VERNON MYERS
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

PHIL LEARY
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER

CITY OF PALATKA
FLORIDA

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

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

MINUTES
CITY OF PALATKA
April 12, 2012

Proceedings of a regular meeting of the City Commission of the City of Palatka, Florida, held on the 12th day of April, 2012.

PRESENT:	Mayor	Vernon Myers
	Commissioner	Mary Lawson Brown
	Commissioner	Allegra Kitchens
	Commissioner	Phil Leary
	Commissioner	James Norwood, Jr.

Also Present: City Manager Elwin C. "Woody" Boynton, Jr.; City Attorney Donald E. Holmes; City Clerk Betsy Jordan Driggers; Finance Director Matthew Reynolds; Planning Director Thad Crowe, Police Chief Gary Getchell; and Fire Chief Mike Lambert, Rhett McCamey, Water & Sewer Utilities Superintendent; Ed Chandler, Streets & Sanitation Supervisor.

INVOCATION - Commissioner Norwood

PLEDGE OF ALLEGIANCE – Leary

APPROVAL OF MINUTES – 3/22/12 Workshop; 3/22/12 Regular Meeting – Commissioner Kitchens moved to adopt the minutes as read. Commissioner Brown seconded the motion, which passed unopposed.

1. **PUBLIC RECOGNITION/PRESENTATIONS:**

PROCLAMATION: Safe Digging Month – April, 2012 – Sam Willis with Putnam County Public Works Dept, Brad Martin with SSOC/Sunshine 811, Don Kitner, Palatka Gas Authority General Manager, and Rhett McCamey, City of Palatka Utilities Dept were present to receive the proclamation, read and issued by Mayor Myers. Mr. Willis said stakeholders, or those with infrastructure in the ground, want people to know it's expensive and deadly if you break a line unintentionally. In many causes they have to work overnight to make these repairs. Mr. Martin said there is an excavation accident, digging damage or injury that occurs every 3 minutes. If you have to dig, call 811 at least two full business days in advance. He presented the Commission with a large banner to hang for the public's education asking them to call 811 before they dig.

POLICE DEPARTMENT PROMOTION – Cpl. Tobby Williams promoted to Sergeant – Chief Getchell administered the Oath of Office to Sgt. Williams, noting he'd been with the department

since August, 2003 and has worked narcotics and patrol before being promoted to Sergeant. He serves as 2nd in command of the community response team, formerly known as SWAT, and participates with PAL as a coach and volunteer. He is currently pursuing a degree in Criminal Justice. He is a new board member of the Putnam Co. Recreation Dept. He is also a former professional football player, and played for the Washington Redskins. He has been a valuable asset for the Department and community and is a good role model. This job is truly a calling for Sgt. Williams. Sgt Williams said he considers those in the City a family; he feels supported by his fellow employees. He introduced his family, who accompanied him.

RETIREMENT RECOGNITION – Larry Brown, Streets Department – 26 Years of Service – Ed Chandler, Streets & Sidewalks Dept. Supervisor, accepted a plaque on behalf of Larry "Bo" Brown in grateful recognition of service to the citizens of Palatka. Mr. Chandler said Mr. Brown has been a dedicated employee and was employed as a Street Sweeper for the City. He will be missed.

BOY SCOUTS IN GOVERNMENT – Mayor Myers said David Clapp Troop 342 Leader, brought his scouts to observe a City Commission meeting. Mayor Myers introduced the cub scouts, scouts, leaders and parents present. He thanked the scouts and parents and leaders for setting good example for others.

2. **PUBLIC COMMENTS – There were none**

CITY MANAGER RESIGNATION - Mayor Myers said City Manager Woody Boynton has resigned and will be leaving in early May. Mr. Boynton is leaving to take a position with SJRWMD as assistant executive director, and no one is surprised that he is moving forward with his career. He will be sorely missed as he has advanced the City greatly in the last four years. Commissioner Kitchens said it's been a pleasure working with him and she appreciates all he's done. Commissioner Brown said it's been an experience working with him and she appreciates his listening to her ideas. She hopes they will continue to move forward with his help in his new position, and she hopes he will decide to continue work with the city on a volunteer basis. Mr. Holmes said it's been a pleasure working with Mr. Boynton and his leaving is a loss to the City of Palatka, but a gain to SJRWMD. He's made a positive impact on the City of Palatka. Commissioner Leary said this is a great opportunity for a career move and it will be very rewarding. They are glad he's staying in the community. Commissioner Norwood said this is not goodbye for him because he will likely be working with him through the District. Mr. Boynton has advanced the community in the last four years and has done a tremendous job. Moving on is not a bad thing, although he is disappointed that he is leaving. He's looking forward to what lies ahead.

