

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

MINUTES
CITY OF PALATKA
CITY COMMISSION WORKSHOP
October 22, 2009

Proceedings of a called workshop meeting of the City Commission of the City of Palatka, Florida, held on the 22nd 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. Boynton, Jr.; City Clerk Betsy Jordan Driggers; Parks Director/Special Events Coordinator Jeff Norton; Planning & Zoning Administrator Debbie Banks; Parks Secretary KeOndra Wright

Mayor Flagg called the meeting to order at 4:05 p.m. and read the following call, dated October 14, 2009:

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

You are hereby notified that a workshop meeting of the Palatka City Commission is called to be held on October 22, 2009, at the regular meeting place of the Palatka City Commission at City Hall, 201 N. 2nd Street, Palatka, Florida, to commence at 4:00 p.m.

The purpose of the meeting is to hold a workshop on the following topics:

- 1 Proposed changes to the Palatka Municipal Code, Chapter 50, Article III, Special Events.
- 2 City of Palatka Water Taxi Service Business Plan

/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 14th day of October, 2009.

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Vernon Myers
COMMISSIONER

/s/ James Norwood, Jr.

COMMISSIONER

/s/ Allegra Kitchens

COMMISSIONER

INVOCATION – Commissioner Vernon Myers

PLEDGE OF ALLEGIANCE – As a group

Special Events Ordinance – Jeff Norton recognized the members of the Special Events Committee who were present for their efforts. He led discussion regarding the proposed changes, as noted in the draft (filed). He read section 50-181, Intent, in its entirety. Mr. Norton read off the proposed changes as noted in the draft. Discussion ensued as follows:

Under 50-183, Definitions, Charitable Organization, Commissioner Myers said the change should read himself/herself as opposed to him/herself.

As to why the hours for noise restriction were revised from 8 am to 7 am, Mr. Norton said it was changed to coincide with the ordinance.

Mr. Norton said the Special Events Committee agreed that Class A events be opened to for profit events. Commissioner Kitchens said she is concerned about dropping the “non-profit charitable events” classification. She is concerned that they will be forced to allow some things they don’t want to allow. Mayor Flagg said there are some for-profit groups that are doing charitable events. There was consensus to change the wording to “for-profit groups doing charitable events.” Mayor Flagg noted that there will be discussion at such time first reading occurs. Discussion centered around concerns that this would open up events to anyone for any reason.

Mr. Norton noted the revision on page 4 was so that exceptions could be made for worthwhile events should they come in past the deadline.

Pg, 8 – Sec 50-202 (e) - Mr. Boynton recommended changing “will” be denied to “may” be denied permission to use the park in the event of non-payment. Per discussion, consensus to change the word to “may.”

Regarding cancellations, page 8, Mayor Flagg said the City should work with applicants on another day for their event instead of non-refunding a deposit. If it’s a weather emergency, that is a different story. Chief Getchell said the authority to declare a weather emergency comes from the Board of County Commissioners and Emergency Management. He himself has called off events at the Riverfront due to information he receives from the National Weather Service. There was Consensus to add language to allow the police chief and/or his designee to declare a weather emergency at his discretion.

Pg. 11, Sec. 50-240 (2) regarding discussion on notification of surrounding property owners, consensus to leave the passage “as is” and leave “may be” instead of “are.”

Mr. Norton discussed fee schedule revisions as noted. Regarding police officer fees, Chief Getchell said the rate of \$23/hr is about 60% of the actual cost. This is because they are city sanctioned events, not city sponsored event. They invoice those hours as

part of the permitting process. They account for recurring events every year, such as festivals, through the budgeting process. Unexpected events are not budgeted. Regarding the title of Attendance, that should be changed to Attendance Rate per Commissioner Myers. Mr. Norton said parks and sanitation haven't charged fees for their services in the past as part of the City's contribution to the events. They added a fee of \$18/hr for fire personnel, 2 hr. minimum. Per the question, Chief Porter said they budget overtime for recurring events, but not for non-recurring events. Mayor Flagg said they should show the total amount. It was noted that a \$50 processing fee will be charged for all Class A and B permits, and \$25 for class C events. Commissioner Brown noted the fees are being raised, but the City had to help the Blue Crab Festival with expenses. Mayor Flagg noted it was a one-time occurrence. Commissioner Myers pointed out capitalization inconsistencies in the document.

