

**CITY OF PORT ST. LUCIE
CITY COUNCIL SPECIAL JOINT MEETING MINUTES
JUNE 13, 2012**

A Special Joint Meeting of the CITY COUNCIL of the City of Port St. Lucie and the St. Lucie County Board of Commissioners was called to order by Mayor Faiella on June 13, 2012, at 9:00 a.m., at Port St. Lucie Community Center, 2195 SE Airoso Boulevard, Port St. Lucie, Florida.

1. MEETING CALLED TO ORDER AND ROLL CALL

Council Members

Present: Mayor JoAnn M. Faiella
Vice Mayor Linda Bartz
Councilwoman Michelle Lee Berger
Councilman Jack Kelly
Councilwoman Shannon M. Martin

St. Lucie County
Commissioners

Present: Chairman Tod Mowery
Commissioner Paula A. Lewis
Commissioner Frannie Hutchinson
Commissioner Chris Craft

Others Present:

Gregory J. Oravec, City Manager
Roger G. Orr, City Attorney
Anne Cox, Planning and Zoning Assistant
Director
Todd A. Cox, St. Lucie County Airport
Manager
Edward Cunningham, Communications Director
Millie Delgado-Feliciano, County Deputy
Clerk
Carol M. Heintz, Assistant City Clerk
William Jones, MIS Director
Daniel S. McIntyre, County Attorney
Jesus A. Merejo, Utilities Director
Faye W. Outlaw, County Administrator
Patricia Roebing, City Engineer
Margie L. Wilson, Deputy City Clerk

2. PLEDGE OF ALLEGIANCE

Mayor Faiella led the assembly in the Pledge of Allegiance.

3. ROADS

A. WALTON ROAD

Councilman Kelly said, "I put this on the Agenda for discussion of Walton Road from US 1 to Lennard Road. I'm speaking for myself, so I don't know if the Council wants to do this. I'm asking for the County to turn over that section of Walton Road to the City. The county just completed that with cooperation from the City. It's next to the Civic Center, so it's really important to the City. It looks great. We worked together on the stormwater, which goes into our retention ponds I think. The reasons to turn the road over are pragmatic. Both sides of the road are in the City. The citizens are confused. They call if there's a litter or traffic problem, and we have to tell them to call the county. They think there is something surreptitious going on. Another problem is that when there are events people have to get permits from the City and the county. There's confusion about police and deputies. As far as maintenance, I think we already maintain part of the road by the Civic Center. Maintenance would be cheaper for the taxpayer. The last pragmatic thing is that it's the border for our CRA. Many of these issues were the same when the county turned over Lennard Road."

Commissioner Craft asked if there is support from the City Council, and if so he would consider it. Mayor Faiella said that she is willing to consider it. Councilwoman Berger said that she is not supportive of adding to the City's roads at this time. Councilwoman Martin said that she would support looking at it. Chairman Mowery said, "We've looked at some of those issues, such as gas tax money that we would lose, and how impact fees would be involved." Commissioner Craft said, "I need to have conversations with the staff. Is there a consensus on your side for us to spend that time? It sounds like there are at least three, so I'm willing to talk to my staff." Commissioner Hutchinson said that she would like to get more detail on the gas tax and impact fees, but she does appreciate that the City has been maintaining that section, which means it is not a double hit to the taxpayers. Commissioner Lewis said that she agrees with the Commissioners. Mayor Faiella noted, "We're asking for you to look at it and bring back the positives and negatives, and both boards will decide."

B. ROAD RIGHT-OF-WAY SAFETY ORDINANCE

Mayor Faiella said, "I'm confused as to how this got started. I've heard conversations with the county. There was a committee formed. I believe Chairman Mowery, the Sheriff, and the Police Department were involved. I feel personally that the county dropped the ball on this. I thought you were supposed to make a decision and bring it to us. Then you were at a standstill."

Mr. McIntyre stated, "Your facts are accurate. There was an informal committee. From the county's perspective my recollection is that the Sheriff's Department came to the county. I believe there was concern about veterans' organizations that were soliciting that weren't local. There was concern about traffic safety. I think we met with representatives of the City, the Police Department, and maybe Councilman Kelly. We talked with your Legal Department generally about what we could do or not. We drafted an ordinance and set it for Public Hearing. I think you did the same. We tried to coordinate with Ft. Pierce; I don't know if they have done anything. At the Public Hearing we got some pushback from the Sunday newspaper vendors and from the MDA. I think both boards decided to stand down and get more information. There were issues about carving out a Sunday exception because the traffic isn't as bad then. The MDA was a little tougher to deal with. I think one county carved out a Labor Day exception. I'm not sure how defensible that would be. I think we're waiting for more information. The Sheriff's Department is still concerned from a traffic safety standpoint." Chairman Mowery added, "There were 17 intersections that were going to be affected for the newspaper carriers. Of those, 13 were in the City. You all punted back to us, waiting to see what we would do. We didn't take action, so you didn't."

Commissioner Lewis said, "My best recollection is that the last time we discussed this in a formal meeting we realized it was going back and forth and not getting anywhere. We decided we needed to get together with you and talk about it. That was four months ago. It's taken us that long to get everybody together. I did attend your first Public Hearing, and you had the same folks we did. Our ordinance offered Sunday hours as an option, because we had figures showing lighter traffic on Sundays." Mayor Faiella said, "We put it on hold for six months to have the Police Department monitor traffic and accidents." Councilman Kelly said, "I still think it has to be addressed. I had many complaints about at least two organizations that abuse it constantly. My district probably had the biggest influx at Floresta, Westmoreland, and US 1 and Port St. Lucie Boulevard. Todd, the total of 13 intersections in the City is incorrect."

