

MINUTES
SPECIAL COUNCIL MEETING
CITY OF NICEVILLE, FLORIDA
AUGUST 28, 2014

The Niceville City Council met in special session at 6:00 PM, August 28, 2014 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 the City Manager, Lannie Corbin; City Clerk, Dan Doucet; Public Works Director, Bruce Price; Water and Sewer Department, Jerry Regans, and a member of the press. Mayor Pro-Tem Schaetzle called the meeting to order at 6:00 PM.

PUBLIC HEARINGS

Budget Workshop – Water & Sewer Fund

Mr Doucet discussed the following budgetary revenue items.

400 - WATER AND SEWER DEPARTMENT

REVENUES

Charges for Services	\$ 7,016,200
Miscellaneous	\$ 277,300
Non-Revenue & Other Sources	\$ 1,813,000
CCF	\$ <u>598,170</u>
TOTAL	\$ 9,704,670

EXPENSE

Last Year - \$13,499,090

This year - \$ 9,704,670

Mr Regans stated that we are requesting 2 new employees to man two new sections within the department. We plan to have a line camera crew and a reuse & cross connection crew. The new personnel will work within these crews as well as alternate with the current personnel to the other crews.

Professional Services

Lab, Drug Testing, Line locations, and
Engineering

Estimated Cost: \$ 180,000

GIS Tech Services (Polyengineering)

Estimated Cost: \$ 15,000

Total Cost: \$ 195,000

Repair Maintenance Other:

Inserta Valves (7 locations) water: Niceville Ave, & Nathey, Niceville Ave,& Bullock & Hwy 20, Hwy 20 & Hosp., Kelley & Howell	
sewer: Lift Station 27 FM, LS 9 FM	Estimated Cost: \$ 42,000
Fire Hydrant Replacement (5 hydrants) 3,000 ea)	Estimated Cost: \$ 15,000
Fire Hydrant Height Adjust & Repair (10 units @ \$400 ea	Estimated Cost \$ 4,000
Water Valve Location / New Boxes (15)	Estimated Cost \$ 3,000
Pump Motor Repair	Estimated Cost \$ 15,000
Tile Water Shop Floor (1916 SF X 3.00 per Ft)	Estimated Cost \$ 5,800
Sewer Line & Manhole Relines - city wide	Estimated Cost \$ 85,000
Palm Estates sewer rehab (sewers into LS # 7)	Estimated Cost \$ 75,000
Lift Stat. #27 (valve box, and discharge piping	Estimated Cost: \$ 20,000
Replumb, lid & pumps Lift Station 31	Estimated Cost: \$ <u>18,000</u>
	Total Cost: \$ 282,800

Repair Maintenance - Generators

Generator Repair	Estimated Cost: \$ <u>15,000</u>
	Total: \$ 15,000

Repair Maintenance Contractual

Water Tank Maintenance contract	Estimated Cost: \$ 52,000
Generator Maintenance Contract	Estimated Cost \$ 26,000
SCADA Maintenance 80 hours	Estimated Cost \$ 8,000
SCADA Repair	Estimated Cost \$ 15,000
Oder & Grease Control Service	Estimated Cost \$ 20,000
CCR Report	Estimated Cost: \$ 5,000
Bioxide Treatment	Estimated Cost: \$ 35,000
Inmate Squad 50% cost share	Estimated Cost: \$ <u>32,500</u>
	Total: \$ 193,500

Buildings:

Pipe building in new pipe yard	Estimated Cost: \$ <u>40,000</u>
	Total: \$ 40,000

IMPROVEMENTS OTHER THAN BLDGS

Pipe & Storage Yard- Relocate	Estimated Cost: \$ <u>40,000</u>
	Total: \$ 40,000

Equipment**WELLS**

(2) Chlorine Scales	Estimated Cost: \$ 4,000	PG 50
(2) Fluoride Scales	Estimated Cost: \$ 2,000	
(2) Chlorinators	Estimated Cost: \$ 3,600	
(2) Fluoride Pumps	Estimated Cost: \$ 1,800	
(2) Water test equipment (C12 & Ph)	Estimated Cost \$ 1,200	

LIFT STATIONS

(1) Truck with 6000 lbs crane	Estimated Cost: \$ 91,000
Sewer Chewer Lift Station # 55	Estimated Cost: \$ 27,000
6000 Gallon Tank Truck	Estimated Cost \$ 200,000
Rod-Vac Truck	Estimated Cost \$ 375,000
Replacement Generators Lift Stations 50 & 48	Estimated Cost \$ 40,000
SCADA - replace packs & radios at (5) lift stations	Estimated Cost \$ 13,340
Small Covered trailer (Portable welder)	Estimated Cost \$ 3,000

