

Proceedings of a regular meeting of the City Commission of the City of Palatka, Florida, held on the 24<sup>th</sup> day of May, 2001.

PRESENT:	Mayor	Karl N. Flagg
	Commissioner	Mary Lawson Brown
	Commissioner	Hernan Azula
	Commissioner	Ish Edwards
	Commissioner	James Norwood, Jr.

Also Present: City Manager Allen R. Bush, City Attorney Donald Holmes; City Clerk Betsy Jordan Driggers; Finance Director Ruby Williams; Police Chief Dick Schauland; Fire Chief Rudy Howard; Planning Director Adam Mengel; Main Street Manager Debbie Banks, Fire Capt. Randy Porter, Fire Lt. Mike Lambert, Fire Engineer Bill Dixon

INVOCATION – The Reverend Frederick Demps, Pastor; Calvary Baptist Church

PLEDGE OF ALLEGIANCE – Larry Beaton

APPROVAL OF MINUTES – 5/8/01 call; 5/10/01 workshop – Commissioner Norwood moved to approve the minutes as read. Commissioner Azula seconded the motion, which passed unopposed.

PUBLIC COMMENTS – Clint Snyder, 7300 Crill Avenue, speaking on behalf of the Conlee Mural Committee, said they had 10,000 of their new brochures printed back in September, and of those around 5,000 are in circulation. They were paid for by the bed tax revenues. Their goal is to commission 4 new large murals around the City, including panels on the Price Martin Center. One is of the old Central Academy High School circa 1925; the other will be of the Mellon High School, which sat on the present Courthouse parking lot site. He attended two seminars in Jacksonville last week on historic preservation. He will be going to the Florida Welcome Center tomorrow to promote tourism in Palatka and Putnam County.

PUBLIC RECOGNITION – Mayor Flagg presented a Distinguished Service Award to Hoyt Muir, the outgoing Chairman of the Palatka Housing Authority, for his years of service on that Board.

CONSENT AGENDA: - Staff Recommendations:

- a. Allow Blue Crab Festival the use of the City Hall parking lot for designated Handicapped Parking during festival.
- b. Authorize City Manager to execute EDA Grant Award No. 04-01-04748 Financial Assistance Award in the amount of \$637,000 for the development of the Putnam County Business Park
- c. Authorize Mayor and City Clerk to execute and attest SJRWMD Contract No. SE331AA for a grant in the amount of \$20,000 for the Stormwater Management Cost-Share Program
- d. Advertise Parking Lot Sales ordinance for public hearing June 28, 2001.
- e. Authorize execution of Subordination of City Utility Interests agreements & accompanying resolutions for utility easement running aside SR 20 between Corbett Road & Fraternal Avenue

Commissioner Brown moved to approve the consent agenda as recommended. Commissioner Edwards seconded the motion, which passed unopposed.

MURAL COMMITTEE PRESENTATION – Allegra Kitchens presented an artist's rendition of the new mural for the City Hall Annex. Terry Smith is the artist. The price is \$3,500. It depicts the corner of Reid & N. 2<sup>nd</sup> Streets circa early 1900's.

NOISE POLLUTION – Allegra Kitchens said she is a member of the police partnership, and the number one complaint they hear is about noise pollution from boom boxes. Currently the fine for loud boom boxes is \$41.00. Her presentation is as given in the Agenda Attachment she submitted (filed). She wants the City to ask the Legislature to introduce a bill changing the current statute making noise from boom boxes a moving

violation, with a fine in line with other moving violations, and to change the distance limit from 100 feet to 10 feet from the vehicle. She would like the same from the Florida League of Cities, and to ask other cities to send similar letters from their individual governments to their legislators. Per the question, Mr. Holmes said the City can pass its own ordinance, but can't convert the violation from non-moving to moving. That is something only the Legislature can do. They can try to make a violation punishable by prison, but the State's Attorney's office will have to commit to its enforcement. They can certainly increase the fine. Commissioner Brown said they need to send a resolution to the FLC resolution committee, so the League can discuss and adopt it and then proceed. Commissioner Azula moved to send a resolution to the FLC resolution committee asking them to petition the legislature for a bill to change the law making this a moving violation. Commissioner Norwood seconded the motion, and asked a copy be sent to the environmental committee for action. Commissioner Brown said she should also present this to the County for presentation to the Association of Counties. She will be happy to take a letter to the FLC Board of Directors. She suggested she also take it to the School Board. Ms. Kitchens said she will make the same presentation to the County. There being no further discussion, the motion passed.

Commissioner Edwards moved to direct the City Attorney to draft an ordinance raising the fine for boom box noise to \$100.00. Commissioner Azula seconded the motion, which passed unopposed.

**YELLOW CAB RATE INCREASE** – Charles Wellborn, owner, presented his proposed rate increase to the Commission. Yellow Cab has not had a rate increase since it commenced business in Putnam County. Last year, when he bought this business, he informed the Commission he would not seek a rate increase unless gas went above \$1.50/gallon, which it has been for some time. Taxi drivers are hit hardest by these increases. His proposal reduces the number of zones and raises prices by 50 cents now and another 50 cents if gas prices exceed \$1.80/gallon. All prices are based on a downtown origination. As you go out, fares are more expensive, since you have to drive there to pick up your fare. They are not metered. Rates are posted inside the vehicle. Most of their customers come from the north green zone. Commissioner Azula moved to approve the proposed rate increase for Yellow Cab of Putnam County. Commissioner Brown seconded the motion, which passed unopposed.