That came from the newspapers. There was a compromise. We had a problem with the First Amendment. The compromise was offered by someone on the Commission. We would allow it on Sunday because of less traffic, and we would give out two permits a year to organizations. That would solve a lot. The firefighters abide by our rules. There are a couple of organizations that walk between cars; it's an accident waiting to happen. People said it's all or nothing; I think a compromise is better. We could try it for a year." Councilwoman Martin asked, "Do the permits mean Monday through Saturday? Is that first come first served?" Councilman Kelly replied in the affirmative. Councilwoman Martin said, "I understand what is considered to be abuse. But I understand there were organizations that were perceived to be fake. We don't get involved in regulating that. We can't regulate who people give their money to. For the traffic problem, I understand that there is less traffic on Sunday, but who says it can't happen on Sunday when the newspaper people are out there? I have a problem with giving certain days. Public safety is public safety; it's seven days a week. I have to be clear on whether we're doing this for public safety or because we want to regulate who people give their money to." Councilman Kelly explained, "I'm not talking about regulating groups. I'm talking about overuse. In a six month period one particular group will be out there eighteen times. They don't abide by the rules. It's a compromise. It needs to be addressed. I have many complaints about it. I'll tell you the exact complaint that got me over the top. A lady was at a red light at US 1 and Port St. Lucie Boulevard. One group dresses as veterans. She asked one if he was in the Army and he said he wasn't. She made a remark and he spit on her windshield. That was the last straw. We've had to call the Police Department to have them take down their signs when they're not there. I don't want to decide who is deserving and who isn't. It's just how many times a year they go out."

Commissioner Lewis said, "Why I like the second version of the ordinance is because it doesn't specify a number of permits. It addresses when they might be there. Public safety is addressed. We have numbers saying there is less traffic on Sundays. It specifies where they may stand. You can't wander among the cars and accost people in their vehicles. It is hazardous when they stand there and the light is changing. You wonder whether they're going to get out of the way or dash in front of you. I agree that we aren't going to pick and choose organizations. I was under the impression that that organization agreed that the folks out there would be entitled to wear the uniform." Chairman Mowery said, "Jack and I were involved in a lot of the initial conversations. I was more on the safety issue, rather than

trying to provide certain days and permits. The Commission discussed a lot of communities across the state that have developed programs. Hillsborough County has a large homeless population that has been doing a lot of the newspaper sales. They mandated safety vests. I think there is agreement to have our Commission and your Council move forward on some new discussions." Councilwoman Berger said, "I do want to point out that we did come to a conclusion as a Council. That was to ask the police staff to come back and let us know if we had continued problems. We have not heard that. We were going to ask at six month intervals, but we have not received information that there is an existing issue. I'm not sure why this is on the Agenda other than to find out from the Commission what their progress has been. I'm not ready to make any changes from our last decision." Mayor Faiella said that she believes the Chief is still checking on stats.

Commissioner Craft asked for a copy of the rules the City has in place, so they can make sure they're on the same page. He suggested, "If we're going to allow it, the model might be what the firefighters do. They wear vests and have proper standards as to how to approach the cars. I don't think they have ever made anyone feel uncomfortable. That's one of the biggest issues I have. We can mirror your rules at the bare minimum. We can monitor it. It hasn't been as much of an issue over the last few months. Ft. Pierce decided to have no sales or solicitations." Commissioner Lewis suggested that the City be given a copy of the county's ordinance, which she feels answers the concerns. She added, "The firefighters do bother me when they walk off the median or the sidewalk and wander through traffic. We each need to look at the written documents." Chairman Mowery noted, "What came out of our initial discussions was beginning to try more regional approaches. The City of Ft. Pierce was actively involved in our discussions, even though they already had an ordinance in place. The Police Department was concerned about safety, whether the firefighter standing in the roadway, the newspaper vendor walking on a narrow median with cars coming to the back, or the youth groups doing carwashes. I don't like the idea of a permit to allow people to walk through vehicles and go up to windows. If we did anything, I would want that. Some people enjoy getting a newspaper from the median. I don't like it. There are a couple of intersections in particular where people can barrel through the intersections. Someone may pull over to get a paper and not realize the cars behind are not watching." Councilman Kelly said, "Safety was the first thing. We did have a newspaper vendor hit by a car. It did come out of the discussions that the county and the City should mirror one

another." Chairman Mowery said, "The vendors stand on a three-foot concrete median. That was my concern." Commissioner Hutchinson added, "I agree with Councilwoman Berger. I'd like to see the numbers of the police report and let that be the starting point for the next step. When you review that we would like to be copied. Also, we would await your decision on whether the numbers should be followed for another six months or whether something should be put into place." Mayor Faiella said, "I'm for Chairman Mowery's idea of being on the same page. We're on the same page with the political signs. I'm willing to look at it again." Commissioner Lewis said, "We do have to be on the same page. It's hard for a citizen to know whether an intersection is in the City or the county." Mayor Faiella said, "When we discussed this several months ago, Chief Reuther said that there was nothing except that one accident." Councilman Kelly asked what they will do. Councilwoman Berger said, "A decision was made on this issue. When we bring decisions back because you want to make a change on it, that should have a discussion prior to when we get here and have a discussion with the Commission." Mayor Faiella noted, "This was to find out where the Commissioners were with it. We will give you all the information you need, and vice versa."

