

City of Port St. Lucie

City Council Workshop

Meeting Minutes

121 SW Port St. Lucie
Blvd.
Port St. Lucie, Florida
34984

Shannon M. Martin, Mayor

Jolien Caraballo, Vice Mayor, District IV
Stephanie Morgan, Councilwoman, District I
Dave Pickett, Councilman, District II
Anthony Bonna, Sr., Councilman, District III

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Thursday, July 24, 2025

8:30 AM

**Port St. Lucie Community Center,
2195 SE Airoso Blvd., Port St. Lucie,
FL 34984**

Summer Workshop Day 2

1. Meeting Called to Order

The second day of the 2025 Summer Workshop of the City Council of the City of Port St. Lucie was called to order by Mayor Martin at 8:30 AM on July 24, 2025, at Port St. Lucie Community Center, 2195 SE Airoso Boulevard, Port St. Lucie, Florida.

2. Roll Call

Council Members Present:

Shannon M. Martin, Mayor
Jolien Caraballo, Vice Mayor
Stephanie Morgan, Councilwoman
Dave Pickett, Councilman
Anthony Bonna, Councilman

3. Pledge of Allegiance

Mayor Martin led the assembly in reciting the Pledge of Allegiance.

4. Public to be Heard

Mayor Martin called on those who signed up to speak:

1. Diane Goldberg, 6470 NW Volucia Drive, spoke regarding the improvements to McCarty Ranch. She indicated she sent some information to Kevin Matyjaszek, Utilities, related to the wetlands and bringing tourists to Port St.

Lucie. She suggested that the Council tour the wetlands in other communities to observe how they attract beautiful birds and other wildlife.

There being no further comments, Mayor Martin closed Public to be Heard.

5. Workshop Business

5.a Hear and Approve Updated Parks & Recreation Master Plan

[2025-706](#)

Brad Keen, Parks & Recreation Director, indicated the final draft version of the Parks & Recreation Master Plan is being presented to the City Council for any comments or changes. He explained, Carlos Perez, Consultant, will prepare the final report and then Staff will come back before Council to accept and adopt the recommended 5-Year Update to the 10-Year Plan. Mr. Keen reviewed a brief history and timeline of the Parks and Recreation 10-Year Master Plan that was completed and adopted by the City Council in 2019.

Mr. Keen introduced Mr. Perez, who delivered a PowerPoint presentation on the proposed implementation and strategy of the 10-Year Master Plan. He provided an overview of the plan's purpose, goals, scope, and schedule; the needs assessment and vision; benefits to residents and park visitation; allocation and funding sources; and potential projects along with prioritization criteria.

Mayor Martin asked Mr. Keen to speak to the ongoing discussions between the City and the School District regarding shared facilities/fields. Mr. Keen explained the City's Parks and Recreation Department has had a longstanding mutual use agreement with the St. Lucie Public School District. He stated that the current system has worked well for many years; however, this proposal suggests that the City install lighting on the fields and expand their use to nights, weekends, and holidays. He indicated conversations have been had at the staff level and they have been receptive to the idea, but have not advanced to the leadership level of both parties. Mayor Martin stated she was for lighting and sharing facilities/fields with the St. Lucie Public Schools, but she did not want to wait two years to determine if a partnership could be formed.

Mr. Keen commented that one of the challenges is campus security. Council and Staff discussed the number of fields and who would be responsible for security, maintenance, lighting, staffing, damages, etc., as the agreement would need to be restructured. Chief Leo Niemczyk stated they could plan and prepare for providing security at the fields/schools, but it would be an investment. City Manager Merejo noted the City would have the same expenses, costs, and issues if they built new facilities.

Mr. Perez continued his presentation and addressed the planning level

process. He indicated a feasibility study would be done to address the Council's questions and concerns. He concluded his Powerpoint presentation by discussing the next steps. Council suggested using the fields at night, providing more soccer fields at Sportsman's Park, and working with the private sector to provide more programs.

With Council's permission, Mr. Perez presented a PowerPoint presentation on the Village of Estero Sports Campus Master Plan, including public/private opportunities, sports hub, leasing concessions to generate revenue, etc. Council and Staff discussed how this model might work in Port St. Lucie. Mayor Martin suggested looking into the High 5 Entertainment District and Capital Improvement Program as implemented by the Village of Estero, FL, and reviewing the financial models.

