

Town of Ponce Inlet

Mayor's State of the Town Address

January 19, 2017

With the start of a fresh New Year, many of us reflect on the prior year. The Town does this as well and we provide this information to you through an annual Address.

As always, we'll start with providing you information on the financial health of our Town. We have a general fund reserve of approximately \$2.3 million dollars, which equates to a little over 6 months of our current expenses. The Town's established goal is to keep the general fund reserve between 3 and 9 months of operating expenses. The Town's total millage rate continues to be the sixth lowest out of the 24 separate taxing districts in Volusia County, over a half-mill lower than our neighboring unincorporated area Wilbur-by-the-Sea and almost one and a half mills lower than our nearest incorporated neighbor. We continue to meet our stated mission to provide you with excellence in service delivery while ensuring citizens obtain the greatest value for their tax dollar.

One of the areas of service delivery for which we are very proud is the patient transport service we provide, as Ponce Inlet is one of only two municipalities in Volusia County to provide this additional service to its residents. We have now been doing so for over four years, transporting approximately 775 patients so far. The Town maintains two ambulances for this program at a minimal cost to our residents because the offsetting revenue generated from the transport system. Providing our own patient transport from our barrier island community ensures the patient arrives at the hospital in the shortest time possible and provides an added benefit in continuity of care.

In recognition of Mrs. Constance D. Hunter, who served as the financial catalyst for the patient transport program, the Town dedicated the lovely Timucuan Oaks Garden in her memory in early 2016. We appreciate the support from various local clubs and associations in honoring Mrs. Hunter's lasting contribution to the Town and we trust that you are enjoying this additional special park in our beautiful community.

2016 has been a year for looking at what we have and making improvements to the manner in which we provide our services. We started off with this in the prior year with some realignment of work. Process improvement has continued and more changes have been initiated by our Town Manager to elevate your service level experience via the existing employee base. In improving efficiency, it is also important for the Town to provide competitive salary and benefits. We are proud to have completed and implemented in one year a plan which brings the Town to a soundly competitive mid-point, in relation to our peers, and allows us to attract and retain the employees we need.

With improved efficiency the tone for the year, the Town Council has reduced the number of board member positions on each board from seven to five. This reduces the quorum requirements for our board meetings, subsequently reducing the likelihood of last minute meeting cancellations. Another potential efficiency change was proposed by the Town Council and ultimately voted-down

by the electorate; the referendum to change Council terms from two to four years. The Town's electorate determined that any increase in efficiency in this area was not worth giving-up their bi-annual voice on each Council Member. We certainly respect that position, as we respect the people's right to decide how their government should be run.

2016 has also been a year of project improvements, both in Ponce Inlet and along the roads between us and Dunlawton Avenue. Between FPL's power line upgrades and tree-trimming, the County's stormwater & sidewalk improvement project, and the Town's water system improvement project, we have all wondered which roads will be open when we leave our homes each day. All of these projects will yield long-term benefits but we know it's felt a bit overwhelming in the meantime. On behalf of the Town Council, I do apologize for the inconvenience that the Town's water system improvement project has caused many of you and for the unfinished appearance that continues in various portions of the Town. Fortunately, the Town wisely established a penalty within the contract for failure to complete the project by the established deadline. While we look forward to this project's completion in early 2017, the Town's residents will benefit from a lower cost due to the contractor's excessive delay and the Town's subsequent penalty. This project focused on replacement of some of the older water pipes within the Town and increased sizes where needed. In addition, with funding obtained via a development agreement on west Inlet Harbor Road, the Town installed a gravity sewer line in this area and made a modification to that intersection at South Peninsula Drive as well. A pocket park at this corner and a bike path along this road is also planned at the developer's expense. Directional sign modification will be made at this intersection in the coming year for an overall aesthetic improvement to this area and to replace the sign which was damaged by our fall visitor, Hurricane Matthew.

