



Craig Kootsillas <

>

RE: Question for the Record: How Does the City Continue to Approve New Development While Under an FDEP Consent Decree for Wastewater Capacity?

Brian Roche <BRoche@palmcoastgov.com>

Thu, Jun 25, 2026 at 8:06 PM

To: " " < " >
Cc: Mike Norris <MNorris@palmcoastgov.com>, Theresa Carli Pontieri <TCarliPontieri@palmcoastgov.com>, "Charles A. Gambaro, Jr." <CGambaro@palmcoastgov.com>, Ty Miller <TMiller@palmcoastgov.com>, David Sullivan <DSullivan@palmcoastgov.com>, Marcus Duffy <MDuffy@palmcoastgov.com>, "Mike McGlothlin, MBA-PA" <MMcGlothlin@palmcoastgov.com>, "Brittany N. Kershaw" <BNKershaw@palmcoastgov.com>

Hello Mr. Kootsillas,

In reply to your email yesterday afternoon inquiring about the City's Wastewater System:

Investment into the City of Palm Coast's utility system has been supported with numerous actions by City Council over the past 1-2 years. City Council Meetings are published with meeting links on City's web page for review at <https://www.palmcoast.gov/agendas> where there have been a series of presentations and considerable discussions related to the utility system. Several recent presentations with Council discussions were on January 13, 2026 and April 14, 2026 with the Council Meeting Agenda link provided for your direct reference, and a related January 23, 2026 press release link is noted below:

City Council Workshop
January 13, 2026 9:00 AM
City Hall

City Council Workshop
April 14, 2026 9:00 AM
City Hall

[Palm Coast Invests in Utility Infrastructure and System Reliability | Palm Coast Connect](#)

The City of Palm Coast is moving forward with a series of major utility infrastructure projects following the approval of a \$330 million bond package by the Palm Coast City Council at its January 20 Business Meeting, which includes \$283 million in new funding and an opportunity to refund existing bonds to achieve economic savings. The five-year Capital Improvement Program (CIP), estimated at \$590 million, allows the City to address aging facilities, expand system capacity, and strengthen the long-term reliability of Palm Coast's water and wastewater infrastructure.

The primary project funded through this bond is the expansion of Wastewater Treatment Plant #1 on Utility Drive, a facility that has served Palm Coast for more than 50 years. By modernizing the plant and increasing treatment capacity by over 50%—from 6.8 million gallons per day to 10.8 million gallons per day—the City is strengthening system reliability and improving wastewater treatment capability during high-flow events. This expansion will be designed to meet regulatory standards while continuing to protect local waterways and public health.

In addition to the wastewater plant expansion, the City will make a significant investment of over \$100 million in raw water supply wells and treatment, and advance supporting infrastructure projects across the utility system, including replacement of Pre-Treatment Effluent Pumping (PEP) tanks throughout Palm Coast. Together, these projects will improve system performance, reduce the risk of failures, and enhance overall operational efficiency across the utility network.

"These projects represent a significant investment in Palm Coast's infrastructure and essential services that support quality of life," said Brian Roche, Palm Coast's Utility Director. "By expanding capacity and upgrading critical components, with a focus on a systems approach, the utility is developing plans and projects to ensure utility systems remain reliable, efficient, and environmentally responsible for decades to come."

The utility bond is secured by revenues from the City's utility enterprise fund, which operates separately from the City's general fund. A portion of the bond will also be used to refinance existing utility debt, reducing long-term repayment costs and strengthening the utility system's financial position.

These infrastructure investments are part of the City's long-term Palm Coast Utility Strategic Plan, which guides how essential water and wastewater facilities are upgraded, expanded, and maintained to support a growing community. The funding strategy for these projects includes a combination of previously approved utility rate adjustments, impact fees, bond financing, and grant funding, ensuring the system remains sustainable while continuing to deliver reliable service.

