

city of PALM COAST FLORIDA



CITY HALL

2015 Annual Progress Report



Find Your Florida



Photo by Duane Van Horn - Winner of the 2015 Palm Coast Photo Contest

To Our Residents:

The City of Palm Coast is proud to release the Annual Progress Report for 2015, an overview of accomplishments, achievements and progress based on the goals set by the Palm Coast City Council. It includes a section on each of the six goals: Expansion, Economic, Finance, Environmental, Quality of Life, and Workforce Talent, along with results from the annual Citizen Survey.

There is a special report on the opening of our new Palm Coast City Hall, a full-service facility for residents in the downtown area! The other big project that wrapped up in 2015 was the six-laning of 1.23 miles of Palm Coast Parkway. Additionally, progress was made on transportation projects to support the coming I-95 Interchange in northern Palm Coast, planning for a second Wastewater Treatment Plant, expansion of the Seminole Woods Pathway, safety improvements on Royal Palms Parkway, and renovation of Holland Park. These are among dozens of capital projects we completed or started this year.

This growth is also reflected through a strengthening economy. The upward trend in building activity continued, employment rose, and revenues increased from sales tax, bed taxes and building permits. A new retail recruitment strategy was implemented to help attract retailers and other commercial entities to our community. Major progress was made to the redevelopment of Island Walk Shopping Center.

Through strategic planning and by doing as many projects as possible using in-house talent (thereby saving taxpayer dollars), the City has been able to accomplish many big projects, earn awards for excellence and improve the quality of life for residents in many ways. Among those achievements: Palm Coast Mayor Jon Netts received the Regional Leadership Award from the Northeast Florida Regional Council, a network of local governance serving seven counties and their 27 municipalities.

The City's ISO rating of its fire suppression delivery system improved to a Class 2, putting the City in the top 1.1 percent in Florida and top 1.3 percent nationally. The City also improved its rating for our floodplain management activities, earning a Class 5 rating – among the highest rating of any city or county in the state.

The City was also honored with the highly coveted Florida Green Building Coalition Gold Level Certification for local governments' environmental practices and programs in pursuit of long-term sustainability and environmental stewardship. Our commitment to the environment was also reflected in the opening of two exciting water treatment projects – a new Zero Liquid Discharge Plant at Water Treatment Plant 2 and a new concentrate treatment system at WTP 3.

Our active lifestyle is also a key part of the report. The City offers dozens of special events for residents and visitors each year. There's something for everyone, and an increase in participation in our recreational programs reflects that. New in 2015 was the Birds of a Feather Fest.

Please take a few minutes to review our Annual Progress Report to become more familiar with the great things happening here in Palm Coast! As you do, I hope you'll reflect on how you Found Your Florida in Palm Coast and consider inviting your family and friends to join us here.

Jim Landon
Palm Coast City Manager

Palm Coast City Hall

Our New City Hall

The doors at 160 Lake Avenue officially opened in our downtown Town Center in 2015, ushering in a new era in Palm Coast. Our first permanent City Hall built for the sole purpose of serving the public was unveiled at a Grand Opening on November 3, symbolizing 16 years of triumphs and struggles that Palm Coast experienced over the short 16 years since its incorporation. 2015 became the year City Hall authenticated our identity as a hub of energy where our citizens can see their elected officials in action, receive services from the City, and where expanded commercial and social activities are stimulated.

Since 1999, when Palm Coast incorporated as an official Florida municipality, City offices were housed in five temporary locations: the Palm Coast Community Center, the former Flagler County Library (when it was located in the former Palm Harbor Shopping Center), One Corporate Drive (former ITT headquarters), 2 Commerce Boulevard and City Marketplace Shopping Center on Cypress Point Parkway.

In 2015, City Hall rapidly became recognized as the full-service, one-stop facility where residents can complete all their city-related business. Employees merged their offices from other locations and moved to these departments at 160 Lake Avenue: the Business Assistance Center, Business Tax Receipts, Customer Service, Code Enforcement, Building, Zoning, Permitting and Planning, Finance, Administration, IT and Construction Management & Engineering. A Community Wing on the west side of the office building houses the City Council Chambers, a large community meeting room and two smaller rooms that will eventually be available to the public to rent for their events.

City Hall is our investment in future economic growth of Town Center, an area created as a core for expanding development. Bringing the new City facility to the downtown area enhances opportunities to attract prospering business and jobs to Town Center, establishing the City as among the early stakeholders to signify this location as an inviting place to live, work and play.

This year's opening of City Hall will most certainly be remembered as the historic year Palm Coast re-defined our community as a small town with a very big presence. The year initiated our journey to unite residents in tradition, diversity and community spirit at a permanent gathering place – their very own new City Hall.

- Environmentally sustainable features include design for LEED (Leadership in Energy & Environmental Design) certification; LED lighting; insulated, tinted windows; high efficiency HVAC chiller system; low-flow plumbing; sensors to automatically control lighting.
- Two-story building has 16,600 square feet of office space on each floor and a 7,900-square-foot Community Wing.



Our Vision

Making a Vision a Reality The Strategic Action Plan

Our Vision:

To be recognized as one of Florida's premier cities in which to live, work and play.

The Strategic Action Plan (SAP) was developed through an extensive effort to reaffirm the long-term vision of the City of Palm Coast. Maintaining a long-term vision is a critical element to ensure that the City is recognized as one of Florida's premier cities to live, work and play.

Through the Palm Coast City Council's direction, the Vision is implemented through six (6) Long-term Goals and supporting Short-term Objectives and Strategies. To bridge a closer relationship with implementing the Vision and Fiscal Year budgetary commitments, an additional tier of organization was established to bridge a closer relationship with implementing the Vision and Fiscal Year budgetary commitments.

Through Approaches (annual projects), City staff track activities, budget, performance and overall accountability of the pursuit of the City's Vision. We welcome our citizens to view the SAP which is evaluated by City Council on an annual basis.

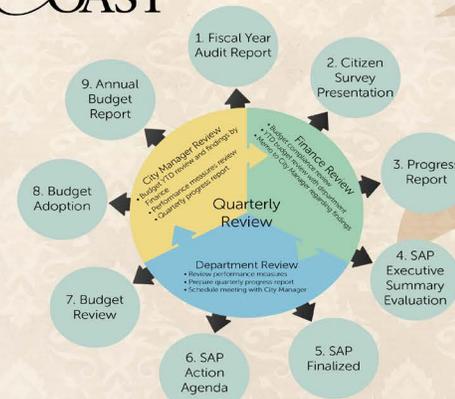
This report is structured to focus on the progress of our efforts with implementing the Vision on an annual basis. Each Goal has a focus element along with other areas of City operations that may be of interest to our citizens.

To take a deeper look into our progress and overall process, please visit our ["End of Year Progress Report"](#) document for 2015 fiscal year.



