

## CITY OF ST. AUGUSTINE

City Commission Special Meeting  
Thursday, August 18, 2022

The City Commission met in formal session Thursday, August 18, 2022, at 9:15 A.M. in the Alcazar Room at City Hall. The meeting was called to order by Mayor Tracy Upchurch, and the following were present:

**1. Roll Call:** Tracy Upchurch, Mayor/City Commissioner  
Nancy Sikes-Kline, Vice-Mayor/City Commissioner  
Roxanne Horvath, City Commissioner  
Barbara Blonder, City Commissioner

Absent: John Valdes, City Commissioner (excused)

Also Present: John Regan, City Manager  
Isabelle Lopez, City Attorney  
Darlene Galambos, City Clerk  
Meredith Breidenstein, Assistant City Manager  
David Birchim, Assistant City Manager  
Amy Skinner, Planning and Zoning Director  
Mark Simpson, Financial Services Director  
Reuben Franklin, Director, Public Works Director  
Todd Grant, Utilities Director  
Jim Piggott, General Services Director  
Donna Hayes, Human Resources Director  
Colleen Kuhn, Recording Secretary

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### **2. General Public Comments**

The Commissioners heard from the following members of the public:

Jim Springfield  
Gina Burrell  
BJ Kalaidi

Public Comment closed

### **3. Presentation and Discussion Regarding FY 2023 Proposed Budget, (Mark Simpson, Financial Services Director)**

Mark Simpson, Financial Services Director said the City had

returned to normalcy after COVID and the volatility of that time was over.

Mayor Upchurch discussed the importance of planning based on the City's Strategic Plan, which included livability, authenticity, character, and vitality and were foundational to how the City envisioned itself. He appreciated staff keeping this in the forefront while budgeting and planning for the future.

Mr. Simpson shared the following accomplishments for FY 2022:

- Projected budget surplus in all Funds for FY 22

- Outsourced Police Dispatch in coordination with St. John's County Sheriff's office
- Commenced procurement for the American Rescue Plan Act initiatives
- Implemented Mobility Fee
- Purchased a new Fire Department Ladder Truck
- Funded Home Again St. Johns
- Completed a successful Audit and received a Certificate of Achievement for excellence in financial reporting
- Secured \$26,500,000 from the Department of Environmental Protection to address major storm water projects
- Recorded record revenues for the Visitor Information Center (VIC) and Marina
- Overcame staffing issues that occurred post COVID
- Implemented Phase II of Solar Trash Compactors
- Provided fifty residents with compost bins
- Approved for the use of free chlorine at the Water Treatment Plant
- Installed new motor control center at the Wastewater Treatment Plant
- Implemented Voice Over Internet Provider (VOIP) at the Police Department
- Secured Flood Mitigation Grants for homeowners
- Began study by Responsible Hospitality Institute on the downtown nightlife
- Implemented Geographic Information System (GIS) advancements
- Deployed new software at the Fire Department to connect with GIS, planning, reporting and inspections

- Completed design and bid specifications for the Spanish Street Project and the Talimallo Parking Lot
- Secured a development grant from the Florida Department of Transportation (FDOT) for the Circulator Project

Mr. Simpson went on to share FY23 budget highlights:

- Milage remained at 7.5 Mills, resulting in \$2,100,000 of additional revenue
- Visitor Information Center (VIC) fund:
  - increased transfer to \$1,500,000 for Mobility and Historic Preservation
  - Garage Sinking Fund reflected \$250,000 for maintenance
- Fire Assessment fee remained at 50% of assessable expenses and would review again in FY 24
- Mobility Fee projected to collect \$100,000 - \$150,000 in FY 23
- Health Insurance Plan resulted in better coverage and a \$500,000 savings
- Added Full-Time Equivalencies (FTE):
  - two Fire Fighters
  - three Police Officers
  - one Code Enforcement Officer
  - two utility personnel
  - One Mobility Technician (paid by VIC)
  - two VIC Gift Shop personnel
  - one Marina Attendant

Mayor Upchurch asked about the total number of Code Enforcement Officers and if there would be staffing on the weekends.

Meredith Breidenstein, Assistant City Manager stated the addition would bring the total to four Officers with one specifically to address Short Term Rentals and a Manager who could function as a Code Enforcement Officer.

