

**City of South Daytona
City Council Budget Workshop Minutes
Tuesday, August 12, 2025, at 5:00pm**

City Council Chambers, 1672 S. Ridgewood Avenue, South Daytona, Florida
and FaceBook Live (www.facebook.com/CityOfSouthDaytona)

Item A1. Opening. Call to Order: Mayor William C. Hall called the City of South Daytona Budget Workshop to order at 5:01 pm.

Item 2. Roll Call:

Present: Mayor William C. Hall, Vice-Mayor Doug Quartier, Councilman Brandon Young, Councilwoman Lisa O’Neal, Councilman Eric Sander, City Manager James L. Gillis, Jr., City Attorney Wade Vose

Not Present: None

Item B. PRESENTATION – Summary of Fiscal Year 2025/2026 Budget

City Manager Gillis opened the budget workshop by introducing Finance Director Jason Oliva, who would present the proposed budget for the upcoming fiscal year. While Finance Director Jason Oliva prepared his presentation, Mr. Gillis provided introductory remarks, noting that the budget being presented is the result of multiple iterations and thanking the City Council for their engagement and contributions throughout the process. He emphasized that the proposed budget reflects the Council's collective priority to respect taxpayer dollars, especially those of residents on fixed incomes, while continuing vital investments in the city’s stormwater infrastructure.

Mr. Gillis highlighted that the City has maintained the same millage rate since 2019. Despite this consistency, due to rising property values, residents will see a modest tax increase of about \$2.53 per month on average. This slight increase is necessary to sustain progress on stormwater improvement projects. Mr. Gillis then turned the floor over to Finance Director Jason Oliva.

Finance Director Jason Oliva began by outlining the core goals of the proposed budget: maintaining high-quality city services, ensuring safe neighborhoods, advancing infrastructure, especially stormwater, and preserving fiscal health through responsible, debt-free planning. He noted the City's strong financial position, including healthy reserves and a disciplined “pay-as-you-go” model.

Finance Director Jason Oliva presented an overview of the General Fund’s net unassigned balance, which has improved significantly from a deficit in 2016 to about \$3 million in 2022. In alignment with city fiscal policy, reserves exceeding 20% are allocated toward designated uses like disaster recovery. He shared that \$1 million was used this year for stormwater projects, including generators for stormwater pumps, and an additional \$710,000 was used from capital reserves to purchase necessary equipment. This approach demonstrates a commitment to proactive fiscal planning and avoiding debt.

The Utility Service Fund, previously in a deficit of \$1.8 million as recently as 2019, has now rebounded to \$2.1 million, meeting fiscal policy standards. Finance Director Jason Oliva emphasized that no funds from this account would be used in the upcoming fiscal year. Mr. Gillis added that upon his arrival in 2019, the city was receiving warnings from the state due to its poor fiscal condition. The City Council acted quickly to correct these issues, and the fund is now stabilized.

Finance Director Jason Oliva continued with analysis of the 2019 rate study's positive impact and then addressed the Community Redevelopment Agency (CRA), which is projected to receive \$2.159 million in

city contributions and \$1.7 million from external partners by FY 2026. These funds will support continued economic development in key areas.

Turning to the property tax section, Finance Director Jason Oliva reaffirmed that the proposed budget maintains the same millage rate, 7.75 mills, as in recent years. However, the city is not adopting the rollback rate (7.4363 mills), which results in a tax increase of 4.22% over the rollback rate. In comparison, the previous year's tax rate was 8.86% over the rollback rate. The reduced margin this year is due in part to new net additions to the tax roll.

Finance Director Jason Oliva then discussed South Daytona's taxable value trends. Since 2020, taxable value has increased by 61.4%, though the actual dollar amount is under \$500 million, modest compared to cities like New Smyrna Beach, which experienced a similar percentage growth but gained \$3 billion in value. South Daytona had \$48 million in net additions over the past five years, with approximately \$10.3 million of that in 2025, primarily from the Edison Pointe project on Big Tree Road.

Finance Director Jason Oliva also analyzed the percentage of growth from net additions. Daytona Beach saw 45% of its tax roll growth from new additions, while South Daytona's was just over 12%, ranking slightly above Lake Helen and Ponce Inlet. He reviewed just value versus taxable value trends, explaining that the state caps taxable value increases for homesteaded properties at 3%, while just value rises with the market. Due to a large number of homesteaded residential properties in South Daytona, just value has grown faster than taxable value.

Charts demonstrated how 71% of South Daytona's just value is residential, yet only 62% of taxable value is residential. This shift is due to exemptions like Save Our Homes, which reduce taxable values. Commercial properties, on the other hand, make up 16% of just value but 24% of taxable value.

