commissioner Kitchens said she is pleased with negotiations between the two businesses and doesn't think closing this street will cause concern. She would rather have seen a traffic study done on Sunday and then maybe one other day of the week for more than just four hours. Several citizens have called and expressed their disapproval of the closing of this street. She wants to do what's best for the community and she wants the people to be heard. Commissioner Brown said she feels that they are servants of the people and are put here to do what's best. She called FLC and received legal information that she passed on. She considered the jobs both these businesses provide to people in the community. When big business steps on little business it causes stress. When she was young there was nothing but homes along Reid Street from 19th Street to the train tracks, but now it is mostly small businesses. They need to have a vision. She wants her children and grandchildren to have an opportunity and to live and work here. She gave a lot of thought to this. She doesn't want to see any more businesses move away from the core of downtown. There being no further discussion a roll-call vote was taken, with the following results: Commissioners Brown, Myers, Norwood and Mayor Flagg, yes; Commissioner Kitchens, No. The ordinance was declared passed on first reading by majority vote. It was noted second reading is still scheduled for November 12.

There being no further business to discuss, the meeting was adjourned at 6:50 p.m. upon a motion by Commissioner Kitchens, seconded by Commissioner Brown.

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 288.105

11/12/09
City Council mtg.
@ Price Martin

NEIGHBORHOOD); REPEALING ANY ORDINANCE IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE. Commissioner Brown moved to pass the ordinance on first reading as read. Commissioner Kitchens seconded the motion. There being no further discussion, a roll-call vote was taken, with the following results: Commissioners Brown, Kitchens, Myers, Norwood and Mayor Flagg, yes; Nays, none. The Ordinance was declared passed on first reading.

- * 9. **ORDINANCE CLOSING 16TH STREET** - Planning Board Case #PB 08-29 - Request to close N.16th Street between St. Johns Avenue and Reid Street - St. Johns Automotive Real Estate, LLC; Juli Holmes, Agent; 2nd Reading, Adopt – City Attorney Don Holmes recused himself from the proceedings. Acting City Attorney for this item, Jay Asbury, took his seat at the dais. The Clerk read an ordinance entitled AN ORDINANCE VACATING ALL OF THAT PORTION OF 16TH STREET WHICH LIES BETWEEN ST. JOHNS AVENUE AND REID STREET (HIGHWAY 17) IN PALATKA, FLORIDA; AUTHORIZING EXECUTION OF DOCUMENTS; REQUIRING RESTRICTIVE COVENANT WITH REVERTER CLAUSE; PROVIDING FOR TIME LIMITATION OR COMPLIANCE; AND PROVIDING FOR AN EFFECTIVE DATE. Commissioner Myers moved to pass the ordinance on 2nd reading for adoption. Commissioner Norwood seconded the motion. Mr. Asbury noted the new proposed ordinance, distributed today, contains two minor changes since the first reading (filed), pursuant to direction given him by the Commission at the 11/29/09 meeting. He removed the clause regarding the effective date and reworded it to say that when the City Manager and Attorney approve a recordable restrictive covenant that the owner has signed, and it is approved by the City, this ordinance will be effective. He also built in a clause to make the time come and go for the applicant to do their business, and said if there is no recorded reverter in place that is acceptable to the City within 120 days from today, the ordinance would be null and void. That is a date to make this go away; it leaves the applicant and City plenty of time to effectuate their business. This is not an opened ended deal.

Daniel R. Ziem, Sr., 401 Olive Street, said he is opposed to this closure. There is one building left on that lot facing St. Johns Avenue. This is a public street. Beck claims there are 73 employees, but he was told there are no more than 35. He asked where the employees are parking their cars, noting they used to park by the Chinese Restaurant. If the restaurant goes out of business and the dealership purchases that property, it still won't give them the required acreage. Next they'll have to close 17th Street. The City has never closed a street off once it has been opened up from 1st street west. If the business doesn't continue because they still won't have the needed acreage, this sets precedence. There was bickering between these two businesses. The Beck employees now park on 17th Street on the right of way. They also park in the Chinese restaurant parking lot. There are nowhere near 73 cars being parked.

