

COUNCIL MINUTES  
REGULAR WORKSHOP MEETING

June 6, 2017

A regular workshop meeting of the City Council of the City of Jacksonville was held Tuesday, June 6, 2017 beginning at 5:00 PM in Meeting Rooms A and B of Jacksonville City Hall. Present were: Mayor Sammy Phillips, presiding; Council Members: Jerry Bittner, Randy Thomas, Bob Warden, Angelia Washington, and Jerome Willingham. Mayor Pro-Tem Lazzara was absent. Also present were: Richard Woodruff, City Manager; Ronald Massey, Deputy City Manager; Gayle Maides, Finance Director; Glenn Hargett, Assistant Manager for Communications and Community Affairs; Anthony Prinz, Transportation Services Administrator; Wally Hansen, Public Services Director; Mike Yaniero, Director of Public Safety; Carmen Miracle, City Clerk; and John Carter, City Attorney. \*A video recording of the Council Meeting is presently available for review on the City's website.

CALL TO ORDER

Mayor Phillips called the meeting to order at 5:04 PM.

ADOPTION OF PROPOSED AGENDA

A motion was made by Councilman Thomas, seconded by Councilman Warden, and unanimously approved to adopt the agenda as amended to defer to a future meeting the City Code Amendment–Residency Requirement and City Code Amendment–Peddler's Ordinance.

ADOPTION OF MINUTES AND CONSENT ITEMS

A motion was made by Councilwoman Washington, seconded by Councilman Thomas, and unanimously approved to adopt the minutes of the May 2, 2017, Regular Workshop Meeting, the May 9<sup>th</sup> Special Workshop Meeting, the May 16, 2017 Regular Workshop Meeting, and the May 16, 2017 Regular Meeting Minutes as presented and the Consent Items as amended.

CONSENT ITEMS

GRASSROOTS ARTS PROGRAM SUBGRANT STANDARDS

The Office of Livable Neighborhoods requested approval to apply for and accept a grant application from the Arts Council. The Arts Council was accepting applications for the Grassroots Arts Program and funding of \$2,000 was available. The Office of Livable Neighborhoods

proposed to use the funds to install a mural on the Jacksonville Youth Council Youth Center building.

This funding would be leveraged with funds received from the NC Department of Commerce for the purpose of downtown revitalization, which included installation of murals as an approved project.

Council authorized submission of an application for the Grassroots Arts Program Subgrant to the Arts Council and approved the budget amendment to accept the funds.

Ordinance 2017-24, Bk. 12, Pg. 594

TAX RELEASES, REFUNDS, AND WRITE-OFFS MARCH APRIL

The County/City Tax Collector and the City's Finance Director recommended releases, refunds, and write-offs of property taxes. The detailed list of these tax releases and refunds (that is, the listing by property name, amount, reason, etc.) was available in the Finance Office for review. The tax releases, refunds, and write-offs as recommended by the City/County Tax Collector total, respectively, \$3,723.25, \$6,451.34 and \$11.27 (\$10,185.86).

Council approved the tax releases, refunds and write-offs.

GENERAL BUDGET AMENDMENT

Several budget amendment requests were submitted since the last legislative budget amendment. The details of the adjustments were shown in the staff report. Council approved the Budget Amendment.

Ordinance 2017-25, Bk. 12, Pg. 595

RESOLUTION AUTHORIZING DONATION OF SURPLUS PROPERTY TO  
ONWASA

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The Onslow Water and Sewer Authority expressed a need for the below listed surplus property belonging to the City of Jacksonville: One 2007 Pothole Patcher and one 2004 Single Axle Dump Truck. These items were previously declared surplus to the needs of the City by Council Resolution on April 18, 2017. North Carolina General Statute 160A-280 allows a city to donate any personal property that it deems to be surplus, obsolete or unused to another governmental unit by Resolution. The five-day notice required under this General Statute was published on May 27, 2017.

Council approved the Resolution donating the surplus property to ONWASA.