#### REPORTS:

a. Putnam County Historical Society Annual Report - Larry Beaton gave a history on the Bronson Mulholland House and Putnam Historic Museum, as well as a history of the Putnam County Historical Society's partnership with the City in maintaining and operating these historic properties. Meri-Lin MacGibbon read the report, as it is stated in the written report attached to the agenda (filed). They would like a letter of agreement stating that insurance payments on loss of contents claims be given over to the Society. They want the City to take out insurance specifically covering the contents as scheduled. She understands the contents are now insured for \$22,000. A 1995 appraisal estimates the contents to be worth around \$108,000. They feel this is conservative. The contents are not replaceable. Mr. Bush said he told Arlene that the City reviews its insurance coverage every year. If they get him an updated appraisal he will get with the insurance company on that issue. Mrs. MacGibbon said the six-year-old appraisal is held in the safe at City Hall and needs to be updated. The contents are photographed and catalogued. Mr. Bush said they have an understanding that any insurance payments on contents will go to the Society, but if they want that in writing, that can be done. Mayor Flagg said Mrs. MacGibbon should get her suggested wording to Mr. Bush so he can draw up a letter to come back to the Commission at a later date. Mrs. MacGibbon covered budget increases and maintenance. Their current budget is \$15,000, the bulk of which goes to utilities. They would also like budget funds for grant matches. They believe the fees for rentals should be increased. Commissioner Brown said they cannot raise the rent so high as to make it unaffordable. Those are public buildings. Mayor Flagg asked her to get the utility cost breakdowns and other estimates to Mr. Norton for discussion during the budget workshop. Per the question, Mrs. MacGibbon said Mr. Norton had already taken care of many of the general maintenance items listed. There is a lot of rotten wood that needs to be replaced. There is always grant funding, but that is never guaranteed. If they do not receive grant money, she hopes the Commission will

address these needs. Other request items are as listed in her report. Commissioner Norwood asked if there is someone living in the house that can take care of the minor repairs as part of living there. Mrs. MacGibbon said Mr. Jones lives there with the Docent, Mrs. Jones, but they are reluctant to ask him to do any dangerous repairs because of the liability. He is not a city employee. He does do some repairs. Commissioner Norwood said he has trouble with finding a “door latch replacement” on this list when there are people living in the house. Mrs. MacGibbon said the Docents are looked upon as the historical interpreters of the property. The Jones’ call Mr. Norton and advise him of what needs to be done on the property. The Docents are the employees of the City. Mr. Jones is not the employee; Mrs. Jones is. Mr. Bush said there is a document that spells out the Docent’s responsibilities. Re the handicapped access, Mr. Bush said Mr. Norton has plans for a handicapped ramp that his crew will construct. Mayor Flagg asked Mrs. MacGibbon to get with Mr. Bush and Mr. Norton on what they would like to have addressed during budget hearings. He asked Mr. Bush and Mr. Norton to furnish the Commission with a report addressing each item. He sees a pattern of reactive maintenance instead of proactive maintenance. He will be recommending they institute a preventative maintenance program so they will know what the City will do each year. They cannot depend solely on grants. Commissioner Brown asked what the Society contributes to the partnership. Mrs. MacGibbon said they donate thousands of hours to run the properties. Last year they re-worked three gardens and did some tree work. They have done conservation and re-worked the exhibits. They contributed \$4,000 the last time the City got a grant. They pay for publications relating to the property, monthly alarm system charge and telephone bill at the museum. Commissioner Brown suggested they search the Internet to see if there are any foundations concerned with historic preservation projects that might be interested in ‘adopting’ these properties. The Rural Development Council helps to research grants, and if they will contact her she will give them the name and number of a contact person. Commissioner Azula moved to instruct Mr. Bush to get with Mrs. MacGibbon to obtain exact cost figures on doing the recommended work and grant funding. Commissioner Brown seconded the motion. Mayor Flagg said Mrs. MacGibbon has already given the information to Mr. Bush, and at this time the proper individuals to address and evaluate where the dollars are needed are Mr. Bush and Mr. Norton. Then, they will have something to go back to the Society with. At this point, the Society is merely fulfilling their annual obligation and bringing the City “into the loop”. Mr. Bush said the City does not have a lot of extra money, and what they do, they do via grants. They try to structure the budget to let everyone get a turn at funding through historic preservation. Some of the work is very expensive. Mr. Norton has already addressed quite a few items on the list. The best way to address the major items is through a grant. The Commission will have to make the decision as to which entity gets the available funds and grant partnerships. Commissioner Azula withdrew his motion. Commissioner Brown withdrew her second and moved to direct Mr. Bush and Mr. Norton to come back to the Commission with a report on a course of action for these two buildings, and a priority schedule for all historic buildings and grant schedules. Commissioner Azula seconded the motion, which passed unopposed. Mrs. MacGibbon extended an invitation to the Commission to visit the properties and to hold a workshop there. Mayor Flagg said they must be cautious about Sunshine laws.

