

CITY OF ST. AUGUSTINE

Special City Commission Meeting  
September 23, 2004

The City Commission met in a formal session Monday, September 23, 2004, at 5:05 p.m. in the Alcazar meeting room at City Hall. The meeting was called to order by Mayor Gardner, and the following were present:

**1. Roll Call:**

George Gardner, Mayor/City Commissioner  
Susan Burk, City Commissioner  
Errol D. Jones, City Commissioner  
William Lennon, City Commissioner  
Donald A. Crichlow, City Commissioner

William B. Harriss, City Manager  
James P. Wilson, City Attorney  
Martha V. (Nell) Porter, City Clerk  
Timothy A. Burchfield, Chief Administrative Officer  
John Regan, Chief Operations Officer  
Robert Leetch, Director of Utilities  
Mark Litzinger, City Comptroller  
Mark Simpson, Financial Services Group Manager  
Jason Sheffield, Administrative Services Group Manager  
William H. Harding, Director, Public Works  
David Shoar, Police Chief  
Paul K. Williamson, Director, Public Affairs  
Karen Rogers, Recording Secretary

Non Agenda Item – Hurricane Frances

William H. Harding, Director, Public Works, stated that the City had been prepared for debris removal before the hurricane had hit. He said that immediately following the storm they went to work with the help of the utility employees. He said that they used approximately 100 personnel, 4-5 backhoes, numerous dump trucks, roll off containers, chainsaws and solid waste trucks for the cleanup efforts. He said that their main goal had been to clean the thoroughfares and right-of-ways, after which they moved into the neighborhoods. He said that to date everything north of King Street had been gone over twice, but they anticipated more debris piles. He said that they were 90% complete with the second go around on the Anastasia Island, but they would be done the following day. He said

that currently they were working on the second go round in Lincolnville. He stated that to date they had hauled over 1,000 tons of debris and they predicted that by completion they would remove approximately 1,300 tons of material. He said that cleanup in the older areas of the City had been slower due to downed power lines from falling trees. He said that by Wednesday of the following week the cleanup effort should be complete.

Commissioner Lennon questioned the number of man hours, and the response was approximately 15,000.

Mayor Gardner questioned whether there was any comparison to other cleanups.

Mr. Harding said that it was the most extensive one that he had been involved with. He said that when Hurricane

Gabriel hit they had removed 300 tons of debris.

The consensus was that the crews had done a good job.

Commissioner Crichlow said that the County had said that there was no comparison in history for the amount of debris resulting from the storm. He added that the County had hired three independent contractors for assistance. He said the City had benefited from the Utility Department manpower. He noted that there were no priority areas for the cleanup.

**2. Public Hearing – Resolution 2004-24, establishing the tentative millage rate for the FY 2004/2005 Budget.**

Mark Litzinger, City Comptroller, stated that the meeting would have two public hearings for the tentative millage rate and the proposed budget ordinance. He said that staff and the Commission would have discussions for two first reading ordinances regarding utilities and solid waste and a resolution pertinent to the marina. He said that following that business they would adjourn and reopen the meeting regarding a resolution for the Community Redevelopment Agency.

Mayor Gardner noted that they would have public hearing for everything at one time.

Mr. Litzinger stated that staff was pleased to bring a balanced budget with no millage increase to the Commission. He said that the current roll-back rate was 6.073 mills and the tentative millage for the 2004/2005 budget year was 6.6 mills, which equated to an 8.68% increase over the roll-back rate. He said that the additional revenue from ad valorem taxes would be used for

increased health and liability insurance premiums, City facility improvements, general wage and benefit increases and Commission approved increased levels of service. He said that would be the 10<sup>th</sup> annual consecutive year that the City had either dropped or kept the millage constant.

Mayor Gardner opened the public hearing.

Hank Whetstone, 400 Old Quarry Road, expressed concern that since 1985 the City had gone from spending 1.1 million in ad valorem taxes to approximately 6.6 million and the real dollar burden was increasing annually. He said that homes were being dramatically assessed upwards of 3% annually; therefore, holding the millage constant still resulted in more tax dollars out of the taxpayer's pocket. He suggested working together to lower the difference between municipal service costs for those within City limits verses those outside of the City limits. He said that according to his calculation the 2003 tax bill for municipal services, excluding the cost of schools, mosquito control, water management and the airport, the cost for City citizens was 76% higher than for those outside of City limits. He encouraged the Commission to find a way to reduce the budget, and the total take of taxes from citizens.