John Regan, City Manager stated there was limited Code Enforcement coverage on the weekends. He said the new position would allow for nighttime enforcement to address noise complaints, but more capacity was necessary for nights and weekends.

Amy Skinner, Planning and Development Director noted that current Code Enforcement Officers worked standard business hours with limited weekend work if there were known issues. She agreed that adjustments would be necessary to cover nights and weekends.

Commissioner Sikes-Kline inquired about standard procedures and recording of Code Enforcement complaints.

Ms. Skinner stated the department attempted to respond quickly and complaints were recorded into the City Works system and assigned to a specific Officer. She said the Code Enforcement Manager allowed for on the spot supervision of Officers and the allocation of time and workloads.

Commissioner Blonder asked if there was complainant follow up by Code Enforcement Officers or the Department.

Ms. Skinner indicated there was a good deal of communication back and forth and agreed a written response would be helpful.

Mayor Upchurch asked if barges on the waterfront were covered by the Noise Ordinance.

Mr. Regan stated barges were covered by the Ordinance and leases included

language to notify tenants of consequences for violation. He said there were two tenants from other marinas that were the biggest problem for the Water Marine Unit.

Mayor Upchurch asked what a Mobility Technician would do and what the size of the City workforce would be after the noted additions.

Mr. Simpson said the Mobility Technician would be funded by the VIC and would assist with special events, the shuttle system, and help Xavier Pellicer, the Mobility Manager. He stated the workforce was 370 employees.

Ms. Breidenstein said there were positions paid for by Flagler College and the School Board for nine months out of the year and those positions were counted as City employees. She said three positions were School Resource Officers assigned to R.B. Hunt and Ketterlinus Elementaries and the Gains Alternative School. She confirmed they were available for general police work in the other months of the year.

Mr. Regan clarified there were three new Police Officer positions in the budget, and one was assigned to, and funded by the Gains Alternative School. He said the other two positions would assist the City in implementing the Homelessness Strategic Plan that was being developed. He said Chief Michaux had attended a Police Chief Conference and networked with peers to learn more about how their cities addressed homelessness. He shared that staff held a meeting with Dr. Joe Savage from the United Interagency Council on Homelessness at the White House to help steer the development of the City's plan to address homelessness and more information would be coming in late September.

Mr. Simpson confirmed the total City FTE count with the added positions would be 386.

Mr. Simpson shared additional FY 23 budget highlights:

- Increased Tourist Development Commission (TDC) funding for Shuttling and the Downtown Circulator.
- Historic Community Redevelopment Agency (HCRA) higher revenue than the debt service on parking garage
- Funding for public art on May Street intersection
- Increased fees for the Enterprise Fund to keep up with inflation
- Successful union negotiations
- Feasibility Study on the Land Conservation Initiative
- Citizen Survey
- Social Media Campaign

Commissioner Blonder suggested the Social Media Campaign should be strategic and targeted. She said a good model was the Resiliency webpage that was launched by Chief Resiliency Officer Jessica Beach's department. She expressed concern about increased fees and suggested that citizens needed education on how to cut costs and the City's Communications Department could make an impact in this area.

Mr. Simpson noted the City could add educational stuffers to citizen utility bills.

Commissioner Sikes-Kline added that citizens should also receive education on emergency preparedness and stated she would like to see a plan from the Communications Department regarding their social media strategies.

Mr. Simpson said the total budget included revenue of \$74,600,000 that was broken down by category and the

expenditures were listed by function and totaled \$74,605,726.

Commissioner Blonder asked Mr. Simpson to provide additional information on the Miscellaneous category at the next meeting.

Mayor Upchurch asked about the FY 22 original budget and final budget differences.

Mr. Simpson said the differences resulted from loans and grants. He said he would budget for grants when they were awarded.

Mr. Simpson stated the General Fund's largest increase came from taxes. He said most of the expense increases were in public safety which included Police, Fire, and Code Enforcement. He stated the overall increase in operating expenses was 33.3%.

Commissioner Blonder inquired about the 40% increase in the City Commission budget and why the Information Technology (I.T.) Department budget would be static or dropping.