Louis Jones, Bronson-House Resident, said he constantly does maintenance work on the house and is happy to do it. One day Mrs. MacGibbon called him and asked what needs to be done in the house “right now” and he told her. The minor things along with several other items have been taken care of, and are a matter of routine and not left for someone else to do. There are many other things that were already taken care of and/or did not need to be done on that particular day. He voluntarily does this. They are not living there and letting the house go to ruin. Commissioner Azula said he can identify with Mr. Jones as his wife was a former docent, and he can attest it is no easy ride. It is a lot of work.

Commissioner Brown asked if Price Martin Center is included in any grants that are anticipated. Mr. Bush said it is not an historic building, but they do have a \$212,000 grant approved on the Depot and are working on another grant. Commissioner Brown said Price Martin needs some maintenance, also. Mr. Bush said the list he passed out is for information, and if they feel a property needs to be added please let him know.

b. Sexually Oriented Business Regulations – Don Holmes said his office has been moving forward on drafting an effective and defensible adult entertainment ordinance for the City of Palatka. They have drawn upon many resources and tried to take advantage of others' experiences with this issue, rather than trying to 're-invent the wheel.' They are probably 7-10 days away from providing the Commission with an ordinance that is at least a starting point. They have been working with a group from Arizona on this, as well as Duval County's ordinance, which was recently challenged and partially thrown out. He is also working with a member of Duval's general counsel's office, as they are also re-writing their ordinance. This will be a fairly comprehensive ordinance that the City will be able to successfully defend. This will be general in nature and will apply citywide. They are not looking to regulate any particular site or store. As stewards of public funds, they do not want to invite a fight they will ultimately lose. Mayor Flagg said they have received a lot of information on this from many different sources. What he is hearing is they cannot attack the primary effect, they have to deal with the secondary effects. This will be an extremely comprehensive ordinance, as well as lengthy. He hopes they will allow some latitude for Mr. Holmes to do his work. They also need to bring the County in on the ground level on this so the regulations will be applicable throughout Putnam County. Commissioner Norwood said he would like to see stiff fines built in so they can regulate these activities and achieve 100% compliance. Per the question, Mr. Mengel said there is some contracted work being done on the old Clock Restaurant, much the same as any other building that would want to open for occupancy in the City. The building will have to be inspected for safety before it can open. There are two signs on the property that will both have to be removed. One is a sign placed by a party objecting to the use; the other is a sign put up by the tenant. He believes the building is on a private well and septic. Commissioner Azula said he was told they were using water from a property next door. Mr. Mengel said they will be required to connect to City utilities. He does not know why the Clock Restaurant was not on city water & sewer, but the building probably pre-dates the availability. Mayor Flagg said the meeting for first reading and public hearing of the ordinance will be based on Mr. Holmes' timetable. If it does not fall into the regular time frame of their meetings, they may have to call a meeting to address it. Commissioner Edwards said he would like to move forward on this as quickly as possible. Mr. Holmes said the ordinance they are putting together will not address that specific location, as it would be ruled discriminatory. He will not even be discussing that particular site. This will address a general, comprehensive, defensible ordinance regulating sexually oriented businesses in the City of Palatka. Mayor Flagg said they should distinguish between a certificate of occupancy and occupational license. They do not need to be discriminatory in what they are doing. Just because they do not want a business, it does not make it unconstitutional.

Rev. Ted Rodda, Pastor, Living Faith Church, 2017 Oak Street, said at the previous meeting a question was raised as to whether or not a theater usage met zoning requirements for a conditional use. He asked if the proper procedures have been followed to grant that. He appreciates the work on the ordinance, but wants to be certain they have done all they can to prevent this business from opening if they have not obtained all the necessary permits. This business should have to follow procedure. Mayor Flagg said that was his point in determining the difference between occupational license and certificate of occupancy. The license hinges more on payment of a fee based on the type of business. The certificate of occupancy will include any non-conforming use that is prohibited based on zoning. The City is prepared to deal with that when it comes, but tonight they are not speaking about that specific location. The Planning Director has been instructed to make sure they meet all requirements for the uses they have proposed. Rev. Rodda said his sign says he is opening soon.

Rev. Ray Willis, Pastor, Abundant Life Ministries, said he appeared before the County Commissioners this week, who are ready to deal with this issue. He wants to stress that if they have the same ordinance as the county and other municipalities within the county, they all have a stake in what happens if Palatka's ordinance is challenged, as it becomes their fight, also. They all need to work together. It is his understanding that once this ordinance is in place, they can give a moratorium on compliance to existing businesses. Mr. Holmes said moratoriums in general are looked upon with suspicion by the courts, but portions of any comprehensive ordinance will be applicable to not only new businesses but also existing businesses, and they intend to take advantage of whatever

freedom the court gives them to apply it to existing businesses. Rev. Rodda said this has been done before and was unsuccessfully challenged. Mayor Flagg said they can set a time frame to come into compliance, and there will be certain areas they will have to comply with, which will be spelled out in the ordinance.

