

MINUTES
SPECIAL COUNCIL MEETING
CITY OF NICEVILLE, FLORIDA
AUGUST 30, 2016

The Niceville City Council met in special session at 6:00 PM, August 30, 2016 in the Council Chambers, 208 N Partin Drive. All Council members except for Councilman Nodjomian who was out of town, and the Mayor was present. Also present were City Manager, Lannie Corbin; City Clerk, Dan Doucet; Public Works Director, Bruce Price; Police Dept, Chief Popwell, Fire Dept, Chief Mayville and a member of the press. Mayor Wise called the meeting to order at 6:00 PM.

PUBLIC HEARING

Mr Doucet stated that tonight we will be discussing the proposed budget for the Community Redevelopment Agency (CRA); the Sanitation Fund; Stormwater Fund, and the Water & Sewer Fund. In addition, we will be providing a brief overview of the proposed water and sewer rate increases for FY-17.

Community Redevelopment Agency (CRA)

Mr Doucet stated that we anticipate receiving a total of \$23,000 next January based on CRA property values. A total of \$11,000 from the County and \$12,000 from the City. The City Manager plans to let the funds grow before make a decision to use the funds for a specific CRA project. Cities have issued bonds to move forward sooner to redevelop the CRA area. Discussion followed.

420 - SANITATION

REVENUE - \$2,956,100

EXPENSE: Last Year - \$ 3,314,070 This Year - \$ 2,956,100 **(10.8 % decrease)**

Mr Price stated that the Sanitation Department has 11 full time positions. The 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 have transported 25,000 cubic yards of debris to landfills the past three years however, we are projecting that more than 27,000 cubic yards will be transported 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 Relay Truck to address these issues.

Professional Services	Estimated Cost: \$ <u>16,500</u>
	Total: \$ 16,500

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

Repair & Maintenance Vehicles/Equipment

Preventive maintenance, service and repair of trucks and equipment. Last year we had the boxes replaced on 3 dump trailers that have been in service since the 1990's. The cost to have these trailers rebuilt is \$10,000.00 each and we plan to have two additional trailers rebuilt this coming FY. The cost of a new trailer is \$22,000.00.

Preventive Maintenance (PM) & contracted repairs	Estimated Cost: \$ 65,000
Refurbish (2 Trash Trailers (\$10,000 each)	Estimated Cost: \$ <u>20,000</u>
	Total: \$ 85,000

Human Resources - RM Vehicles

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

City Labor for maintenance and repairs	Estimated Cost: <u>\$12,000</u>
	Total: \$12,000

Repair & Maintenance Contractual	Estimated Cost: <u>\$18,250</u>
	Total: \$18,250

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: <u>\$10,000</u>
	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: <u>\$ 20,000</u>
	Total: \$ 20,000

Machinery/Equipment:

New Relay Truck with tow package	Estimated Cost: \$ 92,500
Replacement loader with Bucket	Estimated Cost: \$ 6,000
New Trailer	Estimated Cost: <u>\$ 22,000</u>
	Total: \$ 120,500

Equipment Reserve:	Estimated Cost: <u>\$50,000</u>
	Total: \$50,000

430 - STORMWATER MANAGEMENT

The City is currently in the process of adopting the Stormwater Master Plan Addendum which identifies and prioritizes a list of drainage and water quality improvement projects based on previous studies and staff input. There are a number of benefits that will result from the approval of this Master Plan. The plan will provide guidance to City staff in seeking sources of funding for the stormwater improvements identified in the plan and it will enhance the City's efforts to obtain funding from State and Federal Agencies by illustrating the City's commitment to addressing the water quality of our surrounding water ways. Upon City Council approval of the Master Plan Addendum each of the projects identified in this plan will be submitted to the Florida Department of Environmental Protection for SRF Loan eligibility approval.

