

MINUTES  
SPECIAL COUNCIL MEETING  
CITY OF NICEVILLE, FLORIDA  
AUGUST 27, 2015

The Niceville City Council met in special session at 6:00 PM, August 27, 2015 in the Council Chambers, 208 N Partin Drive. All Council members except for Councilmen Henkel and Rominger who were out of town, and the Mayor was present. Also present were City Manager, Lannie Corbin; City Clerk, Dan Doucet; Public Works Director, Bruce Price; and 4 visitors in the audience. Mayor Pro-tem Schaetzle called the meeting to order at 6:00 PM.

**PUBLIC HEARING**

Mr Doucet stated that tonight we will be discussing the budget for our 3 enterprise funds which are Sanitation, Stormwater and the O & M fund. In addition, we will be providing a brief overview of the proposed water and sewer rate increases for FY-16.

Mr Doucet advised that Mr Henkel is going us via telephone conferencing while out of town on business.

**Budget Workshop - Sanitation Fund**

**420 - SANITATION**

REVENUE - \$3,314,070

EXPENSE: Last Year - \$ 2,854,800      This Year - \$ 3,314,070 PG 57 **(16.1% increase)**

Mr Price provided a brief overview of the Sanitation Department stating they have 11 full time positions. He stated Sanitation Department is responsible for the residential curb side removal of: yard waste, construction debris, and bulk items such as furniture and appliances. We also pick up house hold waste not removed by Waste Management's automated service. Additional services and responsibilities of this department include the collection, storage and disposal of used motor oil, cooking oils, along with hazardous materials such as paints, antifreeze and used tires. The once a week yard waste pickup service is conducted using crane trucks that load the debris into 22 cubic yard dump trailers. These loaded trailers are then taken to the Cedar Avenue Complex where a relay truck(s) transport the debris to the designated disposal site. The majority of these loads are taken to landfills in the Crestview area. On average we transport 24,000 cubic yards annually to the Crestview landfills

however we are projected to haul more than 26,000 cubic yards this year. The bulk items, furniture and remaining debris are picked up by Waste Management and that debris is taken to the transfer station for proper disposal. The hazardous materials we collect are properly stored and periodically taken to hazmat collection facilities. All used oils we collect are recycled. Sanitation crews also assist in the removal of debris generated from Public Works projects and activities. The aluminum can recycling program for the fireworks fund is performed by this department along with other community sponsored projects. Personnel from this department have also assisted with the night time FDOT street sweeping when scheduling permits. Due to the increase in the waste stream we feel it is necessary to maintain four front line crane trucks and two front line transfer trucks. This past year we have experienced numerous equipment malfunctions and personnel shortages that have hindered our ability to provide the level of services residents have come to expect. We are requesting one additional employee and a replacement Crane truck to address these issues.

<b>Professional Services</b>	Estimated Cost: \$ <u>15,000</u>
	Total: \$ 15,000

Auditing and Legal Fees	Estimated Cost: \$ <u>13,750</u>
	Total: \$ 13,750

#### **Repair & Maintenance Vehicles/Equipment**

Preventive maintenance, alternators, starters, batteries, oil & lube, tires, etc. Rebuild (3) Dump Trailers: These trailers were purchased in the 1990's. Last year the beds and boxes were replaced on two (2) of these trailers and plans are to have three additional trailers overhauled this coming FY. The cost to rebuild these trailers is approximately \$10,000 each. New trailer cost is approximately \$ 20,000.

Preventive Maintenance (PM) & contracted repairs	Estimated Cost: \$ 65,000
Refurbish (3 Trash Trailers	Estimated Cost: \$ <u>30,000</u>
	Total: \$ 95,000

#### **Human Resources - RM Vehicles**

City labor cost associated with the maintenance, servicing and repair of Sanitation Vehicles & equipment. This includes the scheduling and coordinating all out sourced repairs.

City Labor Vehicle & Building maintenance	Estimated Cost: \$ <u>12,000</u>
	Total: \$ 12,000

**Repair & Maintenance Other**Estimated Cost: \$18,000

Total: \$18,000

Materials and supplies for preventative maintenance & repairs 50% cost share for roof repairs & annual maintenance at city hall. Note The new Inmate Contract (50%) has been removed and re-assigned to R&M Contractual.