Mr. Keen reiterated the final Parks & Recreation Master Plan, including Council's comments from today, will be prepared for approval and adoption by Council. Mayor Martin requested a clearer picture of the future projects, to which Mr. Keen stated Staff would provide a 2-3 year outlook.

- 5.b** Approve the Development of the Naturally PSL Land Bank to
Acquire, Conserve, and Activate Land for Parks,
Conservation, and Passive Recreation

[2025-712](#)

Kate Parmelee, Deputy City Manager, explained this recommendation came from the Innovation Team after speaking with thousands of residents regarding the need for land acquisition to fulfill many needs in the City. She introduced Nikki Zheng, Bloomberg Fellow, who presented a PowerPoint presentation on the proposed Naturally PSL Proposed Land Bank Program, including City growth versus public spaces, resiliency planning for heavy rains, land acquisition funding and completed parcels, as well as acquisition and activation gaps. Ms. Zheng also discussed the PSL land bank proposal, funding structure, and potential impacts.

Mayor Martin wanted to look at funding sources and getting to the 50% mark for having a neighborhood park or green space within a 10 minute walk for each resident. Council suggested utilizing the Cameo site for green space and building sports fields next to it, putting forth strategies to obtain the vision/goal, reducing the amount of concrete/asphalt, etc.

Ms. Parmelee spoke to the data analysis and strategic approach to the green/park space, and how the City has made significant gains. City Manager Merejo noted that they are working on three acquisitions to accomplish this goal. He stated the 501(c)(3) gives the City opportunities for grants and resident donations. He also reminded the Council that the Cameo site is utilized during hurricanes.

Mayor Martin inquired about the Torino partnership with the County. Mr. Keen clarified that the City has an ILA with St. Lucie County for Torino Regional Park and the County will be contributing \$4 million to the current phase one Torino Park project. He indicated the County was no longer interested in building a water park, library, and recreation center on City designated land.

Mayor Martin stated she wanted the City to explore the non-profit organizations and not rely on the County for park partnerships. Councilman Pickett agreed with the non-profit approach, but expressed his concerns with the City's current non-profit agreements and suggested the City acquire more control in said agreements. Mayor Martin agreed and stated the City needs to be very mindful of how the agreements are constructed. Ms. Parmelee indicated that Staff will come back with models and options for the Council to consider, with more tightly controlled structures than previously.

Vice Mayor Caraballo indicated that more data points were needed, such as park impact fees and who is visiting the parks. Mayor Martin spoke to data points and City road usage. Vice Mayor Caraballo stated they needed to continue the conversation with the County regarding partnerships and impact fees.

Mayor Martin recalled that Council requested a field trip to tour some parcels in the City, to which the City Manager indicated that a tour will be scheduled.

There being no further discussion, Vice Mayor Caraballo moved for Staff to bring back options and structure to develop a land bank and a City-affiliated 501(c)(3) non profit organization. Councilman Bonna seconded the motion, which passed unanimously by voice vote.

(Clerk's Note: Mayor Martin called a break at 9:55 AM and the workshop continued at 10:16 AM.)

5.c Demonstration of PSL in Progress

[2025-686](#)

Sarah Prohaska, Communications Director, stated that PSL in Progress is a new communications tool to help communicate to the residents everything happening in Port St. Lucie. She introduced Scott Samples, Communications, who provided a PowerPoint presentation on PSL in Progress and what information can be accessed or shared. Avi Monina demonstrated how the user would interact with PSL in Progress.

Vice Mayor Caraballo suggested taking a laptop when meeting with state/federal legislature to present the City's projects via PSL in Progress when requesting funds. Mayor Martin stated the explanations of the traffic needs/issues should be simple and easy to understand, and explain why the project has been implemented.

Councilman Bonna emphasized the tool needs to be updated and maintained regularly for it to be beneficial. Mayor Martin agreed and noted that the City's current website is out of date. Ms. Prohaska indicated that Communications has the responsibility of keeping the tool updated with high level updates.

Vice Mayor Caraballo inquired as to which projects will be highlighted in PSL in Progress. Scott Samples indicated the capital improvement projects and selected department projects will be included. Vice Mayor Caraballo suggested keeping it simple and including only two years of projects. She also spoke to the flooding element and how this tool could assist.