City Council
Jon Netts
Mayor
Bill McGuire
District 1
Heidi Shipley
District 2
Jason DeLorenzo
District 3
Steven Nobile
District 4

2015-2016 Strategic Action Plan



Our Vision: To be recognized as one of Florida's premier cities in which to live, work and play

Goal 1: Expansion - To anticipate the need for additional services and infrastructure to provide opportunities for mixed use development with goods, services, and employment
Objective 1.1: To enhance infrastructure in order to maintain quality neighborhoods and business districts
Objective 1.2: To assess the need to expand infrastructure for sustainable growth

Goal 2: Economic - To develop and maintain a strong economy by supporting the growth and development of new and existing businesses while creating an environment to attract new companies that align with our values
Objective 2.1: To develop an evaluation matrix to assess the implementation of Prosperity 2021
Objective 2.2: To develop a "branding and marketing strategy" and establish criteria to measure success
Objective 2.3: To promote the Palm Coast Business Assistance Center as the destination center for small business training and support in Flagler County

Goal 3: Financial - To leverage our financial strengths while ensuring the City remains committed to fiscal responsibility in delivering value-added services to residents and businesses
Objective 3.1: Diversify our revenue sources
Objective 3.2: Increase efficiency through enhanced operations and technological advancements
Objective 3.3: Establish system to continually evaluate and enhance internal financial controls

Goal 4: Environmental - To blend our residential and commercial properties with our "City of Parks and Trails" image to create a sustainable framework of visual appeal while caring for our land, water, air, and wildlife
Objective 4.1: To develop programs to enhance our water conservation strategies
Objective 4.2: To evaluate the evolution of City of Palm Coast Recreation and Parks Facilities Master Plan projects
Objective 4.3: Evaluate current "Green" initiatives and targeted projects that are sustainable
Objective 4.4: Protect the environment through appropriate development strategies

Goal 5: Quality of Life - To enhance the quality of life for our citizens by providing safe, affordable, and enjoyable options for cultural, educational, recreational, and leisure-time events
Objective 5.1: Enhance community and visitors' recreational opportunities and experiences at community events
Objective 5.2: Enhance safety measures throughout the community
Objective 5.3: Seek partnerships with educational institutions to expand community educational and cultural opportunities

Goal 6: Workforce Talent - To develop and implement a comprehensive plan to improve City employee skills and performance through education and training; performance management; and personal development opportunities
Objective 6.1: To develop a program to improve staff retention and recognize individual skills and talents
Objective 6.2: To develop in-house and identify external training opportunities for employees
Objective 6.3: To enhance awareness of customer service and relationships with our citizens
Objective 6.4: To coordinate with regional public and private educational institutions to identify partnership opportunities which benefit both parties

Capital Projects	Streets	Utility	Stormwater
Holland Park Renovations	Street Resurfacing	WTP 2 Wellfield Expansion	Swale Rehab & Pipe Replacements
Seminole Woods Path	Palm Coast Parkway Six-Laning	Reclaimed Water Mains (Seminole Blvd & Matanzas Woods Pkwy)	Major Crossing (Boulder Rock)
ITMS Restrooms	Palm Harbor Parkway Extension	WWTP 2 - Design & Construction (multi-year project)	Modeling Improvements (Sec. 37)
Town Center Restrooms	Old Kings Road Widening Design	Pump Station Improvements	Lehigh Canal Dredging



Find Your Florida

City Information



Mayor – Jon Netts

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Council Member, District 1 – Bill McGuire

bm McGuire@palmcoastgov.com

Council Member, District 2 – Heidi Shipley

hshipley@palmcoastgov.com

Council Member, District 3 – Jason DeLorenzo

jdelorenzo@palmcoastgov.com

Council Member, District 4 – Steven Nobile

snobile@palmcoastgov.com

Palm Coast City Council,

(pictured from left)

Heidi Shipley, Council Member District 2; Jason DeLorenzo, Council Member District 3;
Jon Netts, Mayor; Steven Nobile, Council Member District 4; Bill McGuire, Council Member District 1

APPOINTED OFFICIALS

City Manager, Jim Landon

City Attorney, William E. Reischmann, Jr.

City Clerk, Virginia Smith

Finance Director, Christopher M. Quinn

Information Technology Director, Steve Viscardi

Fire Chief, Michael C. Beadle

Utility Director, Richard H. Adams

Recreation & Parks Director, Luciana Santangelo

Public Works Director, Nestor Abreu

Community Development Director, Stephen Flanagan

CONTACT INFORMATION

Customer Service (386) 986-2360

City Manager's Office (386) 986-3702

Parks & Recreation (386) 986-2323

Building & Permits (386) 986-3780

Business Assistance Center (386) 986-2499

Planning/Zoning (386) 986-3736

Fire (386) 986-2300

Animal Control (386) 986-2520

Annual Survey Results

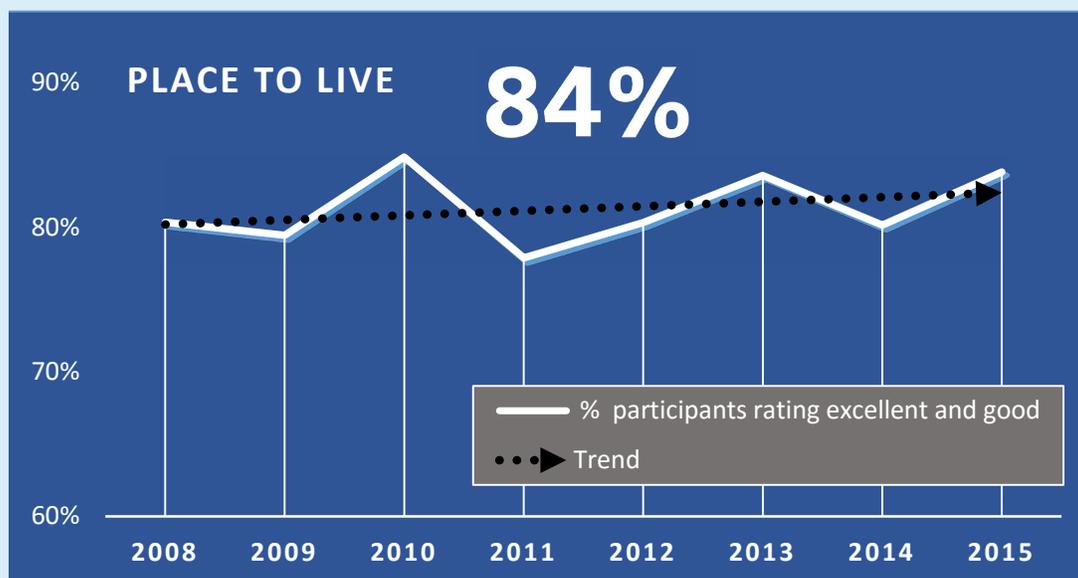
The National Citizen Survey Tracking Our Progress

The National Citizen Survey (NCS) provides a statistically valid overview of resident opinions about community quality of life, City services, civic participation and unique issues of local interest. The survey findings further allow us to compare ourselves against a benchmark of 500 cities and communities across the United States.

The NCS report is about the “livability” of Palm Coast. The phrase “livable community” is used to evoke a place that is not simply habitable but that is desirable. It is not only where people live, but where they want to live.

Our goals are to identify our strengths and weaknesses so the City can plan, allocate resources and evaluate programs for improved services, more civic engagement, better community quality of life, and stronger public trust. The survey was customized for Palm Coast and was developed in close cooperation with City staff. This is the 14th year we’ve conducted this survey.

Sample trends are provided throughout this report and highlighted with trend graphs to illustrate the percentage of participants rating services as excellent and good. We encourage you to visit <http://www.palmcoastgov.com/about/citizen-survey> to view the report in its entirety.