There being no further discussion, a roll-call vote was taken, with the following results: Commissioners Brown, Myers, Norwood and Mayor Flagg, yes; Commissioner Kitchens, No. The ordinance was declared adopted on 2nd reading. Mr. Asbury said he enjoyed making his acquaintance with the City and would like some day to have the opportunity to support and vote for the Mayor as his representative in some capacity.

10. **ADMINISTRATIVE REPORTS**

Mayor Flagg said there was a violent incident reported in the City yesterday that is heartbreaking, involving teenagers committing crimes to prove a point. He commended the citizens who came forth and shared important information to assist in their identification and capture. He noted the efficient leadership and employees at the PPD. He is proud of their service and representation in the community, and thanked Chief Getchell for his leadership. The Palatka PD's professional actions lead to no injury or fatality in this apprehension.

11/17/09
City Council mtg.
@ Price Point

NEIGHBORHOOD); REPEALING ANY ORDINANCE IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE. Commissioner Brown moved to pass the ordinance on first reading as read. Commissioner Kitchens seconded the motion. There being no further discussion, a roll-call vote was taken, with the following results: Commissioners Brown, Kitchens, Myers, Norwood and Mayor Flagg, yes; Nays, none. The Ordinance was declared passed on first reading.

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PLANNING BOARD MINUTES
FOR
N 16th STREET CLOSING

Planning Board meeting
Minutes and proceedings
July 6, 2010
Case 08-29/10-26 - continued

Mr. Venables asked for the information requested in a memo dated 10/22/08 from the Public Works Director, requesting a traffic count and a site plan, specifically looking for signage, curbing and landscape plans regarding signage curbing and landscaping.

Ms. Avery Smith advised that there was a traffic study that was provided to the Commission that was done under the purview of the City Planning staff and actually went out with cameras and videotaped traffic going through.

Juli Young, 256 Highway 17 N., expressed further that they had made numerous attempts to do a traffic study but were unsuccessful due to their unique position with multiple accesses of ingress & egress into their lots, with that, the trips were being multiplied. They purchased cameras which also was a failed attempt, so the city planning staff tried to co-ordinate a rough traffic study, which was at the time, the best they could come up with.

Mr. Venables asked with reference to the site plan and agreements made in previous proceedings, if they were still going to grant a 60' easement to St. Johns Auto Body for access to their property and if so, would their truck be able to traverse this as shown on the site plan submitted.

Breck Sloan, 256 Highway 17 N., stated that a fifteen foot right-of-way is more than you have on the D.O.T. streets, if they can operate this vehicle on the streets of the city of Palatka, then they should be able to transition through there. He stated that the City Commission asked them to meet with the St. Johns Auto Body owners in an attempt to resolve issues collectively and that their efforts of mediation never concluded, as St. Johns Auto Body could not agree to certain stipulations but that it is still open and on the table.

Mr. Venables referred to previous references of a letter from Glenn K. Holliday, Area Sales Manager of G.M. dated 10/12/09 and said that he found it vague, non-supportive of the need to close the street and questioned why it was not forwarded to the Planning Board for consideration.

Mr. Sloan stated that at the time, they had received a new and temporary dealer agreement from G.M. based on G.M.'s filing of bankruptcy and the problem they had was with confidentiality, that they were not allowed to share that information with the public or media without the written approval from G.M. We did allow the Commission to view that letter and the standards that were required specifically and the language in our dealer agreement but not to be admitted into public record. He believes that the letter was forwarded to the Planning Department in error and that he understands that the Planning Board had only a piece of the puzzle, but the rest of it was forwarded to the Commission and they were allowed to read it in its entirety.

Mr. Venables asked if the reverter clause will also apply if the dealership is leased or given away or just if this dealership just closes its doors.

Ms. Avery Smith read the reverter clause as agreed upon and entered into with the City.

Mr. Venables stated that as no structures are to be placed upon the utility easement, he wanted to make clear that the landscaping would not be anything of a permanent nature.

Case 08-29/10-26 – continued.