Councilman Bonna asked if PSL in Progress would be compatible with other devices. Mr. Monina explained the challenge was how the images appear on other devices. Scott Samples stated IT was working on some of these things, and that more and better tools are yet to come.

Vice Mayor Caraballo stated it would be nice to see in real time and, for in the future, the elevation/flooding issues for funding, stormwater fees, etc. Colt Schwerdt, Public Works Director, explained Staff is working on creating these different scenarios, but it may take some time.

Sarah Prohaska spoke to utilizing City employees and not outside sources for PSL in Progress. She thanked Mr. Samples and Mr. Monina for their hard work.

5.d Provide a Review of the City's Debt Portfolio.

[2025-682](#)

Charlie Proulx, Deputy Director Finance, presented a PowerPoint presentation on the City's Debt Portfolio, including the major reasons for debt and the benefits of issuing debt.

Councilman Bonna spoke to the financial aspect of waiting 20 years for an asset that is needed today, as time, experience, and quality of life should also be considered. City Manager Merejo stated such results can be seen in the northern part of the City, as they are always working towards getting ahead of traffic, utilities, and stormwater.

Charlie Proulx continued his presentation on debt policy and announced that the City will be refinancing its Crosstown bond today, resulting in a savings of \$1 million. Stephen Okiye, Finance Director, discussed the bond process and how the City received several competing bids for this bond. City Manager Merejo and Mayor Martin noted how the stability of the City and the City's strong fiscal policies benefit the bond process.

Charlie Proulx continued his presentation and compared Port St. Lucie's debt with other Florida cities. Mayor Martin stated she shares these slides at speaking engagements with residents, to show how the City has made significant strides in reducing its debt.

Vice Mayor Caraballo inquired if the City had a bond reserve, to which Charlie Proulx responded in the affirmative. He explained the money will be spent within three years and the City repays the bonds as soon as feasible.

Vice Mayor Caraballo asked about coming in under budget or having remaining reserves. Caroline Sturgis, OMB Director, indicated the City has a Debt Reserve Reduction Program and recent capital projects have not come in under budget. She stated in instances where the City is able to save, the savings is put into debt reserves, where they can either refund, refinance, or pay off debt earlier.

Vice Mayor Caraballo inquired if there was an analysis, policy, or reserve for debt repayment. Ms. Sturgis stated the departments had ongoing conversations regarding this. She discussed the City's reserve policy and indicated the City is meeting its current reserve levels as directed. Mayor Martin added that the City has had a policy for several years to put aside \$1 million each year to pay down debt, to which Mr. Okiye responded in the affirmative.

Vice Mayor Caraballo inquired if a number could be put on the debt repayment. Stephen Okiye explained that historically the City would budget the debt payment for the next fiscal year. Vice Mayor Caraballo stated it would be good to have a discussion about reserve/debt repayment and potential investing until bonds are recalled.

Charlie Proulx continued his presentation on Debt Comparison and Population Growth versus Debt Reduction. He discussed how the demand for stormwater improvements, utilities, and public buildings is trending upward due to growth. He noted the City will have to finance these projects with additional debt, to ensure everyone is paying equitably for the new services.

City Manager Merejo noted that the western annexations as well as the other facilities and services are part of the City because of debt. He explained it is a cycle that will turn and head the other direction, as they prepare for the next 25-30 years. He stated debt will increase as part of a growing city and they want future residents to pay for future debt.

Councilman Bonna stated it was all about communication and planning, as he thinks the City is still feeling the ramifications for what has happened in the past. Mayor Martin reiterated that is why she shows the slides when addressing those concerned about the City's debt.

Vice Mayor Caraballo spoke to past decisions and the current level of scrutiny the City goes through due to past debt. She asked what the value is of the City, to which Ms. Sturgis stated it was \$26 billion. Vice Mayor Caraballo agreed that it is about how the debt gets communicated.

Charlie Proulx continued his presentation on Debt Comparison, Outstanding Debt by Category, Refunding Occurrences, and Current Bond Ratings. Vice Mayor Caraballo requested a list of the different bond ratings from the top ten cities in Florida.

Charlie Proulx concluded his presentation by reviewing the Total Debt Portfolio and sharing how Finance is a vital strategic tool to ensuring City infrastructure. He noted the City's external auditors, internal staff, bond ratings, and financial advisors, indicate the City is doing better each year.

5.e Hear a Review Regarding the City's Investment Portfolio.