PROPERTY AT 906 N. 10<sup>TH</sup> STREET – Mr. & Mrs. Hendrith, who would like the City to deed over the property to them for improvements and maintenance, came in to answer questions per the Commission's request from the 5/10/01 meeting. Mr. Hendrith said they plan to connect their house at 904 N. 10<sup>th</sup> Street to this house to make one large dwelling. Mayor Flagg said the Commission is concerned with whether or not they have the resources available to make the improvements within a timely manner. They do not want to transfer the code violation from one owner to another. The code issues need to be addressed. Per the question, Debbie Banks said if the property is deeded to them they can pull the building permit as an owner-builder with signed, sealed drawings. Per the question, the Hendrith's have a complete idea of what this entails and what their time frame will be. Mrs. Banks said any permit can be extended as long as they can show that work is being done and they call for inspections. Commissioner Brown said Mrs. Pellicer has been working on her property for seven or eight years. If this will get the property back on the tax rolls and upgrade the neighborhood, she is all for it. Per the question, the Hendrith's are aware they will be paying all closing costs. Commissioner Brown moved to deed the property at 906 N. 10<sup>th</sup> Street to Mr. & Mrs. Hendrith. Commissioner Azula seconded the motion, which passed. unopposed.

CHIEF OF FIRE & POLICE SELECTION – Commissioner Azula moved to adopt Appendix 20 to the City of Palatka Personnel Rules & Regulations entitled "Selection of Fire and Police Chief" as presented. Commissioner Edwards seconded the motion. Mayor Flagg said he has heard nothing but positive things about this process. Commissioner Brown said she will settle for these two, but would like to see this apply to the City Attorney, also, and would like them to think about adding that position to this procedure. There being no further discussion, the motion passed unopposed.

GREEN BOOK COMMITTEE, HISTORIC PRESERVATION BOARD & ADDITION OF APPLICATION FEE – Mr. Mengel said he attended the annual meeting of the Florida Trust for Historic Preservation and the Certified Local Government training. There he learned that they should be advertising requests for certificates of appropriateness, since this becomes in effect a property rights issue. He would like the Commission to institute a fee of \$85.00 for requests for certificates of appropriateness. He would also like some direction on the Green Book revision. Commissioner Brown said he earlier informed them that if they change it, it may nullify everything that board has done up until now. Mr. Mengel said the legislature says if a municipality changes an ordinance, then the person who is aggrieved by the change can challenge the change due to its adverse affect, or could construe it as a 'taking' which would pose adverse liability for the City. It would open the door to challenges. The opinion of the attorney is if the challenger prevails, the municipality would end up paying them money, but if you win it, you don't win anything. It's an empty victory. If the challenger wins and the City is forced to compensate the owner, the city would take title to the land and then own a house. There is a good and bad side to this. Commissioner Norwood asked what the Committee's recommendation is, if any. Mr. Mengel said the Green Book is not user-friendly, and specific homes in specific areas should be given consideration. They recommended setting site-specific standards instead of district-wide standards. They submitted a report, which he distributed to the Commission earlier. Commissioner Brown said it is difficult and expensive to replace things with historic materials. Some people are in those districts not by choice, and were there long before the districts were in place. They want the houses kept up, but not to the point of ridiculousness. People should be comfortable in their homes. Mr. Mengel said the replacement provisions include 'readily available, financially feasible' clauses. There are 'purists' in that area who are collecting historic materials wherever they can, emphasizing craftsmanship over utility, and they expect their neighbors to do the same. They have a much different picture of what it means to own a historic home. Mr. Bush said the Green Book does give some latitude. Commissioner Azula said what strikes him more than anything else is that neighbors feud with neighbors over these issues. This was very evident in the meeting about a simple fence, which made the house look better. He believes in restoring

things, but sometimes it is not practical. Mayor Flagg said they need to separate personality issues from what is reasonable and fair, which is why it is important for the Commission to be aware of what these boards are doing. Per the question, Mr. Mengel said there has not been a commission workshop on this. Commissioner Azula said he would like to hear what the Board has to say about the changes. Mayor Flagg said there are a lot of issues here, and one thing he hears over and over from citizens is where is the common sense application to the ordinance? Sometimes staff is put on the spot on these things, but they do need to play a greater role in directing boards. Mr. Mengel said if they seek the Certified Local Government designation, it will bring a higher level of professionalism to the boards. Staff will still have a very definite and specific advisory role. Mr. Bush said he and Mayor Flagg heard that presentation, and he would like to bring the speaker in to address the Commission. Mr. Bush asked Mr. Mengel to contact her about when she will be available to speak to the Commission.

Mr. Mengel said the Clerk has advertised openings on the Historic Preservation Board. Ms. Driggers said she advertised five seats; one each for the North & South Historic District resident, and one each individuals with building contractor, architectural or legal expertise. Mae Adams can't be replaced, since the Beautification Council is now defunct. The ordinance should be changed to delete that position. Mr. Mengel said they have held off on that until they decide what revisions they want to make to that Board, if any. Per the question, Mr. Mengel will bring the fee structure back to the Commission at a later date. The \$85.00 fee reflects the actual cost of advertising.

