



City of
Panama City Beach

City Hall
17007 PCB Parkway
PCB, FL 32413
www.pcbfl.gov

MINUTES of the **August 23, 2022** Special Meeting of the City Council of the City of Panama City Beach, Florida, and when permitted or required by the subject matter, the Panama City Beach Community Redevelopment Agency.

Mayor Mark Sheldon called the August 23, 2022 special meeting / budget workshop to order at 9:00 a.m.

ROLL CALL

MAYOR MARK SHELDON
VICE MAYOR PAUL CASTO
COUNCILMAN PHIL CHESTER
COUNCILMEMBER MARY COBURN
COUNCILMAN MICHAEL JARMAN

A quorum was present with all five members of City Council. Others present were City Manager Drew Whitman, Assistant City Manager Holly White, City Attorney Amy Myers, City Clerk Lynne Fasone, Directors, staff, and members of the public and press.

Vice Mayor Paul Casto led the invocation and the Pledge of Allegiance.

APPROVAL OF MINUTES

Mayor Sheldon called for approval from the minutes for the last budget workshop, August 2, 2022. **Councilman Jarman so moved. Vice Mayor Casto seconded the motion. The minutes were unanimously approved by a roll call vote (5-0).**

Vice Mayor Casto	Aye
Councilman Jarman	Aye
Councilmember Coburn	Aye
Councilman Chester	Aye
Mayor Sheldon	Aye

BUDGET WORKSHOP AND PUBLIC HEARING

1. DISCUSSION / ACTION ITEM, STORMWATER FUND FY 2023 BUDGET, PUBLIC HEARING

Mayor Sheldon called for public comment on the **Stormwater Item 1**. Hearing and seeing none, Mayor Sheldon closed the public hearing. Mayor Sheldon invited Manager Whitman to comment.

Manager Whitman turned the floor over to Assistant Manager White. Ms. White explained that format would be the same as the last budget workshop, she would provide an overview and Directors were available to answer specific questions.

Assistant Manager White reviewed the **Stormwater Fund budget** beginning on page 12 of the packet. Ms. White reported that the proposed 2023 Stormwater expenditures budget was \$8,029,360 which represented a \$4,266,540 or 113% increase over the 2022 amended budget of \$3,762,820. Ms. White reported further that this increase was driven by the timing of several capital projects. Assistant Manager White reviewed the proposed 2023 Stormwater Fund expenditures by category: 1) personnel, 2) operating, and 3) capital outlay. Ms. White continued reviewed the capital outlay projects on page 13. Ms. White continued reviewed the Stormwater budget on pages 14 through 20. Ms. White explained that this was the only fund with a deficit in its 5-year plan due to being a little upside down on the Outfall Project because

of current market prices. Ms. White reported that the City was looking for a grant and/or other funding options.

Mayor Sheldon called for comments/questions from Council on the Stormwater budget. Mayor Sheldon invited Director Jenkins to the podium. Mayor Sheldon noted that he was looking for some reassurance that the capital projects planned in this budget would be completed. Mayor Sheldon explained that he understood last year Director Jenkins took over the CRA project and there were supply chain problems. Director Jenkins stated that she understood. Mayor Sheldon recommended that if an improvement was not in the flow after approved, there should be more communication, so Council was clear when talking with the public. Discussion regarding going out to bid and grant requirements took place.

Councilman Jarman inquired if there were projects that Director Jenkins was ready to move forward now. Director Jenkins reviewed the Stormwater capital projects and commented that the saferoom project was an unknown to her, as well as the permitting for the Stormwater Outfall project, even though it was on track. Councilman Jarman and Mayor Sheldon recommended a quarterly update on all capital projects. Mayor Sheldon added that Councilmembers were more than happy to make calls to help move projects along. Vice Mayor Casto concurred.

Councilmember Coburn inquired as to the line item "salary special." Ms. White explained that item represented longevity pay.

Councilman Chester inquired if there were any areas that needed focus, with respect to homes flooding. Director Jenkins reported that the City was pretty good right now, however, it was always good to go back and look as areas change as new building goes up. Director Jenkins added that she was in the process of applying for a vulnerability assessment grant, which should tell us more. Discussion regarding the City's program of purchasing a home and then creating a retention pond on that property took place. Assistant Manager White recommended that Staff create an order of march and bring that back to Council to prioritize. Mayor Sheldon concurred and complemented Director Jenkins and her staff on the number of grants awarded to her department. Councilman Jarman concurred.

Mayor Sheldon called for more questions on the Stormwater fund. Hearing and seeing none, Mayor Sheldon recommended that Council circle back around with Director Jenkins during the Street Department budget. Councilmembers concurred.

2. DISCUSSION / ACTION ITEM, CRA FUND FY 2023 BUDGET, PUBLIC HEARING*

Mayor Sheldon called for public comment on the **CRA Fund, Item 2**. Hearing and seeing none, Mayor Sheldon closed the public hearing.

