

New Smyrna Beach City Commission Meeting
Sept. 24, 2019

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1. The City Commission voted 4-1, with Commissioner Michael Kolody dissenting, to adopt an operating millage (property tax) rate of \$3.7421 per 1,000 of taxable value and approve a total, revised 2020 budget of \$76,643,719. The latter figure includes a general fund budget of \$31,045,770.

The new millage rate is a 4 percent increase above the city's rollback rate of \$3.5982 per \$1,000 of value. The rollback rate is the millage figure that would produce the same revenue as the current property tax rate, using new assessments.

In addition, Commissioners unanimously approved the city's total debt service rate for the 2020 budget at \$0.4535 per \$1,000 of taxable value (including the 2018 Turnbull land preservation bond issue). That adds up to a total city property tax rate of \$4.1956 per \$1000 of assessed value.

"I don't support the budget." Commissioner Kolody declared. "Basically, I think that when times are very good as they are right now we should not be looking to increase the amount of money that we're collecting. We could reduce it."

He added he understood the budget and proposed millage rate had been trimmed substantially from their original estimates, but indicated he believed the Commission could have cut the property tax rate further to achieve a rate that was only 3 percent over the rolled-back rate.

Additionally, Commissioner Kolody said he didn't think the Commission had adequate time to delve into individual department budgets.

"There were some specific items that I was looking for," he said. "One was the improvement of Washington Street, which has been talked about for years, and which is problematic . . . I think that we still should have budgeted money for doing a true conceptual plan so we could see if impact fees could have been used for that . . . So another year is going to go by with people in wheelchairs going down the street instead of the sidewalk because there are utility poles in front of them. Sometimes, I think we lose sight of what the people see, and what the people would like to see."

His fellow Commissioners pointed out there were numerous budget meetings and workshops over the past several months, offering plenty of time for everyone to talk to department heads and offer ideas on where expenses could be cut.

Commissioner Jason McQuirk, in particular, suggested his colleague might be playing politics in voting against the budget. "Commissioner Kolody, I think that was very eloquent, although I will remind you, you had four months to review the budgets . . . We asked you on a number of occasions to find where you would like to cut. You deferred that to staff. I understand, in politics that's a usual kind of move.you have continued to want to spend money, at the same time that you're proclaiming you want to cut the budget."

Commissioner Kolody protested, "We're spending millions more than we have in the past. We're exceeding the cost of living in our increase. This is not a political statement I'm making. I'm not running for anything. For you to say that, it's totally beyond me."

Vice Mayor Randy Hartman noted the city had added \$450,000 to the budget for street resurfacing, as well as more than \$200,000 for sidewalks, all of which people see and use.

Commissioner Jake Sachs said he initially joined Commissioner Kolody in his request for an operating millage rate of 3 percent over the rolled-back rate, but ended up supporting the slightly higher rate that was adopted due to it funding major improvements to safety and environmental concerns.

"Let's face it," he said. "I've been with this City Commission for almost five years. And quite often we do raise your taxes. I don't think any of us wishes to do that. But to maintain a quality of life in our city, sometimes we have to do that. In this new budget for 2020 there are some major improvements for safety and environment. At this point I was comfortable enough to go with the 4 percent (over the rollback rate). We're helping to fund a better city because of it."

McGuirk also remarked New Smyrna Beach will still have the second lowest operating millage rate in the county. "We are incredibly fiscally responsible in this city," he stressed.

Mayor Russ Owen summed up his feelings on the budget by saying, "We also have more people, and houses and rooftops and businesses and street miles to serve. Yes, we're collecting more overall. I think we're putting that to good use."

He said the 2020 budget is funding "dramatic improvements in technology, especially in the Building Department, that will greatly reduce some of the wait times that citizens and businesses are experiencing in the permitting process." In addition, Mayor Owen said other technology upgrades in City Hall "are so overdue it's not even funny." He also pointed to major improvements that are proposed to the city's Sports Complex as an example everyone on the Commission supported, and residents also would approve.