APPOINTMENT – Code Enforcement Board – Commissioner Azula moved to appoint Kenneth Campbell to fill the unexpired term of Ben Bates on the Code Enforcement Board, term to expire September, 2001. Commissioner Brown seconded the motion. Commissioner Edwards asked why they ask for a date of voter registration, pointing out that Mr. Campbell did not fill that in. Mrs. Driggers said some positions require you to be a qualified voter of the City. Commissioner Brown said most people don't remember when they registered to vote. Commission Norwood said these applications should be checked for completeness. Commissioner Brown said these people should come to the meeting for these appointments so they can answer questions. Mrs. Banks said voter registration is not required for this board. Mayor Flagg said the application itself needs to be enhanced and on city letterhead. The voter registration should be a yes or no question. Commissioner Norwood said if the question does not need to be on the application, it should be removed. Mayor Flagg said the applications should be date-stamped, and compliance should be acknowledged. There being no further discussion, the motion passed unopposed. Mayor Flagg asked the Clerk to have applicants appear in person.

APPLICATION FOR STREET CLOSING – a portion of Dunham & 14<sup>th</sup> Streets – Mr. Bush said the Planning Board has concerns regarding access to lots along the closing. This section has not been paved. When closing a street, the property is divided equally between property owners on either side. The portions of Dunham would go to the property owners, while the City retains a utility easement and an easement for ingress & egress along the north half. This does not set a precedent. Commissioner Norwood said he would abstain from voting, as he is a member of this church. Commissioner Azula moved to direct Mr. Bush to give direction to the Planning Board and advise them the Commission supports the closing. Commissioner Brown seconded the motion. Mr. Mengel said he will provide a copy of Mr. Bush's memo to the Planning Board along with the Commission's declaration of support for the closing. There being no further discussion, the motion passed, four in favor, one abstention by Commissioner Norwood.

FIREFIGHTERS' PENSION ORDINANCE REVISION – Mike Lambert, Palatka Fire Pension Board Chairman, said the proposed ordinance (filed) covers the issues they discussed during the workshop held on 5/10/01. He would like the Commission to place the ordinance on first reading. Commissioner Azula moved to schedule the ordinance for first reading and public hearing as presented. The motion died for lack of a second. Mr. Bush said there are six points of change being requested, per Bonni Jensen's memorandum, and he asked they take them each independently.

1. Amend definition of final average compensation to include lost time under worker comp. – Mr. Bush said he went over these issues in the workshop and hopes the Commission has had time to review them. The policy has always been to exclude

time for worker comp absences. This is not unusual; other cities do it. There have been people out for as long as 15 years, and those individuals would qualify for a pension. Some cities have adopted a policy of removing people from the payroll at the end of one year, and put them at the top of their re-hire list when they are again fit for duty. Mayor Flagg asked how it can happen that people are out that long on worker's comp. Mr. Lambert said it is not normal for people to be out that long. The state counts this time for their employees. The Plan is sound enough to provide this benefit. Commissioner Brown said employees should not lose time due to being hurt on the job. Mr. Lambert said the employee would pay their portion of pension benefits each week like they were working. The actuary already figures this assumption in. It is a moot point. He has never heard of anyone being out for 15 years. That is not how worker's comp works. Mr. Bush said the City has had an employee out for that long. Mr. Bush said when an individual goes out on worker's comp, you cannot take away those benefits, but you can remove the employee from the payroll if the absence is lengthy, and if and when the doctor declares him fit for duty, he can get in line for the first available opening. Commissioner Azula asked what the present or foreseeable cost to the City would be if adopted. Mr. Lambert said there will never be any cost. Mr. Bush said employees are allowed to purchase up to six months of pension time while on worker comp absences. If that is made unlimited, the fund will be affected. The cost will come in through additional pension benefits paid to the employee. The City will have to pay its share along with the employee. Commissioners Azula and Brown said the City has not had to contribute to this fund for the last 10 or 11 years. Mr. Bush said the City has already made the contribution. This is a defined benefit plan, not defined contribution. It gets money from three sources: employee contributions, 175 funds, and city contributions. The money already in the fund came from those three sources. Commissioner Azula said he wants an exact dollar amount of how much money the City has contributed to this fund. It has contributed nothing over the last 10 or 11 years. Mr. Bush said a defined benefit plan means the city guarantees a certain benefit to its employees, and must contribute sufficient funds to keep the plan actuarially sound and ensure it can meet the benefits. The City does not have to contribute at this time. If the money were not there, the City would have to contribute whatever funds are deemed necessary to guarantee the benefit. Commissioner Brown said when the fire-rescue split came about, the Fire Department was left with a cushion. The City has not had to donate any money to that fund for this length of time. If a firefighter is out and the fund has sufficient money to take care of it, they should not have a problem with granting those benefits. They can add a stipulation that if the fund ever goes into default, they can readdress the benefit. Mr. Bush said it is hard to take away benefits already granted. Mr. Holmes said he is not sure he understands whether Mr. Foster is paid by and serves the fund, and whether or not the fund is a separate entity. Mr. Bush said he serves the fund. Mr. Holmes said since they are dealing with an area that requires expertise, it may be feasible to ask for an independent actuarial study. Mr. Bush said that is not necessary; the fund contains excess funds. The point he is trying to make is the overfunding is the City's money, which ensures the City can keep its zero contribution status for some time to come. Mr. Holmes said it is the actuary's job to say whether there is enough money in the fund to fund these benefits over the life of its members. If the City does not have total faith that it will be able to pay these benefits in the future without having to pay out a lot of money, it may be feasible to ask someone else for an evaluation. Mr. Bush said it is the actuary's job to determine the City's contribution, and right now it is zero. All the City has to guarantee is the benefit. Mr. Holmes said if the issue is one of principal, then he can understand that, but if it is money, you either accept what the actuary says as correct or you don't. Mr. Bush said it is a matter of principal. Commissioner Edwards said Ward Foster represents all the funds, so we should trust him. Commissioner Azula moved to entertain a proposal to amend the ordinance revising the definition of final average compensation to allow pension time accrued for worker comp absences. Commissioner Brown seconded the motion, and said sometimes things they do come back to haunt them. She asked if they can put anything in writing that allows reversal of these extra benefits should they prove to be expensive. Mr. Bush said what the firefighters are trying to do is change their plan from a defined benefit plan to a defined contribution plan, without actually having to change the plan document itself. He recommends the Commission instruct them to revise their ordinance to go to a