Comparative analysis of this year's tax roll showed a flattening of just value (up only 0.2%) and a 4.81% increase in taxable value due to new construction. Finance Director Jason Oliva presented a breakdown of countywide net new taxable additions, where South Daytona ranked 11th with \$10.3 million, up from \$6.5 million the previous year.

He noted differences among municipalities, such as Daytona Beach Shores, where only 18% of property is not taxable, and Pierson, where 61% is not taxable due to agricultural designations. South Daytona falls in the middle, typical for a primarily residential community.

Finance Director Jason Oliva compared the millage rate options, including rollback and current. At the rollback rate, the city would collect \$7.8 million, only \$44,000 more than last year. At the proposed 7.75 mills, the city would collect \$8.2 million, an increase of \$332,000 over the rollback rate. This would result in a \$303,000 increase for the General Fund and \$54,000 for the CRA. He added that adopting the 7.75 millage rate would require a majority vote and a public notice for a tax increase.

He further explained the effects on homesteaded properties. The average taxable value in South Daytona is \$134,350. A rollback rate would result in a tax bill of \$998.25, roughly \$11.82 less than at the proposed rate, equating to about \$1 per month in savings. Compared to the previous year, the proposed rate would result in a \$30.33 annual increase, or about \$2.50 per month.

Councilman Sander asked about non-homesteaded properties, and Finance Director Jason Oliva clarified that those are not subject to the 3% cap and can increase up to 10%. However, this year's average increase was around 4.81%, so most non-homesteaded properties likely saw an increase closer to 5%.

Finance Director Jason Oliva noted that the overall budget is decreasing by approximately \$5.2 million, or 12%, due to one-time expenses in FY 2025 that are not repeated in FY 2026. The General Fund saw a \$2.8 million reduction, including costs related to Hurricane Milton disaster recovery and a \$1.2 million transfer to the Stormwater Fund.

The CRA budget is increasing by \$1.8 million, as funds previously held in reserve are being rolled into new projects. One major initiative includes replacing Lift Station #1 on South Palmetto Avenue, a critical infrastructure project aimed at improving sewer resilience during severe weather events.

Additional fund changes included:

- A \$733,000 decrease in the Transportation Fund, tied to completed grant-related projects.
- A \$1.25 million reduction in the Capital Projects Fund, due to the timing of ECHO grant-funded improvements at Reed Canal Park.
- A \$1 million decrease in ARPA-funded capital projects, reflecting the completion of the AMI meter program.
- A \$1.3 million decrease in the Stormwater Fund, stemming from completed modeling work and earlier transfers.
- An increase of \$415,000 in the Internal Services Fund to construct a secure building on Segrave to protect equipment investments.

A citywide chart showed the General Fund and Water/Sewer Fund comprise 56% of all funds. The CRA share has grown this year due to the earmarked \$1.8 million for Lift Station #1, while the Stormwater Fund remains relatively small at 5%, prompting consideration of additional revenue sources in the future.

Finance Director Jason Oliva presented a summary of revenue categories per the Florida Department of Financial Services' uniform accounting system. He clarified that the "miscellaneous" category includes items like interest earnings, insurance reimbursements, and asset sales, not just undefined income. This clarification addressed prior concerns from Council about the term's ambiguity and confirmed that the category's use is required by the Government Finance Officers Association (GFOA) standards.

Mr. Gillis clarified that when the term "miscellaneous" is used in future discussions, it will refer to the specific revenue items listed in the budget because it is a regulated GFOA term.

Finance Director Jason Oliva then reviewed the citywide total revenue sources, explaining that the \$306,000 increase, representing a 2.65% rise, was primarily due to ad valorem taxes. He emphasized a conservative approach to projecting revenues, citing economic uncertainty and a reluctance to overestimate growth in sales tax or other revenues. The large decrease in intergovernmental revenue was attributed to fluctuations in grant funding, which naturally vary from year to year. Miscellaneous revenue declined by \$241,000 due to reduced interest earnings, as ongoing capital projects and economic conditions were expected to limit gains. Finance Director Oliva recommended conservative budgeting for interest revenue, with the possibility of mid-year adjustments to fund additional projects or allocating any surplus funds to capital reserves or disaster recovery. Other revenue sources, such as transfers in and from reserves, were lower this year, reflecting reduced reliance on previously set-aside funds.