There are currently 3 major basin projects in different stages of the design and permitting. Those projects include the 31st Street & Bayshore Drive Vault Project, Thomas Branch McEwen Drainage & Water Quality Improvements and the Boggy Bayou Headwaters Restoration. Each of these projects have been funded through the National Fish and Wildlife Federation as part of the Gulf Environmental Benefit Fund. The City has also applied for a grant to fund three additional projects identified in the Master Plan, those projects are the Mill Creek & Evans Branch Drainage improvements along Bayshore Drive near the site of the City Landing, the Spence Circle SWTF adjacent to the Boggy Bayou Headwaters and the Niceville Avenue SWTF near the South Turkey Creek Park. Since the results of these grant applications will not be available until September and the funding would not occur until April of 2017 we are taking these items out of this budget. If we are successful in obtaining one, or all three of the SHIP grants we will ask the Council if appropriate to possibly amend the budget to accommodate these projects. We have not increased Stormwater rates in years. This is something we should consider moving forward. Our current income from our residential and commercial customers are not at a level to meet coverage requirements if we went after a bank loan to fund the projects. This budget includes a list of the remaining drainage & water quality improvement projects identified in the Master Plan along with the repair and retrofit projects we plan to address this fiscal year. It is the intent of the City staff to aggressively seek any and all available sources of funding for the remaining Master Plan Projects. The revenues generated from the City's Stormwater Utility provide the necessary funding to perform all the required maintenance and repairs to the City's Stormwater system which includes meeting the requirements of the NPDES/MS-4 permit and the promoting of the ISO/CRA Flood plain Management Program.

REVENUES:

NFWF. Project Grant:		<u>\$ 4,167,040</u>
	Total:	\$ 4,167,040
Charge for Services:		
Revenue from Residential Customers:		\$ 334,000
Revenue from Commercial Customers:		<u>\$ 137,500</u>
	Total:	\$ 471,500
Miscellaneous:		<u>\$ 2,500</u>
	Total:	\$ 2,500
Other Sources:		
CCF		<u>\$ 547,360</u>
TOTAL REVENUE & NON-REVENUE		\$5,188,400

EXPENSE: Last year: \$ 5,641,100 This year: 5,188,400) **(33 % decrease)**

Professional Services Estimated Cost: \$30,000
Total: \$30,000

Engineering services for small projects & grant submissions.
GIS Mapping of the stormwater systems & development reviews.

Transportation (Fees & Postage) Estimated Cost: \$ 1,500
Total: \$ 1,500

Electrical Service Estimated Cost: \$ 1,200
Total: \$ 1,200

Repairs & Maintenance Vehicles & Equipment Estimated Cost: \$ 3,000
Total: \$ 3,000

Repair & Maintenance Other Estimated Cost: \$ 20,000

Preventive Maintenance (PM) and repairs to existing stormwater collection & treatment facilities. Included in this line item are all repairs that do not exceed the capital improvements cost threshold. Additional stormwater related activities include; the (CRS) Stream maintenance program & (NPDES) 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.

Water Main relocation for Stormwater	Estimated Cost:	<u>\$ 50,000</u>
	Total:	\$ 70,000

Human Resources - R&M Other

This include all drainage cost associated with the repair & maintenance activities that do not meet the capital improvement cost threshold. These activities include minor repairs to drainage infrastructure, drainage system inspections and pre storm preparations & post storm responses.

Estimated Cost:	<u>\$75,000</u>
Total:	\$75,000

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:	<u>\$ 60,000</u>
Total:	\$ 60,000

Training/Certification

Estimated Cost:	<u>\$ 1,500</u>
Total:	\$ 1,500

Other Current Charges & Obligations

Estimated Cost:	<u>\$ 12,000</u>
Total:	\$ 12,000

Operating Supplies

Estimated Cost:	<u>\$ 10,000</u>
Total:	\$ 10,000

Dues, subscriptions, memberships

Estimated Cost:	<u>\$ 300</u>
Total:	\$ 300

Total Operating Expenses:	Total:	\$ 264,500
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Buildings

Campbell Drive storage area complex.	Estimated Cost:	<u>\$ 20,000</u>
	Total:	\$ 20,000

Machinery/Equipment

Street Sweeper	Estimated Cost:	\$ 35,000
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We have recently overhauled a 2005 street sweeper and plan to replace it in FY 17-18. This money will be placed in a reserve account to offset the cost of this machine. City street sweeping is part of the MS-4 Permit requirements and we also are under contract to sweep all FDOT roadways inside the city limits.

Heavy duty Brush Cutter Attachment	Estimated Cost: \$	<u>7,000</u>
	Total:	\$ 42,000

This machine attachment will be used on our Skid Steer machine to cut and maintain easements, ditches and other drainage facilities with limited access.