Assistant City Manager White began review of the **CRA Fund budget** on page 22 of the budget packet. Ms. White reported that the proposed FY 2023 CRA Fund expenditures budget was \$66,274,060 which represented a \$45,548,090 or 220% increase over the 2022 amended budget of \$20,725,970. Ms. White reported further that this increase was driven by the timing of several capital projects. Ms. White reviewed the Proposed 2023 CRA Fund expenditures by category: 1) debt service; 2) personnel; 3) operating; and 4) capital outlay. Ms. White reviewed the capital outlay projects on page 23. Ms. White continued reviewed the CRA budget on pages 24 through 27. Ms. White noted that the line-item detail started on page 28 and included the extension of Courtney's contract (CRA Manager, Corradino Group). Ms. White briefly discussed debt service/bonds on page 29. Assistant Director White reported that the City was in good shape to fund the CRA capital projects.

Mayor Sheldon called for comments from Council. Hearing and seeing none, Mayor Sheldon invited Mr. Courtney Drummond, CRA Manager, to the podium.

Mr. Drummond reviewed the CRA 5-year Financial Forecast on page 30. Mr. Drummond reported that he was on track to go to bid on Segments 4.1, 4.2 and 4.3. Mr. Drummond briefly discussed permitting and added that the plan sets were in decent shape, as well as the bid documents. Mr. Drummond expressed concern with current market prices. Mr. Drummond explained that he would look at estimates prior to projects being advertised. Mr. Drummond explained that he reviewed the rights-of-ways for Segments 4.2 and 4.3, and it was in the best interest of the City, to not take as much as originally planned. Mr. Drummond reported that the CRA projects would add pedestrian safety for the City and along the beach corridor. Mr. Drummond added that the CRA improvement projects were worth the investment. Mayor Sheldon called for comments from Council for Courtney.

Vice Mayor Casto inquired as to how many pedestrians crossed Front Beach Road annually. Vice Mayor Casto noted that it was a priority of the Council to provide a safe place for pedestrians to cross. Mr. Drummond concurred and added the CRA project was finally going to be caught-up. Vice Mayor Casto thanked Mr. Drummond for catching the CRA program up.

Mayor Sheldon noted that he thought it prudent for Council to look at the north, south connectors/roads as soon as 2026-2027. Mr. Drummond add that Bay County was a focus area for the DOT. Mr. Drummond explained that as cities improve roadways and take those roadways off DOT's inventory, DOT typically passes on the funds to cities. Discussion regarding DOT's future projects in the area, its budget and process took place.

Councilmember Coburn commented that the CRA Advisory Committee made a suggestion to update the 5-year CRA plan. Mr. Drummond concurred. Assistant Manager White reported that, right now, there was no money in the budget to update that 5-year plan.

Vice Mayor Casto recommended that conversations be started now with and about the Trolley system. Mayor Sheldon concurred and invited Bay Town Trolley representatives to come in now to start negotiations. Mr. Drummond reported that Ms. Krista Townsend with his office had reached out to the Transit Authority, and he believed it would improve once they have a dedicated lane. Mr. Drummond added that he will continue conversations to address the use of the Tram Lane. Mr. Drummond reported that DOT was paying more attention to transit in this area. Councilman Jarman concurred with the Mayor that now was a good time for the Bay Transit Director to come in and present to Council.

Mayor Sheldon called for additional questions from Council for Courtney. Hearing and seeing none, Mayor Sheldon thanked Mr. Drummond.

3. DISCUSSION / ACTION ITEM, UTILITY FUND FY 2023 BUDGET, PUBLIC HEARING

Mayor Sheldon called for public comment on **Utility Fund, Item 3**. Hearing and seeing none, Mayor Sheldon closed the public hearing. **Mayor Sheldon recommended that Item 3 be continued to the Thursday, August 25th 9:00 a.m.** City Council meeting, as the Director was stuck out of town. Councilmembers concurred.

4. DISCUSSION / ACTION ITEM, STREET DEPARTMENT FY 2023, PUBLIC HEARING

Mayor Sheldon called for public comment on the **Street Department, Item 4**. Hearing and seeing none, Mayor Sheldon closed the public hearing.

Assistant City Manager White reviewed the **Street Department budget** on pages 49 and 50 of the Council packet. Mayor Sheldon invited Director Kelly Jenkins to the podium. Mayor Sheldon noted he would love to see the roads rated Ds and Fs to be resurfaced.

Director Jenkins concurred and added that she had the street improvement map updated, the project was scheduled to go out to bid in October and, as Ms. White mentioned, she hoped to get more bang for the City's buck by doing all 8 ½ lane miles together. Director Jenkins added that all of the D and some of the C rated roads would be knocked out.

Vice Mayor Casto commented that possibly the Contractor doing the street patching needed to be replaced if they could not keep up. Director Jenkins concurred and noted her frustration as well.

Councilman Chester inquired if the fleet mechanic would be working on small engine repairs. Director Jenkins reported that this person would work on both small and large engines and routine maintenance.