[2025-680](#)

Karen Russell, Assistant Finance Director, explained the City's investment portfolio is managed internally and externally. She introduced external consultant, John Grady, Managing Director of Public Trust Advisors, who provided a PowerPoint presentation on the City's Investment Portfolio. He reviewed the economic indicators, including Gross Domestic Product, job growth, inflation and CPI, and consumer confidence. Mayor Martin and Vice Mayor Caraballo commented on inflation and consumer confidence.

Mr. Grady also discussed the FOMC Dot Plot from the June 2025 Meeting, Federal Funds Rate Expectations, U.S. Treasury Yield Curve, Interest Rate Rebound from Recent Laws, Current Portfolio Structure, and the Investment Program Asset Allocation as of June 30, 2025.

(Clerk's Note: Mayor Martin called for a lunch break at 11:44 AM and the workshop resumed at 1:02 PM.)

5.f Tentative Approval of the City Manager's Proposed Fiscal

[2025-674](#)

Year (FY) 2025-26 Budget and Establish the Tentative Millage Rate, which Represents the Maximum Property Tax Rate that May be Adopted for the Upcoming Fiscal Year.

City Manager Merejo provided a brief PowerPoint presentation on the City Manager's Goals and spoke to the City's accomplishments to get where they are today. He noted that the City has been able to obtain \$102 million in grants over the last three years, as the City of Port St. Lucie is the best and will only get better. City Manager Merejo commented on serving the residents, lowering the debt, and how he appreciates all the work that has been done. Vice Mayor Caraballo acknowledged the City Manager's 18-page letter regarding the budget, which highlights staffing and how the City is operating as fiscally conservative as possible.

Caroline Sturgis provided a PowerPoint presentation on the Proposed Budget for Fiscal Year 2025-26, and reviewed the budget strategy and approach. Vice Mayor Caraballo inquired about the number of homesteaded properties in Port St. Lucie, to which Ms. Sturgis indicated that the number will be incorporated into the next presentation. Councilman Bonna asked how the recent Constitutional amendment affected the homestead exemption, to which Ms. Sturgis explained they were not projecting any further declines in revenue.

Ms. Sturgis continued her presentation and indicated the proposed budget totals \$907,405,588 for FY 2025-26. She discussed the revenue and expenditure assumptions. City Manager Merejo noted that the water rate is 3.5% and not 5.5%. Councilman Bonna asked if the Cameo site adjustments should be incorporated into the presentation, to which Ms. Sturgis stated she would work with the City Manager on this request as well as Council's comments regarding the site.

Ms. Sturgis continued discussing the expenditure assumptions, tax base increase, and PSL millage rate history. She reviewed the proposed operating and Crosstown voter debt millage reduction, impact of millage reduction, and cost of city services per resident. Vice Mayor Caraballo inquired if there was an increase in cost per resident due to inflation and staffing levels, to which Ms. Sturgis stated that was a fair assessment.

Ms. Sturgis continued her presentation and discussed long term debt, proposed staffing changes, City Services - FTE per 1,000 residents, as well as new opportunities, threats, and outcomes. She provided an overview of the budget and discussed where the money comes from and where it goes.

Vice Mayor Caraballo spoke to the slide comparing the inflation between food prices and city services year over year. She indicated the increase in cost of City services is significantly lower than the price of food. Mayor Martin added that the property tax increases were a result of values going up and not the result of the City increasing property taxes, which should be noted on the slide.

At this time, Ms. Sturgis indicated she had the information that was requested earlier in the meeting. She stated homestead exemptions are at 55% and the amount of reserves in the Crosstown debt account is \$11 million, of which \$8 million is designated for a one-year debt payment.

Ms. Sturgis continued her presentation and reviewed the Operating Budget, Fund Types, Budget Constraints, as well as the Department Budgets.

Councilwoman Morgan questioned the Economic Development Council (EDC) salaries, to which Elijah Wooten indicated the EDC agreement came before Council with a 10% increase. Vice Mayor Caraballo stressed the need for reviewing the agreements for the financial aspects as well as the services directly received by the City. She stated she wanted to see data showing the benefits to the residents. Mayor Martin indicated the EDC needs to justify their salary and show they are accountable. City Manager Merejo stated they will continue to monitor the entities going forward to ensure the City is getting the value for the funding it is providing. Councilman Bonna added that they need to have clear targets and goals for the EDC and other partnerships, and not try to justify them after the fact.

