

CITY OF GREEN COVE SPRINGS CITY COUNCIL REGULAR SESSION

321 WALNUT STREET, GREEN COVE SPRINGS, FLORIDA
TUESDAY, JULY 01, 2025 – 6:00 PM



MINUTES

Invocation & Pledge of Allegiance to the Flag – **Mayor Johnson**

Roll Call

COUNCIL MEMBERS PRESENT: Mayor Matt Johnson, Vice Mayor Ed Gaw, Council Member Glee Glisson, Council Member Darren Stutts

STAFF MEMBERS PRESENT: L.J. Arnold, III, City Attorney, Steve Kennedy, City Manager, Mike Null, Assistant City Manager, Erin West, City Clerk

Mayor to call on members of the audience wishing to address the Council on matters not on the Agenda.

1. Bill Bland 1585 Rivers Rd. GCS expressed gratitude to Mayor Johnson and the City Council for supporting the Green Cove Springs Pickleball Group's fundraising events, which benefit the Green Cove Springs Food Pantry. In 2024, these efforts helped the pantry serve over 13,450 individuals, providing food, clothing, and supplies to those in need.
2. Mike Kelter 630 Myrtle Ave. GCS prefers living in Green Cove Springs but advised Orange Park's stronger financial management. A 2024 audit showed Orange Park with a \$10.7M general fund, a slightly lower millage rate (17.6604 vs. GCS's 17.765), and public safety funded by a 6% JEA franchise fee, compared to GCS's 13% from electric utilities.

PRESENTATIONS

1. FMPA - July 2025 **Bob Page**
Mr. Page presents the July report.

PUBLIC HEARINGS

2. First Reading of Ordinance O-13-2025 and transmittal to the Florida Department of Commerce for Amendments to the Public Facilities Element and Conservation Element of the Comprehensive Plan by adopting the updated Water Supply Facilities Work Plan, 2025-2045 by reference. **Michael Daniels**

City Attorney Arnold reads Ordinance No. O-13-2025 by title.

Development Services Director Michael Daniels outlined the 2025 – 2045 water supply plan, projecting demand at 1.479M gallons/day within capacity but limited by the state consumptive use permit (CUP). Planned projects include upgrades to Harbor Road and Reynolds plants (2027 – 28) and Magnolia Point reclaimed water facilities (five-year span) to meet state rules banning discharge into the St. Johns River.

Mayor Johnson opens the public hearing.

Mike Kelter 630 Myrtle Ave. GCS questioned the \$13.5M Magnolia Point reclaimed water project, whether it covers full customer connections or just piping, and if coordination with Clay County Utility Authority (CCUA) has occurred, since their plans don't reference GCS. He also raised concerns about potential steep water rate hikes and whether the project delivers a complete reclaimed system.

Following no further comment, Mayor Johnson closed the public hearing.

Assistant Water Utilities Director Scott Schultz explained the \$13.5M Magnolia Point reclaimed water project, required to end effluent discharge into the St. Johns River by 2032. The budget covers only initial phases, and no agreement yet exists with CCUA, though options include piping water to their facility and building a city-funded storage tank. The five-year project faces right-of-way and utility challenges, with final costs unknown until bidding. Reclaimed water is highly treated, safe for most uses, and confirmed by UF/IFAS research. A \$1.5M consultant contract covers design, permitting, and financing, helping the city secure grants and loans, about \$17M in the past decade, to reduce customer cost impacts.

Vice Mayor Gaw discussed PFAS (forever chemicals) concerns, advising that Green Cove Springs' drinking water aquifer is known for low PFAS levels. He asked if reclaimed water is tested for PFAS or if the assumption is that the pure source ensures a safe product. He advised that both effluent and reclaimed water now require similar scrutiny for PFAS contamination.

Mr. Schutlz explained that PFAS, though unregulated, is voluntarily tested in GCS drinking water with non-detectable results. Reclaimed water testing is planned using EPA-provided materials due to high costs. Currently, reclaimed water is only sent to a Magnolia Point pond, not for consumption. Biosolids are sent to Rosemary Hill and then a Georgia landfill, avoiding human contact.