**Human Resources - R&M Other**Estimated Cost: \$10,000

Total: \$10,000

Labor for building maintenance & repairs

**Improvements other than Buildings**

The Sanitation Department is requesting \$20,000 to support the construction of a new storage facility at Campbell Drive and Palm Blvd. This area will serve as a centralized storage facility for the materials and equipment used by Public Works, Sanitation, O&M, FD, PD and other city departments.

New Storage Complex @ Campbell Dr

Estimated Cost: \$ 20,000

Total: \$ 20,000

**Machinery/Equipment:**

New Truck/W Boom Loader

Estimated Cost: \$ 110,000

Total: \$ 110,000

**Equipment Reserve:**Estimated Cost: \$50,000

Total: \$50,000

**430 -STORMWATER MANAGEMENT**

All of the City's Stormwater Management activities are managed and funded through this department. Those activities include the inspection, repair and replacement of all existing drainage and conveyance systems and the installation of new storm water treatment facilities. The required elements of the city's (NODES) National Pollution Discharge Elimination System and the (MS-4) Municipal Separate Storm water System permitting along with the ISO/ (CRA) Community Rating System flood prevention program are also funded through this department. Since 2003 the Storm water Utility fees have been the primary source of funding for these O & M activities which are for the most part performed in house using force account labor. The formation of the City's Storm water Utility, Storm water Master Plan and the accompanying Facilities Plan has enabled the city to qualify for State Revolving

Fund loans to construct a number of major drainage improvement projects. The Master Plan and Facilities Plan have also served as a catalysis to acquire grants like the most recent National Fish and Wildlife Federation grants that were awarded for the Bayshore Vault, the Thomas Branch Drainage Improvements and the Boggy Bayou Headwaters Restoration which are slated to begin later this year. We are also in the process of developing a Storm water Capital Improvements Element that will identify all major storm water improvement projects that exceed the capital improvements cost threshold. The Capital Improvements Element will also include all of the remaining Facilities Plan Projects that have not been constructed. As previously mentioned the Facilities Plan is primarily a funding mechanism for SDF loans whereas the Capital Improvements Plan will be a more comprehensive approach in identifying all of the city's major storm water needs. We are required to provide \$ 500,000 in contributions towards the NEWF. grant. Although we have not determined what the contributions will be I'm assuming they will be in the form of in-kind services which if done by work force labor will be charged against the storm water utility. These in-kind tasks must be within the scope of work for these projects however they are not required to be done all at once and can be spread out over the course of these projects which could be years. We are looking at possible tasks and will have a better handle on everything once the project scopes are approved.

**REVENUES:**

NEWF. Project Grant	<u>\$ 4,223,000</u>
Total:	\$ 4,223,000
Charge for Services:	
Revenue from Residential Customers:	\$339,330
Revenue from Commercial Customers:	<u>\$139,700</u>
Total:	\$ 479,030
Miscellaneous:	
	<u>\$ 2,500</u>
Total:	\$ 2,500
Land Proceeds	Total \$ 370,000
Other Sources:	
CCF	<u>\$ 566,570</u>
<b>TOTAL REVENUE &amp; NON-REVENUE</b>	<b>\$5,641,100</b>

We have \$ 4,223,000 in remaining projects to be completed as outlined in our planning documents for FY-16.

**EXPENSE:** Last year: \$ 5,542,200 This year: 5,641,100 (1.78% increase)

**Professional Services**Estimated Cost: \$78,530

Total: \$78,530

Engineering services for small projects &amp; grant submittals.

GIS Mapping of the storm water systems &amp; development reviews.

## Transportation (Fees &amp; Postage)

Estimated Cost: \$ 2,000

Total: \$ 2,000

## Electrical Service

Estimated Cost: \$ 1,200

Total: \$ 1,200

**Repairs & Maintenance Vehicles & Equipment**Estimated Cost :\$ 4,000

Total: \$ 4,000

**Repair & Maintenance Other**Estimated Cost: \$ 50,000

Total: \$ 50,000

Preventive Maintenance (PM) and repairs to existing storm water collection & treatment facilities. Included in this line item are all repairs that do not exceed the capital improvements cost threshold. Additional storm water related activities include; the (CRA) Stream maintenance program & (NODES) MS-4 Permit Requirements, pre & post storm preparation, construction site inspections, inlet marker installations, field mapping of the drainage system, street sweeping, illicit discharge detection & elimination and public service announcements.