Mayor Gardner closed the public hearing.

Commissioner Lennon stated that according to the minutes from the prior budget meeting there was a \$140,000 surplus, and he wanted to know how much that amount of money could reduce millage rate.

Mr. Litzinger replied that a tenth of mill was worth \$102,000, which would be approximately 6.4 mills.

Commissioner Lennon questioned whether anyone wanted to reduce the millage.

Mr. Litzinger stated that it had been an option at the previous meeting, but the Commissioners had not entertained the option.

### **MOTION**

**Commissioner Lennon MOVED to use the \$140,000 to lower the millage rate. The motion FAILED for lack of a second.**

Mr. Harriss noted that the motion would eliminate everything on the wish list.

Mayor Gardner stated that the Commission had gone over the matter at the first budget workshop with public input. He said that it was unfortunate that Commissioner Lennon had been unable to attend.

Commissioner Burk read all the items that would be eliminated.

Commissioner Lennon questioned whether they would really have to eliminate the street repair.

Mr. Litzinger stated that they would unless they took the money from something else.

Commissioner Lennon questioned whether the brick street repair was in the 15-year plan.

Mr. Harriss replied that there was no money for it. He said that the previous year the Commissioners had allotted \$15,000 for brick streets, and they added more money through the 2004/2005

wish list, but the regular budget did not include money for brick street restoration. He noted that there was only money for asphalt street repair, but none of the streets in the historic areas were proposed to be asphalted.

Commissioner Lennon questioned whether there was a timeline for brick repair on St. George and Charlotte Streets and whether they were a part of the 15-year process.

Mr. Harriss replied that he was not sure what the 15-year process was.

Commissioner Lennon replied that it was about maintaining roads and replacing utilities.

Mr. Harriss replied that there was no money scheduled or allocated for those streets. He said that there was money set aside for asphalt resurfacing. He said that the discussion had been about brick streets and coquina repairs.

Commissioner Lennon again questioned whether there was any plan for street repair and utilities for St. George and Charlotte Streets.

Mr. Harriss replied not without additional money from somewhere. He said that there was money for the area of Charlotte Street from Treasury to Hypolita Streets once the Monson construction was complete.

### **MOTION**

**Commissioner Burk MOVED to approve Resolution 2004-24 establishing the tentative millage rate for the 2004/2005 budget and read in its entirety. Commissioner Jones SECONDED the motion.**

Mr. Wilson read the title as follows:

RESOLUTION 2004-24

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF ST. AUGUSTINE, FLORIDA, ADOPTING THE TENTATIVE LEVY OF AD VALOREM TAXES FOR FISCAL YEAR 2004-2005.

WHEREAS, the City Commission of the City of St. Augustine, Florida, has conducted a public hearing on its final millage rate of 6.6000 mills and has determined its rolled back rate is 6.073 mills, as required by Florida Statutes 200.065.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of St. Augustine, Florida, that:

1. The Fiscal Year 2004-2005 tentative millage rate of the City of St. Augustine, Florida, is 6.6000 mills, which is greater than the rolled-back rate of 6.073 mills by 8.68 percent.

**ADOPTED** at a special meeting of the City Commission of the City of St. Augustine, Florida, at 5:28 p.m., this 23<sup>rd</sup> day of September 23, 2004.

**VOTE ON MOTION**

**AYES: Burk, Jones, Crichlow, Lennon, Gardner**

**NAYES: None**

**MOTION CARRIED UNANIMOUSLY**

**3. Public Hearing - Ordinance 2004-13, concerning the proposed Budget for FY 2004/2005.**

Mr. Litzinger stated that the ordinance ratified, approved and adopted the budget for the 2004/2005 fiscal year. He said that the total City budget was approximately \$39.3 million for the 2004/2005 fiscal year.

Mayor Gardner stated that they would have the public hearing for all the

ordinances at one time. He opened the public hearing.

B. J. Kalaidi, 8 Newcomb Street, said that she wanted to talk about the wish list and the solid waste fund increase offered with only three options. She said that there should be increased rates for commercial customers, because their waste had increased; whereas, residential waste had not increased. She said that once a week pick up would be sufficient since the City had distributed large trash cans to its customers that did not fill the cans. She suggested that the Commission forget about recycling when only 10-30% of the citizens were utilizing the service. She said that the City collected \$80,000 for recycling and 70% of the residential customers were not using it. Therefore, she questioned what the City had done with the \$80,000. She said the City had to let the citizens know where the \$80,000 went. She said that if the City took her suggestions they would not need to increase the solid waste fees. She concluded that commercial created more waste, and they could pass the cost on to their clients who would never know; therefore, the City should not take the money out of the pockets of the residential citizens. She concluded that it was wrong to create a burden on the residential citizens when it would not achieve better service; moreover, it looked like fraud.