C. MIDWAY ROAD - EASEMENT ACQUISITION

Mr. McIntyre said, "There are three types of easements we want to talk about. The county is in the process of designing an improvement for Midway Road from two to four lanes from 25th Street west. I believe DOT is taking it from 25th Street east. At the intersection of 25th and Midway on the southwest corner the county owns a parcel that we bought for stormwater. We have been approached by City of Port St. Lucie Utilities staff. There is an existing master meter there. They would like additional land from the county for utility purposes. Staff has told the City that we are happy to donate the easement. If someone would provide us the legal description we will process that for board consideration and recommend approval. In addition, at the intersection of Midway and Selvitz we are proposing to construct shared use paths along the south side of Midway. We are actually proposing a shared use path south on Selvitz past Milner. We have approached City staff and they have indicated a desire to have us construct shared paths or sidewalks on both sides of the road. We are willing to consider that and propose it to the board. We don't have enough right-of-way to build two sidewalks, so we would need some additional right-of-way on the west side of Selvitz. We think that is owned by the City. If you desire to proceed, we are happy to recommend that to the board. From a

staff perspective we are interested in cooperating with the City and constructing the sidewalks if that's what you want."

Mr. McIntyre continued, "On Midway itself is Canal C-103. We own the northern half; the City owns the southern half. In order to construct the road as designed, we need an easement for the City. Our intention would be to pipe the canal and put the shared use path on top. The easement is about 1,300 to 1,400 square feet. We have had it appraised at \$15,000. Staff will recommend that we pay for it, if that's your desire. We do need that easement. We will send an acquisition letter subsequent to this meeting to the City requesting that you consider conveying the easement to us. This is a head's up that it is coming. We'd like you to consider it."

Chairman Mowery said, "We are hopeful that the C-103 proposal is an easy one for you. It's involved with timely improvements to Midway Road." Councilwoman Berger stated, "I support staff looking at that. For me the canal seems easy. Getting the information to you for the acquisition we're asking for seems easy. The other piece is to make sure we don't have anything underground before we allow right-of-way and sidewalks being built." Commissioner Hutchinson said that the neighbors on the south side in the City limits may be against the sidewalk, so it should be discussed with them. She noted that some residents would rather have a wall and that either way the cost will be outrageous. Mayor Faiella asked the City Manager to make sure the county gets the dimensions they need for the utility easement.

Chairman Mowery asked, "Relative to the cost, do you see a need to have the county pay for that? Is it something we can work out while we're swapping easements?" Councilwoman Berger said, "If staff is discussing what we need and what they need, there may be an opportunity for an even swap." Mayor Faiella said that she agrees.

D. TRAFFIC SIGNALS - PRIMA VISTA/ST. LUCIE WEST BOULEVARD

The City Manager stated, "The City has been contacted by the Florida Department of Transportation about Prima Vista/St. Lucie West Boulevard. As everyone here knows there is joint jurisdiction over that roadway. West of the I-95 interchange it is the county's responsibility, as well as the east segment at the intersections of Airoso and Floresta, all the way to US 1. FDOT would like coordinated signals on both sides of the interchange. We currently maintain Peacock and St. Lucie West

Boulevard. I think both staffs are in agreement that it should be the City that maintains both signals. We also want to explore the possibility of Airoso and Prima Vista being turned over. We do not currently control that traffic light. If we could, we believe it would improve flows in that area. We have a coordinated Citywide network, and that one is not in rhythm. We are asking the county if they would be interested in exploring that issue. If you go there, it begs the question of Floresta and Prima Vista. At some point, hopefully sooner rather than later, we will improve Floresta Drive."

Chairman Mowery stated, "We had discussion with our staff on this item. We may want to separate some of these for our consideration, as it relates to what is going on at St. Lucie West and I-95, and then moving further east to Prima Vista." Mr. McIntyre advised, "We agree on St. Lucie West and I-95. That should be the City's. We would support that from a staff perspective. We would like to talk about going east to US 1. I believe the City maintains Airoso and Floresta, whereas the county maintains Prima Vista from US 1 to a certain point. From a traffic standpoint we're interested in coordinating our efforts. We would like to further discuss the impacts." Commissioner Lewis said, "Concerning the signal at I-95 and St. Lucie West, the memo says 'provided that certain needs are addressed.' What does that mean?" The City Manager explained, "I think we have to sit down with the Engineering staffs and make sure there are no intersections not up to FDOT standards, etc."

Commissioner Craft said, "I have no issue whatsoever with the I-95 intersection. It's the other ones. . . . You are dealing with the traffic flow through the City. We have to take into consideration the backup that may happen on US 1, but I am definitely willing to work with you to make this happen. Maybe the first step is to have our staffs work together to better time the lights. There are equal considerations in the unincorporated county." Commissioner Lewis said, "I haven't seen any great problem with the traffic flow, to be honest. If you have problems I would like the staff to address them before we start handing things over." Councilwoman Berger said, "I would like an expedited decision on the I-95/St. Lucie West intersection, especially before school starts. The school buses tend to stack pretty far up the hill when they're going east off I-95. Sometimes a driver decides not to stay in the stacked lane, because there isn't a lot of room there, and they take a back route by Wendy's and going into the roundabout area. During school hours when the buses are heading back to the barn stacking happens on St. Lucie West eastbound and at the

intersection on the south side of Peacock and St. Lucie West. I'd love to see this happen before they go back to school." Ms. Outlaw added, "I think both staffs are in total agreement on I-95. That should be a matter of priority. Then we need to work together to see if we can synchronize the signals on the others. Then we can work together on the full takeover, if we get to that point." Chairman Mowery said, "We need to make sure the technical staff can communicate and work through the issue. I don't know that I have an issue with any of the items presented by the City. In many ways people just want to know things are getting done. Technical staff will timely review this and provide us with some recommendations." Ms. Outlaw noted, "Mr. Oravec and I have a very good working relationship. I don't imagine we will have a problem getting our respective staffs to the table."

4. DEVELOPMENT

A. INLAND PORT

Chairman Mowery stated, "They haven't submitted anything. We haven't had an e-mail or a meeting." Commissioner Lewis said, "They had a workshop at our request to get community input. I haven't heard from them in some time. Staff assures me that nothing has been submitted." Ms. Outlaw added, "At the staff level we have had a series of discussions with them. The last formal interaction was when the team put together a meeting of their respective principals and did a tour of the site with the intimation that they were close to submitting a formal application. That has not materialized." Councilman Kelly commented, "No matter what they promise, make sure that is backed up by end users with viable financing. They need to pay their taxes, and their intentions can be researched. I understand the collaboration has disintegrated. There are so many rumors."