Improvements other than Buildings:

The cost associated with these projects are based on City staff and/or engineer estimates. The repair and retrofit projects along with some of the Drainage Improvement projects will be done using city force account labor. The NFWF projects will be primarily contracted but some stages of their development may be performed with force account labor.

Retrofit Projects:

Paradise Road Pipe Replacement:	Estimated Cost: \$ 20,000
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This project will include the removal and replacement of the deteriorated pipe along the Paradise Road right of way from 17th Street to the south side of Valparaiso Boulevard.

Gracie Lane Woodridge:

Estimated Cost: \$ 10,000

This project was partially completed this year. Remaining work includes the grading and stabilization of the SWTF.

South Palm Blvd Outfall Replacement

Estimated Cost: \$ 25,000

This project requires the removal and replacement of a 36 inch outfall system that has deteriorated.

Kelly Road Outfall System Pipe Replacement

Estimated Cost: \$ 75,000

This Master Plan Project requires the replacement and relocation of an outfall system located near the intersection Kelly Road and Howell Road that discharges untreated stormwater directly into the wetlands of Turkey Creek. This old deteriorated system has serious structural issues and the City has been able to make arrangements to acquire an easement at no cost that would allow the relocation of this pipe system. The city as also been assured that adequate land will be made available in the future for a stormwater treatment vault.

NFWF Projects

31st Street & Bayshore Vault

Estimated Cost: \$ 350,000

This water quality and drainage improvement project includes the installation of a treatment vault and new drainage system on Partin Drive, Bayshore Drive and 31st 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. The redesign of this project is completed and the permit has been submitted to NFWWMD for review and approval.

Thomas Branch/McEwen

Estimated Cost: \$ 2,190,000

The concept planning for this project is nearing completion and will be followed by land acquisition and permitting. This project will provide treatment to heavily developed property that includes the high school and SR 20. The previously untreated run off from 58 acres 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: \$ 1,534,000

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 the 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. The data collection is completed and the 10% concept plan is underway.

Palm Blvd/Pine Lake/ Hicks Branch

Estimated Cost: \$ 400,000

This project calls for the installation of a new larger pipe system on Palm Blvd between Palm Plaza and McEwen Drive and the replacement of the deteriorated outfall pipe at Pine Lake. Other planned improvements include replacing the Pine Lake control Structure similar to what was done at Bullock Lake. Currently this project is in the 60% design phase. It is the intent of the City to perform as much of this work as possible in an effort to reduce costs.

Debt Service

Estimated Cost: \$ 22,900

Total: \$ 22,900

Transfer to General Fund & IS

Estimated Cost: \$ 200,000

Total: \$ 200,000

Reserved for Eqpt

Street Sweeper

Estimated Cost: \$ 35,000

Total: \$ 35,000

Total Expense: \$ 5,188,400

400 - WATER AND SEWER DEPARTMENT

REVENUES

Charges for Services	\$ 7,264,440
Miscellaneous	\$ 266,310
Non-Revenue	\$ 1,221,930
CCF	\$ <u>663,890</u>
TOTAL	\$ 9,416,570

EXPENSE

Last Year - \$8,876,090

This year - \$ 9,416,570 (6.1 % increase)

Mr Price stated that the department is requesting 1 new employee to help manage the reuse water & backflow program. In addition, we are requesting a part time administrative assistant.

Professional Services

Lab, Drug Testing, Line locations, and Engineering Estimated Cost: \$ 249,000

Scan Council Minutes, Ordinances, and Resolutions Estimated Cost: \$ 8,000
 in order to preserve permanent records and implement Total Cost: \$ 257,000
 Laser Fiche technology to store records in electronic
 format and have the capability to search and retrieve records.

Repair Maintenance Other:

Inserta Valves (3 locations) \$ 6K each,	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 @ \$200 ea)	Estimated Cost: \$ 3,000
Pump Motor Repair	Estimated Cost: \$ 15,000
Sewer Line & Manhole Relines - city wide	Estimated Cost: \$175,000
Replumb LS #20	Estimated Cost: \$ 4,000
Replumb, lid & pumps Lift Station 31	Estimated Cost: \$ 18,000
New Pumps and Replumb LS 63	Estimated Cost: \$ 15,000
Replumb LS 56	Estimated Cost: \$ 10,000
Rebuild LS 15 (reline, replumb, add valve pit)	Estimated Cost: \$ <u>25,000</u>
	Total Cost: \$ 300,000