A pie chart illustrated that 66% of the city's revenue comes from charges for services and taxes. Redevelopment activity slightly increased transfers and reserves, bolstered by \$1.8 million in identified funds. Moving to expenditures by function, Finance Director Jason Oliva explained that a \$1 million decrease in operating expenses was due to the removal of disaster recovery costs, while a \$1.5 million drop in transfers out reflected reduced contributions to reserves. The city continues to set aside 2.5% of water and sewer sales for renewal and replacement, supporting a "pay-as-you-go" philosophy to avoid future debt. The debt service category was marked as "none," reflecting the city's complete elimination of \$19.9 million in debt since FY 2016—a milestone Finance Director Jason Oliva credited to council discipline and staff planning. He noted that the current focus on capital outlay rather than debt service reflects investment in future infrastructure rather than repayment for past projects.

The unassigned fund balance is projected at 26.9% of general fund expenditures, exceeding the 20% policy threshold and allowing surplus amounts to be allocated to capital or disaster recovery. The hurricane reserve stands at \$1.25 million, with \$1.2 million earmarked for capital projects, including a grapple brush truck to aid in disaster response. The utility fund reserve is at 18.1% and trending toward the 20% goal.

Finance Director Jason Oliva then turned to personnel changes, noting that while general employees (non-police and non-fire) received the greater of \$1 per hour or a 3.5% raise, restructuring allowed the city to achieve only a 1.7% overall payroll increase. This was accomplished by reassigning positions to maximize operational efficiency—shifting administrative roles toward more field-based work. The general fund accounts for 65% of payroll, largely due to police and fire staffing. Department-level changes included adding an engineering technician to assist with grant writing, reducing community development staff through consolidation, and adding personnel to water/sewer operations. Position changes included replacing administrative and investigative roles with operational staff, such as equipment operators, a maintenance worker, and an additional patrol officer. Overall, the city now has 104 positions, one more than last year.

Historical personnel costs showed sharp increases from 2020 to 2023 due to minimum wage laws, pandemic impacts, and rising Florida Retirement System (FRS) contributions. Health insurance rates rose slightly this year, while other benefits remained stable.

Reviewing the major funds, Finance Director Jason Oliva noted a \$2.8 million decrease in the general fund, reflecting reduced disaster recovery spending, lower grant revenue, and fewer transfers from reserves. Taxes account for 65% of general fund revenue, followed by intergovernmental sources. On the expenditure side, public safety accounts for 59% of the general fund budget; when parks and transportation transfers are included, the total reaches 75%. Notable operating costs include police vehicle leases, additional license plate readers, fire station sleeping quarter renovations, and street resurfacing transfers. Capital purchases include the grapple brush truck, police vehicles, and fire department rescue tools.

In the redevelopment fund, \$1.8 million from reserves will fund capital projects such as replacing Lift Station #1 on Palmetto Avenue along the economic corridor and continuing utility infrastructure improvements. The transportation fund will dedicate exactly \$291,519, equal to 0.4 mills, for resurfacing projects on multiple streets, as gas tax revenue covers only a fraction of transportation costs. Planned projects include bridge and roadway designs and expanding the traffic camera network.

The ARPA fund will continue to support capital improvements, including replacing Lift Station #5 on Violet Street. The water and sewer fund shows a decrease in transfers from reserves due to completed projects, while charges for services are increasing 4.29% in line with CPI adjustments. Water sales are rising due to irrigation demand, while sewer volumes are slightly lower. Capital outlay is decreasing, reflecting lift station projects carried forward from the previous budget year.

Finance Director Jason Oliva presented the budget overview by function, noting that 66% of expenditures are operating costs, the largest portion being water and sewer purchases from the City of Daytona Beach. Water/sewer operating expenses decreased by \$192,000. The FY 2024–25 budget included a \$202,000 property purchase on Cedar, which is not in the FY 2025–26 budget, resulting in an overall decrease. The budget includes provisions for purchasing additional capacity if necessary, building renovations, replacement of two utility body trucks, annual set-aside funding for a future sewer vac truck (to be purchased in 2027), a trailer-mounted generator, and other equipment investments.

Stormwater fund revenues decreased \$1.2 million due to lower transfers to reserves, while charges for services are increasing with additional ERUs from new development. A 5% increase to the ERU rate is proposed, which would allow \$430,000 in annual capital projects; higher rate options would generate

more funding. Debt service of \$314,000 in FY 2023–24 was eliminated, freeing funds for stormwater improvements. Capital projects include the Melodie Park stormwater pond, backflow preventer replacements, and multiple major pond expansions and stabilizations, many of which are funded largely through grants totaling nearly \$17 million.

City Manager Gillis thanked Council for their input throughout the budget process, noting that all concerns had been addressed in the final proposal.