B. AIRPORT

Ms. Outlaw said, "I think Mr. Oravec wanted an update on where we are with the airport, and whether it could go from an aviation airport to a regional airport. We're not quite there. As the backup indicates we have completed the Master Plan update as of August 2011. As part of that process, the Board convened a Technical Advisory Committee (TAC) that had a series of meetings with the consultants. Out of that came a recommendation that we focus on having it grow to a limited commercial passenger service. That has been put in place. As for making it a regional

airport, it boiled down to a number of conference calls with the FAA. We tried to get them to change their process, but we were not successful. The crux of the issue is that we have to first demonstrate that there is a need or a demand before they will consider upgrading the airport to the next level. What we hear all the time from folks who are interested in the airport is that if it were a regional airport, they would come. It's a Catch 22. I don't see it happening in the near future. Hopefully we will soon have limited commercial passenger service. The backup outlines the operations at the airport."

Commissioner Craft said, "The bottom line is our location being almost equidistant between Palm Beach, Orlando, and Melbourne, three regional or international airports that provide passenger service. It puts us in a difficult position. What is important for us is how we have the discussion when people talk about economic development. We have access to three airports within an hour's drive of St. Lucie County. We have a general aviation airport that accepts private jets. It's how we control the conversation for economic development purposes. We need to make sure we're all singing from the same sheet of music. We have an airport and we have access to three commercial airports." Commissioner Lewis said, "The concept is that the airport is just sitting there. Nothing could be further from the truth. The airport provides over \$164 million in total economic activity, employs over 1,300 citizens, and has 31 business tenants. Whether we graduate to passenger service or not, there is a lot of economic activity generated there." Commissioner Craft said, "I'd like to extend an invitation to any member of the City Council to take a tour."

Councilwoman Berger said, "I appreciate the conversation. I like the thought of making sure our dialog is the same when we talk economic development. As we are being strategic and thinking about what the future holds, we don't have a certificate for Part 139 now, but we can. How about 135?" Todd Cox, Airport Manager, explained, "A 135 is an airline pilot certificate for charters. That has nothing to do with the airport. It is strictly based on that particular business. Where it comes into 139 is that there was a law change on the federal level in 2006-2007. If you are doing a scheduled charter operation with an aircraft of more than ten seats, you must operate from a 139 airport." Councilwoman Berger said, "We need to be able to show use. We have customs there, which is great leverage for us. I know a couple of 135 and 139 companies that love to use our customs because it's so easy. How can we leverage that to expanding usage or drawing another FBO that would allow more

usage?" Mr. Cox said, "In order to do the types of charter operations you're thinking of in aircraft that would be a little larger, the 139 certificate is a requirement. The other part of that is what Ms. Outlaw alluded to earlier about the FAA. The FAA has strict requirements related to acquiring 139 certification. We're just not there yet. Once all of those other pieces are put into place, it could be possible to get 139 status." Ms. Outlaw added, "On a conference call with the FAA I was not successful in getting them to be flexible. I asked the Board to put that on their agendas in going to Washington, to ask for help in getting the FAA to be more flexible. It is a challenge, but we are working on it. Any help would be appreciated. I would like to give the Council an update on construction at the airport."

Mr. Cox stated, "The airport has current construction projects. A lot of our pavements are old, and they are being updated to current standards. Our terminal building was built in 1962. It is being renovated. In January 2013 we will start renovation of the customs facility. I've worked with U.S. Customs in Palm Beach and D.C. They have announced a change to the customs hours at the airport. They are now 8 to 6 instead of 10 to 6." Councilwoman Berger said, "I don't expect the FAA to be flexible. When the pilot sits in the seat there is a checklist and it's very tactical. From that standpoint, when I think of our airport, I think we benefit from what we currently have. It's a very good airport for where we are and for the community we have. In looking at where we will be 50 or 100 years from now; that's the strategy I'm asking about. What does that plan look like? When I speak about 139's coming in, it's more about going to the FAA and saying our first step to becoming a regional airport is to become 139 certified. The next step is making sure we can handle the weight of the planes. The strategic plan would take us to 139, then to cargo, then to regional. What does that project look like? I'm really interested in that, because I know that's the future for us. I just don't know how long it takes. If there is anything we can do to help that. . . . There is more of an immediate impact to our economy in helping with that than there is in an inland port that has not even started the development process yet. We have an opportunity to do great things with that airport when we're all aligned. I'd like to refocus on what we already have and not on fighting what may or may not happen out west." Mr. Cox indicated that he would be happy to give any of the Council a tour at any time. Commissioner Craft said, "There is a difficult process that we have to go through with the FAA, FDOT, and everyone else. I would like to make sure we send the City a copy

of the Master Plan so you can get an idea of where we're headed. You could follow that up with a meeting with Mr. Cox, and you will be quite impressed." Commissioner Hutchinson noted, "The construction plans are all part of that Master Plan to get us to where Councilwoman Berger is talking about. It all has to be justified, or the funding will not be there. The terminal rehab will make check-in and security available for charter service when it is available." Councilman Kelly said, "We have 132,000 entitled lots in Port St. Lucie. Over 100,000 are already vested. There will be over 400,000 people here in the near future. That airport is one of the biggest assets we have in the county." Mr. Cox pointed out that the airport is larger than the Miami Airport. Councilwoman Berger said, "The need is now. I do a lot of flying, and I end up flying out of Orlando and Ft. Lauderdale. West Palm doesn't offer a lot of options. We have a number of people in St. Lucie County who are on planes every week. What is offered is not good enough. The time to those airports is tiring. As we are looking to recruit companies, there is a need to make sure we're continuing a conversation. I think this is one of the most informative items on the Agenda. The backup information is great. We have to keep talking about the airport and saying that there is an ongoing need. I appreciate that you are saying that."