Ms. Avery Smith advised that that was correct.

Mr. Venables referred to testimony given by Breck Sloan on 10/22/09 that this was a time sensitive issue, and wanted to know if they were past that time limitation.

Mr. Sloan advised that they are not unique in their franchise situation, apparently there are many across the country in similar situations, and believe they are slotted for the first quarter of 2011.

Ms. Roskosh questioned the reverter time frame.

Mr. Sloan advised it was 180 days.

Jeremiah Mulligan of Mulligan and Cottum, 200 Malibu St., St. Augustine, who was present representing St. Johns Autobody commented that this Board previously met on this issue and it was denied and then went on to the Commission where it was approved which led to some litigation. He spoke about the litigation stating that there are several points in question, including whether the approval was even legal being the sole benefit of a private party versus a public benefit, hardship and impact to his client's company, as well as the community, and incorrect information submitted by the applicant for consideration of this request. He made comments regarding the drainage and flooding in the area during heaving rains, saying that many people use this as an alternate route to come down N 16th Street from Crill Ave. He added that there has not been a significant impact/traffic study to see how this will impact the community. He mentioned that the majority of the response from the community, and the petitions that have been submitted is that they do not want to see this road closed. He ended by saying that there are other things that have not been thought out, such as with the reverter clause and who will put the road back in if this use should go away. There still has not been a sufficient traffic study or impact study to see what is going to happen if you close this portion, will you have water collecting there.

Mr. Leary asked if Mr. Mulligan has done any type of data and analysis to quantify the economic impact for his client.

Mr. Mulligan stated that he believes that the petitioner should provide that type of information. He reiterated that this Board had previously denied the request and most likely due to the bad precedence this will set, for a private benefit, what would stop the next business from requesting the same and point to this. There are a lot of things that haven't been thought out and on behalf of his client he requested that the Board deny this request.

Carl Stewart asked if there had been any attempts at an agreement with his client and Mr. Sloan.

Mr. Mulligan stated that there had been some negotiations but they actually lead away from the easement and more towards Breck Sloan and Johnson & Johnson Towing buying the large wrecker that tows the semis and that wasn't acceptable to his clients. When you look at the site plan proposed, you really can't come to an agreement with all the landscaping and parking area that is now N. 16th Street.

Discussion continued regarding who should submit data and analysis for traffic and economic impacts.

Case 08-29/10-26 – continued.

Ms. Avery Smith stated that a lot of right-of-way vacations are done in the public interest and economic development is certainly of public interest.

(Regular Meeting)

Phil Leary advised that he lives a few blocks away and has taken the opportunity to observe the traffic patterns, more for his own curiosity, and being a planner, doing a lot of analysis on transportation and traffic circulations, what this really boils down to is the inconvenience to maybe one business on St. Johns Avenue and a few residents versus the viability of maintaining a long standing business that provides a lot to the community, his position has not changed from the last time. With this not being a through road, and D.O.T. not having a problem with closing it, the benefits of the dealership and what it brings to the community, as the attorney said, there is a Florida Statute that would support the approval of the application.

Motion made by Ken Venables and seconded by Phil Leary to recommend approval for the request. With a show of hands of all present the vote resulted with two in favor and five opposed, motion failed.

Case 09-30 **Address:** Off Crystal Cove Drive and Comfort Road
 Parcel: 37-09-26-0000-0060-0082
 Owner: Thirty-Ninth Avenue Professional Center, Inc.
 Agent: James Meehan

Request: for approval of final plat for a subdivision

(Public Hearing)

Ms. Banks advised that Mr. Meehan addressed all of the staff comments that were made at the preliminary level, there are a couple of items that will be dealt with at the Water Management level and that the applicant has submitted a revised plat. She advised that she received two comments regarding the subdivision and that Mr. Taylor is present with comments and one of the owners, Mr. Salifrio is also present.