Item C. COUNCIL COMMENTS

Councilman Sander expressed appreciation for the hard work and stated he learned a great deal from the process.

Vice Mayor Quartier commended staff on a job well done.

Mayor Hall stated his satisfaction with the elimination of debt and suggested the possibility of raising the \$1.25 million reserve “Hurricane fund” threshold in the future. He also commended city staff for their dedication, noting that workers continued working during a recent rainstorm to complete tasks.

Monday, September 8, 2025, at 6:00 pm will be the first hearing for the budget and millage. Final adoption is set for Tuesday, September 23, 2025, at 6:00pm.

Item D: ADJOURNMENT: Mayor William C. Hall adjourned the City of South Daytona Budget Workshop at 5:53 pm.

City Council Meeting to follow.

Deputy City Clerk, Becky Witte

Mayor William C. Hall

**City of South Daytona
City Council Meeting Minutes
Tuesday, August 12, 2025, at 6:00pm**

City Council Chambers, 1672 South Ridgewood Avenue, South Daytona, Florida
and Facebook Live (www.facebook.com/CityOfSouthDaytona)

A. OPENING. Call to Order: Mayor William C. Hall called the City of South Daytona Regular City Council Meeting to order at 6:00 pm.

Roll Call:

Present:

Mayor William C. Hall	Councilman Brandon Young
Vice-Mayor Doug Quartier	City Manager James L. Gillis, Jr.
Councilman Eric Sander	City Attorney Wade Vose
Councilwoman Lisa O'Neal	

Pledge of Allegiance led by Mayor William C. Hall followed by the **Invocation** led by Councilman Brandon Young.

B. PRESENTATION: A check was presented to the City by Senator Tom Wright in the amount of \$1.75 million for the construction of a stormwater pond in the Brian Avenue / Green Street area of the City.

Mayor Hall presented Senator Wright with a plaque in recognition of his dedicated service to the residents of South Daytona since 2018 and his steadfast commitment to improving the community. Through his advocacy, more than \$3.15 million has been secured to support local projects and enhance the quality of life for all South Daytona residents.

Item 5: City Manager Report:

City Manager Gillis provided an update on stormwater improvements completed since the previous Council Meeting.

The City is replacing Lift Station #6 located on Valencia Road with a new station capable of pumping more effluent and resulting in fewer sewer backups for the Palm Grove subdivision during severe weather events. The replacement is expected to take several more days to complete, with the adjacent roadway being closed to accommodate safe construction. A detour has been set up for residents to navigate while we complete the replacement.

The Public Works Department cleaned the area surrounding our large concrete weir gate at our Reed Canal Stormwater Control Facility. With this area free from vegetation, the weir gate can be properly exercised to assist in maintaining the water level in the Stevens Canal.

Speaking of the Reed Canal Stormwater Control Facility, our excavation contractor, Drewry, has finished up the vast pond expansion here. Once completed, this greatly expanded pond will store about twice as much water as before and reduce the likelihood of the Stevens Canal overflowing its banks. This pond expansion will significantly improve the drainage throughout the entire central

portion of the City. The City will restore the site by seeding and mulching the banks of the pond and replacing the sidewalk through the disturbed area so pedestrians can freely access the site as before.

The Aspen Stormwater Pond Expansion Project will involve the significant enlargement of the existing Aspen Stormwater Pond to over twice its current size and includes the installation of a second stormwater pumping station to help reduce the likelihood of flooding within the Big Tree Village subdivision. Staff recently increased the current scope of the design to include the replacement of the dual-horsepower pump in the existing station to further enhance the pumping capacity. The City is funding the design while Volusia County will be funding the anticipated \$4 million construction through their Community Development Block Grant for Disaster Recovery (CDBG-DR) program.

Volusia County's Transform386 program is accepting new applications for home rehabilitation, site reconstruction, and voluntary buyout. If you are interested in any of these programs, please contact Volusia County's Transform 386 staff at 386-943-7029, and they will assist you in completing the necessary applications.

The City is currently looking for homeowners on Sherwood Drive who would be willing to voluntarily sell their homes for the construction of a new stormwater pond for the Sherwood Forest subdivision. Sherwood Drive, particularly the area by the existing stormwater pump station, is by far the lowest street in the subdivision. As a result, houses must be selected on this street for the proposed pond to ensure the subdivision will adequately drain to the proposed pond. City staff will be going door to door looking for a group of three or four contiguous homeowners who would be willing to sell their homes as part of the County's buyback program so that the proposed project could be successfully completed.

The Public Works Department had a request to televise the stormwater system on Magnolia Avenue to look for blockages. The line was successfully televised with no blockages found and the pipe in good condition. Crews cleaned the pipe while we were conducting our investigation including the segment behind the backflow preventer to ensure it continues to operate properly.