Mr. Simpson explained the \$80,000 budgeted for the May Street Art Project was on the Commission line item and would be moved to a more appropriate category. He said the drop in the I.T. budget was a result of no longer needing a Help Desk contract and cyber security issues were paid for by the American Rescue Plan.

Mayor Upchurch asked about the change reflected in the City Attorney's budget.

Ms. Breidenstein explained that last fiscal year staff budgeted for a Special Magistrate to address issues with the Short-Term Rental or Nightlife Ordinances, but the money was not spent. She said staff allocated money in

Code Enforcement for Special Magistrate services for FY 23.

Mr. Regan said staff planned to use a Special Magistrate this fiscal year and if more monies were needed in Code Enforcement, a budget variance would be completed.

Commissioner Sikes-Kline inquired about the 11% drop in Historic Preservation and Archeology and the 104% increase in the Planning Department expenses.

Mr. Regan shared that the Historic Preservation and Archaeology FY 22 budget had \$7,500 included for equipment.

Ms. Breidenstein added that there was a FY 22 grant in Historic Preservation.

Mr. Simpson stated the Planning Department increase was for a study on the Land Development Code.

Commissioner Sikes-Kline noted the Land Development Code should be highlighted in communications and she was happy to hear about the Study.

Mr. Simpson went on to review the following:

- General Fund reflected a \$1,800,000 surplus and resulted in a balanced budget for FY 23
- Ad Valorem growth over the past ten years reflected an increase in assessed value
- Utility Fund revenue went from \$20,400,000 to \$21,800,000 and included a rate increase of 4% and a 1% reduction in the surcharge outside of the City
- Utility Fund had expenses totaling \$21,800,000 and included two new positions and improved software

- Revenue from Water Flow (connection) fees must be reserved for future plant expansion
- Bond proceeds came in at \$12,900,000
- Capital expenditures were \$438,000
- Debt service was steady at \$2,700,000
- Storm Water grants of \$4,500,000 by end of FY 22
- Storm Water FY 23 revenue and expenditures equaled \$1,342,142
- Solid Waste FY 23 rates would be raised by \$5.00 to cover tipping fees and personnel

Mr. Simpson explained there was a need for new equipment in Solid Waste at a cost of \$1,800,000 and requested the Commission's approval to execute an interfund loan if needed.

**Commissioner Sikes-Kline MOVED to approve the request to execute an interfund loan. The motion was SECONDED by Commissioner Horvath and APPROVED BY UNANIMOUS VOICE VOTE.**

Mr. Simpson noted that Solid Waste Fund's projected revenue was \$5,400,000 and would have a \$288 surplus.

Commissioner Blonder asked about the increases in the Solid Waste revenue.

Todd Grant, Utilities Manager said that residential rates were increased to \$22.44. He stated the enhanced rate for Short-Term Rentals was \$60.53 which allowed for an additional pick-up, and gave owners the ability to opt-out with the City compliance monitoring. He noted 50% of Short-Term Rental owners opted-out and went back to the residential rate. He said Short Term Rental costs would go up by \$5.00 or would increase based

on inflation. He shared that new software would allow for excess trash pick-up to be billed based on the volume.

Commissioner Blonder commented on staff's performance during the pandemic and appreciated staff keeping the City functional and clean.

Mr. Regan agreed that Olivia Smith, Solid Waste Manager, and the team had done a fantastic job.

Mr. Simpson reviewed the Municipal Marina Funds noting increased docking fees for one-year. He said revenue projections were up significantly from \$3,500,000 to \$5,500,000 primarily due to fuel prices.

Commissioner Blonder expressed the desire for long-term operators and commercial customers to receive advanced notice of increases.

Mr. Regan said he had researched other marinas and the City's current rate of \$16.00 per foot was about 45%-50% of the market rate compared to other premium marinas and about 12% of non-premium marinas.

Mr. Simpson noted expenses were considered Culture and Recreation and reflected a \$450,000 surplus, which would go into reserves for serious weather issues and debt service principal payments.

Commissioner Sikes-Kline asked to have a report on the reserve status of each fund on a regular basis.

Mr. Simpson said the Marina's unrestricted reserves as of September 2021 were \$985,000. He said he would add the beginning and ending reserve balance to each category for future meetings.