Councilwoman Morgan inquired about the business tax license for Medi Spa. She stated she liked having the requirement for a business tax license, as it gives the City a second chance to review the business. Vice Mayor Caraballo asked about enforcement of the business tax license. Stephen Okiye explained the business tax process and indicated two officers enforce the policy. Vice Mayor Caraballo suggested prioritizing those businesses that could damage the safety, health, and welfare of the public to bring them into compliance. She also recommended getting an additional person to help with compliance if there were any extra funds. Council and Staff discussed how other departments are involved in the business tax process.

Mayor Martin and Vice Mayor Caraballo recalled discussing expanding and adding medical services to the employee clinic to reduce insurance costs. The City Manager stated options could be provided to the Council at the

Winter Workshop as this information is available during union negotiations.

Teresa Lamar-Sarno added that the Human Resources Department is looking at savings to the plan and with the expansion of City Hall, the City may bring additional services in-house. Mayor Martin stated the County is expanding their Clinic services, to offset costs for County employees as well as their medical fund. She stated the City needs to maximize its potential. City Manager Merejo indicated it will cost \$1 million to expand the clinic and advised there was a building available close to City Hall. Mayor Martin thought they should take a look at it.

Vice Mayor Caraballo stated she wanted to ensure that Emergency Management, Risk Management, and IT are appropriately staffed for the future.

Council and Staff discussed right-of-way fees and the status of fiber and security cameras in the parks. Council requested that fiber/cameras be placed in all parks throughout the City for security reasons, with Mayor Martin emphasizing a holistic approach. Councilman Pickett suggested having the recognized user of the parks purchase the cameras. Ms. Parmelee indicated Staff will be meeting with each Council member to discuss some of the security upgrades underway.

Vice Mayor Caraballo noted that she appreciated those departments that provided a lot of detail or backup information, as it assists in understanding the justification, needs, and requests of the department. She also noted that a majority of the General Fund is used for safety.

At this point, Teresa Lamar-Sarno provided Council with a copy of the new cost breakdown for Solid Waste. City Manager Merejo explained that as a result of the growth in Port St. Lucie, the City negotiated with the County to get the disposal fee that the City will be paying down to \$87.47. He indicated the City will no longer be receiving funds for recycling, as the City will be paying a tipping fee and split the revenue if there is a surplus at the end. He noted that the numbers include FCC's costs. Mayor Martin thanked the team and Commissioner Fowler for working diligently on this effort.

Teresa Lamar-Sarno indicated a savings of \$45.04 was negotiated by the team to give back to the residents. City Manager Merejo also noted the additional benefits resulting from the team's effort. Vice Mayor Caraballo and Mayor Martin spoke to the negotiations and behind-the-scenes efforts. Marianna Feldpausch, Director Solid Waste, stated the yard waste will be recycled into mulch, which will help the County with their goal of 75% as

well as save space in the landfill.

Caroline Sturgis continued to review the proposed budgets of the different departments.

Vice Mayor Caraballo thanked Keith Bradshaw for all of the improvements to the golf course and wanted to ensure the needs of the golf course were being supported. Brad Keen spoke to the fees and improvements. Vice Mayor Caraballo inquired if the golf course fees could be increased to support the expenses of the golf course. Mayor Martin believed the City would have to continue subsidizing the golf course, even with increased fees.

Vice Mayor Caraballo and Mayor Martin discussed the fee schedule for Public Works and the need for positions as the City is growing. City Manager Merejo stated Finance is evaluating the rates, especially in Planning and Zoning, but the City does not have the funding for every proposed position. Mayor Martin stated the City does a lot with their employees compared to other cities. City Manager Merejo indicated the studies for Planning and Zoning, Public Works, and Parks & Recreation should start coming forward in the next few months.

Mary Savage-Dunham, Director Planning and Zoning, noted that the mobility fees would be updated soon, as the demand for infrastructure is there. City Manager Merejo stated the developers' costs were going up as well and he anticipates the developers creating havoc over the increase in fees, but the City needs to hold developers accountable. Mayor Martin and Vice Mayor Caraballo agreed the developers need to pay and not the residents.

At this point, Colt Schwerdt, Director Public Works, indicated the Public Works Department appreciated the support from Council and acknowledged the comments regarding burnout and fatigue.

