

Proceedings of a regular meeting of the City Commission of the City of Palatka held on the 11th day of February, 1999.

PRESENT: Mayor Tim Smith
Commissioner Mary Lawson Brown
Commissioner George Sanders
Commissioner Hernan Azula
Commissioner Ish Edwards

Also Present: City Manager Allen R. Bush, City Attorney Edward E. Hedstrom, City Clerk Betsy Jordan Driggers, City Finance Officer Ruby M. Williams, Police Chief Bill Dolinski, and Fire Chief Rudy Howard.

BOY SCOUTS IN GOVERNMENT - SPECIAL AGENDA - PRESENTATION OF OFFICERS –

David Clapp with BSA introduced the following Boy Scout officers, representing area Troop #'s 342, 337, 234, and Interlachen Troop 293:

Mayor	Nick Wilson
Commissioner	Louis Fucini
Commissioner	Chris Schmidt
Commissioner	Trevor Nesbitt
Commissioner	Josh Crank
City Manager	Josh Thompson
City Attorney	James Ivey

Mr. Clapp said today the Scouts visited various city departments to learn how government operates. Mayor Smith turned the meeting over to Boy Scout Mayor Nick Wilson.

PRESENTATION OF FLAG: BSA Mayor Nick Wilson and BSA Color Guard

PLEDGE OF ALLEGIANCE: Mayor Tim Smith

INVOCATION - The Reverend Keith Hutcherson, Pastor; Hastings Community Church

BSA Commissioners made motions to use portions of the proceeds from ticketed skateboarders to build a skate park, to build a race track, and to raise the salaries of all elected and appointed city officials. Commissioner Edwards said he was from Interlachen and was glad to see those area scouts represented. The meeting was turned back over to the Commission.

APPROVAL OF MINUTES 1/28/99 - Commissioner Azula made a motion to approve the minutes. Commissioner Sanders seconded the motion, which passed unopposed.

RESOLUTION - Mayor Smith said at the last meeting Commissioner Azula asked the Commission to adopt a resolution in support of Georgia-Pacific Corporation. The Commission desires to go on-record with its support of G-P in that the plant provides a great amount of economic support for the residents of Palatka and Putnam County, both directly and indirectly, through jobs and community support for various organizations. The City is not necessarily taking a stance on the Rice Creek/Pipeline issue and what the water quality solution should be, but the City does support G-P and hopes the various agencies involved with water quality will understand what a huge contribution G-P makes to this community. The Commission encourages those agencies to cooperate with G-P in finding a solution that allows G-P to remain a viable part of the community.

The Clerk read a resolution entitled A RESOLUTION OF THE CITY OF PALATKA, FLORIDA URGING ALL GOVERNMENT AGENCIES INVOLVED WITH MONITORING THE ST. JOHNS RIVER TO WORK WITH GEORGIA-PACIFIC CORPORATION TO IMPROVE THE QUALITY OF THE ST. JOHNS RIVER WHILE ACCOMMODATING GEORGIA-PACIFIC CORPORATION WHEREVER POSSIBLE TO INSURE THAT THEIR PALATKA PLANT REMAINS VIABLE. Commissioner Azula made a motion to adopt the resolution as read. Commissioner Edwards seconded the motion. Commissioner Edwards said as a result of his comments at a recent town meeting, an article appeared in the newspaper with his picture underneath it which implied negativity towards the pipeline. He wants to go on record as saying that when he spoke to the reporter who wrote the story, he gave him no negative connotations either from the City of Palatka or from SJRWMD; he simply mentioned the issue in discussion over another issue and the reporter printed his comments in the wrong context, implying he took a negative stance on the issue. He wants to assure G-P representatives that his comments were taken out of context and he is in total support of G-P, and he believes the representatives of G-P know that he does not take a negative stance towards them. Commissioner Brown said the PDN reporter has not yet arrived and she wants to make sure the Commission's support and resolution reaches the newspaper. Commissioner Sanders concurred. There being no further discussion, a roll-call vote was taken with the following results: Commissioners Azula, Brown, Edwards, Sanders and Mayor Smith; yes; Nays, none. The resolution was declared adopted.

