

City of Port St. Lucie

City Council / City Staff 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, Councilman, District III

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Friday, February 24, 2023

8:30 AM

**Community Center, 2195 SE Airoso
Blvd**

1. Meeting Called to Order

A City Council/City Staff Workshop of the CITY COUNCIL of the City of Port St. Lucie was called to order by Mayor Martin on February 24, 2023, at 8:43 a.m., at City of Port St. Lucie Community Center, 2195 SE Airoso Blvd., Port St. Lucie, FL 34984.

2. Roll Call

Councilmembers Present:

Mayor Martin

Vice Mayor Caraballo

Councilwoman Morgan

Councilman Pickett

Councilman Bonna

3. Pledge of Allegiance

Mayor Martin led the assembly in the Pledge of Allegiance.

4. Public to be Heard

Resident Diane Goldberg voiced concerns on invasive plant species and the growth of the City. Vice Mayor Caraballo, Councilman Bonna, and Mayor Martin discussed the growth of Port St. Lucie, property rights, permitting, legal implementation, and education. Regarding the new developments in Tradition, Mayor Martin advised that she would be doing a Town Hall Meeting in April at Tradition Town Hall along with the City Manager, Public Works, and other key departments that were involved with development. Vice Mayor Caraballo

recommended enhancing the planning presentations at the Citizen's Academy to further educate residents, to which Mayor Martin responded in the affirmative.

City Attorney Stokes informed that the City Attorney's Office had met with various State Representatives and Senators to discuss a proposal regarding the Florida Law in which calls to Code Enforcement are no longer anonymous. He stated that the proposal made was to make complainant information confidential. Vice Mayor Caraballo advised that the Florida League of City's had been made aware of the proposal.

Strategic Initiatives Director Kate Parmelee informed the Council that a survey question was asked to residents at this year's Citizen's Summit regarding if they would prefer for one of the evening City Council meetings to be held during the day, to which the majority was in favor. Mayor Martin suggested that they should discuss how they would like for this to move forward at the March Strategic Planning Workshop, and she, as well as Vice Mayor Caraballo, briefly voiced their concerns for daytime meetings. Councilman Bonna, Councilwoman Morgan, and Councilman Pickett also provided brief comments on the item.

5. Workshop Business

5.g HEAR THE COMMUNICATIONS DEPARTMENT HIGH IMPACT PLAN 2023-205

(Clerk's Note: This item was from the Winter Workshop Day 2 agenda and was heard at this meeting.)

(Clerk's Note: A PowerPoint presentation was shown at this time.) Communications Director Sarah Prohaska presented the department's High Impact Plan by discussing the Top 3 Priorities which were the Swale Liner Phase Out Educational Campaign, the Water Video Series, and Solid Waste Service Education. She provided the 2022 Communications Solid Waste data for the website, social media, press, video, call/text, and mailers/emails, that included data such as views, posts, press releases, commercials, voice robocalls, and email/mail open rates. Vice Mayor Caraballo discussed content and how items were discussed to the public, and inquired if there was an employee solely dedicated to ensuring how public messaging was compiled, to which Ms. Prohaska responded in the negative and informed that for FY24/25 they would be seeking a full-time Content Writer/Editor. Discussion was then held between the Council and Ms. Prohaska on the importance of the position, the current size of the department, as well as further discussion on the Water Video series. Ms. Prohaska informed that a major project for the year was the website redesign which was aimed to be completed at the end of year and also included redesigns for the MidFlorida Event Center site and the Saints Golf Course site. She also briefly discussed a naming concept for The Port

and the City Center and announced the project as The Vision Identity project. She also announced that North Star Ideas (branding and marketing) would be present on the first day of the Strategic Planning Workshop and discussed the Digital Banner program. She concluded the presentation with discussion on the new Engagement Manager position. Mayor Martin made suggestions for engagement to further partner with school districts and youth. Councilman Pickett recommended extending the PSL in Lights Christmas engagement to Halloween.

A break was called at 10:20 a.m. and the Workshop resumed at 10:54 a.m.

5.a Fiscal Year (FY) 2023-24 Budget Outlook

[2023-183](#)

(Clerk's Note: This item was heard last.)

(Clerk's Note: A PowerPoint presentation was shown at this time.) OMB Director Caroline Sturgis stated that staff was looking to seek direction on Council priorities and the tentative Millage Rate objectives. She began her presentation by discussing the City Manager's direction and emphasis, and by informing of the budget process. She then provided an Economic Overview which discussed topics such as the stock market, unemployment rates, Consumer Price Index, inflation, and Federal Rates, as well as data on a local Economic Overview. Vice Mayor Caraballo informed the Council of a Bill that was to be added to the ballot that would reduce the cap from 3% to 2%.