Motion to approve for form and legality the first reading of Ordinance O-13-2025 and approve transmittal to the Florida Department of Commerce to amend the Public Facility and Conservation Elements in the Comprehensive Plan to adopt the updated 2025-2045 Water Supply Plan by reference.

Motion made by Council Member Stutts, Seconded by Council Member Glisson.

Voting Yea: Mayor Johnson, Vice Mayor Gaw, Council Member Glisson, Council Member Stutts

3. Second and Final Reading of Ordinance No. O-12-2025, amending City Code Chapter 90, Article III, Electric Utility, section 90-122 entitled "rate schedule for electricity furnished"; and section 90-123 entitled "fees for capital installation in the electric department"; and section 90-61, "security and night-lights"; and section 90-62 "meters, generally, a new service connection charge; temporary service, generally". *Mike Null*

City Attorney Arnold reads Ordinance No. O-12-2025 by title.

Assistant City Manager Mike Null presented ordinance updates including a per-lot subdivision fee increase to \$2,600, modernization of area lighting with energy-efficient LEDs, and a proposed electric service connection fee increase from \$125 to \$200 (with \$300 under consideration). The council also approved a 12% across-the-board electric rate increase effective July 2, 2025, to restore operating income, rebuild fund balances, and support transfers for the general fund and renewal projects. While no increase is planned for 2026, future hikes are projected through 2032 to address rising utility costs.

Mayor Johnson opens the public hearing.

Mike Kelter 630 Myrtle Ave. GCS urged the council to consider all utility customers, including those outside city limits, and criticized poor communication, pointing out no capital project updates in 18 months. He suggested using the Public Information Officer to better highlight progress.

Diane 723 N. Magnolia Ave. GCS criticized the council for ignoring a \$50,000 expert rate study due to social media backlash, advising her own electric use rose from 1,700 to 2,500 kWh. She defended city staff and argued that the council is yielding to complaints instead of expert guidance.

Following no further comments, Mayor Johnson closed the public hearing.

Mayor Johnson thanked Mr. Null for his emails and methodology in coming up with going from \$125 to \$200. He asks Mr. Null if he sees a reason to jump to \$300 for a new connection service fee.

Mr. Null advised a rate study was completed so that the rates are dependable at \$200.

Council Member Glisson praised Mr. Null's clear presentation, urged more staff-led rate studies with citizen involvement to cut consultant costs, and noted the \$35,000 average income makes increases hard. She stressed funding big-ticket infrastructure like transformers is essential and that public needs remain a priority.

Vice Mayor Gaw questions freezing electric rates through 2026, warning it will cause financial deficits in 2026 and 2027 due to rising material and labor costs. Delaying rate increases will raise future costs, and modest increases (6% in 2027, 7% in 2028, 3% annually through 2032) won't prevent deficits, merely postponing financial challenges.

Mr. Null clarifies the decision to cap the electric rate increase at 12% for 2025, instead of the needed 20%, was made due to the higher increase's unlikelihood of passing. The approved budget for 2026 will be followed, with rates reviewed annually using updated data. Future projections (6% in 2027, 7% in 2028) are estimates, not commitments, and rates will be reassessed next year with 10 – 12 months of new data.

City Manager Steve Kennedy advised the 12% electric rate increase for 2025, effective July 2, balances financial needs with public and staff concerns. Phased to avoid unmanageable hikes, it's a first step toward recovery, with no rate increases committed beyond 2025. Rates will be evaluated annually with new data to ensure transparency and address future needs.

Motion to approve on Second and Final Reading Ordinance No. O-12-2025, to amend City Code Chapter 90, Article III, Electric Utility and amending the service connection fees of \$200.

Motion made by Council Member Stutts, Seconded by Council Member Glisson.