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	Estimated Cost : \$ 8,000
SCADA Repair	Estimated Cost : \$ 15,000
Odor & Grease Control Service	Estimated Cost : \$ 20,000
CCR Report	Estimated Cost: \$ 5,000
Inmate Squad 50% cost share	Estimated Cost: \$ <u>28,700</u>
	Total: \$ 154,700

REUSE OPERATING

System Repairs Materials	Estimated Cost: \$ 10,000
Algaecide Treatment	Estimated Cost: \$ 6,000
Blower Vane & Filter Replacement	Estimated Cost: \$ 500
Pond Maintenance	Estimated Cost: \$ 4,000
Bryozoan Treatment	Estimated Cost: \$ 3,000
5 System Flush Points (1,000 Ea)	Estimated Cost: \$ 5,000
Annual Pond Pump Station Maintenance	Estimated Cost: \$ 2,500
Ground Testing	Estimated Cost: \$ <u>14,000</u>
	Total: \$ 45,000

CROSS CONNECTION OPERATING

Backflows, Boxes, Fittings	Estimated Cost: \$ <u>100,000</u>
	Total: \$ 100,000

Buildings:

Storage building in new pipe yard	Estimated Cost: \$ \$20,000
Building for new sewer trucks	Estimated Cost: \$ \$50,000
Building for Chlorination System	Estimated Cost: \$ <u>30,000</u>
	Total: \$ 100,000

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: \$ 12,000
Aerial crossings & retainer wall maintenance	Estimated Cost: \$ <u>8,000</u>
	Total: \$ 40,000

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 # 30	Estimated Cost: \$ 24,530
Replacement Generators LS 50	Estimated Cost \$ 30,000
SCADA - replace packs & radios at (5) lift stations (Pack= 1270 - radio = 1398)	Estimated Cost \$ 13,340
2 sewer mixers LS 27,28 (12K EA)	Estimated Cost \$ 24,000

LINE CREW

Tools & tool replacement (for all crews)	Estimated Cost \$ 15,000
Water Meter Location Equipment X100	Estimated Cost: \$ 2,000
Mud hog pump	Estimated Cost \$ 5,000

CROSS CONNECTION CREW

Box Van	Estimated Cost: \$ 45,000
Chlorination System Eqpt	Estimated Cost \$ 70,000

LOCATES & MAPPING

Ground Penetrating Radar	Estimated Cost: \$ 16,000
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CAMERA CREW

Miscellaneous Camera equipment replacement	Estimated Cost: \$ 5,000
Line cleaning attachments (chain cleaners)	Estimated Cost: \$ 3,000
Residual rodding hose reel installed (large Vactor)	Estimated Cost \$ 4,000
Main rodding hose replacement (Large Vactor)	Estimated Cost: \$ 2,000
Total:	\$ 273,470

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	\$ 50,000 * 05 Bonds
Water Tower # 2 Removal	\$ 50,000 (O & M)
Install Meters for Eglin property X 2 (5K ea)	\$ 10,000 (O & M)
Edrehi Area fire protections (6" & 8" lines)	\$ 232,000***WE
12" Water main 1100 acres	<u>\$ 315,000 ***WE</u>
Water Total:	\$ 957,000

SEWER PROJECTS

Sewer extension Projects & O & M Projects:

Bayshore Drive Sewer replacement	\$ 120,000 (O & M)
Relocation of Lift Station # 6	\$ 500,000 *** 50% SE & 50% O&M
Misc. Sewer system improvements	\$ 50,000 (O & M)
NVOC Treatment Plan Improvements	\$ 50,000 (O & M)
Hickory & Adams St. 700"	\$ 60,000 ***SE
Water's Edge (City Share)	<u>\$ 14,930 ***SE</u>
Sewer Total:	\$ 794,930

GRAND TOTAL: \$ 1,751,930

- * **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 17

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 1% for Water and 3% for Sewer. This is a 2.05% combined rate for FY17. He will brief on this matter during our special council meeting on September 8, 2016 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 \$0.97 a month and a 7,000 gallon customer will increase \$1.24 per month. Mr Doucet stated that based on a telephone survey of surrounding utilities resulted in Niceville's combined rates are 8.06% lower than the 13 utility average rate. Discussion followed. Mr Doucet stated the next budget workshop is scheduled for September 1, 2016 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.

RANDALL WISE

ATTEST:

CITY CLERK