Ms. Sturgis continued her presentation on the Building Department, Capital Budget Recommendations, and FY 25-26 Capital Budget updates. She concluded her presentation by reviewing the Budget Hearing dates and next steps.

Mayor Martin inquired as to what was being revised in the budget. Ms. Sturgis and City Manager Merejo indicated the closure of the Cameo Site/ General Fund transfer and an additional fiber optic position were being revised. Vice Mayor Caraballo added that the Cameo positions might go to litter control and street sweeping. Mayor Martin inquired if Staff would be

coming back to Council with a recommendation, to which the City Manager responded in the affirmative.

At this point, Mayor Martin requested a motion for the City Council Budget Hearings scheduled for September 8, 2025, and September 22, 2025, at 5:30 PM at City Hall. Councilwoman Morgan moved to approve the Budget Hearing dates. Councilman Pickett seconded the motion, which passed unanimously by voice vote.

Vice Mayor Caraballo indicated that she wanted to move up the Melaleuca and Greenway River Parkway projects and requested a timeline to see when that might be possible. Mayor Martin stated that Council needed to have the data on the projects, so they could have discussion regarding moving it up. Colt Schwerdt indicated he could have the data to Council next week. The City Manager stated they would look at the data and funding, as they may have to shift out a project.

Ms. Sturgis reviewed Staff's Recommendations and the four actions that needed to be taken by Council.

Action 1 - Formally set the preliminary millage rates. This is the millage rate that the City cannot exceed:

- Operating millage rate of 4.6807, which is the same as the current year's rate.
- Debt Service millage rate of 0.3143, which is less than the current year of 0.3743.
- For a total millage of 4.9950.

Councilman Pickett moved to approve Action 1. There being no second, Mayor Martin passed the gavel to Vice Mayor Caraballo and seconded the motion for discussion.

Councilman Bonna spoke to the efficiency of the City and stated he did not want to cut anything. He suggested an additional 0.10 mills, which would be paid by the collection of \$3 million more than the \$8 million required for Crosstown. He stated that 0.075 mills equals \$1.6 million dollars. He explained if they collect \$1.6 million less from Crosstown, that will get them three-quarters of the way. He stated the 0.0250 remaining is \$544,000, will be saved by closing Cameo. Councilman Bonna indicated they will have to do a lot of explaining to the residents about the reduction in service, but the City could return some of savings to them. Councilman Bonna proposed reducing Crosstown by an additional 0.0750 and reducing the operating millage by an additional 0.0250, for a total of 0.10 mills or

about \$2,179,000 in tax relief and reduce the total millage to 4.8950.

Mayor Martin reminded everyone that they are setting the tentative rate, and they have up to the two hearings to reduce it even further. She stated she wanted to ensure the numbers Councilman Bonna suggested are correct. The City Manager suggested taking a break to review the numbers.

Councilwoman Morgan recommended reducing the General Fund by 0.0807, bringing it down to 4.6 and leaving the Crosstown debt at 0.3143. She indicated the City had reduced the General Fund for the last nine years, so she was suggesting to reduce it again.

Mayor Martin stated the increase in the budget was mainly due to inflation and the cost of their projects. She indicated it has slowed down this year, but the City was going to feel it next year.

Councilman Bonna explained that his tax proposal would be more of a tax savings, because the taxpayer is getting a full 0.10 mills, with an additional 0.0750 coming from Crosstown and 0.0250 coming from the General Fund. He expressed that Port St. Lucie has been successful with the millage, because they have been taking an incremental approach and have been very prudent along the way. Councilman Bonna stated cutting taxes has always been a priority of this Council, but he did not want to take over \$1.8 million from the General Fund, to which Mayor Martin stated she agreed.

Vice Mayor Caraballo stated she appreciated Councilman Bonna's assessment, as it will not harm the growing needs of the General Fund. She discussed how taxes are paid in arrears. (Clerk's Note: Vice Mayor Caraballo returned the gavel to Mayor Martin.).

Vice Mayor Caraballo agreed the Council should take a break. She asked Stephen Okiye about how the credit ratings and bond ratings work regarding Crosstown. Mr. Okiye stated the City was required to hold a reserve for the Crosstown Parkway in the amount of one year's debt service payments and confirmed the \$3 million is above what is required. Vice Mayor Caraballo stated she wanted to the numbers from Staff when they come back break.