Mr. Simpson said the VIC revenue was \$5,247,000. He reviewed expenditures which included the Sinking Fund and the addition of a Mobility Technician and two Gift Shop staff.

Commissioner Blonder asked about the need for two additional Gift Shop staff.

Jim Piggott, General Services Director shared the added staff was a result of increased visitors over the past five years.

Mr. Regan shared that during employee listening sessions, he received feedback from VIC staff about the number of hours they work, especially during holidays and how that affected their quality of life.

Commissioner Sikes-Kline requested an update on Swing Park.

Mr. Piggott said the Swing Park opening was planned for Veteran's Day when kids are out of school but could be rescheduled if construction was completed sooner.

Commissioner Horvath asked if the awnings at the VIC were going to be replaced.

Mr. Piggott stated he would provide the Commission with an update at their next meeting.

Mr. Simpson reviewed projects funded with revenue from the VIC which included windows for the Lightner Museum, salary and benefits for an Assistant Archaeologist, University of Florida Preservation Institute, and the University of South Florida, La Florida Program.

Mayor Upchurch requested more information on the Lightner Museum window project, Pena Peck House, and

the type of return the City was experiencing on the La Florida Program.

Ms. Breidenstein responded that all Lightner Museum windows needed to be replaced and staff was proposing a \$200,000 commitment each year for the next 3-4 years to complete the project. She said the Pena Peck House required building improvements and window replacements totaling a one-time transfer of \$100,000.

Mr. Regan explained that Dr. Francis with University of South Florida had conducted research of the Catholic archives to unveil records and history of the African American experience in St. Augustine. He said the City's La Florida funds supported Dr. Francis' recent lectures and he will request a better acknowledgement of the City's contribution. He said that much of Dr. Francis' work centered on how the Arachnida Expedition anchored St. Augustine and the investments reflect community education within the Strategic Plan.

Commissioner Sikes-Kline added that the work helps to provide the historical record on the African American history.

Mayor Upchurch noted the importance of making the research accessible to the public.

Mr. Regan said staff was considering a digital interface at the VIC for the public to access.

Mayor Upchurch provided an update on the fountain maintenance and said the University of Florida would be joining the City in a contract to maintain the fountain.

Mr. Simpson reviewed the Historic Area Community Redevelopment Area (HACRA) revenue increase in

incremental tax of \$632,000 with the City's share being \$1,072,324 and a small surplus transferred to the General Fund.

Mr. Simpson stated the Lincolnville Community Redevelopment Agency's (LCRA) incremental taxes had risen to \$626,721 and expenditures were projected at \$1,600,000. He reviewed the City's transfer of \$1,010,037, the surplus carryover and the LCRA administrative transfer to the General Fund to cover overhead. He projected a surplus in FY 22 of \$225,000 and a balanced budget for FY 23.

Commissioner Sikes-Kline suggested the carry over of \$21,348 be set aside for exhibit updates at the VIC and noted this would tie into livability and quality of life for residents.

Mr. Regan said the University of Florida Exhibit was in storage and he did not believe they intended to bring it back. He discussed Artifact Loan Agreements with the University. He said it would be more appropriate to use VIC funds for the changing of exhibits.

Mayor Upchurch noted there were exhibits about St. Augustine at the University of Florida Library and he encouraged others to see the Vicker's Collection at the Governor's House.

Ms. Breidenstein commented on the use of HACRA surplus dollars and the importance of having a well-defined plan for how those dollars could be spent.

Commissioner Blonder asked for updates on the Back Bay Feasibility Study and progress on Lake Maria Sanchez.

Mr. Regan said a presentation would be scheduled for the Commission.

Commissioner Sikes-Kline asked about funding in Paving Program.

Mr. Simpson shared the funding was reduced from \$800,000 to \$600,000.

Ruben Franklin, Public Works Director explained the \$600,000 was for milling and resurfacing streets.

Mr. Regan said the inventory of milling and resurfacing had become smaller and given the difficulty obtaining asphalt, it may be difficult to spend \$600,000.

Mr. Franklin shared that the City had contracted with a company to film every street and provide a city-wide roadway assessment that would be presented to the Commission. He said the assessment would show roads that were in good condition and those that need paving.