- defined contribution plan so they can buy these extra benefits, but the City will be limited as to what it will have to contribute. Mr. Lambert said they are not asking for this just for firefighters, but for all city employees, since the actuary is making those assumptions already on all three plans. This cost is already being calculated in. The City can change the ordinance removing these benefits at any time if they prove to be too expensive. Commissioner Norwood said if they grant this ordinance, he wants to see that all employees are included. Mayor Flagg said the Commission is charged with seeing to that, not the firefighters. The legal counsel still has to draft an ordinance for first reading. This entire discussion is limited only to the firefighters' plan. Mr. Holmes said tonight's vote is strictly reserved to their feelings tonight, and they might be better served to go ahead and put a draft ordinance together to bring back for public hearing and adoption. Mayor Flagg said Mr. Bush has asked they discuss each section to get a feel for the issues. Mr. Bush said they have presented a proposed ordinance, which is included in the agenda, but it is not up on public hearing or reading tonight. There being no further discussion, the motion passed unopposed.
2. Twenty-five and out retirement – Mr. Bush said he does not see this as a great expense, but in the interest of fairness, this should be extended to all employees. Commissioner Norwood moved to entertain a proposal to amend the Firefighters' Pension Plan to provide for a "twenty-five and out" retirement benefit. Commissioner Azula seconded the motion, which passed unopposed. Mr. Lambert said they have included an ordinance for adoption, which Mr. Holmes can approve or disapprove. They do want a vote to advertise this ordinance for public hearing and first reading. Mayor Flagg said the Commission has decided to take this step by step, and when they are done, they can entertain a motion to have the City Attorney draw up an ordinance for public hearing and first reading. Mr. Holmes asked if the Commission believes they are changing their ordinance tonight; Mayor Flagg said they do not, but instead are taking these issues one at a time. for discussion.
  3. Increasing fixed multiplier to 3.5% and permitting additional increases as 175 monies increase – Mr. Bush said since 1999 the 175 & 185 monies are intended to provide additional benefits to firefighters and police per statutory revisions. Chapter 175 funds currently elevate firefighters' multiplier to 3.1%, of which 2.25% the city guarantees plus an extra benefit of .80% paid for by Chapter funds. They now want the City to provide additional benefits to the 175 money sufficient to raise their multiplier to 3.5%. They want these benefits funded from the surplus monies paid into the fund to cover the liability of the employees who left the City when the fire/rescue split occurred. Under a defined benefit plan, this excess money is the City's to use, not the employees'. It is now being used to offset city contributions. The City only guarantees the 2.25% multiplier, and the Pension Board is under no obligation to provide anything over that. State chapter funds provide the additional .80% benefit. If they wish to change the benefit, they should change their plan to a defined contribution plan to fit their request, so their plan will pay their members what the funds in the plan can afford, whether 3.5% multiplier or higher. They can negotiate the amount of the City contribution in their collective bargaining contract. This is his recommendation to the Commission. To do otherwise would be to raise the City's defined benefit to 2.65%, instead of the 2.25% all other employees received, while the Chapter 175 money makes up the difference. The other scenario is to change the benefit to 3.5% fixed, regardless of what the Chapter money will buy, and this is what they are asking for. This would elevate their pension above any he is aware of, and in time the City would be required to contribute heavily. Looking at the latest NFPA action, the future is uncertain and it could happen sooner than later. It also sends a message to all other city employees that firefighters' interests are regarded above their own. The Legislature has already raised the status of public safety employees above that of general employees, as far as pension benefits are concerned. In other words, if they want to treat it like a defined contribution plan, they should make it a defined contribution plan. Mr. Lambert said the fund is overfunded. The issues are (1) whether or not the plan can afford to pay higher benefits or (2) whether or not it is fair to other employees. The money is there; even if they don't get 175 money this plan can still fund these extra benefits. He distributed a chart showing what contributions have been made from what source. He said for the last 17 years Chapter funds have been deposited at a net of 27.1% of the total funds. Another large portion is employee contributions of 5%, compared to the