Mayor Sheldon called for additional questions from Council for Director Jenkins. Hearing and seeing none, Mayor Sheldon thanked Director Jenkins.

5. DISCUSSION / ACTION ITEM, LIBRARY FY 2023, PUBLIC HEARING

Mayor Sheldon called for public comment regarding the **Library, Item 5**. Hearing and seeing none, Mayor Sheldon closed the public hearing.

Assistant City Manager White reviewed the **Library budget** on pages 52 and 53 of the Council packet. Ms. White reported that the initial investment was a little high, it could be more like \$150,000 instead of \$200,000. Ms. White explained that the request for next year was \$222,000, however, historically the City had funded them at \$200,000. Ms. White asked for direction from Council.

Manager Whitman explained that he reached out to Bay County Officials at the time he was going through the budget and reviewed all capital projects. Manager Whitman reported that additionally he met with County Manager Bob Majka and a County Official about the Library budget and at that time they requested that they continue to run the Library for the City. Manager Whitman added that he reviewed how other municipalities operate their libraries, costs and operating hours. Manager Whitman noted that he was available for questions. Mayor Sheldon noted this item was available to Council.

Vice Mayor Casto commented that the Library was important to the community and he agreed Council should try to get more funding from the County. Mayor Sheldon commented that he was in favor of reducing some hours, as it was unfair that the City should take on the biggest burden. Mayor Sheldon discussed the fair distribution of finances and expenses and the number of County residents versus City of PBC residents using the Library.

Vice Mayor Casto recommended that the City approach the TDC for help with funding some of the large capital items for the Library. Discussion regarding who uses the Library took place. Vice Mayor Casto recommended that Council try to find another way to fund the Library besides cutting operating hours. Councilman Jarman noted that he was not in favor of drastically cutting operating hours, perhaps going to a 6-day rotation to save money. Manager Whitman briefly discussed the nine libraries in the Northwest Regional Library System. Further discussion regarding cutting hours and/or employees took place.

Vice Mayor Casto recommended that the City fund the Library at its current request, while continuing to find additional funding possibly through the County and/or St. Joe Company.

Councilman Chester recommended that Library operating hours be cut to at least 5 days. Councilman Chester reported that he was unsure if the Library was an appropriate expense for TDC, however, he would look into it.

Mayor Sheldon reminded everyone that every department head had to make cuts to their original budgets.

Councilmember Coburn commented that she was comfortable with cutting Library operating hours, provided, the Library remained open on Saturdays, while residents were off work. Discussion regarding the costs of maintaining the building, replacing the HVAC and improvements needed to the restrooms took place. Manager Whitman recommended that he speak with the County as to which days of the week were used most often.

Councilman Chester inquired about grants for the Library. Manager Whitman reported that Bay County does look for grants, on the City's behalf, and he would gather more information on that. Assistant City Manager White inquired as to how much the Council was willing to fund the Library in FY 2023.

Councilman Jarman recommended \$200,000. Vice Mayor Casto recommended \$222,000. Councilman Chester stated he was not in favor of \$222,000. Mayor Sheldon recommended \$185,000. Discussion regarding operating hours took place. Mayor Sheldon, Councilman Chester and Councilmember Coburn recommended \$185,000, provided the Library remained open on Saturday.

Manager Whitman noted a majority of Council recommended funding at \$185,000, and he would report back to Council with additional information requested today. Mayor Sheldon asked to see the number of PCB residents that use the Library. Manager Whitman reported that he should be able to get the number of PCB residents who have a library card. Discussion regarding Snowbirds and County residents using the Library took place.


Mayor Sheldon called for additional comments regarding the Library fund. Hearing and seeing none.

Manager Whitman recommended that, with respect to the IT Department, he create an **IT Department Director position**. Manager Whitman added that Jason Pickle would be a project manager to run the ERP Project. Manager Whitman reported that Jason would help us find a new Director. Councilman Chester inquired if the position would be spread-out over-all departments, similar to the Chiller. Manager Whitman stated yes. **All Councilmembers concurred with the creation of a new IT Department Director position.**

Mayor Sheldon invited final comments from Council. Hearing and seeing none, Mayor Sheldon reminded everyone that today was election day and to please get out and vote.

With nothing further, Mayor Sheldon adjourned the special meeting by unanimous consent at 10:18 a.m.

READ AND APPROVED this 9th day of September, 2022.



Mark Sheldon, Mayor
City of Panama City Beach, Florida

ATTEST:



Lynne Fasone, MMC, City Clerk

* ACTION ITEMS NOTED WITH AN ASTERISK ARE TAKEN BOTH BY THE CITY COUNCIL AND THE PANAMA CITY BEACH REDEVELOPMENT AGENCY JOINTLY AND CONCURRENTLY. IN THE EVENT OF A CONFLICT BETWEEN THE FOREGOING MINUTES AND A VERBATIM TRANSCRIPT OF THESE MINUTES, THE FOREGOING MINUTES SHALL CONTROL.