City Manager Merejo inquired if there were one or two proposals to evaluate. Mayor Martin and Vice Mayor Caraballo stated they were in favor of looking at Councilman Bonna's proposal.

Vice Mayor Caraballo noted that there was a motion and a second on the floor. Mayor Martin suggested withdrawing the motion and taking a break. Councilman Pickett withdrew his motion at this time.

Ms. Sturgis asked Councilman Bonna to clarify his proposal. Councilman Bonna stated he was proposing 0.10 above what the City Manager has already proposed, if the \$3 million was over and above what the City Manager proposed.

(Clerk's Note: Mayor Martin called for break at 3:36 PM and the workshop resumed at 4:25 PM.)

City Manager Merejo indicated that Staff has both scenarios, as suggested by Councilman Bonna and Councilwoman Morgan. He stated they included \$156,000 of surplus, as part of the memo to Council, in the overall cost to lower the millage. Mayor Martin indicated it was memo #169-894 regarding allocated reserve funding.

Caroline Sturgis presented three options for Council to review and consider:

Option 1: Councilman Bonna proposed a further reduction of 0.10 to 4.895 or \$119,894, 097, which is over and above the currently proposed reduction.

Option 2: Councilwoman Morgan proposed a further reduction of 0.0807 to 4.9143 or \$120,377,697, which is over and above the currently proposed General Fund reduction.

Option 3: City Manager proposed a further reduction of 0.0500 to 4.945 or \$121,127,947, which is over and above the currently proposed reduction.

Vice Mayor Caraballo and Mr. Okiye discussed the Crosstown millage and reserve. Vice Mayor Caraballo also discussed lowering the Solid Waste rate even further and how the Cameo site will need remediation. She hoped the City Manager would use the additional \$1.5 million from Solid Waste to rehab the site once it closes in January 2026. City Manager Merejo noted that their current conversations are changing the plan, because he is lowering the millage rate by taking some funding from Solid Waste. Vice Mayor Caraballo stated she did not like any of the options and suggested adopting the millage rate as initially presented.

Councilman Bonna stated the City needs to have a balance while being as prudent and aggressive as possible. He indicated he would be okay with the City Manager's recommendation as a maximum millage. He noted the challenge with setting a millage later is sending out the TRIM notices now.

Councilman Bonna stated they need to increase some of the fees, and he would like to offset that with a millage reduction. He indicated he would like something done today beyond Crosstown. Mayor Martin expressed her concerns about Crosstown and next year, as the taxes are in arrears. She stated the fees were for enterprise funds.

Councilman Pickett suggested taking the \$2 million in funds from the Cameo site to reduce the Crosstown debt, heading into the September City Council Meeting. He stated he is never comfortable with making decisions when they only have five minutes to review the information. Councilman Pickett indicated he is concerned about the Crosstown debt for next year and would be happy moving forward with the City Manager's original recommendation.

Mayor Martin stated the Cameo site went through her mind as well, but she knows that Torino Park is coming in millions more than anticipated. She indicated that park had been a promise for more than twenty years and the City has a responsibility to get it done.

Councilwoman Morgan stated she liked the combination of two scenarios, but was not thrilled about the additional 0.01 at Crosstown, because that puts the City at a \$400,000 shortage, whereas Option 1 is less than \$200,000. She considered reducing the General Fund by 0.0500, as it will make the shortage approximately \$100,000.

Mayor Martin inquired if the \$169,000 was applied in the reductions presented. Ms. Sturgis stated the \$169,000 in reserves was included in the General Fund reduction. She indicated the City Manager would also be using \$750,000 from the savings by closing Cameo in January 2026.

Vice Mayor Caraballo stated if they move forward with adopting what has been presented, she would need the actual average per dollar impact per resident. She stated the residents are going to get a tax bill with a dollar amount that will mean more to them than any millage rate. Vice Mayor Caraballo indicated she was for lowering the millage rate, but if the numbers are not working, this Council will be left with a legacy of the Crosstown debt. She stated she never wants to be on a Board where she has to raise a millage.

After hearing Council's feedback, Councilman Bonna moved to approve a reduction of 0.0500 to the General Fund and leave Crosstown at 0.3143. Councilwoman Morgan seconded the motion.

Under discussion, Vice Mayor Caraballo inquired if the City Manager was

comfortable with these numbers. City Manager Merejo stated he would like to run the numbers first with Staff.