- Chapter contribution of 6%. They contribute well over 50% that is not city money. Prior to 1992 the County contributed for 2/3 of the employees, and those are the employees they lost. The city was reimbursed for those contributions. Prior to 1987 the City used 175 funds to offset their contribution. The actuary says there will never be any cost to the city for any of these benefits, for as far as he can see. If the issue is money, there is no cost. They can change this ordinance at will if it proves to be too expensive. When it comes to what is fair, the Commission is like parents with three children: firefighters, police and general employees. There is a certain amount of money in each fund. Each board has been entrusted to do the right thing with their funds, and that is what they are trying to do. The Police want a COLA. They want health insurance. Every Board should be allowed to do what they can with their plan. That is the Commission doing their duty. Commissioner Azula moved to entertain an amendment to the firefighters' pension plan to fix the multiplier at 3.5%. Commissioner Norwood seconded the motion. Mr. Bush said the rescue employees were City employees in the City pension fund. The City was reimbursed for that. If the 175 Chapter money is so great, why can't it pay the difference up to 3.5%? Why does the City have to use the overfunding to guarantee a fixed benefit of 3.5%? When it becomes a defined benefit, it will be extremely difficult for the Commission to reverse this in 10 or 15 years when they have to pay the piper. Commissioner Brown said she thought that was where the money was coming from. Mr. Bush said it might or might not. The City may be required to add on additional firefighter personnel, and as people retire and new people come on, the numbers change. Commissioner Norwood said this is the first he heard that the County made contributions. Mr. Bush said the County reimbursed the City for the rescue employees salaries, group health insurance, and pension payments. The City held the liability, but the City was reimbursed because those employees ran rescue in the county. Commissioner Norwood asked what amount the City will actually be guaranteeing. Mr. Bush said they are asking the taxpayers to guarantee the 3.5%. Mr. Lambert said they can either believe the actuary when he says the plan can handle it, or not. He says they are so overfunded they can do a lot more, but they want to stay conservative. There being no further discussion, the motion passed unopposed.
4. Add the "10 years certain and life" payment option – Mr. Bush said this will have no significant impact on the fund. Commissioner Edwards moved to entertain an ordinance revising the firefighters' retirement plan adding the 10-years certain and life payment option. Commissioner Brown seconded the motion, which passed unopposed.
  5. Raise the duty disability benefit from 45% to 65% of final average compensation – Mr. Bush said the Chapter 175 statute requires a 42% duty disability rate, and the current plan exceeds that by granting 45%. Commissioner Brown asked if the money to pay for this benefit also comes from their Chapter funds. Mr. Bush said it will come from the fund's assets. Commissioner Azula moved to entertain an ordinance revising the firefighters' pension retirement plan to raise the duty disability benefit from 45% of FAC to 65% of FAC. Commissioner Edwards seconded the motion, which passed unopposed.
  6. Add a Deferred Retirement Option Plan (DROP) – Mr. Bush said he sees no significant impact to the plan. Commissioner Azula moved to entertain an ordinance revising the firefighters' pension plan to add a DROP provision benefit. Commissioner Edwards seconded the motion, which passed unopposed.

Mayor Flagg said these actions simply mean the proposed amendment to the pension plan will be presented in the form of an ordinance, which Mr. Holmes is now being directed to prepare, and should be advertised for public hearing and first reading. He asked Mrs. Driggers for an estimated time for public hearing, who replied that depends on the summer schedule the Commission adopts tonight. Mr. Lambert said their attorney has already drawn up an ordinance. Mayor Flagg said Mr. Holmes will be reviewing this ordinance, and if he has any questions, they will so advise. Mr. Lambert will be informed of the dates of first and second reading.

Bill Dixon, firefighter, said this money is what they have put into their plan, and what the state has contributed, and their fund is overfunded. He feels like Mr. Bush is taking this personally and is against the firefighters. They have earned these benefits and this is fair. Many of these benefits should be granted to all employees. Mr. Bush said what they have

requested is to take their plan and changed it to a defined contribution plan without having to actually switch the plan over. It is a matter of principle.

**ADOPT SUMMER MEETING SCHEDULE** – After discussion, the summer meeting schedule was set as follows, upon a motion by Commissioner Azula, seconded by Commissioner Edwards, and passed unopposed:

- June 19, 2001 – regular meeting
- July 10, 2001, 10:00 a.m. – budget workshop
- July 12, 2001 – regular meeting
- August 16, 2001 – regular meeting

Commissioner Brown said on July 13 the Florida League of Cities is opening their new building in Tallahassee. She will get the information and put it in their boxes. She cannot make the meeting on July 12 as she has an insurance trust meeting in Orlando.

Commissioner Brown said she has been receiving a lot of complaints about prostitution, and asked if they can not only pick up the prostitute but also the ‘john’ and publish their name and photo in the newspaper as well as the prostitutes.