The National Citizen Survey Findings

How Are We Doing?

Palm Coast continues to be a great place to live.

A majority of survey respondents rated the overall quality of The City of Palm Coast as a place to live as excellent or good. About 4 in 5 would recommend Palm Coast as a place to live and were likely to remain in the community in the next five years. Ratings for features that enhance quality of life, such as Palm Coast as place to retire and the overall appearance were given positive ratings by at least 4 in 5 respondents. These high ratings remained stable from 2014 to 2015.

Safety is a top priority for residents.

Safety was identified as a top community focus area by Palm Coast residents. About three-quarters of residents gave excellent or good ratings to the overall feeling of safety in Palm Coast and about 4 in 5 indicated that they felt safe in Palm Coast's downtown/commercial area and in their neighborhoods. These ratings remained stable from 2014 to 2015. However, ratings for police services and ambulance/EMS decreased from 2014 to 2015. All other aspects of safety remained stable over time.

Economy is a top resident priority and perception is improving.

Survey participants also indicated that Economy is one of the most important facets to focus on over the next two years. Economy ratings tended to be similar to ratings seen in other communities. The rating for Palm Coast as a place to visit was the highest rated aspect of Economy. Compared to 2014, most Economy ratings remained stable; however, ratings for the overall economic health of Palm Coast, Palm Coast as a place to visit and the cost of living in Palm Coast increased in 2015. Fewer residents reported that they worked in Palm Coast in 2015 compared to 2014.



Expansion

Vision for Smart Growth Making Our Community Even Better

To anticipate the need for additional services and infrastructure to provide opportunities for mixed use development with goods, services, and employment.

Planning and Progress

The Palm Coast City Council updates its Capital Improvement Plan (CIP) annually to provide a safe and functional community and allow for growth. The plan gives clear direction for expansion, maintenance and replacement of the City's infrastructure.

A team of City employees manages the CIP and, when the annual budget is adopted each year by City Council, the team schedules that year's projects and also plans for future projects. The timeline is adjusted as projects progress, issues arise and priorities change.

Many of the projects done in 2015 to improve our quality of life are listed here and on the next three pages. Also, please see a special report on the opening of Palm Coast's new City Hall on page 3 of this year's progress report.

- In preparation for construction of the City's second Wastewater Treatment Plant, final design was completed, City Council approved a Capital Finance Plan and a \$30 million low-interest loan from the Florida Department of Environmental Protection was secured. Construction is slated to begin spring 2016 and will add 2 million gallons per day of wastewater treatment capacity to the system.
- The third phase of the Seminole Woods Multi-Use Path was completed, bringing the path from State Road 100 to Sesame Boulevard. The last three phases will be done in 2016.
- Major renovation and expansion of Holland Park, the City's oldest park, began with expected completion by early summer 2016.
- Twelve miles of roadways were resurfaced and 685 linear feet of sidewalks were replaced.
- Significant progress was made on the landscaping and irrigation of State Road 100 from Interstate 95 eastward to Roberts Road, with completion due in early 2016.
- The innovative Zero Liquid Discharge project was completed mid-year. The ZLD recovers and treats nearly 100 percent of the concentrate produced at the water plant on Citation Boulevard, saving up to 1.2 million gallons of water per day.
- At Water Treatment Plant 3, an ozone treatment system was added that allows recovery of up to 566,000 gallons per day from what was formerly concentrate waste.



Stormwater Services

Maintaining and Improving

The Public Works Department and Construction Management & Engineering Division work together to maintain the City's drainage system. City employees do as much work in-house as possible – both design and construction – at a significant cost-savings to taxpayers.

Every other year, the City selects sections for stormwater “modeling” to determine what drainage improvements are needed. In 2015, significant drainage improvements were completed in the L Section, including restoring the ditch line (1/2 mile), replacing 420 linear feet of culvert pipe, and refurbishing 10 spillways.

Highlights of the City's other 2015 accomplishments:

- Rehabilitated and maintained 55 miles of residential swales, and inspected 1,526 swales
- Replaced 23 driveway culverts and installed 12 valley gutters and ½ mile of drainage pipe
- Maintained 366 miles of ditches, excavated one drainage ditch and sprayed 46 acres of drainage ditches
- Cleared 4,100 residential culvert pipes of debris, and cleared 33 catch basins



The PA1 surface water control structure located near the corner of Pine Lakes Parkway and Belle Terre Parkway suffered a catastrophic failure in April 2015. The reconstruction project was done between May and August. As Palm Coast's original drainage structures age, the City rehabilitates at least one water control structure per year.

The City rehabs a bridge every year and, in 2015, work began on the Colechester Bridge. Seawall construction was slower than expected due to abnormally high tides. The traffic barriers were constructed, the water main was rerouted and the bridge deck was paved. Completion of the bridge rehab is expected by late spring 2016.



Capital Improvement Roadways and Street Lights

Palm Coast Parkway 6 Laning

In December, City officials and residents alike celebrated the completion of the Palm Coast Parkway 6 Laning Project. All six-lanes were opened, and the construction equipment and orange cones vanished! The \$10.5 million project entailed widening 1.23 miles of Palm Coast Parkway from Cypress Point Parkway/ Boulder Rock Drive to Florida Park Drive. Final improvements included:

- Three lanes of traffic were constructed and paved both east and westbound.
- Bicycle and pedestrian paths, curbs, gutters and sidewalks were added along the entire project.
- Irrigation, stormwater retention, signals and signage were upgraded.
- Landscaping added 458 new trees and shrubs. Many existing trees were transplanted to other Palm Coast locations.

This widening project was necessary to alleviate current and future traffic congestion, improve hurricane evacuation efforts and speed mobility for emergency vehicles. Palm Coast Parkway can now accommodate growing vehicle and pedestrian traffic. The City would like to thank residents for their cooperation and patience during this important road improvement project.



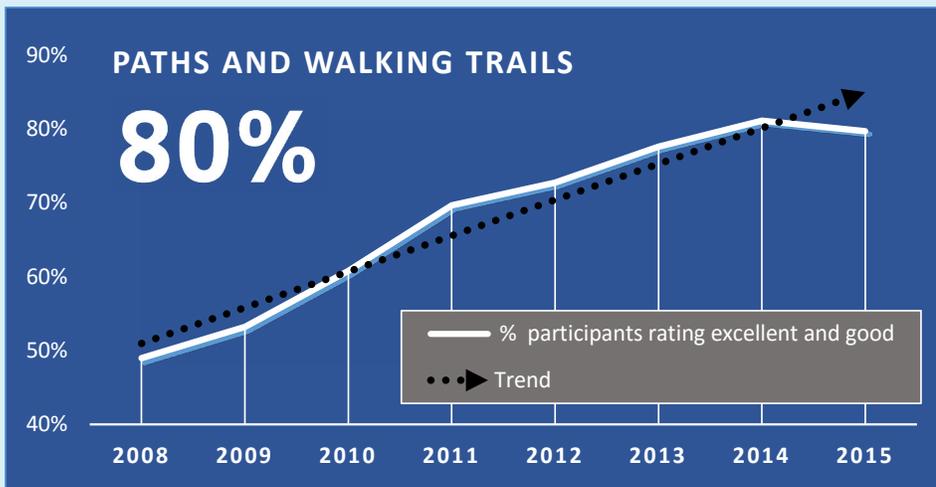
LED Street Lights

After participating in a Florida Power & Light pilot study of LED street lights, the City of Palm Coast was offered LED fixtures as a street-lighting alternative. New roadway construction projects will utilize LED fixtures for all new street light installations. LED street lights were used for the Palm Coast Parkway 6 Laning and also will be used for the Palm Harbor Parkway Extension and the Old Kings Road Extension. The City currently has over 3,000 street lights throughout Palm Coast.