Ms. Sturgis continued her presentation with discussion on the Millage Rate and Property Tax trends that included topics such as taxable value, new construction, Ad Valorem Revenue, and PSL Millage Rate. She then presented on the FY23/24 Outlook and discussed the budget criteria and projections for the General Fund. (Clerk's Note: Ms. Sturgis corrected the General Fund slide to reflect a change in full-time employees to be listed as 64, rather than 89.) Mayor Martin advised that the City Manager would be meeting with the departments to figure out what the needs were and making sure priorities would be met as they go into July and get the Property Appraiser's numbers. Ms. Sturgis continued her presentation on the long-range General Fund Plan and Mayor Martin suggested potentially making a change to the plan to be a 5-year projection rather than 10-20, and Vice Mayor Caraballo, City Manager Merejo, and Mayor Martin held discussion on this item. (Clerk's Note: A Council consensus was not made at this time.) Ms. Sturgis then discussed the use of Reserves regarding Port St. Lucie Boulevard and the Millage Rate with this plan and projected growth.

Ms. Sturgis continued with discussion and projections on the Ad

Valorem Revenue, Gas Sales Tax Revenue, Crosstown Parkway Debt Service Fund, and the Stormwater Fund. Mayor Martin inquired about an update on discussions regarding Community Development Districts, to which Public Works Director Heath Stocton provided an update and informed that this has taken a backseat to the swale liner project. Ms. Sturgis continued discussion on the Stormwater Fund regarding Revenues and Mayor Martin advised that they had used Reserve Funds to offset the increase last year, so they needed to address this as of this year. Mr. Stocton informed of concerns regarding contract renewals and stated that without some increases they would need to decrease the levels of service in order to stay afloat. Vice Mayor Caraballo made recommendations for public education and highlighting certain projects due to Stormwater being more than just swale liners, and Councilman Bonna echoed the comments regarding public education. Council, City Manager Merejo, and Ms. Parmelee then held discussion on public education.

Ms. Sturgis continued and presented on the Building Fund, Building Permit Fee Revenue, Building Impact Fee Revenue, Mobility Fee Revenue, Parks Impact Fee Revenue, and Police Impact Fee Revenue. Mayor Martin and Vice Mayor Caraballo discussed the Legislatures and state-wide issues. Ms. Sturgis continued with the Half-Cent Sales Tax and Utility Fund, and City Manager Merejo briefly discussed a grant received, funding, and bonds.

Ms. Sturgis continued the presentation with discussion on Water Operating Revenue, Sewer Revenue, and Solid Waste Fund. She then summarized the outlook for FY23/24 and advised that they would not be recommending a Millage reduction for the General Operating Ad Valorem due to the anticipated economic downturn for FY24/25. She stated that the recommendation was to remain flat with the Millage Rate so they could support the increased demands for services relating to increased operating costs, and that the best course of action now was to budget conservatively based on current revenue streams and defer any decisions that would reduce the revenues until they could forecast a stronger economy for the City. Ms. Sturgis concluded by presenting on the outlook of revenue, expenditures, and significant needs.

City Manager Merejo identified priorities that were critical which were the Police Training Facility, Public Works Facility, District 5, Parks & Recreation staffing, contract funding, and staffing needs/requests from other departments. Vice Mayor Caraballo asked City Manager Merejo

to keep providing the Council with funding paths and she stated that she wanted to have a projected decrease of 0.05 for Crosstown, and to prioritize according to safety first and infrastructure second.

Councilman Bonna stated his Millage goal was to get it under 5 and Councilman Pickett agreed and recommended working on decreasing the Millage since Stormwater would be increasing. Councilwoman Morgan also agreed with the Millage reduction and safety as a priority, and Mayor Martin stated that along with the Councilmember's statements, her top priorities were Police, Parks, and Public Works, as well as having conversations with citizens on the City doing everything they could to continue to lower what they could, while asking them to realize what the City has and realize that they cannot stop the growth. Vice Mayor Caraballo and City Manager Merejo briefly discussed what the shortfalls were for the Public Works facility and Police training facility, and Vice Mayor Caraballo asked how much they currently had undesignated from the Policy Reserves to which Ms. Sturgis replied that they were at about \$11.2 million from the unaudited financials for FY22, and that it may change by the next Workshop in July. Mayor Martin advised that they may need to take a pause before starting a next project that was not already an ongoing project.