Resolution 2017-04, Bk. 7, Pg. 231

LICENSE AGREEMENT MODIFICATION-COMMONS WATER TANK

The City of Jacksonville and New Cingular Wireless entered into agreement to allow the placement of cellular antennas and associated equipment at the Commons Water Tank site on September 27, 2011 followed by Amendment #1 on March 12, 2013; Amendment #2 on February 14, 2014; and Amendment #3 on October 26, 2016. Copies of these Agreements are on file in the City Clerk's office. New Cingular Wireless requested permission to modify the Agreements to allow the current equipment to be replaced with newer technology. More specifically, they would install new antennas and coaxial cables within their existing approved space on the corral located on top of the water tank. All other terms and conditions would remain the same.

Council authorized the City Manager to execute the contract revisions.

BOARD OF ADJUSTMENT REAPPOINTMENT

The Board of Adjustment is made up of seven members which include an Extraterritorial Jurisdiction (ETJ) member and ETJ alternate and a City alternate.

The term of one (1) member was due to expire June 30, 2017.

Marty Goldman desired consideration of reappointment for an additional three-year term.

Councilman Jerry Bittner is the Council Liaison to the Board of Adjustment.

Council reappointed Marty Goldman to the Board of Adjustment for an additional three-year term expiring June 30, 2020.

COMMUNITY DEVELOPMENT ADVISORY COMMITTEE REAPPOINTMENT

The Community Development Advisory Committee consists of nine (9) authorized members serving staggered three year terms. The terms of two (2) members were due to expire June 30, 2017. One member (Iris Foreman) did not desire reappointment at this time. Ms. Gloria Whitney desired consideration of reappointment for an additional three-year term.

Councilman Jerome Willingham is the Council Liaison to the Community Development Advisory Committee.

Council reappointed Gloria Whitney to the Community Development Advisory Committee for a three-year term expiring June 30, 2020.

ENVIRONMENTAL AND APPEARANCE ADVISORY COMMITTEE  
REAPPOINTMENTS

The Environmental and Appearance Advisory Committee consists of eleven (11) authorized members serving staggered three year terms. The terms of four (4) members were due

to expire June 30, 2017. Two (2) members (Sarah Holden and Grace Haubrich) did not wish to be reappointed. Two (2) members desired consideration of reappointment for an additional three-year term: Ossie Keyes and Louise Williams. Mrs. Williams also served on the Tree Board and desired consideration for another term.

Councilwoman Angelia Washington is the Council Liaison to the Committee.

Council reappointed Ossie Keyes and Louise Williams to the Environmental and Appearance Advisory Committee for three-year terms expiring June 30, 2020, which included appointing Mrs. Williams to the Tree Board.

#### PLANNING ADVISORY BOARD REAPPOINTMENTS

The Planning Advisory Board consists of nine (9) authorized members (8 City/1 ETJ) serving three-year staggered terms. Four City appointments are reserved for a member representing each of the following Advisory Committees: Community Development, Environmental and Appearance, Recreation and Parks, and Water and Sewer. The terms of two (2) members were due to expire June 30, 2017. Both members, Al Keyes and Doug Lesan desired consideration of reappointment for an additional three-year term.

Councilman Bob Warden is the Council appointed Liaison to the Planning Advisory Board.

Council reappointed Al Keyes and Doug Lesan to the Planning Advisory Board for three-year terms expiring June 30, 2020.

#### RECREATION AND PARKS ADVISORY COMMITTEE REAPPOINTMENT

The Recreation and Parks Advisory Committee consists of nine (9) authorized members serving staggered three year terms. The term of one (1) member was due to expire June 30, 2017. Mr. Bernard Lane desired consideration of reappointment for an additional three-year term.

Councilman Jerome Willingham is the Council Liaison to the Committee

Council reappointed Bernard Lane to the Recreation and Parks Advisory Committee for an additional three-year term expiring June 30, 2020

#### WATER AND SEWER ADVISORY COMMITTEE REAPPOINTMENT

The Water and Sewer Advisory Committee consists of nine (9) authorized members serving staggered three year terms. The terms of three (3) members were due to expire June 30, 2017. One (1) member (Thomas Kahl) did not wish to be reappointed at this time. Two (2)

members desired consideration of reappointment for an additional three-year term as follows: James Turner and Jill Ayuso.

Councilman Randy Thomas is the Council Liaison to the Water and Sewer Advisory Committee.

Council reappointed James Turner and Jill Ayuso to the Water and Sewer Advisory Committee for an additional three-year term expiring June 30, 2020.