The Public Works crew replaced a section of corrugated metal pipe on Sandusky Road that was on the verge of collapse. This replacement of a section of the outfall pipe will ensure proper drainage on this road in the future.

The City has televised and cleaned the drainage system in the Orchards subdivision. The pipes here were found to be in good condition but in need of a good cleaning which was completed.

City staff met with a pump manufacturer to begin the preparation for a large stormwater pump to be installed at the end of the Pope Avenue stormwater pipe. The Pope Avenue stormwater pipe runs behind the homes on Pope Avenue and has two outfalls. The first outfall directs collected stormwater to the recently expanded Reed Canal Stormwater Control Facility Pond. The second outfall directs water into a large vault at the end near Reed Canal Road. The goal is to install a large stormwater pump at this vault location to assist in removing the collected stormwater from the Pope Avenue area as quickly as possible. The large stormwater pump with generator and fuel tank will be installed as part of Volusia County's Community Development Block Grant (CDBG) program at an estimated cost of \$550,000.

The National Night Out Against Crime Parade was postponed on Tuesday due to the heavy rain shower we received right at the start. A new date will be selected in the future, so watch our Facebook page and website for the details.

City Hall offices will be closed on Monday, September 1st in observation of Labor Day.

Budget Hearings are set for Monday, September 8, 2025, and Tuesday, September 23, 2025, where the millage rate will be set for the upcoming year. The millage rate being proposed is at the same rate (7.75) it has been since 2019, six years ago.

The 17th Annual Kailynne Quartier Memorial Ride is scheduled for Saturday, September 6, 2025, at 10:00am. The memorial ride is held every year in honor of Kailynne Quartier who showed strength through perseverance in her childhood battle with cancer. This is a police escorted ride, with all vehicles welcomed, through Volusia and Flagler counties and is a wonderful event to memorialize the loss of such a wonderful little girl.

Mr. Gillis concluded his report with information that the City is in the process of installing a new automated billing system. The previous payment system is no longer compatible with the City's server, making the transition necessary. He acknowledged some difficulties during the changeover and noted that residents previously enrolled in AutoPay must re-enter their payment information into the new system, as the City does not store sensitive personal data such as debit or credit card numbers. Notices and phone calls are being made to affected customers. Instructions and a link to the new payment portal will be posted on the City's Facebook page and website. Residents who need assistance may call or visit City Hall, where staff will provide guidance to complete the process. Mr. Gillis emphasized the goal of ensuring a smooth transition for all customers.

Item 6: City Attorney Report:

City Attorney Wade Vose provided a brief update on recent legal matters, noting that his office has been working closely with city staff on a variety of issues, with a primary focus on implementing new legislation passed during the most recent state legislative session. He referenced previously discussed updates to planning requirements and indicated that additional changes would be brought before the Council by the end of the calendar year. One significant update involves newly mandated regulations for condominiums and cooperatives, specifically requiring municipalities to adopt ordinances implementing milestone inspection requirements. These changes are intended to involve the City more directly in inspection processes and include additional reporting obligations to the state. Additionally, he discussed a new regulatory requirement concerning certified recovery residences, which mandates that cities adopt a formal evaluation process. He is currently engaging with a lobbyist representing the industry to better understand the implications of the legislation. He concluded his report by stating that his office will continue preparing the necessary ordinances to ensure compliance and offered to answer any questions from the Council.

C. CITIZENS TO BE HEARD:

Mayor Hall said that this is an opportunity for members of the public to address the City Council on any topic, whether it pertains to community concerns, personal perspectives, or general topics like the weather. When invited to approach the podium, please clearly state your name and address for the official record.

He asked that while speaking, direct your comments to the City Council as a whole and not towards any of the audience members or cameras. As the established standard, each person will be given approximately three minutes to speak. Although there is no formal clock, be concise enough without repetition to ensure everyone has had an opportunity to participate. Please note that the City Council will not respond to any viewpoint or question during this time as it is your opportunity to be heard.

Janet Kisner, 1639 Golfview Boulevard, addressed the Council regarding the new water bill payment policy. She expressed concern about a 3% credit card processing fee, comparing it to similar fees commonly seen at restaurants. Ms. Kisner noted that residents can avoid the fee by paying with a check or cash through the drive-thru or stopping in City Hall.

D. CONSENT AGENDA (Items 7-13):

Mayor Hall introduced the Consent Agenda and said the matters included under the consent agenda are self-explanatory and not expected to require discussion for approval. Items will be enacted by one motion. If discussion is desired by any member of the City Council, that item must be removed from the consent agenda and considered separately.