Chief Schauland said when you are using an undercover officer to do a reverse sting, you cannot pick up many johns before you are done. The same applies to a regular sting. The problem has grown to epic proportions and they have been working on this. They have put their extra manpower on the Gold Club and have just about got that under control. In fact the owners of the Gold Club have hired security to help keep things under control. They will take the extra officers and provide a visible presence to run the offenders off. Unfortunately, when they run them off from one place, they end up in another.

#### ADMINISTRATIVE REPORTS:

Chief Schauland said this weekend they are beginning a seat-belt enforcement drive known as “click-it or ticket”. They are targeting seat belt & infant seat infractions and DUI’s. Last year in Florida 43 deaths were reported over the Memorial Day weekend; of those 33 were not wearing seat belts and 35% involved alcohol.

Adam Mengel said Debbie Banks has received a scholarship to attend the Code Enforcement Conference in Daytona. Joff Fillion and Debbie Banks both passed their level 3 base certifications, which means they have attained their highest levels of certification. Mayor Flagg asked him to prepare a press release. Mr. Mengel said they have a newly acquired code enforcement vehicle, which is Officer Fells’ old vehicle.

Chief Howard said on Tuesday the Putnam County BOCC passed a resolution for a burn ban, and he would like the Commission to make a motion for concurrence. Mr. Bush and Mayor Flagg said they could extend the burn ban they passed earlier this year.

#### COMMISSIONER COMMENTS:

Commissioner Brown:

- Said she would like for the City purchase embroidered polo shirts for the Commissioners. She asked for permission to get with Ms. Driggers to choose style and colors. Mr. Mengel said they are working with the PD now on a logo and she can get with him tomorrow. Mayor Flagg asked them to work it out with Mr. Bush
- Said she noticed the hotels are overcrowded and people are having to book out-of-town rooms for Crab Festival. They need to try to encourage another hotel to locate in Palatka.
- Said Chief Schauland has done an exceptional job with the PD and would like to find a way to honor him.

Commissioner Azula:

- Asked if they have been insuring the contents of the Bronson-Mulholland House, and how much it costs. The contents do not even belong to the City. He would like to have that information for the budget workshop. The City does a lot of things for these organizations that people don’t realize, and they keep asking for more.

Commissioner Norwood:

- Said no one seems to know what the Bronson-Mulholland House Docent's duties are. Mr. Bush said they are spelled out in an agreement. There has been some controversy in the Historical Society with wanting to change some of her duties, and make her answerable to them. He sat down with all the parties about six months ago and worked out an agreement which all three parties signed.

Mayor Flagg:

- Thanked all those on the City staff who donated blood and bailed him out of "jail" during the Blood Drive.
- He would like to deal with 911 Addressing on a future agenda. They are still having a problem with achieving compliance. Mr. Bush said the Fire Department had undertaken this as a project. Capt. Randy Porter, Firefighter, said they made up a brochure they were passing out when they did their smoke detector drive. The brochure explained the ordinance and let people know they could be fined for non-compliance, and also let people know they would assist in putting the numbers up. They had no takers on the offer. Mr. Bush said as he understood it, the Fire Department was going to go into targeted clean-up areas, and go door to door with stick-on numbers for homes that were not in compliance. Capt. Porter said one of the biggest areas of non-compliance is the housing authority units. They have an apartment number, but no street address number. They have spoken to the Housing Authority about this, and they have promised to address it, but haven't. Mayor Flagg said the City should send them a letter giving them official notification that this is creating a safety hazard. Mr. Porter said another problem with the Housing Authority units is that over on Campbell street there is a 'horseshoe shaped' conglomeration of units there, and whenever they receive a call, no matter what unit it is, it is paged out as 2600 Campbell Street. Some of these units face Glance Street, or Cecille Street, or whatever street the unit happens to face. The only way they have of determining the unit is by the apartment number. It is confusing. Mayor Flagg said there is a problem there. In the letter the City should request that they apply for 911 addressing that reflects the specific location. Mr. Bush directed Chief Howard to get with the Fire Marshall to draft a letter and approach the Housing Authority about these concerns. Mr. Porter said both Chief Howard and Fire Marshall Holley have gone to the Housing Authority about this, and were told those were the given addresses. Even if they were given a letter address for the apartment houses, they would know better which way to go.

Capt. Porter asked the Commission if there is any way they could do something with the old 1927 engine at the station. The motor is shot, there is a hole in the block, and the chances of repairing it enough to use in parades are slim unless they luck up on another motor. This engine has played a big part in Palatka's history, and actually acted as the main pumper for the entire Palatka water system for about 15 days during the 1950's, when the main pump went down. It could be aesthetically restored and put in a glass enclosure either at the Old Water Works or the Bronson House for display. Mr. Bush and Mayor Flagg said that would be a good project for the Firefighters. They should contact the newspaper and see if they can get some local funding to accomplish that. Commissioner Azula said the Azalea City Cruisers have expressed a desire to restore the vehicle to its original condition, and take it to the once-a-month cruise-ins they attend.

Commissioner Norwood said he happened to be riding in a fire engine the other day, and while passing through two intersections vehicles were just not yielding the right-of-way to rescue vehicles. Chief Schauland said the police units experience the same problem.

There being no further business to discuss, the meeting was adjourned upon a motion by Commissioner Brown, seconded by Commissioner Edwards.