Robert Taylor, 241 Crystal Cove Dr. stated that he believes a mistake was made with the annexation of this property as being less than 10 acres and believes the parcel is larger than that. He expressed concerns of traffic safety with regards to Crystal Cove Dr. He stated that there have been several meetings that the developers had asked them to come and discuss concerns and then each time the plans come back a little worse than they started. He conveyed his unhappiness and stated that the community residents were not given written notice for the rezoning from R-2 to R-3, as they were outside of the 150 ft. notice requirements and believes the City should extend the notice requirements, as their community is directly impacted financially and physically impacted by this development. He ended by saying that he is concerned with the Water Management issues with the retention on the S.E. section of that site and does not believe that this is a compatible development for Crystal Cove.

Discussion took place regarding the required verbiage on the plat and fencing.

*Agenda
Item*

8

This instrument prepared by:
Betsy Jordan Driggers
201 N 2nd Street
Palatka, Florida 32177

ORDINANCE NO. 10-

AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, AMENDING CHAPTER 30, ENTITLED ENVIRONMENT, BY AMENDING ARTICLE IV, NOISE CONTROL, SECTION 30-109, SPECIAL PERMIT TO EXCEED NOISE LEVELS, TO PROVIDE FOR A DEADLINE TO MAKE APPLICATION FOR A PERMIT TO EXCEED ALLOWABLE NOISE LEVELS; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Palatka, Florida, is authorized by Chapter 166, Florida Statutes, to adopt ordinances and resolutions necessary for the exercise of its powers to protect the health, safety, and general welfare of its citizens and to prescribe fines and penalties for the violations of ordinances in accordance with law, and

WHEREAS, the City Commission has recognized the need to revise its Code of Ordinances to provide for a deadline for citizens making application to the City Manager to exceed allowable noise levels set by Chapter 30 of the Palatka Municipal Code in order to allow ample time for Staff to research and bring requests to the City Commission prior to the date of the event during which the allowable noise level will be exceeded.

NOW THEREFORE BE IT ENACTED BY THE CITIZENS OF THE CITY OF PALATKA, FLORIDA:

Section 1. That Chapter 30, Article IV, Section 108, first paragraph, be amended to read as follows:

Application for a permit for relief from the maximum noise level limits designated in the article, which is not being made as part of a Special Events Permit as provided for under this Code of Ordinances, Chapter 50, Section III, may be made in writing to the City Manager for presentation to the City Commission. Application must be received by the City Clerk a minimum of ten (10) business days prior to a regularly scheduled meeting of the City Commission being held prior to the first date of the event. After hearing the request, the City Commission may grant permission as follows:

Section 2. That all other provisions under Section 30-109 shall remain the same.

Section 3. Should any section, subsection, sentence, clause, phrase or portion of this Ordinance be held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate distinct and independent provision and shall not affect the validity of the remaining portion.

Section 4. A copy of this Ordinance shall be furnished to the Municipal Code Corporation for insertion in the Code of Ordinances for the City of Palatka, Florida.

Section 5. This Ordinance shall become effective upon passage as provided by law.

PASSED AND ADOPTED by the City Commission of the City of Palatka on this 26th day of August, 2010.

CITY OF PALATKA

BY: _____
Its Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM AND CORRECTNESS

City Attorney

ARTICLE IV. NOISE CONTROL

Sec. 30-101. Generally.

The rules and regulations given in this article shall apply to the control of all sound originating within the geographical limits of the city. It shall be unlawful, except as expressly permitted in this article, to make, cause or allow the making of any noise or sound which exceeds the limits set forth in section 30-105, table 1.

(Code 1981, § 13-51)

(Body of ordinance deleted here)

also mufflers
prior to event?

Sec. 30-109. Special permit to exceed noise levels.

Application for a permit for relief from the maximum noise level limits designated in this article may be made in writing to the city manager, for presentation to the city commission. Applications must be received by the City Clerk a minimum of 10 days prior to the request being placed on the commission's agenda. The city commission may grant permission as follows:

(1) *Imposition of restrictions.* The city manager may prescribe any reasonable conditions or requirements he deems necessary to minimize adverse effects upon the community or the surrounding neighborhood, including use of mufflers, screens or other sound-attenuating devices.