Mr. Boynton said he can't say enough to thank the City and Commission for the opportunity to do this job. They've accomplished many great things in the past four years which people thought they couldn't accomplish. This is not the end of an era, but things will continue to advance. He will continue to stay vested in the community and will be here through the transition process. They will see there is a smooth transition and interim leadership. With the assistance of Mr. Holmes, this City is in great hands. He is the steady hand behind the entire operation and has guided him well. Whoever takes this job next will enjoy the same support and guidance. Mayor Myers said much of the good work they've done with the assistance of their department heads.

3. **CONSENT AGENDA:**

a. Issue Festival Permit for 2012 Blue Crab Festival Kick-off Party (see staff recommendations)

1. **Issue Special Event Permit #12-21** – Friday, May 25, 2012 5:00 p.m. – 12:00 Midnight
2. **Approve Alcohol Ordinance Variance** – 5:30 p.m. – 12:00 midnight. – Staff Recommendation same as 2011- Festival – Beer & Entertainment Tents, Hospitality Tent and buffer zones.
3. **Approve Noise Ordinance Variance** - 5:30 p.m. – 12:00 midnight.

4. **Set Fees** – Class A Permit Fee (1 day @ $150.00/day) and police security fees @ $23.00/hour. Estimated fees to be determined and paid prior to festival; actual fees to be calculated after close of festival.
5. **Approve street closures as noted.**

b. Issue Festival Permit for 2012 Blue Crab Festival (see staff recom. & appl. attached) as follows:

1. **Issue Special Event Permit #12-22** May 26, 27 & 28, 2012
2. **Approve Noise Ordinance Variance** May 26, 2012, 10:00 a.m. – 12:00 midnight
   May 27, 2012, 1:00 p.m. – 12:00 midnight
   May 28, 2012, 10:00 a.m. – 5:00 p.m.
3. **Approve Alcohol Ordinance Variance** – Staff recommendation same as for 2012 – times to coincide with noise ordinance waiver. Sales/Consumption area to include Beer & Entertainment Tents, Hospitality Tent and geographical area as outlined. Applicant to provide signage clearly warning people not to take alcoholic beverages outside of approved area, and will enforce. ***No Alcohol sales on Sunday before 1:00 p.m.***
4. **Designate City Hall & Annex parking lot** for handicapped parking
5. **Issue Festival Control of all vendors and activities** falling between Main Street & Oak Street (north/south) and between the St. Johns River and 19th Street (east/west)
6. **Close boat ramp to public** beginning at 5:00 p.m. Friday through Saturday & Sunday, and reopen at 5:00 p.m. on Monday.
7. **Approve street closures as noted up to 8th Street.**
8. **Set Fees** – Class A Permit Fees (3 days @ $300.00/day); Police Security Fees @$23.00/hr. per officer for both required and requested security, Green roll-out bins @ $15.00, Deodorizer @ $15.00/gallon, and festival to pay all Putnam County Tipping Fees. Estimated fees to be determined and paid prior to festival. Actual fees to be calculated after close of Festival.

STAFF RECOMMENDS APPROVAL OF ALL ITEMS AS SUBMITTED

c. Authorize execution of addition to Change Order #2 to Robert Taylor's Contract for 2010 Energy Conservation Project in the amount of $1,027.99 for 10% construction compensation fee per City Manager's Recommendation

d. Authorize execution of Change Order #2 to Base 3LLC d/b/a Gibson Electric contract in the amount of $2,810.54, for a new total contract amount of $50,435.84, to adjust scope of work for Larimer Arts Center and Main Fire Station for Energy Efficiency Lighting Retrofit Project, per City Manager's Recommendation

e. Authorize execution of Change Order #1 to Brandes Design-Build, Inc. Contract in the amount of $10,383.49, for a new total contract amount of $753,883.49 for modifications to the scope of work for the WWTP 2010 Energy Conservation Project, per engineers' and City Manager's recommendation

f. Declare as Surplus City Hall Computer Equipment for disposition @ auction.

g. Reappoint Marshall Fulgham to the Palatka Housing Authority Board for a four-year term to expire April 12, 2016 (incumbent – sole applicant)

Commissioner Kitchens asked to pull 3(a)2 and 3(b)3, permission to serve alcohol on public property during Blue Crab Festival, for discussion. Commissioner Norwood moved to approve all other items as presented. Commissioner Brown seconded the motion, which passed unopposed.