Voting Yea: Mayor Johnson, Vice Mayor Gaw, Council Member Glisson, Council Member Stutts

CONSENT AGENDA

All matters under the consent agenda are considered to be routine by the city council and will be enacted by one motion in the form listed below. There will be no separate discussion on these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately. Backup

documentation and staff recommendations have been previously submitted to the city council on these items.

Motion to approve Consent Agenda item 4.

Motion made by Council Member Glisson, Seconded by Council Member Stutts.

Voting Yea: Mayor Johnson, Vice Mayor Gaw, Council Member Glisson, Council Member Stutts

4. City Council approval of funding in the amount of \$41,910 to Irby for electric transformer box pads purchase to be used in phase 2 the Rookery project. *Sue Wang*

COUNCIL BUSINESS

5. City Council approval of the nominee for Planning & Zoning Board Seat 5. *Michael Daniels*
Council Member Stutts advises he is nominating Mr. Bob Lewis for the Planning & Zoning Board seat.

Motion to approve Mr. Bob Lewis for the Planning & Zoning Board Seat 5.

Motion made by Council Member Stutts, Seconded by Council Member Glisson.

Voting Yea: Mayor Johnson, Vice Mayor Gaw, Council Member Glisson, Council Member Stutts

6. Lien Reduction Request - 3531 Summit Oaks Drive *Michael Daniels*
Development Services Mike Daniels gives a background on the request. In May 2024, a Green Cove Springs property owner was found guilty of installing a shed without a permit, ordered to comply or face \$25 daily fines, but did not attend the hearing or comply. By March 2025, a lien was sought for non-compliance. Despite a granted extension, no permit was submitted, and in May 2025, the magistrate upheld the guilty finding and recorded a \$9,100 lien. The owner removed the shed and requested a lien reduction to \$1,422.97. Staff recommends approval due to prompt removal and communication issues, despite the council's history of upholding full liens.
City Attorney Arnold explained to the new council members that lien reduction requests are rare in Green Cove Springs. Before a lien is recorded, the magistrate controls fines and remedies, but after recording, the city council decides reductions at its discretion. No formal formula exists; decisions consider staff recommendations, compliance timing, and equitable factors. Past councils have occasionally reduced liens but denied reductions for prolonged violations or ignored orders, requiring full payment.

Motion to approve staff recommendation of the lien reduction from \$9,100 to \$1,422.97

Motion made by Council Member Stutts, Seconded by Council Member Glisson.

Voting Yea: Mayor Johnson, Vice Mayor Gaw, Council Member Glisson, Council Member Stutts

7. City Manager & City Attorney Reports / Correspondence
The City Manager and City Attorney made comments regarding various city activities, events, operations, and projects.
8. City Council Reports / Correspondence
The City Council made comments regarding various city activities, events, operations, and projects.

Council Member Stutts suggested looking at the twice-weekly garbage service due to truck issues, advising some residents might accept weekly pickup with two cans to reduce truck wear. He suggested adding the topic to the agenda for public input.

City Manager Steve Kennedy considers the proposed garbage service change significant and recommends collecting detailed data on costs, savings, and logistics for review.

Assistant City Manager Mike Null reported the broken garbage truck should be repaired by the end of the week, barring weather delays. The delivery of the new truck has been pushed back from two weeks to about July 14, with the timeline continuing to change.

Council Member Stutts criticized restrictive code enforcement ordinances, opposing mandatory garages (O-08-2011) due to affordability, the carport ban (O-06-2016) to allow affordable alternatives, and the grass parking ban (O-01-2000) as unfair for older homes or events. He argued these rules harm residents and businesses. He recommends adopting Clay County's reactive enforcement model, limiting proactive searches unless safety or health issues arise.

Mr. Kennedy recommends adding code enforcement issues to the agenda, suggesting separate discussions for permanent versus occasional violations, like those during holidays with visitors.

Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 8:00 p.m.

CITY OF GREEN COVE SPRINGS, FLORIDA

Daniel M. Johnson, Mayor

Attest:

Erin West, City Clerk