Mr. Robert Burns with Georgia-Pacific Corporation accepted the Resolution on behalf of G-P and said they appreciate the support and comments of the Commission, and passed on thanks from the administration and employees of G-P and all those people who have jobs as an indirect result of their facility. Georgia Pacific wants to provide jobs and growth for Palatka, but also wants to be considered an environmental steward of the area. This issue is a difficult one. They want to do the right thing and will work with those agencies to find the best solution to meet the water quality standards in Rice Creek. In the next 3 - 5 years they plan to invest over \$100 million dollars to make another 'step change' in their environmental stewardship, which will be something the employees and community will take pride in.

PUBLIC COMMENTS - James Williams, Jr., 1424 Ocean Street, said the City needs to provide better advance notice of City agenda items in the newspaper. Mayor Smith said

the City provides the newspaper with an advance copy of their meeting agendas and attachments, which constitutes their notice of our meetings and issues. At present they are in a transition period and the City is between reporters; Mr. Townsend has taken a job in another city and the newspaper may not have assigned another reporter. They will take extra care to make sure the newspaper is more conscious of publishing items on the City agenda. Commissioner Sanders said both radio stations receive a copy of the agenda in advance, also.

PUBLIC HEARING - Community Development Block Grant - Mayor Smith opened the hearing. Fred Fox, grant specialist with Fred Fox Enterprises, said this is the first public hearing as required as part of a submission of an application for the CDBG program in the economic development category. The program has four parts. Thirty percent of the money goes into economic development and that is what he will discuss this evening. Forty percent goes into neighborhood revitalization. Ten percent goes into commercial revitalization and twenty percent goes into housing. The City is only eligible for economic development funds this year. When the current neighborhood revitalization grant is closed out, they will be eligible to apply for grants in the other three categories. The application process involves two hearings; this hearing is to explain the program, answer questions and take direction from the Commission to work with the CATF to develop an application for a specific client, if the Commission so chooses. The funds can be used as a grant for infrastructure improvements to make the project happen. The private developer must invest a certain amount of money into his project above the grant dollars, and must create at least one job for every \$35,000 applied for. The maximum you can apply for is \$750,000, and the minimum number of jobs created would have to be 22. Typically the grants are used for infrastructure improvements. The second portion is a loan made directly to the developer to help him implement his project directly, such as construction of a building or purchase of equipment. The funds are eligible for any entity that creates jobs. The application deadline is 3/31/99, which is the opening day of the cycle. Approximately \$10 million is allocated for the program this year. The International Cuisine project has been brought to him for application; they have applied for and been given grants for this project in the past. It is a combination of \$350,000 for infrastructure improvements for the City to upgrade the lift station, water systems and storm sewer at the Airport Industrial Park on behalf of the client, and the remaining funds with the exception of administration and engineering fees will constitute a loan to the developer for the purchase of equipment. Twice they have received funding for this same project; however, the grants were forfeited as the developer could not get his financing in place within 60 days of receiving notification of grant award. The developer has now received a \$900,000 grant from the Wages program, which will satisfy this funding requirement; a signed contract for these funds should be in place before they submit the application. After the application is submitted a site visit will follow in May, and by August 1 he should have his development plans in place. He feels he can do this and actually wants to accelerate those deadlines, and is confident he can make the project happen at this time.

Commissioner Brown asked if his inability to meet the grant requirements affects the City when applying for another grant. Mr. Fox said the State sends a blank contract to