BLUE CRAB FESTIVAL PERMITS – PERMISSION TO SERVE ALCOHOL ON PUBLIC PROPERTY - Commissioner Kitchens asked if alcohol will be served inside the tents and not inside the geographical area shown.

CJ Morris, 104 Woodpecker Trail, Palatka, Blue Crab Festival Chairman, and Jeff Norton said the recommendation shows the area outlined. She'd like to discuss both of these items at the same time. The new area allows consumption of beverages outside the tents and it's more than just inside the tent. She'd like the PD to give a report on what this means for the Palatka PD. Chief Getchell said when he originally received this it outlined what they've done in the past, to restrict alcohol sales and consumption under the tent. This deviates from that and changes how they need to handle this. If they do this it will be very difficult to police this within the 'buffer zone,' which is essentially from 2nd Street east to the River in the Festival Area. When people cross the buffer zones they have to turn people back which is difficult. If they do consider this, they need to just open it up. When this was opened up they dealt with many issues, including violence.

Because more manpower will be needed, there will be additional cost associated with this. They will absorb that in the budget. This is a family event and he doesn't want his cops to have to tell people they are over the line and they have to go back. If someone gets belligerent, they don't want that around families. He doesn't see this as a problem during the daytime, but at night there is a completely different clientele that attends the Festival and that's when their issues start. Those are the things they need to take into consideration. He'd like to see it opened up, but that's a policy decision. He doesn't want to put a restriction on the area. Per Commissioner Kitchens' question, Chief Getchell said they won't take anyone off patrol to work this that isn't scheduled to work it. Commissioner Leary said he's not favorable to the City paying any overtime on behalf of the Blue Crab Festival as they have money of their own. He agrees it should be opened up and it can be controlled. It's done in many other cities. Any time you try to confine it you have problems. That's his recommendation. They need to make a plan to hire additional off-duty police officers that they pay for, at their expense, and open it up. Commissioner Brown said Blue Crab has a liquor license to serve alcohol, but area establishments don't have permission under their respective licenses to allow their patrons to walk around on the Street with liquor. Chief Getchell said they will patrol that, and this happens in reverse; people with Festival-sold alcohol will walk into other alcohol establishments. Commissioner Kitchens requested they table this to the next meeting.

Commissioner Norwood asked how it would affect other businesses that serve alcohol. They don't want to be in competition with other business owners. When they open this up they are competing. He asked why the need for Blue Crab to make this request. Mrs. Morris said in the evening they are in the confines of a tent. Where the tents were located last year, it's a thick crowd of people and this is difficult to keep under control. They've moved the tents and are facing the river. They'd like people to be able to walk out of the tent and enjoy the sunshine. That thins the crowd in the beer tent and makes it a more enjoyable experience. Commissioner Norwood said they re-wrote the Festival ordinance because of the issues they were having. They worked on the alcohol sales issue for some months. Festivals have a family atmosphere. Mrs. Morris said they didn't want alcohol in the kids' area. Commissioner Kitchens said she'd rather confine this to tents. Commissioner Leary said there is no competition with other establishments, the festival serves only beer. Mrs. Morris said they work closely with Steamboats and people do carry cups into his establishment, but he doesn't have a problem with that.

Chief Getchell said Blue Crab organizers already know that current staffing plan will need to change. They've set the rate, but not the number of officers. Whatever their decision, if they want to expand the area, unless there's a legal issue they won't have to come back. This needs to be done tonight to comply with Division of Alcohol's requirements.

Commissioner Kitchens moved to deny expansion of the consumption area and keep it restricted to the tents. The motion died for lack of a second. Commissioner Leary moved approval of Blue Crab Permit (Consent Agenda) Item 3(a)2. Commissioner Brown seconded the motion. Commissioner Norwood asked for clarification on the area they are discussing. Mrs. Morris said the foremost part of the parking area the City has created; they are only using half of that for food; then from the food booths to the river and from the bridge up to the Presbyterian Church and west to 2nd Street. She has spoken with the pastor of Presbyterian Church and he is in favor of this. He just wants to be sure beer cups aren't left on church grounds. They don't want to go beyond the Church. The question was called and the motion passed four in favor, opposed by Commissioner Kitchens.

