

Palm Coast backs off threat to sue county

By FRANK FERNANDEZ, Staff writer January 12, 2012 12:05 AM

PALM COAST -- City officials decided to extend an "olive branch" to the Flagler County Commission this week rather than smacking it over the head with a tree limb.

City Council members opted not to file a lawsuit against Flagler County in an effort to nullify a county decision last month to release developer Admiral Corporation, a subsidiary of ITT, from a \$10 million guarantee for widening of the Hammock Dunes Bridge.

Palm Coast Mayor Jon Netts and City Manager Jim Landon have said the county should have set aside money for the widening of the bridge and Palm Harbor Parkway and by failing to do so, taxpayers will ultimately get stuck with the bill.

"I think that the public will see that the city of Palm Coast held out a rather large olive branch to our colleagues at the county," Netts said during a workshop this week. "And I expect that we will be able to resolve this issue."

The City Council is asking Flagler County to free up \$5 million in road impact money that city officials say belongs to the municipality. Palm Coast was incorporated in 1999 and for the next two years the county collected a city-imposed impact fee on developers. Netts and City Council Member Frank Meeker said the county is still holding \$5 million of those fees.

The money would be used for the extension of Old Kings Road and Palm Harbor Parkway, Netts said. The money also could be used to build sidewalks in Seminole Woods, Meeker added.

Residents in Seminole Woods have complained that a lack of paths makes travel dangerous for pedestrians and bicyclists. Last year a bicyclist and a jogger were hit and killed in Seminole Woods.

The city's decision not to sue was the first significant sign of change in the council since Bill McGuire defeated incumbent Holsey Moorman last year and Councilwoman Mary DiStefano departed due to term limits.

The resolution to sue the county required four votes from the five-member council rather than the typical simple majority of three, according to City Attorney William Reischmann.

Meeker said he didn't want to sue, pointing out that Palm Coast residents pay taxes to both the city and the county.

"I am one person that hates to see the taxpayers of one entity suing the same taxpayers paying into another entity," Meeker said. "I'm using the taxpayer funds from the city of Palm Coast to sue the taxpayers of Palm Coast, who also contribute to the county's budget."

Councilman Bill Lewis later asked if the purpose of the resolution to sue Flagler County was to give the city and county time to reach a resolution.

"I would probably make it more strong to say that the purpose of the resolution is to force the county to postpone, delay this action and force them to sit at the table with us," Netts said.

Meeker, who at a meeting last year pulled out a pliable sock monkey and a menacing toy gorilla to illustrate the choices the city had in dealing with the county on another subject, didn't take a hard line on this issue.

"Key word is force," Meeker said. "And in my view I'm willing to rely on the good intentions of the county commissioners to come back and sit down with us and work with us closely on this transportation impact agreement."

McGuire then sealed it.

"Your honor," McGuire said to Netts. "I don't see where there is a lot to be gained for the city of Palm Coast by this litigation and I move that we not pursue."

With two council members against it, the votes weren't there and the hour-long special meeting ended shortly thereafter.

County Commissioner Alan Peterson attended the workshop and asked the city not to sue, saying that Meeker was right..

"One of the main reasons that I left the Palm Coast City Council to run for county office was that there was antagonism and problems between the city and the county," Peterson said. "And I felt that perhaps I could help to alleviate that issue and that we could, all political entities, could work better than they had been in the past. It would personally bother me to see this lawsuit continue because, as Meeker said, to some extent you are suing yourself. You are going to pay your own legal costs, you're going to pay 55 percent of the county's costs. I don't see that it accomplishes anything."

Peterson said he would be glad to sit down and discuss the city's needs for the money.

"I think you have a point why not use this money now for other needs in the city," Peterson said. "I would be glad to suggest to the other county commissioners that we have a workshop on that. . . .I certainly agree with you that if you have a pressing need that benefits the residents of the city that yes some of that money should be released or all of it."

County Commissioner Nate McLaughlin also attended and said after the meeting that he would be glad to discuss the \$5 million, which the county intended to use for the future construction of Interstate 95 interchange at Matanzas Woods Parkway.

But Landon said the federal government would cover the cost of the interchange, so Netts said that \$5 million should be put to use on other projects.

McLaughlin, who supported Netts' opponent in last year's election, talked about the impact fee issue as Netts stood near.

McLaughlin said that Matanzas Woods Parkway is a county road within the city and added he would look into the issue of the \$5 million.

"I absolutely support Palm Coast feeling that they should prioritize their transportation needs not a higher body," McLaughlin said.

"Not a different body," Netts corrected.

"Not a different body," McLaughlin said.