MINUTES
REGULAR CITY COMMISSION MEETING
CITY OF HOLLY HILL, FLORIDA
MARCH 10, 1998

1. CALL TO ORDER

Mayor William D. Arthur called the meeting to order in Commission Chambers at 1065 Ridgewood Avenue in City Hall.

Answering roll call with Mayor Arthur were Commissioners Arthur J. Byrnes, J. D. Mellette, Shirley Heyman and Roland Via.

Also attending were City Manager Donald Lusk, City Attorney Edward F. Simpson, Jr., and City Clerk Sue W. Blackwell.

2. INVOCATION

Commissioner Byrnes gave the Invocation.

3. PLEDGE OF ALLEGIANCE TO THE FLAG

4. CONSENT AGENDA

Commissioner Mellette moved to ***APPROVE*** *the consent agenda being seconded by Commissioner Via.* The motion **CARRIED** 4-0 on roll call. (Mrs. Heyman was out of the room during this roll call and then returned.)

5. AUDIENCE PARTICIPATION

None

6. ORDINANCE NO. 2502 AMENDS THE COMPREHENSIVE PLAN BY REVISING THE FUTURE LAND USE MAP TO INCORPORATE CERTAIN ANNEXED PROPERTY (Final reading) – Walgreen's

City Attorney Simpson read:

ORDINANCE NO. 2502
AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA AMENDING ORDINANCE 2265, THE COMPREHENSIVE PLAN, AS PREVIOUSLY AMENDED, BY REVISING THE FUTURE LAND USE MAP TO INCORPORATE CERTAIN ANNEXED PROPERTIES LOCATED ON THE NORTHWEST CORNER OF NOVA ROAD (SR 5A) AND LPGA BOULEVARD), AND ASSIGNING THE "WHOLESALE

COMMERCIAL AND INDUSTRIAL" LAND USE DESIGNATIONS THERETO; PROVIDING FOR SEVERABILITY; REPEALING ALL LAWS OR PARTS OF LAWS IN CONFLICT HEREWITH; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

Commissioner Mellette moved to ***ADOPT*** *Ordinance No. 2502 on final reading being seconded by Commissioner Byrnes.* The motion **CARRIED** 5-0 on the following roll call:

Mellette, yes; Byrnes, yes; Heyman, yes; Via, yes; Arthur, yes.

7. ORDINANCE NO. 2503 AMENDS LAND DEVELOPMENT REGULATIONS BY REZONING APPROXIMATELY 1.70 ACRES LOCATED ON THE NORTHWEST CORNER OF THE INTERSECTION OF NOVA ROAD & LPGA BLVD. FROM I-1 (VOLUSIA COUNTY) TO I-1 CITY OF HOLLY HILL (Final reading)

City Attorney Simpson read:

ORDINANCE NO. 2503
AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA, AMENDING ORDINANCE NO. 2352, THE LAND DEVELOPMENT REGULATIONS, BY REZONING APPROXIMATELY 1.70 ACRES LOCATED ON THE NORTHWEST CORNER OF THE INTERSECTION OF NOVA ROAD (SR 5A) AND LPGA BOULEVARD FROM I-1 (VOLUSIA COUNTY) TO I-1 (CITY OF HOLLY HILL); PROVIDING FOR SEVERABILITY; REPEALING ALL LAWS OR PARTS OF LAWS IN CONFLICT HEREWITH; AND PROVIDING WHEN THIS ORDINANCE SHALL TAKE EFFECT.

Commissioner Mellette moved to ***ADOPT*** *Ordinance No. 2503 on final reading being seconded by Commissioner Heyman.* The motion **CARRIED** 5-0 on the following roll call:

Mellette, yes; Heyman, yes; Via, yes; Byrnes, yes; Arthur, yes.

8. ORDINANCE NO. 2504 AMENDS PERSONNEL RULES AND REGULATIONS (First reading)

City Attorney Simpson read:

ORDINANCE NO. 2504
AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA AMENDING ORDINANCE NO. 2422 WHICH ADOPTED THE PERSONNEL RULES AND REGULATIONS ATTACHED HERETO; PROVIDING FOR CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

*Commissioner Heyman moved to **APPROVE** Ordinance No. 2504 on first reading being seconded by Commissioner Mellette.* The motion **CARRIED** 5-0 on the following roll call:

Heyman, yes; Mellette, yes; Byrnes, yes; Via, yes; Arthur, yes.

9. ORDINANCE NO. 2505 AMENDS BEAUTIFICATION BOARD TO INCLUDE ALTERNATES (First reading)

City Attorney Simpson read:

ORDINANCE NO. 2505
AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA AMENDING SECTION 2-149 OF THE HOLLY HILL CODE OF ORDINANCES TO ALLOW FOR TWO ALTERNATE MEMBERS TO THE BEAUTIFICATION ADVISORY BOARD; PROVIDING FOR CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

*Commissioner Mellette moved to **APPROVE** Ordinance No. 2505 on first reading being seconded by Commissioner Heyman.* The motion **CARRIED** 5-0 on the following roll call:

Mellette, yes; Heyman, yes; Via, yes; Byrnes, yes; Arthur, yes.