Consent Agenda Item 3(b)3 – Blue Crab Festival Request to serve alcohol on public property - Commissioner Kitchens said this is the same issue. The current policy was put in place after a bad fight broke out one night. Commissioner Leary suggested they give this an opportunity to work and moved to approve Consent Agenda Items 3(b)3 to grant permission to Blue Crab

Festival to allow consumption of alcoholic beverages in the noted area. Commissioner Norwood seconded the motion, which passed four in favor, opposed by Commissioner Kitchens.

4. **COMMUNITY REDEVELOPMENT AGENCY BUSINESS** – Accept CRA Recommendations as follows (CRA meeting held 4/12/12)
   a. **CBD - Approve Recruitment Fund** – Charles Rudd, Main Street Manager
   b. **SHD - Allocate up to $5,000** for Hammock Hall Kitchen Remodel – Michael Gagnon, SHNA

   Commissioner Norwood moved to approve all CRA Business Items. The motion was seconded by Commissioner Kitchens and passed unopposed.

5. **PRESENTATIONS:**

   PALATKA GOLF CLUB UPDATE – Bobby Weed, BWMG, St. Augustine, and Andy Heartz, Golf Club Manager/Pro said they are here to update the Commission on activities at the Course. They will provide a copy of this report to the Commission. Mr. Heartz, 145 Brittany Lane, Palm Coast, said in the first six months of the year, compared to the first six months of last year, they now have a fully developed competent staff. They've had very little turnover since the transition. They've consolidated membership types and streamlined membership programs to one, and there's been a rise in dues. There were several major tournaments held this year. There was a full field in the Senior Azalea. The #1 senior amateur golf player in the world won that tournament. There was a full field for the Azalea tournament. They are working on an after-school program for the Junior Golf program and are making progress on a sponsor. They hope to touch 200 - 300 kids per quarter. As to marketing, they've done some frugal marketing, mostly internet-based. Larry Lambert, a golf photographer, took shots of the Course, which was done gratis. Some of their bigger marketing campaigns included a Donald Ross birthday bash, 'throw-back' pricing, a buy-one-get-one on Tuesdays, and new tournaments such as the Super Bowl Tournament. They share space on a billboard on I-95. They've done a Living Social and Groupon offer which generated a lot of revenue. This was little to no cost in advertising. They've overhauled the website and have a smart phone app. Online booking is up almost 100% since last year. They have continually updated cart signs and promotions. At a recent out-of-town function he delivered over 1,000 member-for-a day cards and over 700 were redeemed. They've developed a program for City employees to get them out to play golf. They've redone chairs in the lounge and resealed the parking lot, and have done other work on the facility. They've had a busy few months. Today 180 people played the course and 120 were from out of town. Summer will be leaner in play and they will tighten up on expenses.

   Mr. Weed recognized Mr. Heartz and his staff and said they are doing a great job on the course with not a lot of funding to work with. Mr. Heartz has exhibited good leadership; area competition goes up while rates and prices go down. This business is very competitive.

   As to maintenance, Mr. Weed said the future rests on the quality of the greens. This is the most critical issue. Other elements continue to move in a positive fashion. This is a marathon, not a sprint. They will continue to climb out of the hole. A small, steady incline is all they can ask for. They initially started this as a three-year process. The first year you undo old problems, the 2nd year you implement your program and the third year you see the fruits of your labor. The nematodes were the biggest problem; they took care of them but this will be an ongoing issue. They had no root structure, and it wasn't due to the nematodes. The water quality was not good due to the affluent water being used for irrigation; the Ph quality was over 9 and should be around 6. That's a large difference. They installed an acid injector at the pump station to lower bicarbonates, and are dealing with the sodium issue. They are getting their arms around this issue. They have done very comprehensive testing and have had core samples analyzed. They've engaged experts in the industry, which he's used over the years. They've overhauled the entire fertility program with a focus on rehabilitating the soil they have. The cost to rebuild the greens is over $300,000 and would be the death of the course. They need to remediate the course as it is. They need to find a way to grow roots; they've sent samples to the UF lab, and

those yielded that they have more soil diseases than any place they've ever seen. They are addressing each of these items. They are uncovering layers of issues and have started from scratch on this.

