

CITY OF ST. AUGUSTINE

City Commission Special Meeting
Monday, August 8, 2022

The City Commission met in formal session Monday, August 8, 2022, at 3:00 P.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
John Valdes, City Commissioner
Barbara Blonder, City Commissioner

Also Present:

Meredith Breidenstein, Assistant City Manager
Isabelle Lopez, City Attorney
Darlene Galambos, City Clerk
David Birchim, Assistant City Manager
Mark Simpson, Director of Financial Services
Reuben Franklin, Director, Public Works
Todd Grant, Director of Utilities
Jim Piggott, Director of General Services
Colleen Kuhn, Recording Secretary

2. General Public Comments

The Commissioners heard from the following members of the public:

John Edward (Ted) Mooney
BJ Kalaidi

3. Review of the Utility and Public Works Capital Improvement Plan (CIP) Projects. *(R. Franklin and T. Grant, Directors, Public Works, and Utilities)*

Ruben Franklin, Director of Public Works reviewed modifications to the cover sheet for the Capital Improvement Plan. He confirmed the Commission would adopt the Plan during the budget process, and noted the Plan could change based on the needs of the City and as new projects were introduced. He said there were paving projects added and explained that paving projects not completed in the

current budget year would roll to the next year.

Mr. Franklin provided an update on lift station work and noted that Coquina Avenue required additional closure time of approximately three months and San Sebastian was projected to be completed by the end of August. He explained the delays were a result of supply issues.

Todd Grant, Director of Utilities shared that Jeremy Berg, Geographic Information System (GIS) Manager had developed a user-friendly GIS tool that would allow citizens to review specific project details like design, construction, and duration. He also said that after the completion of the process, the Communications Department would advertise the tool, and information would be included on the GIS maps page for the City.

4. Highlights of Budget Process to Date (*M. Simpson, Director, Finance*)

Mark Simpson, Director of Finance reviewed highlights of the budget process and reminded the Commission of a budget workshop scheduled for August 18, 2022. He shared the following highlights:

- Unchanged millage at 7.5 mills
- Staff review of Fire Assessment fees, which would not take effect until 2024
- New staff positions would include: 2 Police Officers, 2 Firefighters and a Mobility Technician, which would be paid for by parking fees
- \$290,000 of increased funding from Tourism Development Council (TDC) to support fireworks, shuttling, circulator, and the Visitor Information Center (VIC)
- \$600,000 for street repaving
- \$80,000 budgeted for a public arts study and construction for the May Street intersection
- Government House fountain maintenance contract
- Historic Preservation projects funded by VIC Parking Garage
- \$200,000 generated by Rental Income with automatic Consumer Price Index (CPI) increase of 1.9%
- Recruitment and retention initiatives for workforce
- \$500,000 projected savings from the City's new healthcare plan
- Citizen Survey focused on conservation and resiliency; consultant would be engaged to help craft the questions
- \$20,000 budgeted for feasibility study of land conservation initiative
- \$10,000 budgeted for Neighborhood Grant Program

Commissioner Valdes shared a history of the Government House fountain maintenance including by the City, Commissioner Valdes' family, and most recently the University of Florida who had not been successful maintaining the fountain despite the City's attempts to work with the University.

Mayor Upchurch volunteered to work with John Regan, City Manager on further communications with the University.

Commissioner Sikes-Kline requested that staff add livability to the proposed Citizen Survey. She said the City of Charleston had a Department of Livability and Tourism, which included separate code enforcement components and that the City of Fort Lauderdale had an exclusive after-hours and weekend Code Enforcement Officer.

Commissioner Valdes questioned the need for a survey when issues like traffic, homelessness and growth were already known. He also recommended identifying how much undeveloped and unacquired property was available in the City before conducting a feasibility study.

Commissioner Blonder stated she would include resiliency for the City's cultural heritage, and said staff were identifying undeveloped areas of the City prior to the feasibility study.

Mayor Upchurch noted the County had approved the purchase of the Genovar property which was inside the City limits.

5. Update on Utility Rates (*M. Simpson, Director, Finance*)

Mr. Simpson reviewed water/sewer rates and was happy to share that staff was proposing a 4%, rather than 9.1% increase. He said rather than adding two new utility crews, they proposed adding

two new staff positions. He shared the financial management system should be able to talk to the City Works program to help crews focus on preventative maintenance. He said staff proposed a reduction in the surcharge outside the City limits from 20% to 15% phased in over the next 5 years.

Commissioner Blonder questioned the cost reduction of the outside city utility rates by 1% and whether the inside city 4% rate increase would be subsidizing the reduction. She asked if the cost to provide utility services outside the city limits was known.

Mr. Simpson said actual costs to provide service outside the city limits had not determined. He said the 1% reduction would equate to \$350,000 and the 4% increase inside city limits would generate approximately \$770,000.