Item 7: Approval of minutes: July 22, 2025, City Council Meeting.

Item 8: Consideration of awarding a contract to Advanced Cabling Solutions in the amount of \$202,946.28, as budgeted in the current fiscal year, for the burial of the overhead cable lines on US 1 within Phase II of the US 1 Undergrounding and Streetscape project from McDonald Street to Ridge Boulevard.

Item 9: Consideration of awarding a contract to Paul Culver Construction in the amount of \$680,187, as budgeted in the current fiscal year, for the installation of decorative streetlights within Phase II of the US 1 Undergrounding and Streetscape project from McDonald Street to Ridge Boulevard (25-ITB-0017).

Item 10: Consideration of approving an Interlocal Agreement for the on-going maintenance of traffic signals and other municipal services on an as-needed basis with Volusia County.

Item 11: Consideration of approving a work authorization with Mead and Hunt for US1 Undergrounding Phase 2 (McDonald Street to Ridge Boulevard) Construction Engineering and Inspection (CEI) for Intelligent Transportation Systems (ITS) Facilities Relocation in the amount of \$28,557.95 and Decorative Streetlights in the amount of \$56,692.39.

Item 12: Consideration of awarding a contract to Universal Towing for wrecker services on an as-needed basis.

Item 13: Resolution No. 2025-20. A Resolution of the City of South Daytona, Florida, approving Contract Number AST41 with the Florida Department of Transportation; authorizing the City Manager to execute the Memorandum of Agreement between the City of South Daytona and the Florida Department of Transportation for the maintenance of State Road Rights-of-Way by the City.
First and only reading.

Motion to approve the consent agenda as presented by Councilwoman Lisa O'Neal. Second by Councilman Eric Sander. Motion carried unanimously.

E. REGULAR AGENDA:

Item 14: Consideration of awarding a contract to Drewry Site Development for the excavation of a dry retention pond on Anastasia Drive in the amount of \$29,700, as budgeted in the current fiscal year, as part of the continuous, dedicated effort to improve our stormwater system.

City Manager Gillis addressed the ongoing stormwater improvement efforts, emphasizing their importance in protecting the City from flooding. He noted that while the City's proximity to the river is both a blessing and a curse, it plays a key role in stormwater management. During hurricanes, the river helps drain stormwater quickly; however, during high tide or when the river is full, there is nowhere for the water to go, which increases the risk of flooding. He compared South Daytona's situation to landlocked cities like Orange City, where floodwaters can linger for months instead of days.

Mr. Gillis explained that the City is continuing to create stormwater storage areas, such as retention ponds and lakes, to hold excess water until the river can drain. The project discussed at the meeting involves the creation of a dry retention pond on Anastasia Drive. This pond will help capture overflow water that typically floods the area during heavy rains, preventing it from reaching nearby homes. He noted the favorable pricing for the excavation work, \$29,700, due in part to the contractor's ability to sell the excavated dirt.

He requested Council approval for the contract with Drewry Site Development for the excavation of the dry retention pond on Anastasia Drive. If approved, the contractor would begin work immediately. The same contractor is also scheduled to mobilize for the expansion of the Windle Lane pond for the Coventry Forest neighborhood, which was previously approved. Mr. Gillis emphasized the importance of moving quickly to complete these projects before the peak of hurricane season.

Motion by Councilman Eric Sander. Second by Councilwoman Lisa O'Neal. Motion carried unanimously.

Item 15: Resolution No. 2025-21. A Resolution of the City of South Daytona, Florida, authorizing submittal of an application to the State of Florida Hazard Mitigation Grant Program (HMGP), the Florida Department of Environmental Protection (FDEP), and the Volusia County Community Development Block Grant for Disaster Recovery (CDBG-DR) for the Silver Pond Expansion Project and authorizing acceptance and execution of the grants, if awarded. **First and only reading.**

City Attorney Vose read the title of Resolution No. 2025-21.

City Manager Gillis reported that during the expansion of Silver Pond, located on Silver Pond Drive, staff identified, through Property Appraiser records, that the City owns property on both sides of the existing roadway. The parcel on the north side, directly across from Silver Pond, is currently unused uplands containing a wooded area. He proposed seeking funding through three separate grant opportunities: the Florida Hazard Mitigation Grant Program (HMGP), the Florida Department of Environmental Protection (FDEP), and Volusia County's CDBG-DR (Disaster Recovery) program. If awarded any of the grants, the City plans to close the existing roadway and significantly expand Silver Pond to improve drainage in the Big Tree Village subdivision. Mr. Gillis requested Council approval of the Resolution authorizing staff to proceed with all three grant applications. He noted

that this was the first and only reading of the Resolution and that staff recommends approval as written.

