

MINUTES
SPECIAL COUNCIL MEETING
CITY OF NICEVILLE, FLORIDA
MAY 17, 2012

The Niceville City Council met in special session at 6:00 PM, May 17, 2012 in the Council Chambers, 208 N Partin Drive. All council members, were present, and the Mayor was out of town on business. Also present were City Manager Lannie Corbin; City Clerk Dan Doucet; and visitors in the audience. Mayor Pro-tem Henkel called the meeting to order at 6:00 PM.

PUBLIC HEARING

Ordinance 12-04-03 – An ordinance of the City of Niceville, Florida, authorizing the issuance of not exceeding \$2,500,000 Water and Sewer Revenue Bonds, Series 2012 to pay the cost of improvements to the Water and Sewer System, providing for the payment of such bonds from the revenues of the Water and Sewer System, providing for repeal of inconsistent provisions, providing for severability; and providing an effective date. (Third Reading)

Mr Doucet read ordinance 12-04-03 by title. Councilman Smith moved approval on third reading. Councilman Rominger seconded. Mr Bill Fray, Fray Municipal Securities, Inc provided an overview of the financing plan.

He advised that on April 10th the City reviewed and compared the three leading funding methods for the Capital Improvement Plan (the “CIP”). He stated the analysis included interest rates, related costs of issuance and terms. Municipal bonds, DEP loans and bank loans were leading funding options.

Mr Fray stated that Bank Loans represent the best value in the current market: seven year and fifteen year rates are .81% and 3.29%. Related costs and terms are more favorable for the selected funding option.

CIP funding

The CIP is funded from four sources to maximize efficient use of the City's financial resources:

Water Connection Fees	\$ 800,000
Sewer Connection Fees	2,700,000
Proceeds from earlier low interest loan	900,000
Current funding	<u>2,500,000</u>
	\$6,900,000

CIP Projects

NVOC Process Upgrade	\$ 4,700,000
Lift Station #32 Upgrade	300,000
Elevated Water Storage Tank	<u>1,900,000</u>
Total	\$ 6,900,000

Discussion followed. Mr Fray and Mr Corbin answered several questions asked by the council. Mr Corbin provided background information leading up to this financial package and stated he was very comfortable with moving forward with it. Council Vote: Henkel-yes; Schaetzle-yes; Rominger-yes; Smith-yes. Motion passed.

Resolution 12-05-03 – A resolution of the City Council of the City of Niceville, Florida, supplementing Ordinance 589; authorizing the issuance of \$2,500,000 Water and Sewer Revenue Bonds to pay the cost of improvements to the Water and Sewer System; providing for the payment of said bonds; making certain covenants and agreements in connection therewith; accepting a proposal for the purchase of such bonds; fixing the date, maturities, interest rates and redemption provisions and other details of such bonds; finding the necessity for a negotiated sale of the bonds; authorizing City Officials to take necessary actions in connection with the issuance of the bonds; and providing an effective date.

Mr Doucet read resolution 12-05-03 by title. Councilman Rominger moved approval. Councilman Smith seconded. Discussion followed. Council Vote: Henkel-yes; Schaetzle-yes; Rominger-yes; Smith-yes. Motion passed.

OTHER BUSINESS:

CITY CLERK:

Election Update – Approval

Mr Doucet advised that he had sent a memo to the Council requesting consideration to move away from using City prepared ballots which is labor intensive since our poll workers have to manually count them. He advised the County Supervisor of Elections agreed to loan the necessary ACCU – Vote equipment along with a trained employee to operate it. Mr Doucet stated our procedures will change to accommodate this method of voting. There will still be a requirement for the Canvassing Board to meet and canvass the absentee ballots and announce election results. He stated the ballot stubs will be counted for accountably purposes, however, the ACCU-Vote System will provide the total count eliminating the need to manually count them. Mr Doucet stated the new method will save manpower and time. Discussion followed. Councilman Henkel moved approval to utilize the County Voting Equipment as requested. Councilman Rominger seconded. Council Vote: Henkel-yes; Schaetzle-yes; Rominger-yes; Smith-yes. Motion passed.

The meeting adjourned at 6:30 PM.

MAYOR PRO-TEM

ATTEST:

CITY CLERK