the City to be executed when developer has met the requirements and returned within 60 days; if it is not returned, the state will 'de-obligate' the funds set aside for Palatka and award them to the next applicant on the list. If the developer meets the requirements after the state has de-obligated the funds, he will be re-obligated provided there are funds left in the program for the project. There is no provision for an extension of the 60 days. Commissioner Azula asked if this happens, can someone else apply for the funds? Mr. Fox said the City can get funded on one application per year. If someone falls out, the State would re-obligate those funds to another application. Three years ago the contract process was different; they have since revised the contract process. If the grant is awarded for the March 31 cycle, the blank contract is executed and the contractor meets his obligation, that would be the only application the city could get funded for the year. Mayor Smith said the last one they applied for that actually went through was Beck's. No one asked for an application last year. Mr. Fox said most of this goes through the Chamber. Commissioner Brown said they need to look around to find people who need this type of grant. Mr. Fox said when a developer decides he is ready to go, he usually wants to begin immediately; this program has a cycle built in. Even once you have a contract, you have to go through the process of selecting an administrator & engineer, develop plans, etc. and this can take six to nine months before you get to the construction phase. Most developers don't want to wait that long. This grant is ideally for someone who wants to employ upwards of 20 people, not for those who want to employ only two or three. There is no target area of employment, but there are points in the application for hiring Wages people. This project will employ over 100 people in the next four or five years. Palatka's Champion Community designation helps with points on the application. The State has invested a \$900,000 Wages grant in this project and the CDBG people are aware; this is a positive factor. Mr. Fox said as long as you are on time with the 'milestones' in the process, you can submit an economic grant application for the next cycle. Mayor Smith said they need to make sure they push for completion of the neighborhood projects as they don't want to miss an application cycle; they can't apply for those funds until the current project is closed out. Mr. Bush said one year they actually returned a small portion of a grant in order to get it closed out to get into the next round of applications. They would rather not have to send money back, but spend it and get in line again. Commissioner Edwards made a motion to ask Fred Fox Enterprises to work with the CATF to develop a CDBG Economic Development application on behalf of International Cuisine, Inc. for the 3/31/99 cycle. Commissioner Brown seconded the motion and asked how many people they will eventually employ. Wes Larson answered 500, but has committed to 120 in his Wages application. There being no further discussion, the motion passed unopposed.

FAIR HOUSING WORKSHOP: Fred Fox said the City is required to hold this workshop with the Commission and a second workshop with real estate rental, sales and loan industry people as part of the 3/31/99 application process. The City passed a Fair Housing ordinance on 12/8/83, in accordance with Ordinance #83-31, which was amended 12/12/85 per Ordinance #85-25, replacing the term 'handicapped' with 'physically handicapped'. It was amended again 9/27/90. The ordinance provides people who feel they have been discriminated against by the City or those who work in the real estate profession with regards to race, color, religion, sex, age, familial status, physical

handicap or national origin an opportunity to file a written complaint with the City. The ordinance also addresses how the complaint will be reviewed, investigated and referred for further attention, should it be deemed necessary. The purpose is to inform the general public as well as industry people of these procedures. He has copies of these ordinances if anyone wants to review them. The amendments were made to bring the ordinance into compliance with HUD amendments; the 1990 ordinance is in compliance with HUD requirements. Mr. Fox asked that everyone in attendance sign the sign-in sheet being passed around for their records. There being no further discussion, Mayor Smith closed the workshop.

ECONOMIC DEVELOPMENT GRANT PRESENTATION - Wes Larson with the Chamber of Commerce said this is more of a briefing than a presentation. There are many different grants and loans available for employment training, financial assistance and housing. Tonight he will confine his remarks to business development and infrastructure grants. The CDBG will give them the money to put the infrastructure into the industrial park; if they had a real 'class A' industrial park it would already be there. From one perspective, if someone wants to participate in a CDBG with the City so you can upgrade your infrastructure, this is a plus for the City as the infrastructure upgrade is something the City desperately needs. These grants all require jobs be created as a consequence of the grant. There are two principal sources for grants: Through USDA Rural Development and through the CDBG's. The USDA sponsors the Empowerment Zone process. Putnam County has been twice named a Championship Community with USDA which provides clout for projects. They have business grants for small and emerging businesses, but the business needs to exist in order to get the grant. The City competes with the entire state of Florida for grant money; in fiscal 1998 they gave out \$596,000 total. They have a community facilities grant; the most you can qualify for is \$71,000. In fiscal 1998 they gave out \$169,000 total. The grants are awarded 2 years in advance. There is a state Economic Development Transportation Fund grant. They received one of these eight years ago as part of the International Cuisine project; you don't get the funds until the start of construction, but they have kept the grant renewed and extended and it is still available. The money will re-pave Kay Larkin Drive into the Airport. This is available to anyone who says "I would develop and build, but the road keeps me from doing so." The other category is CDBG's, which are given out based on a cycle, which is unattractive to prospects; many don't like to wait. There is legislation underway to provide blocks of money to entitlement cities to do infrastructure projects on an as-needed basis. If you are not an entitlement city, which is where they are in rural Florida, you have to go through the CDBG application cycle.