#### CANCELLATION OF JULY 18, 2017 COUNCIL MEETINGS

The City Council accomplished a great amount of work from the end of March through early June, conducting meetings and workshops almost weekly, which would culminate with the adoption of the FY 17/18 Budget in June. At this time, Management did not anticipate extensive work requiring Council review or action until the month of August. Due to the July 4 holiday, currently the only meetings scheduled for Council would occur on July 18, 2017. Therefore, Council was asked to consider cancelling the July 18, 2017 workshop and regular City Council meetings.

Council authorized cancellation of the July 18th Workshop and Regular meetings.

#### NON-CONSENT ITEMS

##### FY 2017/2018 BUDGET ADOPTION

As shown in the PowerPoint Presentation herein attached as Exhibit A, Mr. Richard Woodruff, City Manager, provided an overview of the key details of the FY2018 Budget as previously reviewed at Budget Workshops. The budget was in balance as required by General Statutes. He said the proposed budget did not call for an increase in property tax, no change in sales tax distribution, no increase in current property tax rates, with water and sewer rates being reviewed later in the year. There were no changes in solid waste fees for residential/commercial customers, and no change in stormwater fees. Following the review, he presented the proposed Budget Ordinance and the amended FY2018-2022 Capital Improvements Plan for approval.

A motion was made by Councilman Bittner, seconded by Councilman Willingham and unanimously approved to adopt the Budget Ordinance, Fee Schedule, salary increase for all employees specified who were employed by the City on January 1, 2017, and the amended Capital Improvements Plan.

Ordinance 2017-26, Bk. 12, Pg. 598

### STURGEON CITY LEASE DISCUSSION

As shown in Exhibit A, Mr. Richard Woodruff, City Manager, provided a detailed review of the proposed Sturgeon City Lease.

Mr. John Carter, City Attorney, stated the statutory process for a lease dated for more than 10 years was that it had to be handled similarly to a sale of real property when an entity was using the property for a public purpose. In 2009, there was a lease in excess of 10 years for Sturgeon City. Since Sturgeon City served the public and was a Non-Profit Organization, the Council could authorize a lease by Resolution. There would be a 10 day notice advertised in the Newspaper to let the public know the lease was going into effect. After the 10 days expired the lease could be signed by the Mayor. Council was able to handle it this way due to dealing with a non-profit organization serving a public purpose.

Councilman Thomas asked if the lease was being replaced prior to its expiration and why it was being replaced. Mr. Carter said yes, it was being replaced prior to the expiration.

Mr. Woodruff said the reason why was that there were key points in the current lease that needed to be addressed. In 2009 the master plan was conceptual and theoretic. Today we were facing reality in the fact that the building construction was being sent out for bids in mid-June, bids would be received in July and in August the bid would be awarded. Lease revisions would clarify and update responsibilities of the parties involved, move from theory to reality, and authorize construction and funding by the City.

The new lease would have 19 new sections of which a few were key:

- #2. Use – Operation of a Civic Center and Environmental Education Center
- #3. Term – 15 years, City option for renewal
- #4. Rent - \$1 per year
- #5. Bond Payment - \$75,000 per year due May 1<sup>st</sup> (may be increased by City Council)

Mr. Woodruff said in past discussions, Council wanted this \$75,000 to be increased under certain conditions. Sturgeon City wanted this set as a firm number for 15 years.

#6. Duties of the City (maintenance such as restrooms, pump stations, boardwalks, stormwater areas, parking lots, lighting, mowing and landscaping) as well as asbestos removal Lab and Admin Building by July 1, 2018, fleet building use, and pay pro-rata utility bills

- #7. Duties of the Lessee – pay utility bills and provide all necessary staff for

scheduling events, set up and breakdown of events, maintenance of the Center; provide annual budget and annual financial statement to the City

#9. Funding of Center – City agreed to fund construction, hire architect, receive bids, and supervise construction

#10. Ownership – City owns the Center, responsible for all major repairs

#11. Utilization and Scheduling – By Sturgeon City non-profit, purchase and fund all furniture, cleaning, setting up events and general maintenance

#13. Use by City – Lab space in administration building, use of drying beds, use of outside space, operation of sewer system, stormwater system, and fleet building. The new lease did not permit the City to use the center without paying fees and normal scheduling although the Sturgeon City Board did offer free use to the City. The fees paid by the City would cover expenses.