LINE CREW

Tools & tool replacement (for all crews)	Estimated Cost \$ 15,000
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LOCATES & MAPPING

G P Radar	Estimated Cost: \$16,000
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REUSE CREW

Other Equipment

Inmate Squad Van (50%)	Estimated Cost \$ 15,000
Trailer (50%)	Estimated Cost \$ 2,500

Meter Maintenance Work Truck
(to replace worn out 2000 pickup)

Estimated Cost \$ 18,000
Total: \$ 828,440 PG 50

Mr Regans and Mr Price answered several questions posed by the Council regarding the high dollar cost of some equipment items. Discussion followed.

Water System and Projects
Water system upgrades & extensions
Distribution System:

WATER PROJECTS

Rocky Bayou Road 1000' 12" Water \$35.00 per ft)	\$ 66,000 WE ****
750,000 - Gal Elevated Tank - 594.14	\$ 100,000 ***(45,000 WE
	- _____ \$55,000 2012
	Bonds)
	\$ 166,000 Total

Water Extension Projects (City-Wide):

Linden (18 th to Harding Rd.) 750	\$ 27,000
Beech (White St to Benton to Hwy 20) 2000'	\$ 112,000
Bayshore (St Andrews to Everglade) 1000'	\$ 36,000
Iowa (Spencer to Clinton St.) 1000' (40 pf)	\$ 40,000
Edgewater (Rocky Bayou Rd. To Rocky Wood Lane) 1200'	\$ 36,000
Hickory area (Parkview to Campbell Dr.) 8000'	<u>\$ 288,000</u>
	\$ 539,000

Water Total: \$ 705,000

SEWER PROJECTS

Collection System:

New LS Valp. & Bayshore Dr (replacement for LS #6)	\$ 400,000 ***\$ 200,000 SE
	\$ 200,000
	O&M
NVOC Process Upgrade	\$ 96,000 * \$ 52,400 2012
	Bonds (599.52)
	&
	\$ 43,600 ***SE 599.54
Rocky Bayou Road Sewer Line Extension -1600'	<u>\$ 200,000</u> SE ***
Sewer	Total: \$ 696,000

Sewer extension Projects (City-Wide):

Install Meters on reuse lines @ 8 locations	\$ 56,000
Relocation of Lift Station # 6	\$ 400,000
Pontevedra FM 1200' (32pf)	\$ 38,400
Bayshore Force Main L. S. # 7 to Everglade 1300'	\$ 41,600
Tie LS 9 FM into new LS 7 (Bore Plan)	<u>\$ 10,000</u>
Total:	\$ 546,000

REUSE PROJECTS

Reuse line on SR-285. 3600' 3 Road Bores	\$ 10,000 SE ***
Meter reuse lines - 5 locations	<u>\$ 56,000</u> SE ***
Total:	\$ 66,000

Sewer Total: \$1,308,000

GRAND TOTAL: \$ 2,013,000

- * **Bond Issue Funds**
- ** **SRF Funds**
- *** **Sewer.Ext Funds - associated with growth.**
- **** **Water.Ext Funds - associated with growth.**
- ***** **Pending Bank Loan/Bond Issue**

Water and Sewer Rate Proposal - FY -15

Mr Doucet explained that our engineer advises that we must have water and sewer rates in place that are sufficient to support our Capital Improvements, operating expense, bond payments, and provide coverages which have been promised in previous bond issues. Mr Glenn Stephens, our consulting engineer provided some preliminary rates. At this time the rate is a **7.70 %** overall rate increase (**4.0% for Water and 10.5% For Sewer**). He will provide you with a briefing on this matter during our special council meeting on September 11, 2014. In addition, Mr Bill Fray, Fray Municipal Securities (our finance advisor) will be here on the same night to brief you on our outstanding debt and Investments Program.

Mr Corbin stated that we are working with our City Engineer to do all we can to reduce the proposed rate increase. He stated that we should have a more favorable rate prior to our first public hearing date. The council asked several questions regarding the need to raise rates. Discussion followed.

Mr Doucet advised that our first public hearing is scheduled for September 11, 2014 at 6:00 PM.

The Meeting adjourned at 7:10 PM

MAYOR

ATTEST:

CITY CLERK