There are loans available up to \$3.5 million dollars, guaranteed by the SBA, for projects. There are state loans available at very low interest rates. There is a rural revolving loan fund for infrastructure available at 2% over 30 - 40 years. USDA has a wastewater disposal package they put \$1.5 million into with a 40-year payback at 2% interest. There are many loans and grants available that don't require a significant investment by the community that can be accessed when needed in order to create jobs. There are a lot of incentive programs available, such as the job creation incentive, etc. Kelley Smith has filed a bill that will level the playing field between urban and rural Florida; Senator

Kirkpatrick also plans to file a similar bill leveling the field between rural Florida, Alabama and Georgia. This will provide more 'tools' to provide jobs that will attract people to the community who would not otherwise come here. Commissioner Brown said she asked him to come and speak to the Commission because of his experience with Rural Development. Mr. Larson said in 1995 - 1997 he worked with a state-wide committee putting together a marketing plan for rural Florida called "Crossroads Florida"; everything in there is geared toward leveling the playing field. This will provide cities with a tool enabling them to plan on what they need to do to enhance their ability to create jobs. 85% of those people looking for business locations will only go where there is a 20,000 - 40,000 sf. building available. Another 13% only go where there is a "class A" industrial park. Historically, Palatka has had neither of those, and does not get their share of new business. This is beginning to change. The closing of the Central States Diversified plant was bad in that the area lost 115 jobs, but they have already had two inquiries on the building and there will be more. The State came up with enterprise zones tailored almost exclusively to urban cities. Rural cities can't afford to do the paperwork and hire the people to monitor the program that large cities can do. They are trying to introduce legislation to create an enterprise zone that is tailored to the needs and abilities of rural cities.

The Chamber is always ready to help people with these and other types of funds available when asked. Their job is to create jobs in the community. The County is creating a 250-acre class A industrial Park to the west of Kay Larkin Industrial Park and south of the new runway. At their next meeting, the County Commission is expected to approve award of a contract to HDR to develop a master plan for the park and to do all of the Phase I engineering for roads and infrastructure for the park. He anticipates they are about 7 - 8 months away from finishing that process. At certain points they will come before the Commission with status reports and to answer any questions and offer input. Through the International Cuisine project the City will be running water & sewer lines to connect that park to bring it into the City. Commissioner Brown said they found some T-21 transportation money for enhancement projects which could be used to build a walkway under the bridge. She hopes the Chamber can work with them to apply for this money. Mr. Larson said they are on the Mayor's riverfront planning committee, and would personally like to do a riverwalk from the Holiday Inn to the entrance to the Ravines. Mayor Smith asked if a business person could apply for the SBA loans; Mr. Larson answered yes; there are loans available for very small businesses that have been turned down by banks. Commissioner Brown said there is a micro-loan program available for small businesses. Mayor Smith said they need to be looking at ways to fund the expansion of the infrastructure system at the industrial park if they don't receive funds they requested from the legislature, maybe as early as the middle of next year. If they can amortize a loan of that nature over forty years, that may be the way to go. He asked if the water & sewer system design is included in the engineering design phase of the project; Mr. Larson said it would include their part of it. The City can apply for rural development loan money on a 'pay it back when you can' basis for that project. Mayor Smith said they should set up a plan they could move quickly on when the time comes. The City can use the revenue from the customers they bring in to repay the loan. Mr. Larson said the City of Alachua recently paid \$1.1 million to buy a piece of land to give

to a corporation who wanted to build a distribution center that will generate over \$500,000 a year in taxes; they will re-coup the money in three years. Incentives are very important in drawing new business. An existing business can apply for anything a new business can apply for if they meet the same criteria. Mayor Smith thanked Mr. Larson and Commissioner Brown for their service on the Rural Development Council and the efforts they make on behalf of the City.