Commissioner Lennon noted that there were more young families in the City limits, and they filled the new trash receptacles twice a week.

Peter Romano, 62 Sanford Street, President of the Lincolnville Neighborhood Association, stated that the ad valorem taxes did not cover the general fund. He said that even though the City had not raised the millage rate they had received a substantial increase

in funding from the increases in assessed property values. He questioned how the City could not live within its means and have to divert substantial surpluses from the marina, waste and utility funds, which had their own budget for personnel, operating expenses and capital expenditures to cover the general government funds in the millions of dollars. He questioned how long the subsidy had been going on and how come the money was not used to improve the streets, sidewalks and infrastructure of the City or go back to the citizens in rate reductions.

Mayor Gardner questioned whether Mr. Romano was representing himself and/or the Lincolnville Neighborhood Association.

Mr. Romano said the he was representing both, and he questioned whether anyone was going to address his question.

Mr. Harriss stated that he could address Mr. Romano's question; however, it would be time consuming; therefore, he suggested that he go to City Hall and talk with the City Comptroller. He added that the budget was not easy to understand and there were a lot of misconceptions and inaccuracies expressed by Mr. Romano.

Mr. Romano questioned how he was inaccurate. He questioned whether \$1.8 million was being transferred from the waste and utility funds to cover the general fund.

Mr. Harriss replied that it was a true statement.

Mayor Gardner noted that all the elements were intertwined, and he said that he had examined the entire procedure. He said that in a public

hearing the Commission was looking for conclusions not a reopening of the budget process. He said that was the purpose of the previous workshop. He said that he was not alarmed by Mr. Romano's statements, and he did not want him to represent the matter as if someone on staff or the Commission was walking home with a million dollars.

Mr. Romano questioned whether it was the responsibility of the Commission to determine the amount of money spent for overhead, streets and sidewalks.

Mayor Gardner replied that was what the Commission had been doing. He questioned whether Mr. Romano had attended the workshop.

Mr. Romano replied that he had been busy with other things.

Mayor Gardner stated that Commissioner Lennon had been busy as well and currently they both had a series of questions, which suggested starting the entire process over again because two people had been busy. He said that they could not operate government at the convenience of each and every citizen.

Commissioner Lennon pointed out that it was a public hearing.

Mayor Gardner retorted that a public hearing was not a question and answer session.

Mr. Romano stated that there was \$1.8 million being transferred from utility and waste funds that was not available in public documents

Gina Burrell, 27 Seminole Drive, stated that she had no problem with maintaining the current level of solid waste service and increasing the rate by \$2.00. She said that the City provided

excellent service, and she would not want it cut back. She said that she did not want to eliminate recycling, and she suggested that the City provide education to the public regarding recycling.

Mr. Harriss explained that, to avoid thoughts of fraud, the City paid the \$1.65 per address to an outside contractor for recycling, and the contractor's business was based on the number of driveways he passed and potentially serviced. He said the City was responsible to pay the contractor for that number of driveways, as everyone had a right to the service. He said that the City did not keep the money or hide it in a sock, as they paid the contractor a monthly fee.

Mayor Gardner noted that 30% of the population using the recycling service was considered good in terms of the industry. He noted that they would like to have more citizens recycling.

Commissioner Jones added that the service was like fire or police services, as it had to be paid for whether it was used or not. He agreed that an education program would be a good idea to encourage the citizens to utilize the service. He suggested that rather than providing the service to individual homes the City could provide locations.

Mr. Harriss stated that the City had used centers in the past, but the problem was that most of the people using the centers had not been City residents, which prompted the current service. He added that the mass majority of citizens that had responded to the Commission's plea for input regarding the solid waste fee increases had indicated that they wanted the service to remain the same. He said that last year there had been a 34 cent

increase and there had been no increase for 9-years prior to that.