Mr. Weed provided a 'turf diagnostic' report which is very scientific. To illustrate the infiltration rate at the top of the greens, he showed the commission a 4" layer taken a few minutes ago. The top is very dark. The water is not allowed to go vertically because of the interface around 4" from the top. They are going to implement a very aggressive aeration process where they will punch deep holes into the greens to open up pour space and improve the vertical percolation going down into the soil. There is not a very positive outfall due to the makeup of the soil layers, which is due to build-up. They are going to remediate this by escalating the cultural and agronomic processes available. They don't want to rebuild greens until they have exhausted those. They are in the 10th week of this. They sprayed all of November, all of December and into January. They don't have the funds to continue this. They changed gears and decided to fight this on a more organic program. They haven't sprayed a fungicide on the greens since January 10. In January they had no roots; today they have roots. Some samples yield better progress than others. It's a slow process; it's the only way they can dig their way out. They will continue to aerify greens. PMGA donated $2,200 to pay for an extra aerification machine. Ronnie Tumlin, Senior Azalea Tournament organizer, donated $1,000 to assist. They will begin aerification on April 23. With assistance of Mr. Boynton and Ed Chandler and the inmate crew, they've removed lots of dead stumps and trees. Pine trees seem to be more affected by the water than the oak trees. They've replanted over 100 trees on the course. They are monetizing the asset and he likes the direction they are going in. The superintendent, Shawn Smock, is completing his first year on the job and has done a tremendous job. The new mechanic can fix anything.

As to the financial picture, they are not the lone ranger in losing rounds; play is down all over. If Mr. Heartz hadn't instituted his marketing program they'd be worse off. The revenue is less than last year by around $24,000, but there is upwards of $40,000 less in total expenses. The loss is lower than last year. They are making improvements on income/loss statement from the first six months of last year. They are slowly improving the loss. They took the loss from $134,000 to $74,000. With gas at $4.00/gallon it is hard to recruit people outside of Putnam County to come here, especially now that private clubs are opening up for public play. This course is supported by Putnam County residents. They had a phenomenal outing today and are having charity tournaments each week. These raise a lot of money for the community.

Mr. Weed showed slides of future planned work. Lepanto Golf came out and redid bunkers and created native programs, and they will continue this program. He proposes the purchase of an aerifier for the aerification program. They have three of these budgeted to bring in from outside and will spend almost $7,000 doing so. With the state contract price of $2,100, they could finance this and pay it out over 4 years at a lower price. They can have this equipment paid for in 3 years. They need this equipment. He has to contract this work out now. If they have their own equipment they will have paid for it in three years. The machine should last 10+ years. The current machine is around 35 years old. The other piece of equipment that needs replacing is the spray tank, which is the most important piece of equipment they have. They have gone to a foliar feeding, which is taken up through the leaf blades, so the sprayer is important. The sprayer is constantly breaking down. A new sprayer should last 10 years. This will cost a little over $500. The John Deer equipment lease runs out next year and they will take ownership of that equipment. He proposes that equipment can last a few more years. The expenditures for capital equipment will level off. Gas prices are up and fertilizer prices are drastically up. His main concern is getting rid of the brackets on the bottom line.

Commissioner Leary said they've done work on greens where they punched 4" diameter holes below the clay layer, which provides more aeration and drainage. The other problem is that

heavier things have compacted the greens. The drought really seems to be impacting the course. He asked if there is any way to irrigate more. They are obviously in an extended drought. The soil chemistry is impacting the nematodes. He sees this in Hastings. The warm winter has exacerbated the pest problems. They may need to do a flushing once a month to change the soil condition. Mr. Weed agreed and said they will be aerating and using a coarser sand to create more pore space to flush some sodium and chlorides out of there. That's in the program. On the first aerification they will go down around 9 inches. He can't say that will cure everything. He's not ready to throw the towel in on these greens yet. They are in a drought; there's nothing like a good rainfall to produce a good ph of around 5.5. It makes everything greener. They are not getting needed rain or effluent right now; they've been shut down for around 8 weeks. They are rationing water and don't have enough to water fairways. They are as dry as popcorn out there. They hope to be back on line April 20; he will run out of water before then and they are hoping for rain. Without rain and the ability to flush, they will continue to have a multitude of problems. Right now he's interested in growing roots.