REQUEST FOR VARIANCE ON CERTIFICATE OF PUBLIC CONVENIENCE - Mr. Bush said Yellow Cab of Putnam County has made a request to temporarily add one or two additional taxi cabs to their certificate, which now allows three cabs, for a grand-opening promotion they plan to run Feb. 22 - 28. They plan to give free cab fare with a donation of canned goods, which they will in turn donate to a local food kitchen or organization. Commissioner Brown asked how this company affects the existing cab company's business.

James Williams, Jr., Diamond T. Taxi, said he did not object to the three cabs as they only run one cab nights and Sundays, and don't run at all after 11:00 p.m. They have worked hard to bring their cabs up to standard, and have a set rate for certain areas. This company charges less than what he charges, which has affected his business somewhat. If they work on the same pricing, he does not mind. Mayor Smith said he doesn't know if he would encourage them to set the same prices, as that may constitute collusion. Mr. Williams said his prices are negotiable in certain instances. They do not meter. If the other business is allowed six or seven cabs and still charges less, that would affect his business. He has been in Palatka for twenty years. His customers do not want him to go out of business. Mayor Smith said he believes in the free enterprise system, and thinks competition is healthy. The City has some regulation over the taxi business and should try to level the field. If Yellow Cab promotes cab use in Palatka, it is good for both businesses. Mr. Williams said he did not have a problem with letting him have extra cabs for his promotion. After clarifying the number of cabs Mr. Williams runs on nights and weekends, Commissioner Sanders concurred with Mayor Smith's comments. Commissioner Azula agreed with Mayor Smith but said he also believes in fair competition. Yellow Cab has also asked to run another promotion in March and this establishes a pattern. Mr. Williams has stayed in business for a long time through adverse circumstances and should have an opportunity to operate on an even scale. Mr. Williams has said he has no objection to a one-week promotion, but he (Commissioner Azula) would object to more than one promotion. Larger businesses have a tendency to come in and squeeze out smaller businesses. Mr. Hedstrom said under Section 90-41 of the Code, the Commission has the right to approve whatever rates and charges are proposed by the taxi cab companies, and those rates that are approved by the Commission should be displayed in the cab. Mr. Bush said the Certificate of Convenience is structured to encourage competition and keep one company from coming in and crushing another company. They have the right to set different rates as long as the Commission approves it. It should be made clear that the City encourages competition but doesn't want to see multiple requests for additional cabs until they can demonstrate a definite need for more taxis. Mr. Hedstrom said the question is, are the three cabs meeting the needs of the community, and is the promotion another way of taking a greater share of

the other cab's business. The Certificate is designed to meet the needs of the community, not take a greater share of the business. If the Commission can agree that the number of cabs are not meeting the needs of the Community, then that forms a legitimate basis for increasing the number of cabs. Commissioner Sanders asked how many cabs Diamond T Taxi operates; Mr. Williams answered three. Commissioner Brown said she would like to know what this new business is doing to the bus service. Mr. Williams said the bus charges \$1.00 for any destination in the City and for transportation to hospitals in Gainesville.

Ron Coleman, Yellow Cab of Putnam, said they did not come into Palatka to take business away from Mr. Williams, but to fill a need in the community. He has lived here for 18 years and worked for a local supermarket chain and knew there was a need then, and approached Mr. Owens about opening a cab company here. He did not know what Diamond T's fares were when he set his fares. The average charge is \$1.00 per mile with a \$2.00 minimum per person. The charges radiate from the downtown area in \$.25 increments. For example, from downtown Palatka to the hospital is \$3.25 for one person. He set the fares comparable to those they charge in St. Augustine. The fares are not metered. Mr. Williams said if Yellow Cab can make a living at those fares, that is fine, but he is concerned about adding cabs. Mayor Smith asked Mr. Williams to clarify that he was not opposed to adding a cab for one week; Mr. Williams said he was not. Mr. Bush said to make a request for additional cabs, they would have to demonstrate a definite need. Mr. Coleman said they wanted the cabs for the promotion only. Commissioner Brown said the promotion would take away from Mr. Williams' business. They may be flooding the market with cabs. If they want to run their promotion, the three cabs they have should be adequate. Mr. Coleman said in the first week of February, he doubled the business he did any week during the month of January, and he foresees that he will need to come to them soon to ask for additional cabs. If his business grows to the point he can't service his customers, he is defeating his purpose for being in business. Commissioner Sanders concurred and suggested that Mr. Williams can add to his business if he sees the need. Mr. Coleman said they have created more cab business in Palatka as well as getting a piece of the existing business; when a new business comes in, existing businesses will experience a drop in sales, but that will level back out. They have a number of contracts with other businesses. Commissioner Brown made a motion to deny the request for variance to Yellow Cab's Certificate of Convenience. Commissioner Azula seconded the motion, which passed, opposed by Mayor Smith and Commission Sanders.