The general fund budget excludes the Municipal Golf Course and the Brannon Center, which are operated as separate funds.

The city's 2020 capital improvement fund includes several carryover projects, such as:

- ✓ \$224,241 for a joint Police Department training facility shared with the city of Port Orange.
- ✓ \$125,800 for improvements to the Pettis Park Playground.
- ✓ \$430,000 for a Splash Pad at Alonzo "Babe" James Community Center.
- ✓ \$4,715,261 for the renovation of the City Hall Annex.
- ✓ \$1,256,676 to replace airport aprons where aircraft are parked.
- ✓ \$209,108 and \$422,597 for stormwater improvements
- ✓ \$500,000 for an emergency traffic signal at Fire Station 50.
- ✓ \$180,247 and \$250,184 to upgrade computers and systems in City Hall and the Building and Inspection departments, respectively.
- ✓ \$535,000 for the Woman's Club of New Smyrna renovation (partly grant-funded)
- ✓ \$180,000 to restore the Old Fort coquina wall (partly grant-funded).
- ✓ \$350,000 for repairs to the 5th Street Bridge (partly grant-funded).
- ✓ \$700,000 for road resurfacing and \$228,357 for sidewalk repairs.
- ✓ \$250,000 to design a Corbin Park area stormwater master plan.

2. City Commissioners unanimously voted to approve the proposed \$70,485,688 2020 budget for the New Smyrna Beach Utilities Commission. It includes more than \$66 million in revenue from sales of electricity, water and reclaimed water.

The above revenues budget represents a 2.5 percent increase over the 2019 budget. The utility's 2020 budget also includes more than \$19 million in capital improvements.

3. The City Commission voted 4-1, with Commissioner Sachs dissenting, to rezone and change the future land use (FLU) for 30.8 acres of annexed property at 3075 Turnbull Bay Road, which is located between Martins Dairy Road and Shadow Pines Drive.

The new city FLU is Rural, and the new zoning is Residential Estate, with an Airport Overlay. It would be developed into 25 one-acre lots for the Turnbull Crossing subdivision. The property doesn't have access to city water or sewer service, so it will be served by individual wells and septic tanks. [SEP]

Commissioner Sachs explained he was voting against the land use and zoning because he didn't approve of the development using septic tanks.

"I did notice that the soils are sub-par for septic tank compatibility. That's my opinion," he added. "I recently received very good advice on the compatibility of soils and septic tanks. We currently have 90,000 in the county. We're trying to get rid of them everywhere, and now we're about to approve more . . . I just think it's unwise to approve building with septic tanks in this day and age."

Representing the landowner, Attorney Glenn Storch said, "If the Utilities Commission had the ability to service this area, we would not have septic tanks."

He said the property's sandy soil and the low-density development proposed "should be the best of all worlds if you're going to have septic tanks." Storch also said he has talked with the Utilities Commission about the potential for their system to expand out to serve the Turnbull Crossing area.

4. The City Commission voted 4-1, with Commissioner Sachs dissenting, to rezone 5.4 acres in two plots generally located northeast of the intersection of SR-44 and North Glencoe Road, adjacent to the existing New Smyrna Chevrolet dealership.

The zoning was changed to Planned Unit Development (PUD), and the property will be added to the dealership's existing Master Development Agreement, although not all of the land is slated for development right now.

The changes give a green light for the dealership to expand, though it will need a site plan and several other approvals before doing so.

Part of the area to be developed will have 184 vehicle parking spaces. About 3.3 acres of the total 5.4 acres are wetlands that also will need to be mitigated through the St. Johns River Water Management District.

5. City Commissioners agreed to have a special meeting Oct. 8 at 5 p.m., prior their regular Commission meeting, to address the issue of employees who are serving in interim positions, such as Acting City Manager Khalid Resheidat. The city could either negotiate contracts with employees serving in interim posts, or open a search for outside applicants.

Resheidat, who formerly was Assistant City Manager, was appointed as Acting City Manager May 15 after the resignation of then City Manager Pam Brangaccio.

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