10. REQUEST CITY COMMISSION APPROVE SETTLEMENT OF KHALAF CASE

City Attorney Simpson explained this is an old law suit which has gone through mediation. It involved use of property and evolved ultimately into a civil rights claim and an interference with contractual advantage. It is the City Attorney's recommendation after going through the mediation process that the City Commission settle the case for the sum of $40,000 which has been agreed to by the plaintiff. The City will have the right to file a claim against its insurance carrier to recover all or part of the sum that we settle for. It is Mr. Simpson's recommendation and the recommendation of the City Manager that the Commission approve the settlement of this case this evening.

*Commissioner Mellette moved to **APPROVE** settlement of the Khalaf case for $40,000 being seconded by Commissioner Heyman.* The motion **CARRIED** 5-0 on the following roll call:

Mellette, yes; Heyman, yes; Byrnes, yes; Via, yes; Arthur, yes.

11. RESOLUTION 98-R-08 REQUEST CITY COMMISSION APPROVE LOAN WITH SUNTRUST BANK

City Attorney Simpson read:

RESOLUTION 98-R-08
A RESOLUTION SUPPLEMENTING AND AMENDING A RESOLUTION ENTITLED "A RESOLUTION AUTHORIZING THE ISSUANCE OF $359,392 UTILITY SERVICE TAX REVENUE NOTES, SERIES 1993A OF THE CITY OF HOLLY HILL, FLORIDA TO FINANCE THE COST OF ACQUISITION, CONSTRUCTION OF CERTAIN CAPITAL IMPROVEMENTS AND EQUIPMENT; PLEDGING THE UTILITY SERVICE TAX REVENUES OF THE CITY TO SECURE PAYMENT OF THE NOTES; PROVIDING FOR THE ISSUANCE OF ADDITIONAL NOTES; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES OF THE HOLDERS THEREOF; AUTHORIZING A NEGOTIATED SALE OF SAID NOTES; AND PROVIDING FOR AN EFFECTIVE DATE;" AUTHORIZING THE ISSUANCE OF $1,233,920 UTILITY SERVICE TAX REVENUE NOTES, SERIES 1998A OF THE CITY OF HOLLY HILL, FLORIDA TO REFINANCE THE CITY'S UTILITY SERVICE TAX REVENUE NOTE, SERIES 1993B AND TO FINANCE THE COST OF ACQUISITION, CONSTRUCTION OF CERTAIN CAPITAL IMPROVEMENTS AND EQUIPMENT; PLEDGING THE UTILITY SERVICE TAX REVENUES OF THE CITY TO SECURE PAYMENT OF THE NOTES; AUTHORIZING A NEGOTIATED SALE OF SAID NOTES; AND PROVIDING FOR AN EFFECTIVE DATE.

City Manager Lusk explained to the City Commission the interest rate will be 4.8%. This was compared to three other banks and SunTrust was the lowest. Mr. Lusk said right now the City is paying $175,00 a year in debt service ($100,000 for the balloon note, $50,000 for a garbage truck purchased 5-6 years ago, $25,000 for a fire truck). The last two are being paid off this year. This new payment will be $157,000 and actually frees up $18,000. We will pay less in debt service than we're now paying. This also gives us the money for our new gym. There is no pre payment penalty if we decide to pay this note off earlier, it's up to us. This money may also be used for the matching grant for beautification of the medians. If the City doesn't get the grant we may not use all of this money. Mr. Lusk said he recommends approval.

Commissioner Via moved to ***ADOPT*** *Resolution 98-R-08 being seconded by Commissioner Mellette.* The motion **CARRIED** 5-0 on the following roll call:

Via, yes; Mellette, yes; Heyman, yes; Byrnes, yes; Arthur, yes.

12. RESOLUTION 98-R-09 REQUEST CITY COMMISSION AWARD CONTRACT TO SAYERS AND HAWKINS, ARCHITECT FOR THE NEW GYM/MULTI-PURPOSE BUILDING AND AUTHORIZE MAYOR TO SIGN CONTRACT

City Attorney Simpson read:

RESOLUTION NO. 98-R-09
A RESOLUTION OF THE CITY OF HOLLY HILL, FLORIDA, RETAINING SAYERS

& HAWKINS AS THE ARCHITECTS FOR THE CONSTRUCTION OF THE HOLLY HILL GYM AND AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE THE ATTACHED AGREEMENT WITH SAYERS & HAWKINS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTING RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE.

City Manager Lusk said "Staff went through a competitive selection process and this company emerged as the number one company. They far exceed number two. This is a local company and worked on the South Daytona City Hall and South Daytona Recreation Center. This is a first class company. We ranked them number. We sat down and negotiated an agreement that they're comfortable with and we're comfortable with. They are here tonight. Mr. Lusk then introduced Lee Sayers and Troy Hawkins.