The more than 3,000 existing residential street lights in Palm Coast will remain as high-pressure sodium vapor light

fixtures, but new residential lights installed from this point forward will be LED. Using LED lights is expected to reduce energy consumption for the lights by 50 percent or more. The City will be studying the actual overall benefits during 2016. Residents can request a street light; certain criteria must be met. Visit www.palmcoastgov.com and search for "street lights" for more information.





Royal Palms Parkway Safety Improvements and Reuse Pipeline

Royal Palms Parkway was resurfaced in 2015, and safety improvements were made. A paved shoulder was added on each side of the roadway. A left and right turn lane onto Rickenbacker Drive was added, along with a right turn lane onto Belle Terre Parkway. The project included modification of the mid-block pedestrian crossing of Royal Palms Parkway and at the Rymfire Drive intersection. That included a rapid rectangular flashing beacon system

Also in 2015, the Utility Department completed the Royal Palms reuse pipeline project, primarily with in-house resources and a sub-contractor for the directional bore portions. The new line supplies reuse water to Belle Terre Parkway for irrigation of medians north and south of Royal Palms Parkway.



Preparation for new I-95 Interchange at Matanzas Woods Parkway

Construction began on the Palm Harbor Parkway Extension, which is being done in preparation for the opening of the new Interstate 95 Interchange at Matanzas Woods Parkway. The Palm Harbor Extension is a nearly one-mile new roadway alignment for safety improvements that will bypass Forest Grove Drive and the Matanzas High School site that will provide a more direct connection to the Matanzas I-95 Interchange. This segment of new roadway will be a two-lane road with a multi-use path, and installation of a traffic signal at the intersection of Palm Harbor and Matanzas Woods. Hubbard Construction is the contractor for the project, which is expected to be complete in March 2016.

Work on the related Interchange and Old Kings Road Extension are being managed by Flagler County government. Both projects will open in 2016 giving Palm Coast its third interchange.

Before construction of the Old Kings Road Extension began, City staff from the Utility and Public Works Departments relocated the 10-inch water main on Old Kings Road North to make way for the new road realignment. Work included installation of a new 10-inch valve and 650 feet of pipe.



Economic



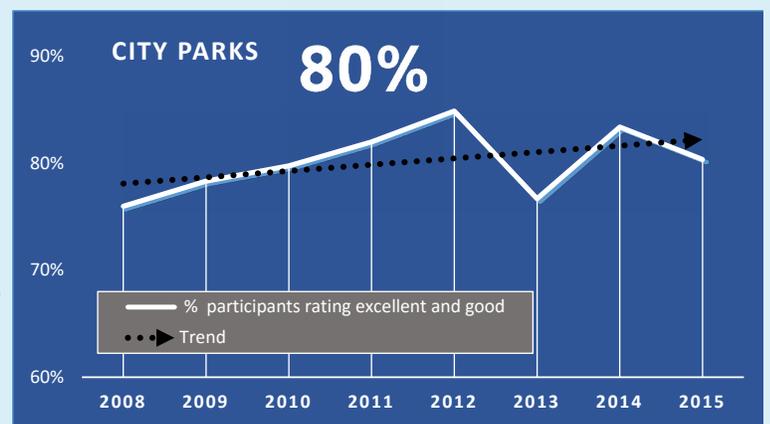
Bright Future Building a Strong Local Economy

To develop and maintain a strong economy by supporting the growth and development of new and existing businesses while creating an environment to attract new companies that align with our values.

Growth was the word in 2015 – in jobs, capital investment, tourism, taxable sales, real estate values, and development both commercial and residential. In the past five years, Palm Coast has added over 11,000 jobs, and the unemployment rate has been reduced by more than half from 15 percent to 6 percent. The upward trend in building activity continued in 2015 with an increase of 7 percent in single family residential permits and a 17-percent jump in commercial permits issued. The total number of permits issued increased 5 percent, and overall building permit revenues were up 6.5 percent. Bed tax collections, reflecting tourism growth, were up 9.3 percent.

The Island Walk shopping center redevelopment was perhaps the most visible commercial development, with the opening of the new Publix and completion of many of the center's buildings. Also during 2015, eight apartment buildings and eight new commercial buildings were completed, including the Landings Apartments (73 units), Chick Fil-A, the convenience store and Mobil gas on Pine Lakes Parkway, an addition to Walmart, Dunkin Donuts and 52 commercial renovations for new and existing businesses. In addition to the Landings, the new City Hall in Town Center is expected to spark more growth in the downtown corridor.

A stronger economy results in other positive indicators, including more reservations at the Palm Coast Community Center, an increase in summer camp registrations, and fewer code enforcement cases – a 20-percent decline in 2015.



Getting BAC to Business

The Palm Coast Business Assistance Center continues its important role in economic development, providing assistance in starting and growing businesses in Flagler County, at no cost to businesses. The BAC is operated in partnership with the Small Business Development Center at the University of Central Florida and is housed at Palm Coast City Hall. In 2015, BAC clients invested \$3.28 million into the [local economy](#) through added salaries, capital and increased sales. For every taxpayer dollar invested in the BAC, its clients have returned over \$93 back into the local economy.

A major initiative of the BAC in 2015 was the selection of Buxton Company for commercial attraction services. Buxton uses a retail recruitment strategy to identify specific retailers who are looking for markets with household purchasing habits similar to Palm Coast's. The company has identified 20 prospective retailers that would be a good fit for the Palm Coast community, and the City is now working to recruit those companies to open stores here.

The City also supports the economic development efforts of the Flagler County Department of Economic Opportunity, the Flagler Chamber of Commerce, Flagler Schools, the Flagler Tourist Development Council, SCORE, Career Source Flagler/Volusia, and Entrepreneur Night. During 2015, the City coordinated with the Flagler Department of Economic Opportunity and with representatives of Project Protein on possible sites and incentives to locate in Palm Coast. The BAC also sponsored the 5th Annual BAC Business Expo in coordination with the Flagler County Chamber of Commerce.



Growing Our Economy

Prosperity 2021 is the City's strategic economic development plan, with the primary goals being to maintain our neighborhoods; support existing businesses; and encourage investment by attracting residents, visitors and businesses. In addition to the growth and development work carried out by City staff and the efforts of the Palm Coast Business Assistance Center, some accomplishments in 2015 included:

- A Find Your Florida brand campaign targeted to residents and to owners of vacant lots in Palm Coast. As part of the City Hall Grand Opening, the City issued the first in a series of Palm Coast postcards.
- The City's FiberNET network was connected to Allied Fiber, providing access through Allied Fiber to the major content distribution centers throughout Florida. This "on-ramp connection" now allows businesses to access multiple service providers.
- The City entered into a public-private partnership with the Palm Coast Arts Foundation to develop a Cultural Arts Center in Town Center. The Arts Foundation will begin Phase 1 construction in early 2016.