Chairman Mowery said, "It's important to keep this discussion at the forefront. I'm hearing a stronger push. It would be nice to have something practical and easy to get to. If there is a way to create energy about that, you would like to see that happen. Let's make sure we're collaborating as much as we can. There have been challenges with some of the local airports and the type of clientele they have in their communities. There has been discussion about becoming a cargo airport. I wonder if we could involve Council members on the Port Authority and with airport development."

Commissioner Craft said that he would support adding a member from each of the cities to the Port Authority and continued, "That would follow into a trade-off for the next conversation about the CRA's. A lot of money spent in the CRA's is derived from the county tax roll. We would like to have a seat on the CRA board, to have some input into how that money is spent." Councilwoman Berger said, "Statewide, we can probably find other cities that have seats on a Port Authority Board. I'm not sure I'm going to find a County Commissioner who sits on a city CRA Board. Where do you think the precedent is now?" Commissioner Craft answered, "Why not?" Councilwoman Berger asked "What does it look like?" Commissioner Craft answered, "How do you want it

to look?" Councilwoman Berger answered, "The way it's set up right now." Commissioner Hutchinson commented, "I need clarification. There is no port or airport authority. The Board of County Commissioners is it. I don't think legally we can have a member of either of the cities sit on our BOCC. We no longer wear two hats. Did I miss something?" Chairman Mowery explained, "It would be an examination to see whether related to the size of both the cities now and the way their boundaries are being proposed for their build-outs. With some of the discussions that have been going on, maybe it would be better to have something set up to allow more interaction and involvement from these local partners." Commissioner Hutchinson suggested they consider an advisory or technical committee. Mr. McIntyre pointed out, "We did have a port and airport authority that we abolished in 1998. As Commissioner Hutchinson said, all the assets and liabilities went to the Board. I believe we have an Airport Advisory Committee. I think the City may have a representative on it. If the City doesn't have representation, we can expand it." Vice Mayor Bartz advised, "I do sit on the Harbor Advisory, which relates to the port, not the airport." Mr. McIntyre noted, "We used to have an Airport Advisory Committee years ago. Perhaps we need to reconstitute it. If we did that would be something the City could consider participating in." Commissioner Craft said, "I was just looking for a fair exchange. What we're talking about is collaboration. There is a great opportunity for us to collaborate on so many different aspects of local government. Since the County Commission contributes a significant amount of money to both cities' CRA's, having a seat at the table, whether it's ex officio or not, is as important as making sure you have a seat in the discussions of the airport and Port of Ft. Pierce."

Vice Mayor Bartz said, "We already ran into a roadblock with the airport and having to actually form a new committee in order to have participation from the cities. I'm not sure we can just put somebody else on a CRA Board or Airport Authority Board." Commissioner Craft noted, "If there is a will there is a way. If we direct our staffs to move in that direction, we can accomplish it. I think we would all be better for it." Councilwoman Berger said, "On the previous issue with the airport, I like that you allowed us to have discussion today. I don't really need an advisory board. I can call you. I just like knowing what's happening and how the plans look. I don't want to pretend to be an airport expert in the way you have had exposure to the airport." Chairman Mowery said, "I don't see it from that standpoint. I want to see us find a way to better collaborate, to see if the City can push us harder to reach the goals of the

plan and to exceed them." Councilwoman Berger continued, "As we start to focus on real job development and real planning on what the future holds for the entire county, the airport is it for us. I do see that as our future for cooperation. As we move to the CRA, I understand you want to have some conversations about that. I know you're comfortable picking up the phone and giving your opinion to us. But the majority of Ft. Pierce is a CRA. In essence you would be saying you want to have some directive opportunities over the entire city of Ft. Pierce. We don't have as much of our area in the CRA's, but if you want to have feedback sessions or understand how the money is being used, that makes sense to me. We're putting it right back into that area. The roads and infrastructure that are being invested in are good for the City and the county. What's the concern?" Commissioner Craft replied, "It's not a concern. Just as you don't have intimate knowledge of what's going on at the airport as I do, if there is just one member of the BOCC who is engaged with the process and can communicate to us about what's going on with the CRA. . . . The citizens of the county contribute additional dollars to the CRA's. Allow us to be a part of the process. I'm not saying it's going to change anything; it's a collaborative effort. How much did the county write in checks to the all CRA's this past year? Over \$4 million." Councilwoman Berger noted that that is not only the City of Port St. Lucie. Commissioner Craft continued, "That's \$4 million the county no longer has to help provide the services we are obligated to provide. I am a proponent of the CRA's. However, I do think that it would make sense that we have someone who can participate in the conversation."

A recess was called at 10:30 a.m., and the meeting continued at 10:40 a.m.