**Human Resources - R&M Other**

Public Works Force account labor cost to perform all R&M activities that do not meet the cost threshold of a capital improvement. Labor for Street Sweeping, Drainage Maint activities and Projects.

Estimated Cost: \$40,000

Total: \$40,000

**Repair & Maintenance/Contractual**

Inmate Services Contract (100%). This inmate squad will be assigned to assist the street department with all drainage projects installations and repairs. In addition they will maintain 70+ retention ponds, numerous channels, ditches, drainage easements and stream crossings.

Estimated Cost: \$ 60,000

Total: \$ 60,000

<b>Training/Certification</b>	Estimated Cost: \$ <u>1,000</u> Total: \$ 1,000
<b>Other Current Charges &amp; Obligations</b>	Estimated Cost: \$ <u>12,000</u> Total: \$ 12,000
<b>Operating Supplies</b>	Estimated Cost: \$ <u>20,000</u> Total: \$ 20,000
<b>Total Operating Expenses:</b>	Total: \$ 268,730
<b>Land</b>	Estimated Cost: \$ <u>370,000</u> Total: \$ 370,000
<b>Buildings</b>	
Campbell storage area complex.	Estimated Cost: \$ <u>20,000</u> Total: \$ 20,000
<b>Machinery/Equipment</b>	
<b>Mini-Track Skid Loader</b>	Estimated Cost: \$ <u>60,000</u> Total: \$ 60,000
This compact track mounted loader will be used in confined areas with limited access such as easements, ditch lines and retention ponds.	

**DRAINAGE PROJECTS**

**Improvements other than Buildings: \$ 96,000**

Project costs for these projects are based on city staff and engineer estimates. There are four projects identified in our Facilities plan that are scheduled for construction. Three of those projects will be funded through the recently acquired NEWF. Grant. Those are the Bayshore & 31<sup>st</sup> Street Vault, the Thomas Branch Drainage Improvements and the Boggy Bayou Headwaters Restoration projects. The remaining facilities Plan project is the Palm Boulevard McEwen Drainage Improvements which will be an in-house project. There are also six other in-house projects identified in this coming FY.

**Major Repairs and Retrofits**

**North Cedar Avenue Improvements** Estimated Cost: \$15,000

**In-house project**

This project calls for the installation of a 15 inch pipe along the Cedar Avenue right of way to alleviate a standing water problem and potential flooding issues.

**Bayshore Drive & Valparaiso Boulevard**

Estimated Cost: \$15,000

**In-house project**

This project calls for the replacement of an existing pipe along the Bayshore Drive right of way near the recently completed Magnolia Shores Outfall Project.

**Paradise Road Pipe Replacement**

Estimated Cost: \$ 14,000

**In-house project**

This project calls for the replacement and realignment of a 24 inch deteriorated metal pipe along the Paradise Road right of way between 17<sup>th</sup> Street and Valparaiso Boulevard.

**Rattan Palm Pipe replacement**

Estimated Cost: \$ 30,000

**In-house project**

This project calls for the replacement of 680 lf of 24 inch metal pipe on Rattan Palm. A segment of this pipe line is located on easements between homes which will require fence removal and extensive restoration after the new pipe is installed.

**Pinewood Pipe Replacements**

Estimated Cost: \$ 10,000

**In-house projects**

This work calls for the removal and replacement of deteriorated metal pipes at road crossings.

**Bayshore Villas Outfall Pipe Replacements**

Estimated Cost: \$ 12,000.

**In-house project**

**Total: \$96,000**

This work calls for the replacement of out fall pipe and road crossings in the Bayshore Villas Subdivision

**Facilities Plan Projects (4)****Palm Blvd/Hicks Branch Ph 1.**Estimated Cost: \$ **325,000**

This project calls for the installation of a new larger pipe system on Palm Blvd between Palm Plaza and Pine Court along with the replacement of the existing outfall pipes on Pine Court. Other planned improvements include replacing the Pine Lake control Structure similar to what was done at Bullock Lake.