#15. Alcohol Use – Regulated by City Ordinance, Section 10-4 (allowed on property leased by the City per Mr. Carter)

Mr. Woodruff said the current lease showed the name of the building as the Sturgeon City Civic and Environmental Education Center. The Sturgeon City Board thought it should be amended to the Sturgeon City Environmental Education Center. The original idea to have the word Civic in the title was due to the many events that would occur there being of a civic nature.

Dr. Don Herring, Sturgeon City Chairman stated the opportunity for the new building would provide for many activities to occur at Sturgeon City. Their sole function was to operate and schedule priorities around Environmental Education and then any other opportunities that had a proper fit or schedule could be held there also. This was in keeping with their original plan. Their true intent was for the building to be an Environmental Center.

Mr. Woodruff asked Council for guidance with this matter. Mayor Phillips and Councilman Warden expressed support for the name change. Councilman Willingham was not in agreement. He said as a branding matter, removing Civic seemed to imply that it was exclusively an Education Center. It was not unusual for the question of Jacksonville having a Civic Center to arise. He said Council understood the priority and the priority for the use of the building had been established. He felt, as a branding matter, the name itself would let the public know that there was also the opportunity for public use of the building. He felt Civic should be in the name as it was appropriate and helpful to the branding.

Following a brief discussion, a motion was made by Councilman Warden and seconded by Councilman Bittner to change the name to Sturgeon City Environmental Education Center. Councilman Thomas asked where the name would appear. Mr. Woodruff said it would appear on the lease, the building and on all promotional literature for the Center as well as legal documents.

The motion passed on a 4 to 1 vote as follows:

Voting “Aye” – Council Members, Bittner, Thomas, Warden and Washington.

Voting “Nay” Council Member Willingham.

Mr. Woodruff said the new lease stated the lessee would conduct the operation of an Environmental Education Center and associated uses designed to create economic development activities, promote environmental and community stewardship, provide environmental and civic education activities; and provide other civic activities. Those activities included public meeting space, space for public receptions and weddings, space for social gatherings and any similar use deemed compatible with the operation of the facility by the City and the Lessee.

He said the reference to the Master Plan was removed. This provided a framework of how the building was to be utilized.

It was the consensus of Council to remove Master Plan verbiage from the new lease.

Mr. Woodruff said the Term of the lease was currently 15 years and could be renewed by the City at its sole discretion. Dr. Herring stated the Board was hoping for some amenable language for the right to renew the lease.

Councilman Thomas said he would be agreeable once Council knew what the amount of the lease would be. Councilman Warden said he would like to see something that was negotiable at the end of 15 years. Sturgeon City could then come before the Council and negotiate the renewal amount. He was comfortable with Sturgeon City having the right to renew; however, the City setting a fee now for that far into the future was not something he was prepared to do. Discussion was held.

Mr. Woodruff said the verbiage in the lease would either bind or give flexibility to a future Council. Mr. Carter said if an amount was placed in the contract and was agreed upon and wording by Sturgeon City was accepted it would be binding for 30 years. He offered an alternative option in which the lease could have verbiage stating it could be renewed beyond the 15-year period by the City upon mutually agreed upon terms and a rental amount between the two. More discussion was held.



Councilman Bittner asked Mr. Carter for proposed verbiage for the change. Mr. Carter said, “upon mutually agreed upon term and amount the lease may be renewed.”

A motion was made by Councilman Bittner, seconded by Councilman Warden, and unanimously adopted to accept the verbiage provided by Mr. Carter for Section 3 – Term. It would read: The lease may be renewed beyond the 15-year period by the City upon mutually agreed upon terms and rental amount.

Mr. Woodruff said Section 5 – Bond Payment provided proposed language of \$75,000 per year for 20 years.

Dr. Herring said in looking at the current payment schedule, what was locked in as far as years or defined as debt would require clarification and any consideration was appreciated. Mr. John Rouse, Director, Sturgeon City Board of Directors, stated the direction that Sturgeon City had been under from the beginning was 20 years of payments of \$75,000 per year, which they wanted to keep. Mr. Charles Efird, Vice Chairman, Sturgeon City, said this was Phase III and there were two other Phases for Sturgeon City. Discussion was held regarding payments and pre-payment options.