(2) *Permits for entertainment.* Permits may be granted for the purpose of entertainment under the following conditions:

a. The function must be open to the public (admission may be charged).

b. The permit will be given for not more than eight hours in one 24-hour day, with times to be set by the city commission.

(3) *Other special permits.* Other special permits for non-entertainment special purposes may be issued under the following conditions:

a. If the special purpose relates to the operation of a trade or business, the special purpose must not be in the ordinary course of that trade or business and must be necessary to the operation of the trade or business.

b. If the special purpose does not relate to the operation of a trade or business, the special purpose must not be an ordinary event in the affairs of the applicant and must be compatible with the ordinary activities within the neighborhood in which the special purpose is proposed to occur.

c. If the special purpose is a recurring one, it must not recur more than four times each calendar year.

d. Except in emergency situations, as determined by the city commission, the special permit may be issued for eight hours (between 7:00 a.m. and 12:00 midnight) only.

e. Special permits may be issued for no longer than 15 consecutive days, and are renewable by further application to the city commission.

(Code 1981, § 13-57)

Secs. 30-110--30-130. Reserved.

Sec. 50-201. Application for special events; time for submission; contents.

(a) Any person or entity desiring to hold a "special event" within the city, shall submit an application to the special events coordinator. No application will be considered for approval unless it is filed in a timely fashion. An application is not filed in a timely fashion unless for "Class A" special events it is submitted at least 90 days but no more than 365 days prior to the event; for "Class B" special events it is submitted at least 30 days but no more than 365 days prior to the event; and for "Class C" special events it is submitted at least 7 days but no more than 180 days prior to the event.

The application shall be upon a form approved by the city commission, and available at city hall. Written instructions to aid in completing the form and submitting the application shall be provided along with the application to any potential applicant upon request.

(b) In order to be considered for approval, an application submitted to the special events coordinator must contain the following information:

- (1) Name, address and telephone number of applicant.
- (2) Type of proposed event and description of planned activities.
- (3) Date and times of major event activities, including daily beginning and ending times.
- (4) Estimated number of people expected to attend the event each day, and the basis of the estimate.
- (5) Location of event, including detailed site plan specifying location of major event attractions and activities.
- (6) Whether "stages" are to be utilized, and if so, how many.
- (7) Whether amplified sound is to be utilized and, if so, from how many sources.
- (8) Whether tents and canopies are to be utilized and, if so, how many.
- (9) Whether food and beverages will be sold by event vendors.
- (10) Whether merchandise other than food or beverages will be sold by event vendors.
- (11) Whether the applicant intends to furnish, at the applicant's expense, first aid or medical facilities or personnel. If so, provide a description.
- (12) Whether the applicant intends to furnish, at the applicant's expense, security personnel or equipment. If so, provide a description.
- (13) The names of those persons to be designated by the applicant as on-site representatives of the applicant, and the names and telephone numbers of any other persons to be contacted on behalf of the applicant in the event of an emergency.

(c) Upon receipt of a completed application, the special events coordinator shall review same and determine if the proposed event should be classified as a Class A event, a Class B event, or a Class C event, as these categories are defined in division 1, section 50-183.

(1) If the proposed event is determined to be a Class C event, then the special events coordinator shall decide whether to issue a permit authorizing the event. In deciding whether to issue a permit authorizing the event, the special events coordinator shall be guided by the criteria set forth in subsection (e) hereof and may request the applicant to provide additional information necessary to the decision-making process.

(2) If the proposed event is determined to be a Class B event, the city manager shall decide whether to issue a permit authorizing the event. In deciding whether to issue a permit authorizing the event, the city manager shall be guided by the criteria set forth in subsection (e) hereof and may request additional information necessary to the decision-making process. The special events coordinator may schedule a planning meeting with the applicant and special event committee if deemed appropriate.

(3) If the proposed event is determined to be a Class A event, then the special events coordinator shall schedule a "planning meeting", to be attended by the special events committee, the applicant's authorized representatives (including the applicant's designated event planner and designated safety officer [if any]) and the special events coordinator. At the planning meeting, all aspects of the proposed event and its impact upon the city shall be