Nicholas Robertson, 25 Anderson Street, spoke in support of retaining the recycling service, as he did not want to see recyclable waste products piling up in the area landfills, which represented a needless loss of resources and blight on the environment. He stated that it would be ecologically short sighted to consider further restricting the City's recycling program. He said that it struck him odd that the apparent City budget shortage was threatening the vital recycling program while the City Commissioners were entertaining ideas of using the forecasted budget surplus of \$146,000 for buying Christmas decorations and replacing functional paved roads with coquina. He encouraged the Commissioners to use environmentally sound sustainability minded judgment when deciding priorities on how the tax dollars were spent.

Mr. Harriss commented that there was a misconception about the public works and finance recommendation regarding solid waste. He said that the City's recommendation had been for the \$2.00 rate increase, continued recycling and continuing the same level of service. The City had not recommended doing away with recycling or cutting services, they provided the options to the Commissioners, because that was their job.

Hannah Murray, 400 Whispering Circle, spoke in support of maintaining recycling for the citizens of St. Augustine.

Mayor Gardner encouraged the County to institute a recycling depot for left over paints and building materials etc.

Commissioner Crichlow said that he would like to direct Mr. Williamson to develop an encouragement program for recycling to be included in the monthly newsletter and promote the matter through the NCO.

Mr. Harriss noted that other cities had developed random reward systems for citizens that recycled by giving them a couple months free service.

Gina Burrell, 27 Seminole Drive, said that at one time the Fullerwood Advisory Committee had \$10,000 for a neighborhood park, and she questioned what happened to the funds, as she was currently trying to reactivate the committee.

Mr. Harriss said that the money was still available and plans had been drafted whenever the committee was ready to create the neighborhood park.

Mayor Gardner said that they had also talked about using the auditorium at Fullerwood as a community meeting room.

Commissioner Crichlow questioned whether the Commission had agreed to put funds toward the neighborhood associations.

Mr. Harriss agreed that was true for individual projects, but the rules or limitation had not been drafted.

Mayor Gardner closed the public hearing.

#### **MOTION**

**Commissioner Crichlow MOVED that Ordinance 2004-13 be placed on first reading, read by title only and approved. Commissioner Jones SECONDED the motion.**

Mr. Wilson read the title as follows:

#### **ORDINANCE NO. 2004-13**

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, RATIFYING, APPROVING AND ADOPTING THE ANNUAL BUDGET OR BUDGET ESTIMATES OF REVENUES AND EXPENDITURES FOR THE CITY OF ST. AUGUSTINE, FLORIDA, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2004, AND ENDING SEPTEMBER 30, 2005; PROVIDING FOR REPEAL OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

#### **VOTE ON MOTION**

**AYES: Crichlow, Jones, Burk, Lennon, Gardner**

**NAYES: None**

**MOTION CARRIED UNANIMOUSLY**

Mr. Litzinger noted that the budget process began on October 1<sup>st</sup>, and staff invited people that were interested in what they did to visit City Hall to avoid last minute questions.

#### **4. Introduction and consideration of Ordinance 2004-14, concerning a utility rate adjustment.**

Mr. Litzinger reported that the ordinance amended Section 26-51 of the Code increasing utility connection charges. He said that the Commission had approved an increase in utility connections charges and keeping the current utility rates for the 2004/2005 budget year. He said that the cost would increase 6.2% for customers in need of a new water/sewer connection, which would be an increase from \$3,666 to \$3,830.

Commissioner Lennon asked staff to explain to the public how the process worked.

Mr. Harriss said that a connection fee was a capacity reservation fee for the water plant, sewer plant and the transmission and distribution lines that provide the service to the customer's property line. He said that a plumber would then make the connection to the home. He added that it was a one time charge.

A brief discussion regarding the decision to increase connection fees noting that there could be a shortfall.

Mr. Harriss pointed out that the City was conservative regarding the budget analysis. He added that their numbers were not aggressive.

#### **MOTION**

**Commissioner Burk MOVED that Ordinance 2004-14 be placed on first reading, read by title only and approved. Commissioner Crichlow SECONDED the motion.**

Mr. Wilson read the title as follows:

#### ORDINANCE NO. 2004-14

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, AMENDING SECTION 26-51 OF THE CODE OF THE CITY OF ST. AUGUSTINE TO SET WATER AND SEWER CONNECTION CHARGES FOR CUSTOMERS INSIDE AND OUTSIDE THE CITY LIMITS; AMENDING SECTION 26-53 OF THE CODE OF THE CITY OF ST. AUGUSTINE TO SET WATER AND WASTEWATER FLOWS; AMENDING SECTION 26-55 OF THE CODE OF THE CITY OF ST. AUGUSTINE TO SET THE MONTHLY WATER AND SEWER RATES FOR CUSTOMERS INSIDE AND OUTSIDE THE CITY LIMITS; PROVIDING FOR REPEAL OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; PROVIDING FOR

INCLUSION IN THE CODE FOR THE CITY OF ST. AUGUSTINE; AND PROVIDING AN EFFECTIVE DATE.