Mr. Sayers thanked the Commission and provided them with a handout (see attached as part of the record).

Mr. Lusk said if the Commission hires Sayers and Hawkins this evening they will appear at the next Workshop scheduled for March 24, 1998 to hear the Commissioners ideas on the gym.

*Commissioner Via moved to **ADOPT** Resolution 98-R-09 being seconded by Commissioner Byrnes.* The motion **CARRIED** 5-0 on the following roll call:

Via, yes; Byrnes, yes; Heyman, yes; Mellette, yes; Arthur, yes;

13. RESOLUTION 98-R-10 APPOINTS MEMBER TO THE FIRE PENSION BOARD

City Attorney Simpson read:

RESOLUTION NO. 98-R-10

A RESOLUTION OF THE CITY OF HOLLY HILL, FLORIDA, APPOINTING TWO MEMBERS TO SERVE ON THE FIRE PENSION BOARD OF TRUSTEES FOR THE CITY OF HOLLY HILL, FLORIDA; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTING RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE.

City Manager Lusk said "We are appointing two members tonight, John Starr and Paul Lockeby, and to let the Commission know that the City's Finance Director is now serving on this Board."

*Commissioner Heyman moved to **ADOPT** Resolution 98-R-10 being seconded by Commissioner Via.* The motion **CARRIED** 5-0 on the following roll call:

Heyman, yes; Via, yes; Mellette, yes; Byrnes, yes; Arthur, yes.

14. REQUEST COMMISSION APPROVE CHANGE ORDER AND AUTHORIZE CITY MANAGER TO NEGOTIATE AS NECESSARY WITH R.C. JOHNSTON & SONS

City Manager Lusk asked Public Works Director Milton Hallman to explain this request to the City Commission. Mr. Hallman referred to the Summary to Date (attached as part of the record). The contractor (R. C. Johnston & Sons, Inc.) has never finished the contract or paid all of the sub-contractors. The final balance the City owes R. C. Johnston & Sons, Inc. is $6,318.19. It is the recommendation of Mr. Hallman that the City obtain release of liens and pay the two sub-contractors directly, 81.04% of their final outstanding balances.

City Attorney Simpson, said "One of the requests this evening is to approve the change order and to authorize the City Manager to negotiate as necessary. That negotiation could involve some resolution with Johnston as well as the individual material suppliers as to the amount they are owed. That amount that the City is withholding pertaining to Johnston is for work the City provided is $1,949. There could be a dispute at to whether or not he (Johnston) thinks that's the right number. So, the City Manager is asking for authority if he has to compromise it at $1,500 instead of $1,900 you give him that authority. The formalization of the change orders and the amounts owed and this process is what we're asking you to approve tonight. That does not mean that you won't get a claim filed against the City. The approval of this and to set forth the process that you have followed to determine who is owed what is appropriate and important to do at this stage. You do have suppliers who are owed money and you do want to pay them something."

A short discussion was held concerning withholding 10% on the amount of money to be paid to the suppliers and whether the suppliers or contractor could file a lien.

*Commissioner Heyman moved to **APPROVE** the request and not hold any money back being seconded by Commissioner Byrnes.* The motion **CARRIED** 5-0 on roll call.

15. REQUEST COMMISSION CONSIDERATION OF VARIANCE ON EAST SIDE OF STATE AVENUE ON THE CORNER OF FLOMICH AND STATE – Linge

City Planner Bob Keeth said the Planning Board recommends approval with the following conditions: The area east of the proposed building be used only for stormwater retention and landscaping, no business operations including storage of materials, loading or unloading of vehicles permitted, no air conditioning equipment, air compressors, exhaust fans, generators or similar noise generating equipment would be permitted. A second condition was that a 6' high masonry wall would be constructed along the east property line. A third condition was that the building height would not exceed two stories and 25'.

*Commissioner Via moved to **APPROVE** the variance with the stated conditions being seconded by Commissioner Heyman.* The motion was **CARRIED** 5-0 on roll call.

16. COMMUNICATIONS FROM CITY MANAGER

None

17. COMMUNICATIONS FROM CITY ATTORNEY

None

18. COMMUNICATIONS FROM MAYOR & COMMISSIONERS

Commissioner Mellette – None

Commissioner Heyman – None

Commissioner Via – At the Florida League Dinner four cities commented on the Solid Waste Contract. Mr. Via also commended the Police Department on their quick response time to an automobile/motorcycle accident he was involved in two weeks ago.

Commissioner Byrnes – Complimented Chief Walker on how much better the Police Department has been doing.

Mayor Arthur – None

19. ADJOURNMENT

Mayor Arthur announced the Goals Session following the meeting and with no further business to come before the Commission adjourned the meeting at approximately 8:26 p.m.

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Mayor

Attest:

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City Clerk