C. CRA

The City Manager stated, "We had a preview into where this item will go. By way of background, last August the City of Port St. Lucie CRA Board, which is the Council serving in a different capacity as a separate entity, evaluated whether or not the area referred to as Southern Grove should be included as part of the existing community redevelopment area. It recommended that occur. A Finding of Necessity Report was done. At the end of August the City Council found the need for redevelopment of that 3,600 acres. This area is west of I-95, south of Tradition Parkway to the county line, and out west to Community Boulevard. Southern Grove is home to Torrey Pines, VGII, Tradition Hospital, Homewood Suites, and the future medical office

building to be constructed by Mann. In February 2012 a CRA Plan amendment was adopted. It was drafted after extensive public input. Several people in this room participated. It was very much a collaborative effort. Ms. Outlaw is 100% correct. We enjoy collaboration as part of this process. When we first evaluated it we visited Ms. Outlaw and her staff as part of the public input process. Multiple Commissioners participated, as well as Mr. Satterlee. We incorporated the input and drafted a plan that went through the Public Hearing process. That plan states that the Southern Grove District of the City of Port St. Lucie CRA will be a regional employment center and retail destination, providing the City with a diverse economic base. The area will be a well-planned mixed use community, aesthetically pleasing, interconnected, sensitive to the environment, and unique. It will enable the City to become a place where its citizens need not leave to fulfill all of life's necessities, a place to live, learn, work, shop, socialize, and play. One of the big elements is a funding source to implement the plan and realize the vision and tax increment. For this district the City said we will cap the contribution at 50% of the incremental revenue. The City also said we are not going to float any more bonds or incur additional debt. A resolution adopting the proposed amendment will be on the Council Agenda of June 25, along with an ordinance amending the Redevelopment Trust Fund, which is the fund that accepts the tax increment revenue. The county has been notified of that through Ms. Outlaw's office. They have been part of the process. They have been invited every step of the way. As part of our ongoing collaboration outside of Southern Grove, I am always available to come to the County Commission meetings and provide a snapshot of where the CRA is. I would be happy to provide the annual report."

The City Manager continued, "Getting into what I think might be the meat of the matter, it is technically feasible for an outside member or a member of a taxing authority to participate on the CRA Board, pursuant to Section 163.357(D), as part of an interlocal agreement between the governing body that created the agency and one or more taxing authorities. 'One or more members of the Board may be representatives of a taxing authority, including members of that taxing authority's governing body whose membership on the Board of Commissioners of the Agency would be considered an additional duty of office as a member of the taxing authority governing body.' It is possible. Is it something the City Council wants to voluntarily do? What is the county looking for, and can those goals be met without the City Council diluting its power and responsibility over community

redevelopment? At the end of the day, if something happens to the Agency and it dissolves, it's the City on the hook. The City bears the responsibility. Personally, I have worked with advisory boards for CRA's. Often they create a duplicative process. They do the same thing twice. The county may have had similar experience. That needs to be carefully weighed. Staff does as the Council dictates."

Councilman Kelly said, "The CRA has changed quite a bit. To be transparent with Commissioner Craft's request, no, absolutely not. To trade a seat on an advisory board for a seat on a taxing authority seat on the CRA is not fair. It is allowed by law, but we would have to restructure the CRA to do it. When you say that the county pays 50% of it, that is what the law says. There is no money in the CRA. As with all of our taxes, we talk about money that we hope to collect. The CRA is all about growth; if it doesn't grow, there is no money. That's the incentive. When you say the county pays half, if there is CRA money 65% of it comes from Port St. Lucie. It is money generated by Port St. Lucie taxpayers. The CRA we're talking about here, the Southern Grove, is completely moot. There won't be any money for four or five years. The reason I support it is that if it happens we won't incur any additional debt." The City Manager said, "You bring up another important point. Nothing is really happening right now because of the state of the market. Increment works on the change in valuation. Unfortunately it is down 50+% over the last several years. The increment has gone the wrong direction. The annual reports are quite boring, because they say that the CRA has no staff and all the money is being allocated to debt service. It is my hope that someday we discover that this is not Armageddon, and that property values go the other way, and that the State Legislature has not done something to prohibit values from going up. Then we can have positive tax increment again and not only pay for the existing debt service but also help to make something happen, especially in places like City Center and Southern Grove. Southern Grove was brought into the City and was supposed to create 15,000+ jobs. We have had a strong start, even in difficult times. It's time to make something happen in the City and the county." Councilman Kelly said, "If in a few years you wanted to offer to pay 50% of our debt on the CRA I'd have a different consideration. The CRA could run into problems in two or three years when the General Fund might have to pay part of it. Until a few years ago you gave us \$2 for every \$1 the City put in. The state changed that. I would not support what you're asking for. Come to CRA meetings. We did send the CRA to the county for comments; there were no objections." Commissioner Craft said, "I'm not going to fall on my sword for

this. I'm not asking for equity on your board. I'm asking for a voice in the process. This is a good thing for our entire county. I thought it would be appropriate to have a voice, even if it's ex officio. As time goes on, it is important to a major contributor to be a participant in the process." Councilman Kelly said, "There is no acrimony. I just gave you some facts and figures." Commissioner Craft said, "It is advantageous to have these conversations."

D. IMPACT FEES

Mayor Faiella said, "Last year Commissioner Hutchinson and I met with Mr. Bentratt and Ms. Outlaw in reference to this and we had some accomplishments. We did pick up some administrative fees, and the county agreed to pay 50% of the credits." The City Manager said, "We're engaged in the process of procuring a professional to review the City's impact fee ordinances. It is hoped that we will find the right balance between ensuring that development addressed its impacts as well as understanding that the total impact fees paid are an important part of the process of a business or development coming to the City and county. It is important to have contacts to make sure we're competitive with other jurisdictions. For many of the businesses that we're trying to recruit we are playing on a national and international level. For common retail locations we're playing on a regional level. We want to make sure we're not shooting ourselves in the foot with our impact fees. They can't price people out, so you have to find the balance. Development should pay its way, but you don't want it to pay so much that it's a disincentive to locate here. That is part of what we're going to look at. We have taken steps with the 50% rebate on our road impact fee. We have noted that in several of our competing communities across the state there is not always a double whammy where you're paying a county and a City road impact fee. I don't know if the county wants to look into that issue as well, or what they have discussed." Mayor Faiella said that she has gotten complaints from businesses, and she has lobbied the commissioners, but she has gotten nowhere.