Contact Information for Brittany Kershaw and the COPC Communication Team

Communications & Marketing
 (386) 986-2564
communications@palmcoastgov.com

Respectfully,
Brian

Brian Roche, P.E., CPA

Director of Utility

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Palm Coast, FL 32137

Tel: 386-986-8009

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From: Mike McGlothlin, MBA-PA <MMcGlothlin@palmcoastgov.com>
Sent: Thursday, June 25, 2026 9:45 AM
To:
Cc: Mike Norris <MNorris@palmcoastgov.com>; Theresa Carli Pontieri <TCarliPontieri@palmcoastgov.com>; Charles A. Gambaro, Jr. <CGambaro@palmcoastgov.com>; Ty Miller <TMiller@palmcoastgov.com>; David Sullivan <DSullivan@palmcoastgov.com>; Brian Roche <BRoche@palmcoastgov.com>; Marcus Duffy <MDuffy@palmcoastgov.com>
Subject: RE: Question for the Record: How Does the City Continue to Approve New Development While Under an FDEP Consent Decree for Wastewater Capacity?

Good morning, Mr. Kootsillas,

Yes, the city will provide a response as soon as it is possible to do so.

Accordingly, I have copied in [Utility](#) Director Brian Roche into this response so that he is aware of your questions and can coordinate with his staff for response.

Best regards,

Mike

Mike McGlothlin, MBA-PA

City Manager

160 Lake Avenue
Palm Coast, FL 32164

Tel: 386-986-3712

www.palmcoast.gov



----- Forwarded message -----

From: **Craig Kootsillas** < >
Date: Wed, Jun 24, 2026 at 5:34 PM
Subject: Question for the Record: How Does the City Continue to Approve New Development While Under an FDEP Consent Decree for Wastewater Capacity?
To: <mmcglathlin@palmcoastgov.com>, Mike Norris <MNorris@palmcoastgov.com>
Cc: <tpontier@palmcoastgov.com>, <cgambaro@palmcoastgov.com>, <miller@palmcoastgov.com>, <dsullivan@palmcoastgov.com>

Good morning, Mr. McGlothlin,

I am the publisher of PalmCoastStorylines.com, an independent investigative news site covering Palm Coast and Flagler County local government. I am preparing a story on the city's wastewater capacity and its relationship to ongoing development approvals, and I am writing to give the city an opportunity to respond to the central question before publication.

THE DOCUMENTED RECORD:

The following facts are established in the city's own public documents and on-the-record statements:

1. The city's Utility Strategic Plan states that Wastewater Treatment Plant 1 had approximately 300,000 gallons per day of capacity remaining as of early 2025 — described in city documents as "enough for less than a year of growth."
2. At the March 4, 2025 City Council Business Meeting, Mayor Norris asked then-Chief of Staff Jason DeLorenzo directly whether the existing wastewater system could support the approximately 19,000 residential units approved and in the pipeline. Mr. DeLorenzo's answer, on the record and on video, was: "No, sir." That exchange is available at: <https://www.google.com/url?q=https://www.youtube.com/watch?v%3DX742Ot1rvKY&source=gmail&ust=1782422938225000&sa=E>
3. The city's own August 2025 staff presentation to the City Council confirmed that Wastewater Treatment Plant 1 "needs another 2.4 million gallons per day to support the additional 13,300 units" in the shovel-ready pipeline.
4. In October and December 2024, the Florida Department of Environmental Protection issued consent decrees requiring the city to achieve full regulatory compliance by December 28, 2028. In litigation documents filed in Flagler County Circuit Court in the matter of Palm Coast Holdings Inc. and Florida Landmark Communities LLC v. City of Palm Coast, the city's own attorney wrote that "any utility planning or capacity allocation decisions must be made consistently with the City's legal duty to comply with the FDEP Consent orders and permit conditions."
5. At the November 4, 2025 City Council Business Meeting, attorney Kent Saffert of Holtzman Vogel, representing the Town Center DRI developer, stated at the public podium: "We cannot develop that property now because there is no sewer or water capacity." He further challenged the accuracy of a recital in an annexation ordinance before the council that same night, which stated that the city "is in a position to provide municipal services to the property described herein." The council passed that annexation unanimously.
6. As recently as February 10, 2026, the city's utility department issued a written determination that it had sufficient capacity to serve a proposed 502-unit mixed-use development on Seminole Woods Boulevard — a project owned by MPC Lots LLC and currently pending before the Flagler County Commission.

THE QUESTION:

Given that the city's own documents confirm a gap of 2.4 million gallons per day between current WWTP1 capacity and the demand required to serve the existing approved pipeline, and given that the city is operating under a binding FDEP consent decree, on what basis does the city's utility department continue to certify sufficient capacity for new development?

Please let me know by close of business tomorrow if you intend to answer. I intend to quote your entire reply, unedited.

Be well,

Craig Kootsillas
Publisher, PalmCoastStorylines.com