Commissioner Leary, said as to marketing, they need to do a tournament fundraiser for the golf course. Charity tournaments are great, but they need to do this. As to concessions, Commissioner Leary asked if they prohibit people bringing coolers onto the course? They are losing revenues when people bring their own beverages onto the course. Mr. Heartz said they don't allow it as a rule, but they allow people to bring their own on Sunday mornings because they can't serve alcohol until 1 pm. Commissioner Kitchens said she is pleased with their progress and thinks the tournament is a good idea. As to concession, they hold their class reunions there and they eat lunch there. Prices and food are good, and the golf course is now catering. People need to take advantage of the course. Mr. Weed said they don't have a big staff, but have a good staff. They work hard and do a good job.

Commissioner Norwood asked if they check the oxygen level of the water that goes to the course. Mr. Boynton said they do; when it sits in the pond for 24 hours it jumps in magnitude because it is sitting in the air. They have not checked the water in the pond. Mr. Weed said they are doing more extensive water analysis. He will check on that. Mr. Boynton said they are doing an upgrade at the WWTP and aerators are being installed now; that's why he's out of water. They hope to be giving him a better grade of water. After this happens they need to re-evaluate everything from the WWTP to the course. They can address some of these issues at the source and have a lot more work to do operationally; once they get the new equipment in place they will get better quality water.

WATER RATE STRUCTURE STUDY – Burton & Associates – Andy Bryan, representative, said they are a multi-year financial planning firm and made a presentation before this Commission last year when they started this analysis. They have now performed a financial analysis and compared the operation to other communities. They are looking more in depth at rate structures to address four areas – to enhance and provide affordability to low volume users, to provide a price incentive to high volume users to conserve water, apportion costs between customer classes, and conform to accepted industry and local practice.

Mr. Bryan said they prepared a rate survey for residential and commercial customers to gather information in order to recommend rate adjustments. They presented similar charts last summer. The chart shown on their power point presentation (filed) is based upon residential water usage of 4,000 gallons/month. Currently the City charges $41.12, the 5th lowest of 20 similar-sized communities in the area. The red bar on the graph represents a new rate structure of $42.58, a small increase of $1.40. They looked at how many bills were issued at this level; 14% of the bills issued were for the minimum. There are many low-volume users in the system. At 3,000 gallons billed, they are the 6th lowest rate. The recommendation is to reduce the bill to $40.74 for that 3,000 gallon/month user. At 2,000 gallons billed, Palatka moves from 6th lowest to the upper 1/3

tier of charges. They recommend going to $38.90 for 2,000 gallons/month consumption. The current rate structure makes customers pay more for the lower consumption. This trend continues with the 1000/gall/mo. charge. In the proposed new structure this is a $37.06 bill per month. For a bill with no consumption (less than 1,000 gall/mo), the City has the 4th highest rate in the survey, so they propose a $35.22 rate per month. This is a small affordability rate. Customers wouldn't automatically pay for 4,000 gallons per month. Per Commissioner Kitchens; question, Mr. Boynton said if they start modifying rates to be in the lower quadrant, it starts to affect rates drastically. They tried to pick a happy medium to not just benefit residential users, but also commercial users. If they lower it too much they raise everyone else too high. They need a balance. Commissioner Kitchens said bills with zero gallons represent 22% of residential bills, and asked if that many don't use any water. Mr. Boynton said usage is based upon how the water is used that month; less than 1,000 comes up as zero.

Mr. Bryan said, when comparing bills for 15,000 gall/mo consumption, the City is the 2nd lowest in the survey. This is where a conservation rate kicks in. The City should be charging around $100/month, and is at $74.72. They need to look at affordability and conservation. This cost to a typical user is comparable compared to other communities. Low users pay more and high users pay less. They recommend three things:

a. Remove the minimum allowance of 4,000 gallons on a fixed charge. The City is in the minority on this. Most utilities are moving to a rate structure where there is no minimum
b. Reduce the level of fixed monthly charges.
c. Implement an inclining block rate structure with an 'affordability' rate for essential domestic use. 15 of the 19 other entities in the survey have this. The WTP Grant requires they put a conservation rate in place at some point, and this brings the City in line with industry practices.

Mr. Bryant said other measures would be to reduce the residential sewer cap that kicks in after 12,000 gallons for irrigation. They recommend putting those with a separate irrigation meter on a two-tier rate structure. For non-residential customers, set monthly charges based upon the differential in use of residential customers. They recommend reducing the monthly fixed charge per dwelling unit for multifamily accounts based upon an average use per unit compared to single-family.