Mr. Woodruff said Council would need to decide what they wanted the annual payments to be and whether or not they wanted to provide a right to pre-pay. Mr. Efird said the reason he was so adamant about pre-paying was that Sturgeon City was going after some large sums of money. He asked for some type of plan to be able to pre-pay. His concern was that Sturgeon City would acquire large sums of money that would need to be utilized immediately and they would be in a better financial position if they were able to pre-pay the lease.

Councilman Bittner asked if the City had the ability to pre-pay our loan. Mr. Woodruff said we did not. Councilman Warden said he would rather have the money today rather than later. And there was no guarantee that Sturgeon City would be able to pay \$75,000 per year for the next 20 years. Councilman Bittner agreed. Councilman Thomas suggested the City’s contribution to the Institutes could be decreased once the Center was open.

Mr. Woodruff said Council should decide if they wanted to set a payment amount of \$75,000 for the next 20 years. They also needed to decide on whether or not a pre-payment clause should be added to the lease and if so, Council needed to provide direction to staff. Mr. Woodruff said Sturgeon City had pledged one fourth of the bond debt, which equaled \$1 million. It could be viewed as the total interest and principal that they would pay for 20 years.

Following a discussion, a motion was made by Councilman Warden, seconded by Councilman Bittner and unanimously adopted to a lease term of 15 years at a rate of \$75,000 per year and the following verbiage from the Sturgeon City letter (May 31, 2017) to be placed on the lease: “It is agreed that the Lessee has obligated itself for payment of \$75,000 per year for 20 years to support funding designated for the construction of the Civic and Environmental Education Center. As of June 6, 2017, five of the twenty (5 of 20) payments have been made. The lessee agrees to continue with the payment of \$75,000 per year for the remaining 15 years. Failure of the lessee to make these payments is considered a term of default. At any time the City has declared a default on the lease by the lessee for nonpayment of the annual \$75,000 amount or for any other reason, the requirement of the lessee to make additional \$75,000 annual payments is no longer required.”

Mr. Carter suggested the pre-payment be handled as a mortgage. Due to the fact that a large payment might be made, that payment would not prevent Sturgeon City from having to make their regularly scheduled annual payment of \$75,000. Councilman Warden said they owed the City 15 years times \$75,000 – if they wanted to pay it out over the life of the lease that was fine or pre-pay it was fine with him. Mr. Carter said staff would need direction from Council as to how the pre-payment would work and how it was to be applied.

A motion was made by Councilman Warden, seconded by Councilman Willingham and unanimously adopted to allow Sturgeon City to have the right to pre-pay and to direct how the prepayment is to be applied.

Mr. Woodruff said he would like to have direction on Section 13 – Use by the City of the Civic and Environmental Education Center. Mr. Woodruff said while the Board did offer free use of the Center he did not recommend it due to many requests by others for the City to allow free use. He felt the City should pay to use the facility as this would create clarity and provide no misunderstandings. Councilman Thomas said he agreed with Mr. Woodruff there should be an arms-length relationship. Councilman Bittner said he thought if the City was going to use the facility, we should pay the going rate.

A motion was made by Councilman Willingham, seconded by Councilman Warden and unanimously adopted to have the City pay a fee each time they used the Sturgeon City building.

Mr. Carter stated language would be added to the lease that would cancel the 2009 lease. Upon further reflection, he felt Council did not need to approve the lease until the bids came back

with a contract for the building. His recommendation was to wait until the bids were received to consider approving the lease.

Mr. Woodruff said in order to award a bid, the lease had to be adopted. Mr. Carter agreed. Mr. Woodruff said it could be addressed at the first Council meeting in August.

#### RECESS/RECONVENE

Mayor Phillips recessed the meeting at 6:15 PM for a short break. Mayor Phillips reconvened the meeting at 6:30 PM.

#### HOLIDAY CITY POOL LEASE

Referring to Exhibit A, Mr. Richard Woodruff, City Manager gave a detailed report of the Holiday City Pool Lease.

The lease was for a public/private partnership at Holiday City Mobile Home Park (HCMHP). Mr. Woodruff said the term would be for a 10 week period commencing June 30, 2017 through September 5, 2017. City staff would operate the pool Monday through Saturday from 10 AM to 4 PM. The pool would close at 4 PM and City staff would no longer be responsible for operation. The pool would re-open at 5 PM for HCMHP residents only. Usage on Sunday would be for HCMHP residents only with no City staff in attendance.