**NEW. PROJECTS****\$ 4,223,000****31st Street & Bayshore Vault**Estimated Cost: \$ **370,000**

This water quality and drainage improvement project includes the installation of a treatment vault and new drainage system on Partin Drive, Bayshore Drive and 31<sup>st</sup> Street. All previously untreated runoff from this area will be directed into this treatment vault prior to discharging into the surface waters of Boggy Bayou.

**Thomas Branch/McEwen**Estimated Cost: \$ **2,253,000**

This project would include constructing a storm water treatment facility (SWTF) south of SR 20 near Niceville High School. This facility would provide treatment to heavily developed property that includes the high school and SR-20. The previously untreated runoff from 58 areas will be treated and attenuated prior to discharging into Thomas Branch which eventually outfalls into Boggy Bayou near Dockside Restaurant.

**Boggy Bayou Restoration**Estimated Cost: **\$ 1,600,000**

This restoration project will affect approximately 2500 linear feet of shoreline in the head waters of Boggy Bayou. It will re-establish a habitat and environment designed to

promote growth of native fish and wildlife. It will include creating a living shoreline, restoring sea grasses, removing exotic and invasive plants and sediment removal and relocation.

**Total: \$ 4,548,000**

**Debt Service:**

Estimated Cost: \$ 63,370  
 Total: \$ 63,370

Transfer to General Fund & IS

Estimated Cost: \$ 180,000  
 Total: \$ 180,000

**Reserved for Eqpt**

Street Sweeper

Estimated Cost: \$ 35,000  
 Total: \$ 35,000

Total Expense: **\$ 5,641,100**

Budget Workshop - Water & Sewer Fund

Mr Doucet discussed the following budgetary revenue items.

**400 - WATER AND SEWER DEPARTMENT**

**REVENUES**

Charges for Services	\$ 7,189,820
Miscellaneous	\$ 256,800
Non-Revenue & Other Sources	\$ 760,000
CCF	\$ <u>639,470</u>
<b>TOTAL</b>	<b>\$ 8,876,090</b>

**EXPENSE**

Last Year - \$9,704,6700

This year - \$ 8,876,090 (8.5% decrease)

Mr Regans stated that we are requesting 1 new employee to help manage the reuse water & backflow programs for a weighted salary of \$40,325. In addition, we are requesting a part time administrative assistant.

**Professional Services**

Lab, Drug Testing, Line locations, and Engineering	Estimated Cost: \$ 234,000
GIS Tech Services (Polyengineering)	Estimated Cost: \$ 15,000
Scan Council Minutes, Ordinances, and Resolutions in order to preserve permanent records and implement Laser Fiche technology to store records in electronic format and have the capability to search and retrieve records.	Estimated Cost: \$ 8,000 Total Cost: \$ 257,000

**Repair Maintenance Other:**

Inserta Valves (3 locations) water: Niceville Ave, & Nathey, Niceville Ave, & Bullock & Hwy 20, Hwy 20 & Hosp., Kelley & Howell	(Update/delete 4 locations)
sewer: Lift Station 27 FM, LS 9 FM	Estimated Cost: \$ 18,000
Fire Hydrant Replacement (5 hydrants) 3,000 ea)	Estimated Cost: \$ 15,000
Fire Hydrant Height Adjust & Repair (5 units @ \$400 ea)	Estimated Cost \$ 2,000
Water Valve Location / New Boxes (15)	Estimated Cost \$ 3,000
Pump Motor Repair	Estimated Cost \$ 15,000
Sewer Line & Manhole Relines - city wide	Estimated Cost \$ 200,000
Lift Stat. #27 (valve box, and discharge piping)	Estimated Cost: \$ 20,000
Replumb, lid & pumps Lift Station 31	Estimated Cost: \$ 18,000
	Total Cost: \$ 291,000

**Repair Maintenance - Generators**

Generator Repair	Estimated Cost: \$ 15,000
	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
Sewer Equipment Repairs	Estimated Cost \$ 2,000
Inmate Squad 50% cost share	Estimated Cost: \$ 28,400 (new rate)
	Total: \$ 156,750

**Buildings:**

Storage building in new pipe yard	Estimated Cost: \$ 20,000
Building for new sewer trucks	Estimated Cost: \$ <u>50,000</u>
	<b>Total: \$ \$70,000</b>