A slide was shown illustrating the recommendation to adjust or scale the fixed monthly charges for commercial customers based upon the size of their meter. Meters with larger diameters have a larger instantaneous flow which causes greater demand. A 2' meter in most systems pays 8 times what a single family home does. In the current system they have a uniform factor for commercial customers. In general they are assuming a commercial user uses 1.8 x more water, but they are actually using 1.6 times what a residential customer does. They recommend this be updated according to current uses. Commercial customers use more than residential, and base rates should reflect that. At 1.6 times the rate, they will be very consistent with other utilities.

Mr. Bryan noted the next chart has detailed tables regarding single-family residential rates. It shows current bills and what they would be under the new rate structure. Most customers on the 4,000 gallon usage aren't using those 4,000 gallons. 44% of Palatka's bills show less than $3,000 gallons used for S/F residential users. Those customers would see a rate decrease up to $6.00/month. When you address low volume users, you also need to address large volume users. By applying a rate structure, the high users will pay the cost of that high use. They also provided similar information for commercial users based upon meter size. Palatka has the 4th lowest rates for commercial users. If this proposed rate structure is adopted, this would take them to 6th lowest. Current base charges don't reflect current usage. Commissioner Kitchens said commercial users will pass that on to customers. Mr. Bryant said there are ways they can reduce

their usage by applying efficiencies, and that will enhance their bottom line. Commissioner Leary said that will encourage them to go to low-flow toilets and other conservation measures.

Mr. Bryan said restaurants are typically in the 1 – 2" meter range, and this is the 2nd lowest bill in the survey. Even though it will mean a $25 increase in the bill, this is still well below average in neighboring communities. In 2" meters, the City has the lowest cost of those in the survey. The new rate would take it to the 2nd lowest. At 10,000 gallons or less, the increase in the cost would be $9 – $23.00 per month. The chart shows the full distribution of non-residential consumption.

This concluded the presentation. Commissioner Kitchens asked as to the comparison chart, the note at the bottom shows the percentages show, and those equal 112% of the bills. Mr. Bryant clarified the distribution. Commissioner Kitchens asked if they'd take into consideration the income per household when comparing Palatka to other communities. She is concerned about the increase in commercial customers. They want to attract new business. They attract smaller businesses. They come to Palatka is because of a lower water rate. It could hurt some older existing businesses. Mayor Myers said if you make it cheaper on one side, you have to make it more expensive on another side. He doesn't see where $20 or $30 a month is significant. Water bills aren't that big a factor when choosing a site. Impact fees and taxes do affect those decisions. $50 a month for a commercial enterprise is not a big concern. Per the question, Mayor Myers said if his water bill went up he wouldn't increase the price of his food. Commissioner Leary said he's never had a client to look at water rates as a factor in deciding where to locate. They look at impact fees and taxes. He agrees that they need to look at water conservation. Low volume users should be rewarded and helped. Mr. Bryan said he shares their concern over impact. If these changes caused the City to be at the top of the survey, he'd be very concerned and he wouldn't recommend this structure. This will move them from 4th lowest to on an average 6th lowest place out of 20 utilities. Commissioner Kitchens asked if they will have to increase the water bill, will these help cover the cost to run the Water Department. Mr. Boynton said they went through that and they are not looking to recommend a rate increase this year. They took that into account. This will cover any needed increase for next year. One of the reasons to go to this rate structure is for water conservation. They are in a drought, which may continue into next year. They need to encourage conservation. Well levels are falling. They are not in dire need now, but they may soon be looking at alternative water sources if the drought continues. They need to reward those who are already conserving water but also encourage people to conserve. This rate structure allows them to look at the rate structure they would only be changing the rates based upon cost of water and not changing the base rates.

Mr. Boynton said he didn't ask for a rate change tonight so the newspaper can get this out into the public. He wants commercial entities to call the City and say what they think about this. They want everyone to understand what they are doing, and why they are doing it, now instead of waiting until October. He recommends they bring this back in 2 weeks for approval, along with some other items. They can wait until October to implement this. They want to give people time to ask questions on this. The next time this comes back it will be in the form of a recommendation for approval.