WATER TAXI BUSINESS PLAN - Mr. Boynton noted a copy of the Business Plan was provided with the agenda package (filed). He said the schedule has been significantly modified from prior plans, to operate 4 days per week. The original schedule had daily service to Murphy Island and Welaka, as well as every other day service to Crescent City and Buckman Lock. This is overkill and would not be prudent, so Mr. Norton has reduced that schedule to two different vessels operating four days per week. They would have had to have three vehicles operating according to the original schedule, but this requires only two. Also, a paddlewheel boat is not being considered. That money has been reallocated to infrastructure improvements as FDOT does not believe a paddlewheel boat is appropriate for taxi services. Those are the two main changes.

He provided them with a memorandum which he read into the record (filed) outlining the history of grant acquisition and changes in the scope of the project, what the grant money can and can't be spent on, and concerns over whether or not the City will be required to supplement the taxi service, as it may not be self-supporting. He noted four questions that need to be answered.

Mr. Boynton noted he'd attached a copy of the grant application, an excerpt from the 1999 feasibility study where they looked at a paddlewheel boat, and information from New Smyrna indicating their four-year expenses. Commissioner Brown said this process started in 1994 when they did the Empowerment Zone application. This came about with economic development in mind. This would entice visitors to Palatka. This used to be a paddlewheel boat town. She was authorized to look for funding with the caveat that the City had no money to purchase or operate a boat, and if she could find the money to do those things, that would be sufficient. They never thought the City would have to operate the board or shoulder the expense. They found funding through an FDOT ferry boat project. Only Ft. Lauderdale has received this funding. Congresswoman Brown helped secure grant funds for a ferry boat. Senator Nelson helped secure other funds. They've had good support at the Federal level. As the idea evolved, other entities joined in and asked to share the ferry service. Congressman Mica thinks this is a terrific idea and secured the rest of the funding. They never wrote a grant application for that money. The task has been to find an operator to operate the boat at their expense. They found a boat building who helped find several people who would like to operate the boat. FDOT has made them jump through all sorts of hoops to get these funds released. They have written at least 10 business plans. The water taxi idea came about because they received a donation of three boats that will require some renovation. If money had to be paid back, those boats could be sold. Their committee has worked on this project for a long time. They did not originally look for a water taxi, but wanted an economic development tool to draw people to Palatka. They could not get a paddleboat, but did get water taxis, which was their second phase plan. Eco-

tourism has been the County and Chamber's focus. This is the culmination of thousands of hours of work by volunteers. She asked the Commission if she should keep going with this and was given the go-ahead. They can all work together on this. She gets the feeling that someone does not want this project to go forward. They have never asked for money to operate this, because they have found people willing to operate it at their expense.

Mr. Norton said the business plan has been amended several times to meet FDOT's requirements. This entails two vessels. He noted page 28, schedule of operations (filed) to go to Murphy's Island Monday and Wed. On Tues. it is scheduled to go to Dunns Creek and Crescent City, and Friday it goes to Buckman Lock. Vessel B is the back-up vessel. They can't show the other uses of the water taxis in the project. They will have to get FDOT to amend the scope of the project to allow four-day per week operation.

Commissioner Kitchens suggested, they pose the four questions that need answering to FHWA and get an answer from them. Second, they should go ahead and get FDOT to agree to the change of scope of the schedule. They should then send out a request for proposals for a private operator. Mr. Norton said the City Commission has to approve the business plan before they can submit it to FDOT along with changes to the scope. This will not cost any money to accept. Once the schedule is changed and the four questions are answered, they can put out a RFP. Knowing they could sell the boats to pay back any money, if a private company is running the boats, will the City be required to pay back money? Mr. Boynton said the grantee is the City of Palatka. If an operator loses money, they can walk away and the City will put out another RFP. This can go on until no one responds. The City could be liable if an operator is not in place for six months. Commissioner Kitchens suggested they accept the business plan and go from there.

Commissioner Norwood noted they've looked at other cities' operations, including whether they subsidize through whatever means. They need to decide if the City is willing to subsidize a water taxi service. He also noted there was nothing in the business plan regarding maintenance. Mr. Boynton said the RFP would include maintaining and operating the boat. The City would supply the boat and dockage, and would own the boat. They could make semi-annual inspections on the boats. Commissioner Norwood asked if the Plan would allow them to operate the water taxi for 25 – 30 years so there would be no liability on the City's part to reimburse the money. Mr. Boynton said that is the biggest unknown factor. They need to know the definition of continued service.