In partnership with local sports clubs and the Flagler County Tourist Development Council, the City attracts sports tournaments to Palm Coast athletic fields – and the associated visitor spending that positively impacts hotels, restaurants and other retailers. The economic impact of sports tournaments in 2015 was an estimated 2.8 million. The Palm Coast Parks & Recreation and Public Works Departments play a major role in this process, which also includes providing staff to assist with sporting events and field maintenance.

Finance

Financial Excellence Leveraging Our Financial Strengths

To leverage our financial strengths while ensuring the city remains committed to fiscal responsibility and delivering value-added services to residents and businesses.

The City's strategies to accomplish this goal include diversifying its revenue sources and increasing efficiency through enhanced operations and technological advancements. The Strategic Action Plan is the guiding policy document for City Council and City staff. Each year the budget is driven by the mission statement and goals contained within the Strategic Action Plan.

Continuing Excellence

Budgeting

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Palm Coast for the Annual Budget beginning October 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This is the 12th consecutive year that the City of Palm Coast has received this award.

Financial Reporting

The City received the GFOA Certificate of Achievement in Financial Reporting for the 14th consecutive year.

The City also received the GFOA Award for Outstanding Achievement for Popular Annual Financial Reporting was received for the fiscal year 2014 Popular Annual Financial Report (PAFR). This is the second consecutive year the City of Palm Coast has received this award.

TRIM Compliance

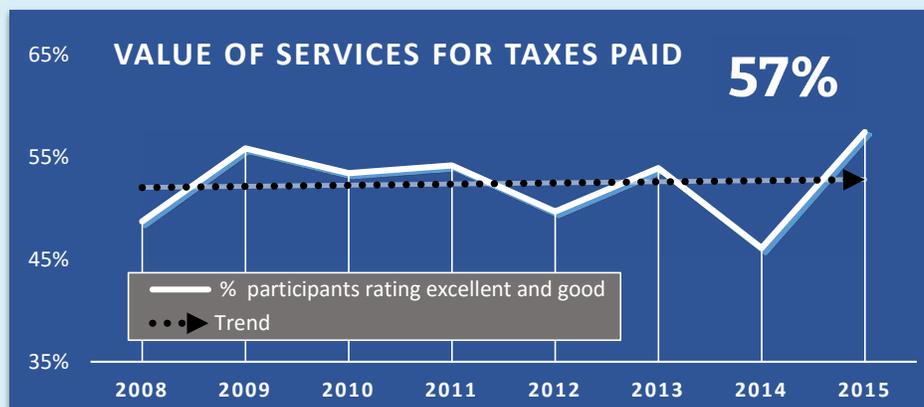
TRIM Compliance for the fiscal year 2015 budget was certified with zero non-compliance issues.



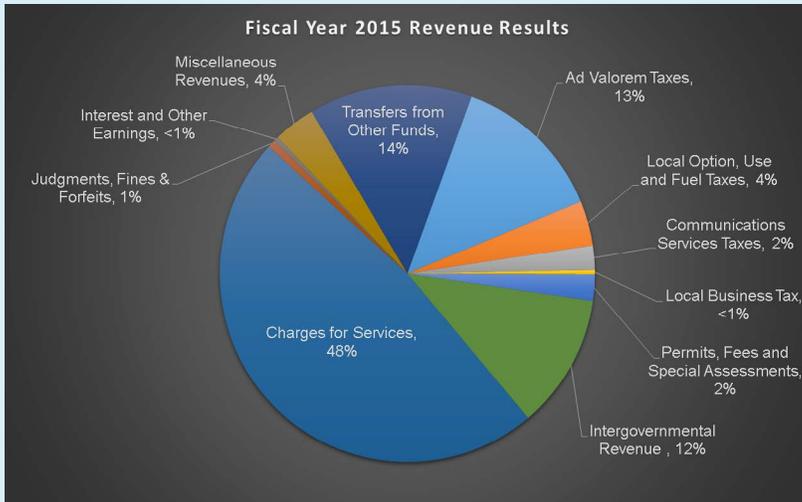
Performance Management



The ICMA Center for Performance Analytics recognized the City of Palm Coast for the second year in a row for its performance management efforts with a Certificate of Distinction. Palm Coast was one of 48 government entities nationwide, and one of six in Florida, to receive recognition from the program.



Securing Our Future

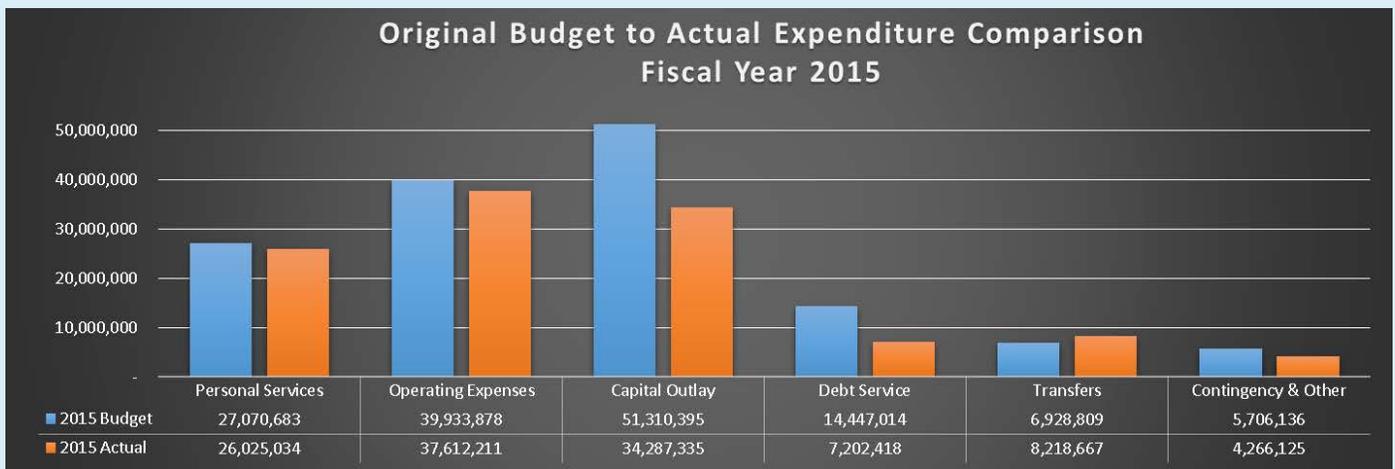


- A low interest loan for the construction of a second Wastewater Treatment Plant was secured. Estimates show this will result in a savings of over \$6 million over the life of the loan with no rate increase.

- A purchasing card recipient process was developed by a team of employees, to ensure ongoing training, policy adherence and proper internal controls for employees using purchasing cards.

- An Internal Controls Team was established this year to review internal processes. The team is targeting opportunities to strengthen controls throughout the organization. The team developed an investigative process, created a whistle blower policy and implemented an internal fraud and waste hotline.

- A Long Term Financial Planning presentation and a new forecasting model was presented to City Council during the budget preparation period for fiscal year 2016. The new forecasting model will be used to help determine the future impact of City Council decisions being made.
- The disaster reserve policy was evaluated and compared against other Florida cities. The findings were presented to City Council and no changes were made to the current policy.
- A new employee retirement education program was implemented. The City's retirement plan has no liability of future funding of retirement benefits.