City Manager Merejo and Mayor Martin provided closing remarks and Mayor Martin suggested hearing from the Building Department at the April Special Council Meeting.

5.b Hear an Investment Review Regarding the City's Investment Portfolio.

[2023-189](#)

(Clerk's Note: This item was heard after the Communications High Impact Plan.

(Clerk's Note: A PowerPoint presentation was shown at this time.) Finance Director Stephen Okiye introduced a new partnership with Public Trust Advisors and John Grady, Public Trust Advisors, spoke to the Council on the Investment Program. He provided a background on Public Trust Advisors and the partnership with Port St. Lucie which included commitment to the success of the Investment Program and an investment approach. Vice Mayor Caraballo and Mr. Grady discussed large caps versus small caps, and he then provided information on the Investment Program governance, Investment Program review, cash flow analysis, and building the investment strategy. He also presented information on a 20 Year historical performance, current portfolio structure, customized investment strategy, a sample 1-3 year portfolio

strategy update, a 1-5 year portfolio strategy update, and U.S. Gross Domestic Product. Mr. Grady concluded his presentation with discussion on the Yield Curve Analysis.

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

[2023-188](#)

(Clerk's Note: A PowerPoint presentation was shown at this time.) Mr. Okiye presented the 2023 Debt Review and discussed the City's Debt Policy. He also discussed major reasons for debt issuance including water and sewer systems, explosive population growth, inter-period equity, and useful life. He then presented on the City's population growth, the FY22 bond ratings, debt status, and FY23 refunding opportunities.

Mr. Okiye continued his presentation with information on Florida cities Long-Term Debt Bond, year-over-year projected debt balance, historical par value totals, all debt by category (FY23 projected par value), and Government Debt. He also discussed the S2016 CRA TIF Refunding Revenue Bond (Civic Center), Enterprise Debt, Special Assessment Debt, Economic Development Debt, and debt roll-forward.

Vice Mayor Caraballo suggested adding more Enterprise Bond information into future presentations for public education, to which Mr. Okiye and Mayor Martin responded in the affirmative and held discussion.

5.d Hear an Update on City Projects and Update Allocations to Projects Funded by the American Rescue Plan

[2023-180](#)

(Clerk's Note: A PowerPoint presentation was shown at this time.) Ms. Parmelee presented on the allocated funds and stated that the City had received a \$24 million allocation with a requirement to obligate those funds by December 31, 2024, and be fully expended by December 31, 2026. She discussed the categories that were eligible for fund spending and provided data for each category including supporting public health expenditures, addressing negative economic impacts, revenue replacement, and investments in water, sewer, & broadband infrastructure. She informed that the mortgage assistance program was no longer needed due to the state opening their own program and provided recommendations for alternate use of those funds which were a Community Land Trust Down Payment & Closing Assistance Program (targeted to the local workforce) or an alternative program for Delinquent Bill Assistance. Mayor Martin advised that she needed more information, and Ms. Parmelee informed that staff had advised that they could come up with more information in 60 days.

Ms. Parmelee presented on the replacement of lost Public Sector revenue and meeting the Federal Park requirements, which included the topics of COVID Vaccine Points of Distribution, Torino Regional Park Water, Stormwater, Sewer & Fiber Lines, The Port – Pioneer Park Botanical Gardens Fiber & Wi-Fi, Event Center Wi-Fi, Fiber Optic Line Extension & Wi-Fi Hotspots in City Parks, Fiber Infrastructure Project Management, Fiber Infrastructure Mapping, D-11 Canal Improvements, Entrada Northport 12-in Force Main, McCarty Ranch Water Lines to Camping Areas, and the Saints Water Quality Improvement/Drainage Project.

Ms. Parmelee concluded her presentation with discussion on investments in water, sewer & broadband with topics including Phase IV of Tom Mackie Boulevard Water, Sewer, & Stormwater, Southern Grove/I-95 – Paar Water Main, Rehab/Replace Wastewater Lift Station SP-015, Fiber Infrastructure to Water Treatment Facilities, and additional funding for priority stormwater projects.

Vice Mayor Caraballo moved to approve and support the changes as amended in the update by Kate Parmelee. Councilman Pickett seconded the motion which passed unanimously by voice vote.

A lunch break was called at 11:46 a.m. and the Workshop resumed at 1:05 p.m.

6. Adjourn

There being no further discussion, the meeting adjourned at 2:49 p.m.

Bryan Pankhurst, Acting City Clerk

Jasmin De Freese, Deputy City Clerk