#### **VOTE ON MOTION**

**AYES: Burk, Crichlow, Jones, Lennon, Gardner**

**NAYES: None**

**MOTION CARRIED UNANIMOUSLY**

#### **5. Introduction and consideration of Ordinance 2004-16, concerning a solid waste rate adjustment.**

Mr. Litzinger stated that the ordinance increased the solid waste fees for residential customers from \$13.66 to \$15.66 monthly.

Commissioner Crichlow noted that he was pleased with the public response to the matter.

Commissioner Lennon suggested that in two years when the City's contract was up that the City go back to picking up its own trash and doing business with a company in Georgia in order to save money. He said that he thought they should be able to bring the rate down.

#### **MOTION**

**Commissioner Crichlow MOVED that Ordinance 2004-16 be placed on first reading, read by title only and approved. Commissioner Jones SECONDED the motion.**

Mr. Wilson read the title as follows:

#### ORDINANCE NO. 2004-16

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, AMENDING SECTION 30-10 OF THE CODE OF THE CITY OF ST. AUGUSTINE TO SET THE MONTHLY SOLID WASTE RATES AND

FEES FOR CUSTOMERS; PROVIDING FOR REPEAL OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE FOR THE CITY OF ST. AUGUSTINE; AND PROVIDING AN EFFECTIVE DATE.

**VOTE ON MOTION**

**AYES: Crichlow, Jones, Burk,  
Lennon, Gardner**

**NAYES: None**

**MOTION CARRIED UNANIMOUSLY**

**6. Consideration of Resolution 2004-18, concerning a marina rate adjustment.**

Mr. Litzinger reported that the resolution adjusted the municipal marina rates per the direction of the Commission. He said that they had adjusted all the dockage rates, with the exception of the hourly dockage, to further implement some of the capital improvement needs and make the rates more comparable to the surrounding marinas.

Commissioner Lennon questioned whether the marina had its own funding and whether it was self sustaining, and the response was affirmative. He questioned whether the money stayed in the marina fund for maintenance and repair.

Mr. Litzinger replied that any excess at the end of the year went into the marina reserve fund, and the only way the money could be touched was by the direction of the Commission.

Commissioner Lennon questioned whether any of the profit went into the general fund.

Mr. Litzinger replied that there was no marina profit that went into the general fund.

Mr. Harriss explained that every fund paid a fee into the general fund to cover the time spent by each and every director in the enterprise funds. He continued that the marina paid for the cost of running its fund. He explained that the amount of time Mr. Sheffield put into the marina was charged to the marina fund.

Commissioner Lennon said that it was an administrative service charge.

Mr. Litzinger continued that the marina fund paid \$84,000 into the general fund to cover payroll etc.

Mr. Harriss continued that the marina did not pay their employees; it was taken care of by the central payroll department. He said that every fund paid into the general fund.

Mr. Litzinger pointed out that the City saved considerable amounts of money by being centrally located and not having separate payroll departments in each fund.

Commissioner Lennon questioned how the charge was calculated.

Mr. Harriss said that the calculations evolved, and the charge was increased based on the cost of increased services provided. He said that the formula was extensive, but basically it was a subsidy that helped the general fund, and it actually helped keep taxes lower. He noted that every fund was an enterprise fund, and the general fund was a cost center that charged the other funds for services.

**MOTION**

**Commissioner Burk MOVED that Resolution 2004-18 be approved. Commissioner Jones SECONDED the motion.**

**VOTE ON MOTION**

**AYES: Burk, Jones, Crichlow,  
Lennon, Gardner**

**NAYES: None**

**MOTION CARRIED UNANIMOUSLY**

Commissioner Lennon questioned whether staff was going to answer all the questions he had distributed.

Mr. Litzinger suggested that the Commissioner visit his office, and they would thoroughly go through his questions. He noted that many of the Commissioner's questions were the result of reorganization and would take a bit of time to answer.

## **7. Adjournment**

There being no further business, the meeting was adjourned at 6:18 p.m. <sup>1</sup>

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MAYOR

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CITY CLERK

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<sup>1</sup> Transcribed by Karen Rogers, Recording Secretary