BRANDING STUDY – Charles Rudd, Main Street Manager, said he's just celebrated his six month anniversary and he loves being part of the progress in Palatka. He has an opportunity to present a new face to the public. They can reintroduce Palatka to the region and state. He went through the branding statement which the consultants penned for the City and gave a slide presentation of branding materials touting the nature-based attraction of the area. The Seal and branding motto "It's our nature" should be adopted and used on letter head and business cards and other materials. Commissioner Leary said he is not fond of the logo or the slogan. Commissioner Kitchens said she thinks the branding statement was well written. She read the minutes of the branding discussion from the Main Street Board of Directors, and it looks like the

MS Board of Directors has not yet approved it. Mr. Boynton clarified that they were speaking of the Main Street logo. What they are seeing tonight is the Palatka logo. Before they start running this on letterhead or putting it on trucks or in kiosks, they want to know if this is where they want to go, or if they want to go back to the drawing board. Commissioner Kitchens said she doesn't know if it's legal to use this seal on city equipment and letterhead. She doesn't think they should put this on official city documents. Mayor Myers said city seals are not on vehicles. Each of them could come up with something different on this. He respects these comments and there seems to be dissidence on whether they like the "seal." He likes it but others don't. He thinks it's an improvement over what they have now. They can think about this further. Commissioner Leary said, having dealt with a lot of graphics, during the initial meeting he felt like the results were rushed. It's very important that, before they make a decision on a graphic, they are certain that everyone is in agreement that they don't dislike it. As to "it's our nature," he suggested why don't they just say "it's us" – the nature thing is what is confusing. Mr. Rudd said this was a play on words. They are trying to play up the natural, nature-based environment. They can use this slogan many different ways. There are many variations on how to use this. Commissioner Brown said she likes the script writing, but thinks they need to use the River more, which makes the City more special than any place else. They want something that when people look at it they know it's Palatka.

Mr. Rudd distributed an example of how the logo looks on Main Street material, saying you can use it in different ways. There was consensus to consider this further and address it at the next meeting. He agrees that the River is the 'crown jewel' of the City and they need to take advantage of it. Commissioner Kitchens said they need something that jumps out at people. 'Palatka – it's us' is preferable to this. The citizens are special. There was consensus that the logo was more palatable in a different color.

6. **LOCAL PREFERENCE POLICY** for qualified bidders – Mr. Boynton said a handout was distributed (filed) which states the proposed addition to the purchasing policy. FDOT has clauses in its contracts for commercial buildings for communities that have a local preference policy. This would be an appropriate action to take to take advantage of that. This mirrors the Putnam County policy, which was challenged in court, and was upheld. If a local contractor can match a price the work should be awarded to that local contractor. Commissioner Brown moved to adopt the revision to the Purchasing Policy in the Palatka Personnel Rules & Regulations Handbook. Commissioner Kitchens seconded the motion which was passed unopposed.

7. **ADMINISTRATIVE REPORTS**
Mr. Boynton noted he still has two City Commission meetings to attend before he leaves office.

CITY MANAGER SEARCH - Mayor Myers said they will follow basically the same procedure they used for the last selection. The Commission appointed a screening committee to vet candidates. Mr. Boynton has perfected the job description, which should be going out tomorrow. Commissioner Kitchens asked if they can supply their recommendation for the committee appointee at the next meeting. Each commissioner chose one person for the Committee. Mayor Myers said there will be a pool of names available. There are people interested in being on the selection committee. Commissioners can bring names forward.

Mr. Boynton said with something of this magnitude, they should keep it open for longer than two weeks. A month is typical. During the last search a League of Cities Range Rider was consulted to help narrow down the list to 15 individuals and the Commission added a few more. The list was then narrowed to five and interviews took place with those five. Mayor Myers said 30 days is too long to leave the job open. There was consensus to leave the opening in the newspaper for 21 days. Appointment of an interim City Manager was discussed. Mayor Myers said he is willing to do this.

Commissioner Brown said she will not be present at the April 26 meeting as she will be attending a regional conference on behalf of the Florida League of Cities. Per discussion, she will leave her choice for the City Manager selection committee prior to the meeting.

8. **COMMISSIONER COMMENTS**

Commissioner Leary said if they are going to pursue iPads they need to get moving on that.

Commissioner Norwood said he has had discussions with the City Manager regarding the riverfront. He wants to make sure those items are addressed. Mr. Boynton said he is working on those items ASAP.

Mayor Myers distributed a payroll deduction form to the Commissioners and asked for an $8.00/month contribution to the Fund.

9. **ADJOURN** – There being no further business to discuss, the meeting was adjourned at 8:40 p.m. upon a motion by Commissioner Kitchens.

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