REPORT:

a) Planning Board recommendation to rezone property at 900 Main Street from C-1 to C-2; Charles & Doris Rutten, Owners - Mr. Bush directed the Commission to the Planning Board's and Planning Department's comments.

Chuck Rutten, owner, said he agreed to the landscape buffers. Williams Body Shop wants to expand their business and wishes to purchase this building for a paint booth. They will not purchase the building unless the zoning is changed to allow the paint booth.

Paint booth operation is heavily regulated by the State and EPA has strict requirements. Main Street is starting to develop commercial. Commissioner Brown reminded the Commission of the Greenways and Trails project and the proposed bike paths. Commissioner Azula said St. Johns Auto Body recently installed a paint booth and were heavily monitored by the EPA. Commissioner Brown said there are residences around this building. Mr. Rutten said he has spoken with the neighbors and they have no objections to this. The new owners will be fencing a certain amount of the building for security purposes. Commissioner Edwards made a motion to accept the Planning Board's recommendation to rezone 900 Main Street from C-1 to C-2. Commissioners Sanders and Azula seconded the motion. Mr. Hedstrom said the Board could not attach any special conditions to the rezoning other than might already exist for everything in that rezoning district. If this were for a special exception, you could attach conditions. They would be subject to whatever conditions the landscape ordinance would apply to anything within the newly zoned district. Mr. Bush said that is what the Planning Board was referring to. Commissioner Brown reminded the Commission that Winn Dixie was supposed to put tree buffers along that street and they have had numerous complaints about the noise. Mr. Hedstrom said the buffering is set forth in Code Section 94-296 and he assumes that is what they mean. Mr. Rutten said Ed Huntsberger told him he needs to meet the buffering requirements for C-2 zoning. There being no further discussion, the motion passed unopposed. Mr. Hedstrom was directed to prepare the Ordinance.

DILAPIDATED HOUSES - Mr. Bush reported there were funds of \$19,104.30 from program income available to demolish The Blue Room and other dilapidated houses. He asked the Commission to work with Mr. Hedstrom, giving The Blue Room top priority, in getting these buildings demolished and approve the use of these funds for demolition. Commissioner Sanders made a motion to approve the use of the program income funds for demolition of nuisance houses with priority given to The Blue Room. Commissioner Azula seconded the motion, which passed unopposed. Commissioner Brown said she just returned from an Affordable Housing Study Commission meeting who oversees the SHIP program. She said depending on what they were going to build on the property once it is cleared, there may be demolition money available from that program. She would like to invite a representative to speak to the Commission about the options available. They are going to send her some literature that she will share with the Commission.

ORDINANCE - The Clerk read an ordinance entitled **AN ORDINANCE OF THE CITY OF PALATKA, FLORIDA, ADOPTING AND ENACTING A NEW MUNICIPAL CODE FOR THE CITY OF PALATKA, FLORIDA; PROVIDING FOR THE REPEAL OF CERTAIN ORDINANCES NOT INCLUDED THEREIN; PROVIDING A PENALTY FOR THE VIOLATION THEREOF; PROVIDING FOR THE MANNER OF AMENDING SUCH CODE; AND PROVIDING AN EFFECTIVE DATE.** Commissioner Brown made a motion to place the ordinance on first reading. Commissioner Azula seconded the motion. Mr. Bush said the City's code had become dated and was full of outdated and conflicting ordinances. They have been working with the Municipal Code Corporation doing a recodification of the Code, which they have now received. It was noted that the enacting clause on the sample ordinance would need to be

changed to conform to the Code. Ms. Driggers said there are some corrections that need to be made and have been pencil corrected; those sections will be reprinted with the first supplement. There being no further discussion, the results of a roll call vote are as follows: Commissioners Azula, Brown, Edwards, Sanders and Mayor Smith, Yes; Nays, none. The ordinance was placed on first reading.