The City would provide two lifeguards, one pool attendant, and would reimburse HCMHP for the chemicals and the pool technician. The City would provide insurance as well. HCMHP would provide a certified pool operator (required by the City's insurance and the State Health Department) and they would also conduct daily operations of cleaning restrooms, maintenance, insurance, etc.

Admission would be as follows: public admission by a fee and HCMHP residents by a pass card. Parking for City residents would be at North East Creek Park as parking at the pool was very limited. The Jacksonville Police Department, on their normal routine and routes, would provide security.

Fees would be charged as follows: Children 12 and under \$1, Adults and children 12 and above \$2, and HCMHP residents by pass card.

Mr. Woodruff stated the insurance for the City would be approximately \$600 for the period the pool was open and would be underwritten by the NC League of Municipalities.

Mayor Phillips asked about the capacity of the pool. Mr. Woodruff responded that it was 75 people within the gated area.

The consensus of Council was that this was a great idea and they were impressed with the forethought that went into the development of the project.

ADJOURNMENT

A motion was made by Councilman Thomas, seconded by Councilman Willingham, and unanimously adopted to adjourn the meeting at 6:39 PM.

Adopted by the Jacksonville City Council in regular session this 20 h day of June, 2017.

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Sammy Phillips, Mayor

ATTEST:

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Carmen K. Miracle, City Clerk

**Jacksonville City Council**



**Regular Workshop Meeting**  
June 6, 2017

**Proposed Workshop Agenda**

Consent Items



1. Grassroots Arts Program Subgrant	8. Community Dev Adv Cmte Appointment
2. Tax Releases, Refunds & Write-offs	9. Environmental & Appearance Adv Cmte Appointment
3. City Code Amendment – Residency Requirement	10. Planning Adv Board Appointment
4. General Budget Amendment	11. Rec & Parks Adv Cmte Appointment
5. Donation of Surplus Property to ONWASA	12. Water & Sewer Adv Cmte Appointment
6. Commons Tank License Agreement	13. City Code Amendment Peddlers Ordinance
7. Board of Adjustment Appointment	14. Cancellation of July 18 Meetings



**Proposed Workshop Agenda**

Non Consent Items


1. **FY18 Budget**
2. **Sturgeon City Lease**
3. **Holiday City Pool Lease**

**FY18 Budget**


**FY18 City of Jacksonville Budget**

- 2018 Five year CIP
- 2018 Operating budgets: General Fund
  - Water Sewer Fund, Stormwater Fund, Solid Waste Fund
- Adopt Budget by June 30, 2017



**Schedule**

April 4	Opening Workshop	
April 11	Budget Workshop	5 PM
April 18	Budget Workshop Public Hearing	5-6:45 PM 7 PM
May 2	Budget Workshop	5-6:45 PM
May 9	Budget Workshop	5-8 PM
May 16	Budget Workshop	5-6:45 PM



### Revenue Forecast: FY18 Budget

	FY17	FY18
Property Tax	23.20	23.54
Sales Tax	10.61	11.62
Solid Waste Fees	4.67	4.71
Transfer In From Gen Fund	1.45	1.35
Stormwater Fees	2.93	2.97
Water & Sewer Fees	21.47	21.50

**Millions**



### FY18 Proposed Budget

Operations	\$83,457,985
Capital Projects	\$12,135,457
Transfers	\$12,623,041
<b>Total Current Budget</b>	<b>\$108,216,483</b>



### Tax Rate Information

FY18 Tax Rate	64.2¢	
Capital Projects	4¢	<i>Formerly Council Initiatives</i>
Center for Public Safety	5.15¢	<i>Set by Council</i>
General Government	55.05¢	<i>What's Left</i>



### FY18 Budget: Taxes & Fees

Sales Tax Distribution	No Change
Tax Rate (64.2¢)	No Change
Water & Sewer Rates	TBD
Solid Waste Fees	No Change
Stormwater Fees	No Change
General Fund Balance	\$1.6M



## Sturgeon City Lease



### State Authorizations

#### NCGS 160A-279

Authorizes a City to Convey Real Property to a Nonprofit and Establishes the Procedure