Mayor Hall stated that before any decision is made to close the road, it will be important to communicate with the residents that will be impacted.

Motion by Councilman Eric Sander. Second by Vice-Mayor Doug Quartier. Motion carried unanimously.

Item 16: Ordinance No. 2025-08. An Ordinance of the City of South Daytona, Florida, amending the City of South Daytona Land Development Regulations, Section 5.5, to provide for additional uses prohibited within the Community Redevelopment District Overlay; and providing for conflicts, severability, applicability, and an effective date. Recommended by the Planning Advisory Board on May 7, 2025. **First reading. Public Hearing.**

City Attorney Vose read the title of Ordinance No. 2025-08.

Mr. Gillis presented the proposed ordinance to update prohibited uses within the US-1 Community Redevelopment Area (CRA). He explained that the City's vision for US-1 is to create a vibrant commercial corridor. The CRA, designated with Volusia County in 2008, provides additional funds that must be invested in improvements along the corridor, such as buried power lines, new streetlights, and upgraded sidewalk enhancements that local businesses have welcomed. The ordinance aims to provide clarity to realtors and potential investors by listing prohibited uses rather than the full list of allowable uses. Prohibitions target activities better suited for Nova Road, uses prone to over-saturation, or those inconsistent with the CRA's character.

The new or clarified prohibited uses include thrift stores, secondhand stores, pawn shops, and other retail operations selling any used or damaged goods, removing the previous 25% limit on used inventory due to enforcement challenges. Other prohibitions include massage parlors, manufacturing, bail bond offices, pain clinics, amusement centers such as large-scale arcades, fireworks sales (except small seasonal displays in grocery and retail stores), and certain automotive-related uses expanded to include scooters, golf carts, low-speed vehicles, e-bikes, and bicycles. Bars and lounges are also prohibited to avoid over-saturation, although some may still be considered through the special exception process.

Mr. Gillis clarified that existing businesses may continue to operate unless they close, are abandoned for more than 90 days per the Business Tax Receipt (BTR) regulations or change ownership. Changes in partnership structure, such as a spouse or partner leaving, would not be treated as a change in ownership. Special exception uses, such as bars, require re-approval with each ownership change, giving the Council the ability to apply additional conditions. The City Attorney noted that these requirements would typically be addressed during the buyer's due diligence phase before purchase.

During the discussion, Councilman Young confirmed the corridor's length of approximately 2.5 miles and supported measures to protect its character. Cannabis dispensaries remain prohibited under previous City action. The definition of "amusement center" was clarified as large entertainment venues, not restaurants with incidental entertainment like bowling or axe-throwing. Mayor Hall supported the Ordinance but noted his personal appreciation for antique shopping. Vice-Mayor

Quartier asked about special exception transfers, and Mr. Gillis confirmed these would require Council approval for certain uses. Council members also discussed protecting family-owned businesses by allowing reasonable ownership transfers for operators in good standing.

Mr. Gillis emphasized that the ordinance is intended to assist realtors and the business community by clarifying allowable uses, encouraging compatible development, and preventing over-saturation, all in line with the City's long-term vision for US-1. Staff recommended approval of the ordinance as written.

Motion by Councilman Eric Sander. Second by Councilwoman Lisa O'Neal. Motion carried unanimously.

Item 17: Ordinance No. 2025-13. An ordinance of the City of South Daytona, Florida, making a small-scale amendment to the Future Land Use Map of the City's Comprehensive Plan by changing the land use designation of 2309 South Ridgewood Avenue, parcel 5344-13-00-0460, from Residential Density 3 to Commercial; and providing for conflicts, severability, applicability, and an effective date. Recommended by the Planning Advisory Board on July 9, 2025. The first reading was held on July 22, 2025. **Second and final reading. Public Hearing.**

City Attorney Vose read the title of Ordinance No. 2025-13.

City Manager Gillis introduced the agenda item by explaining that it is closely related to the following item. The property at 2309 South Ridgewood Avenue, formerly home to the Songkran Thai Restaurant, is currently the subject of a rezoning request initiated by the property owner. As part of this process, the City must first amend its Future Land Use Map (FLUM) before considering any zoning changes. The parcel in question currently has a split land use designation: the front portion along South Ridgewood Avenue is designated Commercial, while the rear portion along Palmetto Avenue is designated High-Density Residential (Residential Density 3). City staff is proposing to consolidate these designations by reclassifying the entire parcel as Commercial, thereby creating a consistent land use designation for the property and avoiding future planning complications. The Planning and Advisory Board recommended approval of this change on July 9, and staff also recommends approval of Ordinance No. 2025-13.