CDBG- CATF RECOMMENDATION - Mr. Bush said the CATF met on 2/9/99 and ranked proposals from four administrative firms who submitted bids on the Neighborhood N16 F/Y 99 grant. Fred Fox Enterprises was ranked highest and they are recommending the City award him a contract for the N16 grant administration. Commissioner Brown made a motion to award the N16 grant administration contract to Fred Fox Enterprises. Commissioner Azula seconded the motion, which passed unopposed. Mr. Bush said the CATF short-listed the engineering services proposals to three firms. They plan to interview them before the next meeting on 2/25; he will bring their recommendation back for Commission approval.

COMMISSIONER REPORTS:

Commissioner Brown said she had an opportunity to meet the new Secretary of Community Affairs. He was a county commissioner from Pinellas County and should be more receptive to local government needs. She spoke to him about the urban and rural revitalization plans.

Commissioner Sanders said Boyd Thompson from the ARC has provided signs for the Ride Solutions bus stops which the City agreed to erect. The bus line provides a much needed service for local transportation as well as transportation to Gainesville hospitals. The routes will be advertised in the newspaper, fliers and on cable T.V. service. Mayor Smith said they talked about putting a diagram of the route on the signpost. Mr. Bush said the bus times should be posted. Mayor Smith said some cities who encourage a viable bus system don't charge anything to ride the bus. If this bus line generates \$10,000 per year based on a \$1.00 fare, the City may want to think about subsidizing that fee directly to the bus line. This will fill up the bus, get cars off the street and free up parking. Commissioner Azula said he read they estimated they provide around 200,000 rides county-wide in a year. He believes that to be an excessively high estimate.

Commissioner Sanders said tonight the Commission denied the taxi-cab certificate variance, but he feels it needs further consideration. Businesses need to make money in order to provide a service. Mr. Williams has been in business for a long time; at one time there were two cab companies in town. Many of his customers got around in taxis; there was a person in E. Palatka who used to give rides into town for \$10.00 and took advantage of elderly people. Mr. Williams has three cabs; Yellow Cab has three cabs. Mr. Williams can also add cabs and put on promotions. The taxi business is a little different as it is regulated by City ordinance; the Commission has never looked at regulating fares, but could. Tonight the Commission had a difference of opinion, but he feels they are hindering business when they deny someone the means to promote their business. Commissioner Azula said they talked about giving this company time to

operate before coming back and asking for more cabs. He is a firm believer in free enterprise, but Mr. Williams was not planning on this competition six months ago. It takes time to buy another cab. They should reconsider his request in six months. This is too soon; the letter shows a pattern of promotions. Commissioner Sanders said Mr. Williams has an equal opportunity to do the same. People operate their businesses differently and may succeed or fail. He would like to see Mr. Williams succeed, but he needs to compete. Commissioner Brown said people tend to come in from outside and undercut existing businesses. Mr. Williams may not be able to do these things. Yellow Cab has businesses all over the place. He can still hold his promotion, but without the extra cars. Commissioner Sanders questioned the legality of controlling the competition. Mr. Hedstrom said before any taxi company can have any number of cars, the Commission must find a necessity in the community for that number of vehicles to service that need; the intent of the ordinance is there needs to be a finding of necessity of a greater need in order to increase the number of vehicles. Mayor Smith said he voted in favor of allowing the extra cab for the promotion was because Mr. Williams said he didn't care and was not opposed to the one week promotion. Every new business has some type of promotion. Mr. Williams said if they could charge less than he does and still make a living, then go do it, and this is why he voted the way he did.

Mayor Smith said the Riverfront Committee meets next Tuesday at 4:00 in the commission meeting room; this is an open meeting and everyone is encouraged to come. The monthly NEFLC meeting is next Thursday at Timuquana Country Club in Jacksonville.

Ms. Driggers said Celebrate! Putnam will have a meeting 7:00 on Tuesday evening in the commission meeting room. Everyone is encouraged to attend.

There being no further business, the meeting was adjourned.

CITY CLERK

MAYOR