Safety & Wellness

- A light duty program was developed and implemented this year. On average, 97.5 percent of light duty employees were accommodated and were able to continue working as a result of this program.
- A new relationship was formed with the Risk Control Department of Florida League of Cities. This joint effort is taking the City's safety program to the next level.
- A Wellness Team was formed to create a culture of health and wellness and to empower employees with the knowledge, support and incentives to take control of their health.



Environmental

Thinking of our Future Growing GREENer all the time!

To blend our residential and commercial properties with our “City of Parks and Trails” image to create a sustainable framework of visual appeal while caring for our land, water, air and wildlife.

Our commitment to environmental sustainability is a keystone to the balance of the natural environment and the growth of our beautiful City. We continue to look for more opportunities to conserve our precious resources while being fiscally responsible and sensitive to the uniqueness of our community.

Going Gold

In 2009, the City of Palm Coast received a Silver Level Certification through the Florida Green Building Coalition, a non-profit that certifies Florida cities and counties for achievements in outstanding stewardship. During the past six years, the Palm Coast City Council has championed the creation of a sustainable framework to encourage their community to care for land, water, air and wildlife through specific Strategic Action Plan directives. In 2010, the City climbed to Gold placing Palm Coast at the forefront of Florida’s sustainable communities. We are excited to once again share that the City was recertified as a Gold Level Green Local Government on August 28, 2015. At time of recertification, City Officials were notified that Palm Coast had the third highest score of participating local governments in the state! The majority of the activities securing this designation are tracked in the Environmental Management System which focuses on five fundamental categories to target unique disciplines of a City-wide approach.

1. Water Conservation: Reduce Consumption
2. Waste Reduction – Increase Recycling: Natural Resource Conservation
3. Greenhouse Gas: Minimize Carbon Footprint
4. Energy Conservation and Alternative Sources: Embracing Innovation
5. Outreach and Incentives: Educate and Inspire



R

educe and Reuse

Water

The Zero Liquid Discharge (ZLD) improvements at Water Treatment Plant 2 equate to 1.2 million gallons (2 Olympic swimming pools) of water a day back into the City's water supply. This cutting-edge technology serves to boost water production efficiency from 80 percent to 98 percent. To date, this technology has not been used by another utility in the State of Florida which caught the attention of numerous organizations.

- Regional Award for Excellence in Environmental Stewardship by the Northeast Florida Regional Council (NEFRC), a dynamic network of local governance, serving seven counties and 27 municipalities
- David W. York Water Reuse Project of the Year Award from Florida Water Environment Association



Also, at Water Treatment Plant 3, an ozone treatment system was added which allows recovery of drinking water from concentrate by pretreating it and sending it to Water Treatment Plant 1 for further treatment. This \$1.3 million project allows recovery of up to 566,000 gallons per day of drinking water from what was formerly concentrate waste.

Waste

Ninth Annual Christmas Tree & Electronic Recycling Event

The public dropped off over 319 trees and recycled over 1 ton of electronics. The City handed out 145, three gallon evergreen trees in exchange for the recycled items. In addition to the trees, the Girl Scouts collected gift wrap, cardboard boxes, and Styrofoam.

We'll take your batteries - Battery Recycling

Collection boxes are conveniently located at nine locations across the community where you can drop off your batteries. Consumer batteries for laptops, cell phones, portable tools, cameras, watches, hearing aids or regular AA/AAA, C, D, and 9 volt batteries can be deposited in special boxes at the following locations:

- All City of Palm Coast fire stations
- City Hall – 160 Lake Ave.
- Community Center – 305 Palm Coast Pkwy. NE
- Palm Coast Tennis Center – 1290 Belle Terre Pkwy.
- Palm Coast Utility Department – 2 Utility Drive

**4.8 tons of batteries
collected since July 2009**

Energy

In 2014, a City-wide energy audit was conducted that determined that City facilities are overall very efficient. Valuable savings did surface in the area of lighting improvements and upgrades which were subsequently budgeted. Light emitting diode (LED) technology has proven to be a cost effective alternative to traditional lighting. In addition, LED reduces the environmental and health risks since the bulbs do not contain mercury.

- Water Treatment Plant 3: Utilizing in-house labor, 34 traditional high pressure sodium 250-watt fixtures were replaced with 17 LED 78-watt fixtures. Long term savings in lighting costs are estimated at 85 percent.
- City Hall incorporated the Leadership in Energy & Environmental Design (LEED) program to guide both the design and construction process. As part of this commitment, LED fixtures, lighting controls, and natural lighting were utilized throughout the facility. Other information about City Hall can be found on page 3.



Environmental

Educate and Encourage Mayor's Challenge

The City participated in the National Mayor's Challenge for Water Conservation for the first time. The campaign resulted in our community placing seventh in the nation for the size of our population. Look out for the opportunity to take the pledge in April 1 – 30, 2016 and learn on how you can make a difference.



Take the pledge:
www.mywaterpledge.com



Children Helping in Resource Protection (CHIRP)

Since 2009, the City of Palm Coast has offered free educational programs to Flagler Schools. The CHIRP program supports a diverse curriculum for all ages and engages students in many different experiences. In the 2014-15 fiscal year, 841 students participated in the program extending the reach of benefits to a total of over 5,000 students.

Black Bear Awareness

For Black Bear Awareness the general public was invited to attend and learn directly from a Florida Fish and Wildlife Conservation Commission (FWC) black bear biologist. The event was highlighted within a social media campaign through the guidance of FWC's black bear biologist. The information gathered will be utilized during future Arbor Day Celebration events to educate citizens of how to live with wildlife including the black bear.



CC CITY SPOTLIGHT



LARGE CITY C.H.I.R.P.-ing in Palm Coast

Children learn the importance of Florida's natural resources

by Cindi Lane
City of Palm Coast



What started as a classroom presentation on trees has blossomed in Palm Coast to a vibrant field-study program for thousands of Flagler County schoolchildren - by taking them outdoors to learn about plants, animals and conservation.

The result is C.H.I.R.P.: Children Helping in Resource Protection. The popularity of these early classroom visits inspired City of Palm Coast Urban Forester Carol Mini and Landscape Architect Bill Butler to branch out into free, hands-on field trips to three city parks: Linear Park, Waterfront Park and the Long Creek Nature Preserve.

The city pays for students' transportation, supplies at the different eco-stations and goodie bags to reinforce what the children learn. The program operates throughout the school

year, and more than 5,000 students from Flagler Schools, in kindergarten through 12th grade, have participated since 2009. "Schools just aren't able to offer field trips anymore, due to limited funding," said Mini, who directs the C.H.I.R.P. program. "That's what makes this so popular. And also kids love being outdoors in nature!"

A little girl recently took Mini by the hand to thank her, saying "I didn't know how beautiful it was. I'm going to have my parents bring me here." Teachers and parent chaperones often mention how much they learn and enjoy the parks, as well.