**IMPROVEMENTS OTHER THAN BLDGS**

Pipe & Storage Yard- Relocation	Estimated Cost: \$ 20,000
Tile Water Shop Floor (1916 SF X 3.00 per SF	Estimated Cost \$ 5,800
Natural Gas Line to well # 4	Estimated Cost \$ <u>4,000</u>
	<b>Total: \$ 29,800</b>

**Equipment****WELLS**

(2) Chlorine Scales	Estimated Cost: \$ 4,000
(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
Computer program for reuse & backflows	Estimated Cost: \$ 2,000

**LIFT STATIONS**

Odor Control unit Lift Station # 7	Estimated Cost: \$ 15,340
Odor Control unit Lift Station # 30	Estimated Cost: \$ 24,530
Replacement Generators LS 50, 48	Estimated Cost \$ 60,000
SCADA - replace packs & radios at (5) lift stations (Pack= 1270 - radio = 1398)	Estimated Cost \$ 13,340
4 sewer mixers	Estimated Cost \$ 40,000

**LINE CREW**

Tools & tool replacement (for all crews)	Estimated Cost \$ 15,000
Water Meter Location Equipment X100	Estimated Cost:\$ 2,000

**LOCATES & MAPPING**

G P- Radar Estimated Cost: \$ 16,000

**REUSE CREW**

**Other Equipment**

Portable Generator for Meter Maintenance Estimated Cost \$ 1,000

Work - such as cutting galvanized and PCV pipe. and roots near meter boxes.

Furniture modifications in the Utility Billing office to Estimated Cost: \$ 3,000

6 new Hydrant Meters w/ back flow devices and fixed based meter reading components to enhance operations. Estimated Cost: \$ 15,430  
Total: \$220,240

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

**WATER PROJECTS**

**Water Extension Projects & O &M Projects:**

Upgrade Water Booster Stations \$ 300,000\*\*\*WE  
Misc. Water System Improvements \$ 200,000 \* 05 Bonds  
22<sup>nd</sup> Street Water Upgrade \$ 35,000 O & M

**Water Total: \$ 535,000**

**SEWER PROJECTS**

**Collection System:**

NVOC Process Upgrade \$ 30,000 \* 2012 Bonds  
(599.52) &  
\$ 30,000 \*\*\*SE 599.54

**Total: \$ 60,000**

**Sewer extension Projects & O & M Projects:**

Bayshore Drive Sewer replacement	\$ 360,000
Relocation of Lift Station # 6	\$ 350,000 *** SE & O & M
Pontevedra FM 1200' (32pf)	\$ 28,400 O & M
Misc. Sewer System Improvements	<u>\$ 50,000 O &amp; M</u>
Upgrade Lift Station # 35	\$ 938,400

**Sewer Total: \$ 998,400**

**GRAND TOTAL: \$ 1,533,400**

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

**WATER AND SEWER RATE PROPOSAL - FY 16**

Mr Doucet explained that our engineer advises that we must have water and sewer rates in place that are sufficient to support our operating expense and bond payments and provide coverages which have been promised in previous bond issues. Mr Glenn Stevens our consulting engineer recommends a 2.00% overall rate increase (1% for Water and 3.00% for Sewer. This is a 1.99% combined rate for FY-16. He will brief on this matter during our special council meeting on September 10, 2015 at 6:00 PM. He stated that 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 Doucet then briefed from the handout information provided to the council stating that an average customer in Niceville uses 7,000 gallons of water a month. He stated the planned increase will result in a \$0.22 cents increase for a 4,000 gallon customer and \$0.31 cents increase for a 7,000 gallon customer. He stated that the recommended increase for a 4,000 gallon sewer customer will increase \$0.91 a month and a 7,000 gallon customer will increase \$1.15 per month. Mr Doucet stated that based on a telephone survey of surrounding utilities resulted in Niceville's combined rates are 6.2% lower than the 13 utility average rate. Discussion followed. Mr Doucet stated the next budget workshop is scheduled for September 3, 2015 at 6:00 PM. He advised that non-profit agencies will be coming before the council to request funding via our Aid to Organizations program.

The meeting adjourned at 6:45 PM.

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RANDALL WISE

ATTEST:

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CITY CLERK