Mayor Martin indicated she was staying with the original recommendation, and if there is opportunity between now and September to make other changes, she will be happy to look at that.

Vice Mayor Caraballo stated she was supporting the City Manager's original recommendation, but wanted to see the numbers for homesteaded properties.

Councilman Bonna noted there would be a savings of \$25.00 on a house valued at \$250,000 with a reduction of 0.10 mills, and 0.05 mills would generate a savings of \$12.50. Councilwoman Morgan stated this would reduce the General Fund ten years in a row.

Councilwoman Morgan and Councilman Bonna discussed different scenarios/reductions. Vice Mayor Caraballo noted that they cannot add to or increase the numbers at the budget hearings.

Mayor Martin stated she would like the City Manager to bring forward his plans for the Cameo funds.

Regarding Solid Waste, Vice Mayor Caraballo indicated there is \$1 million coming from the General Fund and \$1.4 million coming from the Solid Waste fund. She asked how this will be offset in the future, since they will not be utilizing that revenue. Mayor Martin spoke to subsidizing the Cameo site when the costs started and continued to increase.

Councilman Bonna stated he wanted to divide his motion and suggested reducing the Crosstown millage by 0.06 mills, from 0.3743 to 0.3143, which was the City Manager's recommendation before today and which the Council is in agreeance with. He stated the second half of his motion is to reduce the General Fund millage from 4.3191 to 4.2791, for which there seems to be discussion.

Mayor Martin clarified that the Council is going to vote on the first motion made by Councilman Bonna and seconded by Councilwoman Morgan. City Clerk Walsh indicated the Council needed to vote or Councilman Bonna needed to withdraw his motion. She stated the motion is to approve reducing the millage by 0.0500. The motion failed (2-3) by roll call vote with Vice Mayor Caraballo, Councilman Pickett, and Mayor Martin dissenting.

Vice Mayor Caraballo moved to formally adopt the operating millage rate of 4.6807, which is the same as the current year's rate, and debt service millage of 0.3143, which is less than the current year of 0.3743, for a total millage of 4.9950. Councilman Pickett seconded the motion, which passed by roll call vote (3-2) with Councilman Bonna and Councilwoman Morgan dissenting.

Mayor Martin reiterated that the Council has until September to look at other options to lower the rate and to get information from the City Manager regarding Solid Waste. Vice Mayor Caraballo asked that this information be provided during their one-on-one's before September, to which the City Manager responded in the affirmative.

Councilman Pickett moved to tentatively approve the additional staffing level recommendations. Vice Mayor Caraballo seconded the motion, which passed unanimously by voice vote.

Vice Mayor Caraballo moved to tentatively approve the proposed operating and amended capital budgets for the next fiscal year. Councilman Pickett seconded the motion, which passed unanimously by voice vote.

Councilman Pickett moved to approve authorizing the preparation and advertising of a resolution/ordinance to adopt the FY 2025/26 fee schedule for the water rate increase of 3.5%, which is an increase of \$1.98 per month for the average user. Vice Mayor Caraballo seconded the motion, which passed unanimously by voice vote.

Vice Mayor Caraballo moved to approve authorizing the preparation and advertising of a resolution/ordinance to adopt the FY 2025/26 fee schedule for the Solid Waste rate increase of \$20.88 for a new FY 2025/2026 annual rate of \$467.33, due to the CPI increase of 4% by FCC and the increased disposal cost by the County, which is an increase of \$1.74 per month. Councilman Pickett seconded the motion, which passed unanimously by voice vote.

Vice Mayor Caraballo moved to approve authorizing the preparation and advertising of a resolution/ordinance to adopt the FY 2025/26 fee schedule for the Stormwater rate increase of \$6.00 for a new FY 2025/2026 annual rate of \$189 for improved lots and \$141.75 for vacant lots. Councilman Pickett seconded the motion.

Under discussion, Councilman Pickett inquired about the Stormwater rates for improved lots versus vacant lots, and asked Legal what could be done considering the past lawsuit. Vice Mayor Caraballo stated she agreed.

The motion passed by voice vote (4-1), with Councilman Bonna dissenting.

Council thanked everyone for their hard work and team approach in preparing for the workshop and for the betterment of the City of Port St. Lucie.

6. Adjourn

There being no further business, the meeting was adjourned at 5:06 PM.

Sally Walsh, City Clerk

Traci Mehl, Deputy City Clerk