Commissioner Brown said when they looked at finding money to operate the boat, they never anticipated the City having to subsidize the boat. They changed their scope and went to water taxis because of this. It was never their intent to subsidize the business. Water Taxi's are not their priority. Their priority is what the boats will do for the City. This business plan is to satisfy FDOT. Whoever operates this boat has a much better plan for operation and marketing. All the people that have talked about operating this operation already have successful operations on-going. They are experts in this. They are waiting patiently for the City to get this project approved and funded. Water taxis are a business. This will bring other boating and fishing businesses in. It creates more businesses. This ties in with what they want to do with the waterfront. They have people who are waiting on this RFP. They will chose the best person to operate the boat.

Commissioner Norwood commended the Committee on their work. He wants to make this work. The Committee is saying they want to present the business plan, and aren't

asking the City to commit to anything. They want the operator to bear the expense; however, the State will hold the City accountable for the refund if the business fails. They are here to make this work without the City having liability. Commissioner Myers also commended the Committee. He noted concerns about the economic viability of the project. The City can't subsidize it and doesn't want to enter into anything they may have to subsidize. He asked as to the timeline on discontinuance of service that will trigger repayment. Mr. Boynton said FHWA said a ferry service is expected to operate for 25 to 30 years, so anytime it is not in operation during that time, that could trigger it. New Smyrna has a two-year operations agreement with one eight-year extension. It states that once grant funds are expended, the City shall have no obligation to continue operation. Commissioner Myers said he is concerned that apparently all other ferry services are subsidized. Mr. Boynton said Mr. Wiley Deck, Congressman Mica's aide, said that all ferry services in the US and not just in Florida. Mr. Boynton said, according to the business plan, there is an \$80,000 hook someone would have to compensate for before they begin to make any money at all. They don't know if the City will have to subsidize this. Insurance is another large unknown. Commissioner Norwood said they need to know exactly what they are dealing with regarding the terms of the grant. Mr. Norton said the City needs to provide some answers before they can ask for an amendment of the scope of the project. Mr. Boynton said one of the comments FDOT has made is that the business plan has not been supported by the Commission. Once they have that, FDOT will consider changing the work plan. They are not going to negotiate further until a business plan is approved by the Commission. Their hands are tied until the business plan is considered and approved. Once the City supports this they can move forward. They would not obligate money based on this. This project is halted until this is addressed.

John Henley, Bostwick, Member, Pride of Palatka, said he and his wife moved to Putnam County in 1994. They didn't move here in a van or truck, but cruised down in their own vessel. They spent significant time in all major ports. Every one of them has significant watercraft service. The watercraft service's missions were not all the same. In major harbors there were tour boats and taxis, and paddlewheel boats for entertainment and special events. Tour boats addressed the needs of specific groups. Water taxis are by definition vessels that transport people from point to point. In all of these harbors, there are several of these vessels in operation and all are doing well. The City of New York operates the taxi service and private entities operate the others. The conditions of the grant stipulate that the water taxi must in some manner alleviate vehicular traffic on roadways. This is one of the criteria an operator must consider. It must contribute toward the greening initiative and move people to different points. There is heavy traffic on the bridge between 11:00 a.m. – 1:00 p.m. because of people going to lunch and crossing the bridge. This is destructive driving in terms of emission. They can add five docking terminals along the river – Palatka, E. Palatka, Harts Point, Corky Bells Restaurant and Crystal Cove Marina. Considering those locations, there are many eating places available within walking distance. People riding on the taxi would reduce emissions. The water taxi would increase accompanying businesses like banks, printing, service industries, marine services and nine or more restaurants. He hopes they will explore this monolithic structured itinerary. An operation five days per week would suffice.

Mayor Flagg noted they need to break for a meeting of the Commission. He is in support of a viable business plan. He is no expert in boats or water taxis, but knows they will need a non-subsidized approach to this. They know they cannot subsidize this operation. Crucial points have been raised and he needs a consensus of the Commission as to how to proceed. Commissioner Kitchens said they need to either

approve or deny the business plan with no financial obligation implied. Commissioner Myers concurred to put it before the Commission. Commissioner Brown concurred. Commissioner Myers said they can't say the City won't have any obligation due to the provisions of the grant. Commissioner Brown asked they look over the history prior to any vote. They can't put an RFP out without this. They have to step out on faith. Mayor Flagg noted this will be on the City Commission agenda on Nov. 12.

There being nothing further to discuss, the meeting was adjourned at 6:50 p.m. upon a motion by Commissioner Kitchens.