Mayor Hall opened the Public Hearing. No comments were received. Mayor Hall closed the Public Hearing.

Motion by Councilwoman Lisa O'Neal. Second by Vice-Mayor Doug Quartier. Motion carried unanimously.

Item 18: Ordinance No. 2025-14. An Ordinance of the City of South Daytona, Florida, amending the official zoning map by changing the zoning of 2323 South Ridgewood Avenue, parcel 5344-12-00-0400 from Business General Commercial (BGC) to Planned Commercial Development (PCD) and 2309 South Ridgewood Avenue, parcel 5344-13-00-0460 from Business General Commercial (BGC) and Multiple-family Residential (R3) to Planned Commercial Development (PCD); and providing for conflicts, severability, applicability, and an effective date. Recommended by the Planning Advisory Board on July 9, 2025. The first reading was held on July 22, 2025. **Second and final reading. Public Hearing.**

City Attorney Vose read the title of Ordinance No. 2025-14.

Mr. Gillis introduced Ordinance No. 2025-14, the item related to the previous agenda item, which involves both the 2309 South Ridgewood Avenue parcel discussed previously and the adjacent property to the south at 2323 South Ridgewood Avenue, formerly a Texaco gas station located at the corner of Ridge Blvd and US 1. The current property owner has requested a rezoning of both parcels from Business General Commercial (BGC) and Multi-Family Residential (R3) to a consolidated Planned Commercial Development (PCD) designation. City Manager Gillis emphasized that this zoning designation allows for more detailed oversight by the City Council over the site's future development, thereby ensuring a higher quality of development in one of South Daytona's most important commercial corridors (US-1). He also noted that this aligns with the City's broader investment in infrastructure improvements along the corridor, including undergrounding utility lines and implementing a comprehensive streetscape plan. The Planning and Advisory Board recommended approval of this item on July 9, and staff recommends approval of Ordinance No. 2025-14.

Mayor Hall opened the Public Hearing. No comments were received. Mayor Hall closed the Public Hearing.

Motion by Vice-Mayor Doug Quartier. Second by Councilwoman Lisa O'Neal. Motion carried unanimously.

F. COUNCIL COMMENTS:

Councilman Eric Sander expressed his appreciation for the work being done on the lift station replacement at Valencia Road, noting that he had observed the crew multiple times and was impressed by their productivity and teamwork. He stated that at times, there were workers from two organizations, including City staff, all actively engaged in the project. He thanked the crew for their hard work and said he was glad the neighborhood would be receiving a new lift station. He added that while all City employees work hard, he had personally witnessed this particular crew's efforts and wanted to acknowledge them.

Councilwoman Lisa O'Neal thanked all City departments for their input during the budget process and for producing a balanced budget.

Councilman Brandon Young echoed those thanks and added his appreciation to the City Manager and leadership team for their proactive approach in addressing challenges over the past several years, including financial issues and flooding. He noted that the City has taken bold actions rather than waiting, securing legislative support and funding, and undertaking key infrastructure improvements such as pond expansions.

Vice Mayor Quartier commented on the City's ability to "pay as you go," improve operations, and maintain financial discipline by increasing reserves and reducing debt. He noted the City Manager's active involvement during storm events, including inspecting storm drains and retention ponds. He also mentioned the upcoming fall baseball season.

Mayor Hall thanked Councilman Young for representing the City in meetings and shared his experience participating in a Volusia Young Professionals forum with other mayors. He noted that some cities expressed frustration about limited state funding, while South Daytona has been successful in securing legislative support. Mayor Hall reported the passing of longtime City

employee Bob Groves, describing him as someone who enjoyed life and contributed greatly to the City. He also discussed a conversation with a resident on Councilman Sander's street regarding the possibility of converting the road back into a cul-de-sac to reduce through traffic, a topic he suggested could be revisited in the future.

Mayor Hall further mentioned the importance of ensuring quiet operation for the planned generator and pump station at Reed Canal Road and Pope Avenue. He expressed appreciation for the budget proposal and thanked both current and past Councils for working toward eliminating City debt, noting it had been a long process but was now accomplished. He concluded by thanking Police Chief LaSata for increased police visibility in the community and the improved shift coverage.

G. ADJOURNMENT: Mayor William C. Hall adjourned the City of South Daytona Regular Meeting of the City Council at 7:00 pm.

Deputy City Clerk, Becky Witte

Mayor William C. Hall