### City Authorization

**February 17, 2009 Resolution 2009-61**  
Current Lease Negotiated and Approved by Council



### Current Lease

**Key Points:**

- Term: 15 Years Lease
- Renewed: Additional 15 Years
- Purpose: Operation of a Civic & Environmental Education Center



### Why Have Lease Revisions?

- To Clarify & Update Responsibilities
- Move from Theory to Reality
- Authorize Construction & Funding by the City



### New Lease Sections:

- |                    |                                |
|--------------------|--------------------------------|
| 1. Leased Premises | 6. Duties of the City          |
| 2. Use of property | 7. Duties of the Lessee        |
| 3. Term of Lease   | 8. Development of the premises |
| 4. Rent            |                                |
| 5. Bond Payment    |                                |



### New Lease Sections:

- |                     |                         |
|---------------------|-------------------------|
| 9. Funding          | 14. Right of inspection |
| 10. Ownership       | 15. Alcohol use         |
| 11. Scheduling      | 16. Waiver              |
| 12. Sublease        | 17. Termination         |
| 13. Use by the City |                         |



### New Lease Sections:

- 18. Modifications
- 19. Notices



### Key Sections:

2. Use: Operate a Civic and Environmental Education Center
3. Term: 15 Years, City option for renewal
4. Rent: \$1 Year



### Key Sections:

5. Bond Payment  
\$75,000/Year Due May 1  
May be increased by City Council



### Sections

6. Duties of the City  
Maintenance: restrooms, pump stations, boardwalks, stormwater areas, parking lots, lighting, mowing and landscaping.



### Sections

6. Duties of the City:
  - Asbestos removal Lab & Admin Bldg by July 1, 2018
  - Fleet Building Use
  - Pay Pro rata utility bills



### Sections

7. Duties of Lessee:
  - vi Pay utility bills
  - vii Provide all necessary staff for Scheduling events, Set Up & Break Down, Maintenance of Center.



### Sections

7. Duties of Lessee:
  - xi Provide Annual Budget and Annual Financial Statement to City





## Sections

9. Funding of Center:  
 City Agrees to fund the Construction  
 City to: Hire Architect  
           Receive Bids  
           Supervise Construction



## Sections

10. Ownership: City owns the Center, responsible for all major repairs  
 11. Utilization & Scheduling: By Sturgeon City Nonprofit, purchase and fund all furniture, cleaning, setting up events, general maintenance



## Sections

13. Use by City: Lab space in administration building; use of drying beds; use of outside space; operation of sewer system; stormwater system; Fleet building.



## Sections

13. Use by City: This section does not permit the City to use the center without paying fees and normal scheduling. \*\*\*While the Board did offer free use, CMO does not recommend due to many requests by others for City to allow free use. Fees cover expenses.



## Sections

15. Alcohol Use: City Ordinance, Section 10-4



## Requested Changes by Nonprofit

- Change Name of Facility:  
     From: Sturgeon City Civic and Environmental Education Center  
     To: Sturgeon City Environmental Education Center



### Requested Changes by Nonprofit

Section 2. Use-Change reference to Master Plan  
 Section 3. Term-Make renewal by right of Sturgeon City



### Requested Changes by Nonprofit

Section 5. Bond payments  
 Proposed language: \$75,000 per year for 20 years



### Holiday City Pool Lease

### Public Private Partnership

- Swimming Pool Facility
- City of Jacksonville and Holiday City Mobile Home Park



### Leased Property-Holiday City Pool



### Term of Lease: Responsibilities

Dates	City of Jacksonville	Holiday City
June 30- Sept. 5 Mon – Sat 10AM – 4PM	\$1 Year Rent 2 Lifeguards 1 Pool attendance Reimburse HC for chemicals, maintenance & Pool Technician Insurance	1 Certified Pool Operator–daily maintenance and monitoring Provide pool, pay expenses Clean restrooms, pool area Insurance



### Operational issues

Public Admission by fee  
Holiday City residents by Pass Card

Parking: NE Creek Park and Holiday City parking lot

Security: General JPD patrol

**Public use Closed after 4PM Daily and all day Sunday**



### Fees:

<b>\$1</b>	Children Under 12
<b>\$2</b>	Adults Children 12 and above
<b>Pass Card</b>	Holiday City Residents