Mayor Upchurch inquired about when the City would receive the title to King Street.

Mr. Franklin said he expected ownership in 2023.

Mayor Upchurch asked about the status and funding of the Preservation Institute of St. Augustine.

Mr. Regan said the Preservation Institute of St. Augustine was a functioning research facility and suggested arranging tours for the Commissioners. He said the City contributed \$15,000 a year to the Institute.

Commissioner Sikes-Kline noted her role on the Board of Advisors for the College of Design and Construction Planning Department of Historic Preservation at the University of Florida which oversaw the Preservation Institute. She suggested the City provide input on their Long-Term Management Plan for the Institute. She said it was a great educational program

for a small investment and allowed students to learn about historic construction materials.

Mayor Upchurch questioned the tangible benefits to the community at-large.

Mr. Regan shared that as an Advisor to the Program, he had asked the University of Florida to develop a much stronger technical resource program like the Institute of Food and Agricultural Science (IFAS).

Commissioner Sikes-Kline said the Preservation Institute was modeled after the Nantucket Preservation Institute and the two had a great partnership and collaboration.

Mr. Regan said he would ask the University of Florida to schedule presentations for the Commission.

Commissioner Sikes-Kline noted the excitement around the May Street Intersection Public Art Project.

Mr. Simpson said staff was requesting the use of approximately \$300,000 of reserves to equip the Police Department's Special Response Team with an updated armored personnel carrier called a Bear Cat.

Mr. Regan expressed the importance of the Bear Cat and how necessary this piece of equipment was for the Police Department.

Mayor Upchurch asked for a brief presentation on the Bear Cat for the Commission in the future.

Commissioner Sikes-Kline asked about the Smart St. Augustine Program and the expansion of partnerships on workforce housing and homelessness.

Mr. Regan confirmed that the homelessness programs were new, and

the Homelessness Strategic Plan represented a deeper commitment of the City to address the unsheltered homeless population. He said in late September staff would bring the first draft of the Plan and funding options to the Commission. He stated that he created an internal taskforce to work on the project and they had met with Dr. Savage from the Federal Government to understand the ten principles for dealing with the unsheltered population and federal and state funded financing options. He stated agency partners will have authorship of the Homelessness Strategic Plan.

Mayor Upchurch said there was a Continuum of Care organization under Flagler Hospital and their consideration of a merger partner was something to keep in mind.

Commissioner Sikes-Kline asked staff to look at areas outside the downtown core to include people living in alleys, woods, and wetlands.

Mayor Upchurch commended Mr. Simpson and Ms. Breidenstein for their work on the budget.

Mr. Grant shared that the City was awarded the Rebuilding American Infrastructure with Sustainability and Equity grant and funding would be available in July 2023.

Commissioner Sikes-Kline congratulated Mr. Grant and said NE Florida would be proud of the project.

Mayor Upchurch opened Public Comment, however, there were no comments.

#### 4. Items by Mayor and Commissioners

Commissioner Blonder requested that staff provide the Commission with

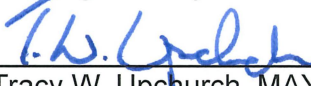
specific progress made on the four elements of the Strategic Plan like the presentation made on the HACRA funds. Commissioner Sikes-Kline said she appreciated the emphasis on public safety to include Zoning, Code Enforcement, and Mobility which added to the quality of life for citizens.

#### 5. Items by Staff

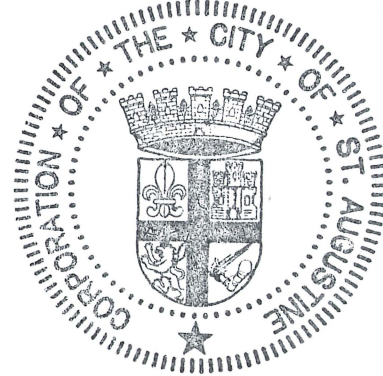
Mr. Regan shared his appreciation of the entire Commission.

#### 6. Adjournment

There being no further business, the meeting was adjourned at 11:30 a.m.<sup>1</sup>

  
Tracy W. Upchurch, MAYOR

  
Darlene Galambos, CITY CLERK



<sup>1</sup> Transcribed by Colleen Kuhn