Hurricane Matthew gave us all quite a scare in October with its path showing a course towards Ponce Inlet and the prediction of Category 5 winds and a sixteen-foot storm surge. Hurricane Matthew was on track to be a catastrophic event for Ponce Inlet, with winds in excess of 130 mph projected to affect us for more than 8 hours in duration. The flooding and structural damage that we anticipated was very severe. Staff closely monitored this hurricane and took all appropriate precautions in preparation, including double-shifts housed onsite for police and fire and public works onsite for prompt road clearing after the event. At approximately 11:30 p.m. the night before Matthew's arrival, we saw that Matthew had started to take a track further off to the east and began to weaken a bit. At 3:30 a.m., the Town was able to successfully transport a patient to the hospital because winds had not yet reached speeds where it would be too hazardous to do so, but this transport would not have been possible if we were not outfitted to perform this service on a regular basis and if our staff were not here in our facilities, which were designed to withstand hurricane force winds. Ponce Inlet suffered damage from sustained upper Category 1 to lower Category 2 winds for most of the day with wind gusts far exceeding that on October 7th and, while some significant damage did occur to some homes and other property, we were certainly spared from the devastation that we most feared. However, two prominent restaurants here in Town remain closed due to damage, Down the Hatch and Inlet Harbor Restaurant. As Volusia County and several other cities have done, one of the first actions following this event was to waive the cost of building permits for damage resulting from Hurricane Matthew. The debris clean-up was of course the primary focus following the event and this Town was the first municipality in Volusia

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County to complete this process. While the total cost for the debris pick-up process is estimated at about \$200,000, most of this work was completed within the first 30 days following the hurricane and is therefore 85% reimbursable by FEMA with State reimbursements available on half of the remaining 15%. There are additional expenses that were required and are also subject to reimbursement (i.e.: staff time and fuel) and with these estimates added in along with subsequent reimbursements, the Town's out-of-pocket expense is anticipated to be under \$50,000.

Economic recovery continued to be demonstrated in 2016 with the increase in permitting. Over the course of the year, 1,539 permits were issued. That is almost 500 more permits than the prior year and about 1,000 more permits than we averaged annually just 3 years ago – a full two hundred percent increase! In response to these permit requests, we conducted 1,636 inspections with a 96% pass rate, which continues to show the appreciated efforts of our building inspectors to assist our residents and their contractors.

Ponce Inlet offers many opportunities for interesting and fun things to do! With the invaluable assistance of community volunteers, the Town was pleased to sponsor or co-sponsor 17 events during 2016. In addition to that, are all of the events held by the Marine Science Center, the Ponce Inlet Lighthouse Association and by your various Town clubs at the Community Center. The Ponce Inlet Historical Museum, located at 143 Beach Street which proudly boasts being listed on the National Register of Historic Places, is also responsible for hosting a number of cultural / historic talks and has several planned in the coming months for your education and enjoyment. The museum welcomed a total of 1810 visitors in 2016. The Parks and Recreation department also hosted 20 special programs throughout 2016 in the various Town parks. In recognition of our focus on an active community lifestyle, the Town was designated as a Healthy Weight Community Champion for the third year straight in 2016.

The final phase of Timucuan Oaks Garden was completed in 2016 and this park was promptly chosen to be included in the Facility Showcase for the Florida Recreation and Park Association Winter Journal. In continuance with the Town's goal for historic preservation and recognition of appropriate historic sites, the Green Mound State Archeological Site was nominated and selected in 2016 to receive a Florida State Historic Marker. The Town is continually improving its parks and some of the 2016 improvements included new playground equipment in the Kay & Ayers Davies Lighthouse Park, directional signage in Ponce Preserve, and resurfacing courts in Pollard Park.

As the Town moves forward in many ways, the final outcome of the litigation with Pacetta, LLC remains undetermined. The Fifth District Court of Appeals heard oral argument on this issue on June 14th and then allowed both parties to submit additional filings over the subsequent two months. We now await the 5th DCA's ruling. Pacetta's federal claim, which is nearly identical to the claim made via state court, remains *stayed* in the meantime. This has been a long, difficult, and tiring road for all of us. I continue to applaud the fortitude of our citizenry - staying involved, studying the issues, and refusing to bow down to the attempted scare tactics along the way.

In reviewing 2016, we can see that we were not the only ones who have been hard at work for our Town. Our citizenry continues to volunteer at an amazing rate! We have 70 volunteers related

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directly to Town government purposes and many other volunteers who give of their time to other various community clubs. In total, there are at least 23 different boards, clubs, or other organizations for a census population of just over 3,000. This is quite commendable! These many volunteers make our Town the special place we all enjoy. On behalf of Council and staff, I want to give our heartfelt thanks to all of our volunteers.

With that, I wish you all a very happy, healthy, and prosperous New Year!

Respectively,

Gary L. Smith, Mayor