Teachers apply for C.H.I.R.P. ([see palmcoast.gov/green/ourreach](http://www.palmcoast.gov/green/ourreach)), and then Mini and her team tailor the day to the students' current curriculum and to benchmarks for the Sunshine State Standards. City of Palm Coast employees from



E_njoy

Arbor Day Celebration

During the Arbor Day Celebration on May 2, 2015, 450 trees were distributed; 988 lbs. of food was donated; 100 runners participated in the Arbor Day 5K; 500 native butterflies were released; and 2,500 participants attended the event.

Long Creek Nature Preserve Paddling Trail

Long Creek Nature Preserve is the newest jewel in the City of Palm Coast's park system that provides direct water access to kayakers and canoeists. Long Creek now has paddling markers to help everyone safely navigate the creek. In addition, two kiosks have been installed at the park to provide information about the preserve, wildlife in the area and safety tips.

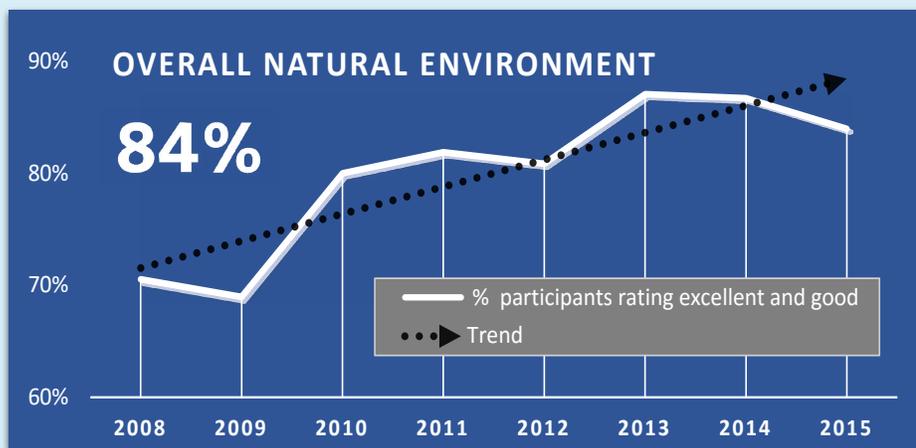
Out on the water, 15 marker signs guide the way from Long Creek Nature Preserve to the Intracoastal Waterway and beyond – all the way to Bing's Landing! Each of the marker signs is numbered for location-finding in case of emergency. The six-mile trip from Long Creek Nature Preserve to Bing's Landing closely follows the 19th-century shipping routes to the Hernandez Landing Site, the first point of commerce for the county. The Hernandez Landing Site is on the southeast side of the Long Creek Nature Preserve, and future phases of the nature preserve will highlight this archeological resource.



N_urture and Protect

Intracoastal Waterway Cleanup

Scoop the Pelican inspired 536 volunteers to remove 1,876 lbs. trash from the environment. Eleven organizations provided donations including a local author of the "Pelican Pete" children's book series. A special edition was developed that highlighted the City's Children Helping in Resource Protection (CHIRP) and other City environmental programs. A big "thank you" to the Florida Inland Navigation District for the ongoing support with a grant award of \$5,000. To date, FIND has awarded \$40,000 to the cleanup.



Quality of Life

Find YOUR Florida Palm Coast Proud

To enhance the quality of life for our citizens by providing safe, affordable, and enjoyable options for cultural, educational, recreational, and leisure-time events.



Find Your Florida Photo Contest

Hundreds of photos were entered into the 3rd Annual Find Your Florida Photo Contest that captured Palm Coast's beauty. Take a peek at the City's website to see more photos. Some of these photos are proudly displayed in City Hall. Do you think you can beat these photos? The 2016 contest ends on May 31, 2016. Enter today for a chance to win prizes! www.palmcoastgov.com/photocontest

Protecting our Florida in Fire and Rain



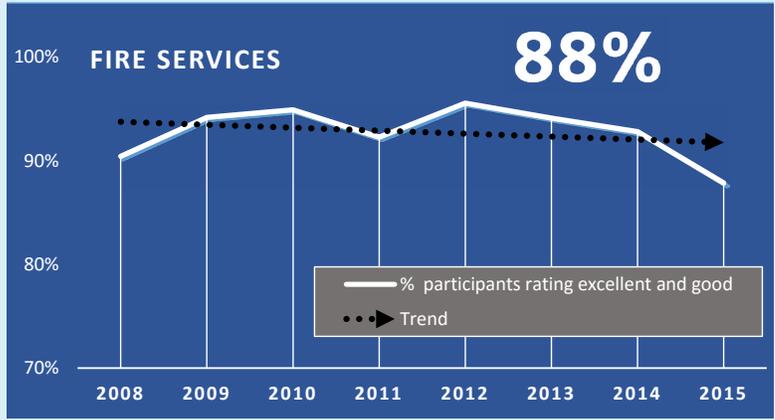
Enhancing Safety Measures Through the Community – Car seat installations and CPR classes for our residents. The positive impacts are not always known. This year, the CPR class spoke for itself as a trained resident and golf course worker saved a life at the Palm Harbor Golf Club.

Insurance Service Organization (ISO) ratings - The commitment to keeping our community safe goes beyond training and traditional emergency responses. We work to improve our services and our Insurance Service Organization (ISO) rating. ISO collects information on municipal fire-protection efforts and floodplain management activities in communities throughout the United States.

In each of those communities, ISO analyzes the relevant data using Fire Suppression Rating Schedule. Then they assign a Public Protection Classification from 1 to 10. Class 1 generally represents superior property fire protection, and Class 10 indicates that the area’s fire-suppression program doesn’t meet ISO’s minimum criteria.

By classifying a communities’ ability to suppress fires, ISO helps the communities evaluate their public fire-protection services. The program provides an objective, countrywide standard that helps fire departments in planning and budgeting for facilities, equipment, and training. A class determination is assigned that ranges from 1 to 10. Class 1 generally represents superior property fire protection, and Class 10 indicates that the area’s fire-suppression program doesn’t meet ISO’s minimum criteria. After this year’s review the City was rated a “2.” Palm Coast became one of only 69 communities in Florida to have an ISO rating of 1 or 2; nationally, Palm Coast is in the top 1.3 percent.

The Federal Emergency Management Agency (FEMA) increased the Community Rating System (CRS) to a Class 5 in the National Flood Insurance Program (NFIP) which places Palm Coast in the top 10 percent of Florida cities/counties and top 7 percent of communities that participate nationwide. As a result of the improvement rating, eligible Palm Coast property owners in Special Flood Hazard Areas may qualify for a 25 percent discount of the premium cost of flood insurance. Preferred Risk Policies in flood zones “X” already reflect significant premium reductions.



Preparing for High Waters is more than a Fashion Statement!

The City of Palm Coast is continually preparing for flood events – are you?

- Find out where your property is located with respect to FEMA Flood Insurance Rate Maps – the City can help you with this information!
- Contact your insurance agent to learn more about specific policies that might protect properties from damage costs due to flooding.
- Come to our Flood Friday event - 9 am to 4 pm Friday, March 20, at City Offices, 160 Cypress Point Pkwy Suite B106, Palm Coast.

www.palmcoastgov.com/flood-prep

Flood Safety Awareness Week March 15-21

Special Events

Fun for All Ages Find YOUR Event

Parks, programs, events and fun for all!
Find Your Recreation in Palm Coast.