Mr. McIntyre stated, "For road impact fees we have agreed to credit the amount of the City's fee against our fee, so that our fee would be reduced up to 50%. That was a step in the right direction. Your staff was instrumental in suggesting that. For information purposes, the county adopted in 2008 an economic development impact fee mitigation program. It would allow the county to pay or waive the impact fees for certain types of industrial businesses. That would apply in the City as well. We

also gave about \$50 million in road impact fee credits to three main developers: Core Communities, Riverland/Kennedy, and ACR. With those credits they said they would never pay a road impact fee to the county as a result. They had done a significant amount of roadway improvements as part of their Development Orders that you required. We would give anybody those credits for things that are offsite and are more than is needed for that development. We gave Core \$22 million in road impact fee credits. We gave Riverland \$13 million, and we gave ACR, Inc., \$14 million."

Ms. Outlaw said, "On the economic development incentive side, technically we don't actually waive it as part of the deal with a company. They have to pay the impact fees. Once the jobs are created on a graduated schedule the county repays them." Chairman Mowery added, "We have provided \$50 million worth of credits to the Tradition area." Commissioner Craft said, "We have that job growth incentive grant. If they meet certain wage requirements we have used the grant for impact fees. Part of the problem is that we don't communicate enough on our programs." Councilwoman Martin asked, "Was the last county impact fee study in 2009?" Mr. McIntyre said, "It was 2009-2010. There is a menu of impact fees that we looked at." Councilwoman Martin said, "We're going for RFP now. We know that we need jobs and economic development, and that we're competing with Martin County and Indian River County. It would be in our best interest to work together continuously to make sure we're not losing small businesses or corporations to them. If we continue to be so much higher than the surrounding counties we are setting ourselves up for failure." The City Manager said, "Staff has been given direction to complete the study. We have received responses. Very shortly they will be vetted and a recommendation provided to Council." Commissioner Craft noted, "It may make sense to have our staffs work together to come up with a common recommendation. There should be standards applied. We don't want to give everybody a free ride." Councilwoman Martin said that development should pay but the City and the county have to be competitive. Chairman Mowery said, "We spent a lot of time on our 2010 analysis. We compared a lot of counties, and we were below a lot of areas. Sometimes there are misperceptions. Some of the discussions involved a regional approach. As a result of that study quite a lot of our fees did come down." Mayor Faiella asked for a copy of the analysis.

Commissioner Lewis said, "We need to work collaboratively on a regional basis. When we did the analysis we looked at places that have enacted moratoriums. They had seen no change. When we

have changed our rate structure it has never made a big difference." Chairman Mowery said, "Midway Road will need impact fee monies. We need to make sure we cover Range Line and some other roads that City residents will use. This is a great discussion. We'll get you a copy of our information. If there's anything we can do, we will assist you." Commissioner Hutchinson noted, "You may be able to mimic what we're doing, or get more aligned with each other. We have worked hard with targeted industries." Councilwoman Berger said, "I'm interested in seeing that. If I'm a site locator for an organization, how much it will cost me to get started will be important. Is the information you are going to provide us what the site locator would see?" Chairman Mowery replied, "It is. Michael Brillhart on our staff works with the EDC, the Chamber, and brokers. They coordinate with people on your staff. Mike provides recommendations to staff and administration from information from other areas. What kind of a toolbox are we putting together to make sure we're competitive? That's what it's about. The Mayor asked for a copy of our study, and Mr. Brillhart can provide information similar to what you're asking for." Councilwoman Berger said, "I appreciate the refunds you gave these businesses, because I know that will help them grow. As a county we're all in this together. If we can provide information up front, that's important. Maybe the formula and methodology needs to change." Ms. Outlaw said, "In terms of the process we go through when a company comes to our county, I sit in on almost every one of the prospect meetings with the EDC. I walk them through the county's economic development incentives. Part of what you hear from companies is that time is money. They're looking at what it will cost them over time. We put together an expedited review and permitting process. Having the impact fee rebate has somewhat mitigated their concern with the cost. Companies have said many things that they like about our county and your City, so I think we have been effective in overcoming some of the challenges. With the spirit of cooperation I think we will continue to be competitive." Councilwoman Berger said, "If we make it onto a shortlist, I'm sure all of you can sell them on St. Lucie County. I just want to make sure we can make the shortlist."

Commissioner Craft said, "I have no issue with changing the process, if that's what we need to do. We have to make sure we're collecting the revenues we need. We also have to create the balance. I also want to make sure we recognize that a professional recruiter knows that what they see on the surface isn't the bottom line. There are a lot of people who want to relocate or develop a new business, but they don't have the

financial ability to do it at all. They're looking for any excuse to say why they can't do it. If the company wants to come here we are all going to do what it takes. We've had many conversations with Larry Pelton at the EDC. I don't know that he has ever mentioned to me that that is a stumbling block." Chairman Mowery said, "A company always has a due diligence process, which generally involves area consultants. They are used to buying land. If it's a small company that has never done anything development related, those are the people who are not familiar." Councilwoman Berger said, "We may not have all the answers. What we know is that we need more businesses. We asked each other what else we can do. That's how we went in the direction of putting it back out for bid to check the methodology. Maybe we should all have more conversations with the EDC. Outside of that I am asking you to be open to consideration of a methodology check." Mayor Faiella said, "In talking to the EDC, I don't think we're all on the same page." Commissioner Hutchinson added, "One critical thing is for you to help the county pass their ad valorem tax incentive program."

It was the **consensus** of the Council to direct staff to work on the issue in collaboration with the county.

E. UTILITIES

The City Manager stated, "From time to time there have been public discussions regarding the fate of utilities in the unincorporated areas and where the City and county meet. From time to time there is a discussion about certain provisions of Florida statutes. There have been discussions about consolidation, collaboration, and partnership over the last few years. Staff has provided some background on the City's Utilities. This is an opportunity to discuss this and to see if there are ways we can work together." Chairman Mowery said, "We have pushed for regional discussions. We put an agreement in place with Ft. Pierce on offsets. It would allow us to look as far as Indian River County for our residents. I would like to talk about whether there are opportunities for regional utilities." Commissioner Hutchinson commented, "I'm unsure what we're discussing today." Mayor Faiella said that she isn't sure either.