Meredith Breidenstein, Assistant City Manager stated that statute allowed a maximum of a 25% surcharge, but the city charged 20% and staff felt it would be reasonable to reduce the surcharge to 15% over a 5-year period. She said staff could do an analysis of actual costs.

Commissioners Sikes-Kline and Blonder agreed there was a need to determine the appropriate surcharge for out of City customers.

Mayor Upchurch commented that the City historically had a 25% surcharge for residents outside the City limits, and those customers City had no power to affect the Commission's decisions. He said it was important to not have the utility fund subsidize the City, and not to take advantage of customers outside the City.

Mr. Simpson said the recommended increase in storm water fees from \$9.00 to \$9.82 would generate an additional

\$150,000 in revenue. He stated the additional funding could be used for new projects or grant match funds and that the City's fees were comparable to other cities.

Mr. Simpson stated there had been a dramatic increase in solid waste operations, the cost of disposal, and the purchase of new equipment was very high. He said the recommendation was to increase the rate by \$5.00 per month for residential customers, and 9.1% for commercial customers to help balance the fund. He shared that the increases were due in part to new subdivisions and hurricanes had damaged fleets. He said the City was renting trucks which were expensive and that new trucks would be costly and not delivered until May/June 2023.

6. Update on Reserves (*M. Simpson, Director, Finance*)

Mr. Simpson discussed the City's reserves and pointed out the solid waste fund had reserves of \$1,355,737 effective September 30, 2021; however, the fund was not meeting the policy requirement of three months of operating reserves. He said the General Fund reserves were at four months of operating costs or \$9,700,000.

Mr. Simpson reviewed the Reserves Update slide and discussed the differences between the Restricted/Non-Spendable column which included things like inventory and pre-paid items and the Unrestricted column where funds could be used for unanticipated or one-time expense items. He did not recommend using unrestricted funds for ongoing expenses.

Commissioner Blonder inquired about the Storm Water Credit program and how citizens could conserve and save money.

Ms. Breidenstein noted the City's website had an application for the Storm Water Credit program that offered a 30% credit on monthly bills and that some neighborhoods had a storm water plan.

Mr. Franklin clarified that the Storm Water Credit program pertained to new developments and required a permit. He said that based on Commissioner Blonder's comment, he recommended adding an incentive program to older neighborhoods through the Drainage Grading Plan, which staff was working on and would include low-impact development options like rain gardens.

Commissioner Blonder requested an update on the parking garage fee study, as well as information on glass recycling.

Mr. Simpson noted that staff was creating a total parking plan for the Commission's consideration rather than arbitrarily increasing parking rates without a full plan.

Mr. Grant said the staff budgeted for the purchase of new equipment including dumpsters for a pilot glass recycling project. He explained the goal was to buy 3-5 dumpsters with special lids for glass drop off locations. He said staff was working with a company to supply a roll-off, the City would then dump the containers, and the company would pick them up and pay the City \$3 per ton dependent upon contamination.

Ms. Breidenstein stated that in addition to the \$3 per ton, the City would not pay the tipping fee for the heavy glass garbage or recycling which was expensive.

Commissioner Nancy Sikes-Kline said the \$3 per ton reimbursement seemed too low.

Mr. Grant said City staff could haul the glass to Jacksonville and get \$30 a ton,

but that would require staff time and resources, which was limited. He stated the City was currently paying \$140 ton for recycling and he thought getting the heavy glass out of the way would be helpful and reduce expenses.

Commissioner Sikes-Kline asked what defined contamination.

Mr. Grant clarified that contamination occurred when regular trash and glass were mixed, and that no cleaning was required prior to recycling glass.

Commissioner Valdes asked how Flagler Beach used the crushed glass.

Mr. Grant shared that Flagler Beach began a crushed glass recycle program that would be used for landscaping, sand traps at golf courses and sandbagging.

Mayor Upchurch invited attendees to provide public comments.

The Commissioners heard from the following members of the public:

BJ Kaladai
Cynthia Garris

7. Adjournment

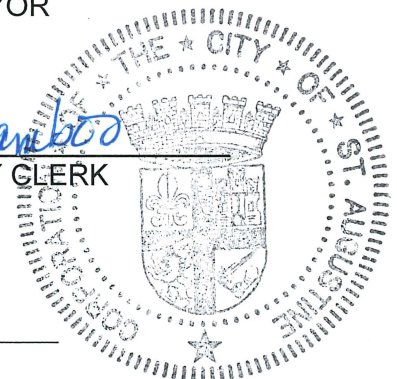
There being no further business, the meeting was adjourned at 4:18P.M.¹



Tracy W. Upchurch, MAYOR



Darlene Galambos, CITY CLERK



¹ Transcribed by Colleen Kuhn