Palm Coast was proud to host the second annual Palm Coast & the Flagler Beaches Senior Games which is sanctioned by the Florida Sports Foundation. The event also serves as a qualifier for the Florida Games State Championships. A total of 206 participants competed in 14 events: archery, softball, tennis, golf, cycling horseshoes and more. The tradition of the Senior Games is to offer fun, fellowship, fitness and competition, and that is a perfect match for Palm Coast and our surrounding community with our area's emphasis on active lifestyle and recreation.



Food Truck Tuesdays: On the third Tuesday of every other month starting in March and ending in November, food truck vendors blanket Central Park and offer diverse and delicious gourmet cuisine. Examples over the years have included everything from fresh lobster rolls and Caribbean, fish and chips, Cuban and barbecue main courses to fresh soups and decadent desserts. Proceeds from these food truck Tuesdays benefit various local non-profit organizations. Dinner is served on Tuesdays from 5-8 p.m.



Movies in the Park: It was another year of fun and free movies at Central Park in Town Center on the second Friday of each month from March to August. Family and friends brought lawn chairs and blankets to enjoy numerous popular movies including, but not limited to Back to the Future, Rio, and The Big Year. Keep your eye out for Ant Man, Goosebumps, Jurassic World, and many more movies coming to Central Park in 2016.



World's Largest Swimming Lesson: With the mantra that "Swimming Lessons Save Lives," the Frieda Zamba Swimming Pool is an official participating site for the World's Largest Swimming Lesson. For the past four years, children and adults learn about floating, kicking, jumping in correctly and sun safety. Palm Coast joins other aquatic facilities across the country and around the globe to set a new Guinness World Record for the largest simultaneous swimming lesson ever conducted.

W I N T E R

Starlight
Event &
Parade

Christmas
Tree
Recycling

USTA Pro
Circuit Men's
Futures
Tennis
Tournament

Birds of a
Feather
Fest

Eggstavanza
& Teen Flashlight
Egg Hunt

Arbor Day
Celebration

Memorial
Day
Ceremony

S P R I N G

Fireworks
in the
Park

Independence
Day
Ceremony

Intracoastal
Waterway
Cleanup

Senior
Games

Fallen
Heroes
Memorial
Service

S U M M E R

F A L L

International
Festival

Pink Army
5K Run/Walk:
1 Mile Support
Walk

Halloween
Boo Bash

Hall of
Terror

Veterans
Day
Ceremony

Feet to
Feast
5K & 15K
Run

Workforce Talent

Improving Employee Skills & Performance Through Education & Training

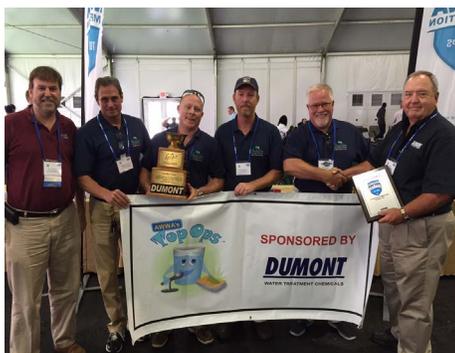
To develop and implement a comprehensive plan to improve city employee skills and performance through education and training; performance management; and personal development opportunities.

Continuing Excellence

- City employees were trained as “brand ambassadors” through a fun training session at the annual Wellness Fair.
- The City’s Environmental Specialist, Brian Matthews, received the 2015 “Lifetime Achievement Award” from Southeast Desalting Association for his 25 years of service to the membrane water treatment industry.
- Palm Coast took first place in the annual drinking water taste test for Region II or Florida section of American Water Works Association.
- Palm Coast Mayor Jon Netts received the Regional Leadership Award from the Northeast Florida Regional Council for his leadership in Palm Coast and all of Northeast Florida. The City also won this year’s NEFRC award in the category of Planning & Growth Management, for its work in the redevelopment of the Island Walk Shopping Center. NEFRC is a network of local governance serving seven counties and their 27 municipalities.
- Palm Coast Television, the City’s municipal access television station, received five national video awards for videos produced in-house about public safety, recreation programs and economic development. Among them was a first-place in the National Association of Telecommunication Officers and Advisors (NATOA) Annual Government Programming Awards, for “Walk Through Life,” a high-energy video profiling the Parks & Recreation Department.

Top Ops

The Palm Coast Top-Ops Team took first place at the State competition and went on to the National contest at the American Water Works Association Conference and Exposition, where they placed second in the nation.



Earl B. Phelps Award

Wastewater Treatment Plant operators were honored with the Earl B. Phelps award from the Florida Water Environment Association for quality effluent discharge as well as a second place Plant Safety Award.

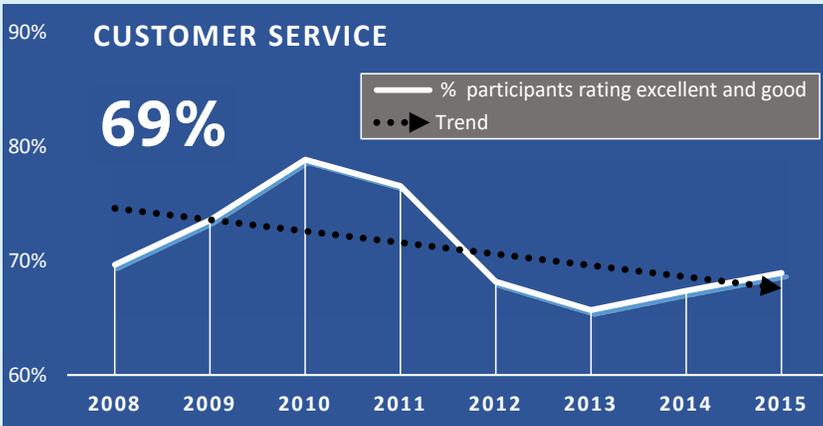


Flagler Technical Institute

Water Treatment Plant Staff Members in conjunction with Flagler Technical Institute (FTI) designed a water treatment plant operator training program and staff also works as instructors for the program.



Improving Customer Service



In-House Projects

The City Council's philosophy of using in-house talent began several years ago when our operating budgets decreased, but our residents continued to have high expectations for City beautification and services. It is critical that we retain and recruit quality employees so that we are able to reinvest the savings and/or provide a better level of service provided by our in-house talent. In-house projects completed this year include enhanced landscaping and beautification for the area surrounding Flagler Palm Coast High School at Bulldog Drive and the entrance to Palm Coast Town Center at State Road 100, construction of the Seminole Woods Multi-Use Pathway and two major headwall structures.

Developing Employees

- A 10-week Management and Supervisory Training Program was offered to all existing supervisors and managers through a partnership with Daytona State College CBI and Career Source Flagler | Volusia. The City received \$27,000 in grant funding to pay for the training.
- Street and traffic technicians received training toward certification and enhanced the Street and Traffic workshop capacity. This enables staff to perform traffic signal installation and maintenance of induction loop detection systems in-house resulting in a substantial cost savings to the City.



Employee Academy

An "Employee Academy Program" was implemented this year and 64 employees attended the eight sessions. The program, which was created by a team of employees, allows employees to experience and learn about all of the City's different operations. This program was developed to improve interdepartmental communication and educate employees to better assist citizens with various issues.





PALM COAST
Find your Florida



www.palmcoastgov.com

Photo by Lucy Nabico - Winner of the 2015 Employee Photo Contest