The City Manager said, "There may be nothing more to say on it. But clearly there have been conversations. As City Manager, I can tell you that our utility system has capacity. We provide excellent service. if there is a way we can serve an area that needs service, and we can provide it at a lower cost than the

county, maybe there is something for us to explore. If there's not, there's not." Commissioner Craft said, "You know that this has been one of my hot buttons over the past eight years. I've had fantastic conversations that go nowhere, because there are political aspects to the way our utilities operate. Ft. Pierce has annexation requirements. I'm not a huge fan of the bulk water agreement. There is so much capacity within the borders of St. Lucie County and adjacent. There is no need for us in the next ten years to build new facilities. We can put the money in the bank and have the engineering ready, so that when we do have to build, the revenue and plans are there. There are so many aspects to regionalization. I am willing to explore any opportunity there is to keep us from continuing to duplicate the capacity that exists. There has to be an integrated system eventually. I'm talking about beyond St. Lucie County. Lakewood Park is adjacent to Indian River utilities. The cost to deliver the service is a fraction of what I'm able to do. We have to decide which direction we want to go as a board. Just about when we come to a consensus there is a new board in place. If there is a way for us to work collaboratively. . . . We could work something out with our bulk water agreement." Chairman Mowery said, "I have no problem being a part of the discussion. We should be looking at a regional approach. The county has pulled smaller utility systems into ours, but I don't like the idea of smaller systems. I would like to aggressively take the approach of collaborating." Commissioner Craft noted, "I don't care what it looks like. I want the cheapest price and the highest quality."

Councilman Kelly said, "The City is way below capacity. If we had allowed the City of Ft. Pierce to come in they would have taken about 30% of the capacity we have left. If they took that and then didn't build a plant, would the state let us off the hook of servicing them? It's a health problem. Our number of entitlements will grow. Southern Grove will hopefully take a lot of capacity. In Martin County the King Ranch has been asking for water. The City needs to keep its capacities. The water wars are coming. We have to be cautious. We can help to a certain point. There are questions to be answered. Let's not go outside the county." Councilwoman Martin said, "I agree for the most part. We have tremendous assets and liability. We have to be responsible to our taxpayers. We have capacity. We have bond liability. It's fine to talk in the abstract, but I'd have to see something on paper. Regionalizing and giving away control of our assets is not something I'm prepared to do." Chairman Mowery stated "This is a big issue. It's a rate payer issue. There are pockets all over the place. Looking at a regional approach makes

sense. We can have somebody look at the pro's and con's, the structures, the opportunities. We can say that we have looked at it and it does or it doesn't have merit."

The City Manager asked, "May I meet with Ms. Outlaw and her staff to map out if there is any potential for mutual advantage and then report back to the Council? We can handle it that way." Commissioner Lewis said, "Conceptually everyone agrees that regionalization is good. The problem is giving up control of assets. That matters. You do feel the need to provide for your residents. I feel the same way. I thank you for the memo from your Utility Manager, who takes a 50 to 100 year perspective. That is another aspect of the discussion. I'm glad that Mr. Oravec and Ms. Outlaw are getting together to discuss this." Councilman Kelly noted, "Everything is always on the table. I just urge caution."

5. QUALITY OF LIFE

A. CODE OVERLAY ZONE - PRIMA VISTA - RIVERPARK

Ms. Outlaw stated, "This is an informational item. Riverpark is in the unincorporated county but is surrounded by the City. City residents aren't clear on who is doing Code enforcement. I asked my staff to reach out to the City Code staff to coordinate the efforts, so that residents on both sides of the street will see the same standards, if you will. Mr. Oravec and I had some discussion about how we can continue to coordinate. This is for the Council's information and for any questions." Mayor Faiella said, "I want to commend the county for doing this. I get many calls every day with people saying they're moving to the county, because there's no Code and they can do what they want. I'm glad this is happening." Ms. Outlaw explained, "The long term vision is perhaps a Code overlay zone, where we will make certain our Code is in line with the City's. We want to meet the higher standard and to make sure residents on both sides are getting quality neighborhoods. We have started that process."

6. OTHER ISSUES

COUNCILMAN KELLY - BEAU RIVAGE

Councilman Kelly said, "I have a rhetorical question about Beau Rivage, because it has been settled. At any time was the County Commission asked to come to the table with Martin County or the state to talk about the annexation?" Chairman Mowery replied, "We worked aggressively to try to make sure it didn't occur. We

met with state elected officials. We didn't have an opportunity with Martin County. It came down to the residents. We felt like we were along for the ride. There was an invitation from the state officials." Commissioner Craft said, "Representative Harrell asked if we would sit down with Martin County. I was against it. Having a meeting to talk about an annexation that I didn't approve of wouldn't do me any good." Councilman Kelly noted, "Our elected state officials have opened up a can of worms. I don't think it was handled appropriately. Thank you, Commissioner Hutchinson, for your comments in the newspaper." Commissioner Hutchinson advised, "We will be meeting with Martin County, and you are welcome to attend."

CITY MANAGER - POLICE CHIEF CHOICE PROCESS

Ms. Outlaw said, "Your City Manager has extended an invitation for me to be a part of the process for choosing your Police Chief. I will facilitate your question and answer session. Thank you for the opportunity." The City Manager explained, "Ms. Outlaw will be the moderator for the candidates' forum questions and answers."

7. ADJOURN

There being no further business, the meeting adjourned at 11:55 a.m.

Carol M. Heintz, Assistant City Clerk

Margie L. Wilson, Deputy City Clerk