MINUTES
REGULAR COUNCIL MEETING
CITY OF NICEVILLE, FLORIDA
MAY 12, 2020

The Niceville City Council met in regular session at 7:00 PM, May 12, 2020 in the Council Chambers, 208 N Partin Drive. All Council members were present. Also present were City Manager, Lannie Corbin; City Clerk, Dan Doucet; Technology Department, Chad Morris; Police Department, Chief Popwell; Fire Department, Chief Mayville; Public Works, Johnathan Laird. There were 15 citizen attendees.

Mayor Pro Tem Henkel called the meeting to order at 7:00 PM, and Councilwoman Boudreaux led the prayer, and all present said the pledge of allegiance.

APPROVAL OF MINUTES:

Regular Council Meeting, April 14, 2020
Planning Commission Meeting – No Meeting Held
Local Planning Agency Meeting – No Meeting Held

Councilman Nodjomian moved approval of the minutes. Councilwoman Alley seconded. No one spoke for or against. Council Vote: Henkel-yes; Schaetzle-yes; Boudreaux-yes; Nodjomian-yes; Alley-yes. Motion passed.

PUBLIC HEARINGS

Presentations – Mayor Pro Tem Henkel asked Mr. Doucet to proceed with presentations. Dan Doucet said we have Ms. Tammy McGaughy here to present the FY19 Financial Audit Outbrief.

Tammy McGaughy, Warren Averett, LLC, stepped up to the microphone. Welcome, said Mayor Pro Tem Henkel. Thank you, Ms. McGaughy replied, as Dan said, my name is Tammy McGaughy. I am a partner with Warren Averett, and I’m here tonight to present the 2019 Audit results, and you should have received a PowerPoint presentation, which I’m going to go over for the crowd, and I’ve also provided you with a detailed audit. It is over 80 pages long. There’s a lot of good information in there, but I’m not going to go into all of that detail tonight. So, with that being said, the 2019 audit was a success, and as you can see in your PowerPoint handout, the summary is just kind of highlighting the results of the audit. So, for this year, we were able to render an unmodified opinion on the financial statements, which is very good. It is the highest level of assurance that you can receive on your financial statements. We noted no material weaknesses in your internal control, no significant deficiencies over financial reporting or compliance findings, so all those things are very good.
I really am happy to report that this year is the 33rd consecutive year that the City has received a Certificate of Excellence in Financial Reporting. That is issued by the Government Finance Officers Association, which is a national association that you’re a member of, and it just recognizes the excellence that you’ve put forth in your financial reporting. It’s a great accomplishment.

There are two other things I want to point out and highlight. The City is subject to some standards that came about several years ago. One of the standards deals with your pension. You have an unfunded pension liability. This year that liability is $11.5 million. Last year it was $9.6 million. The important part I want to point out to you is that it is unfunded, but this is an actuarially determined number, and it is based on a lot of assumptions that actuaries use in calculating this liability. You guys participate in the Florida Retirement System (FRS), and the FRS is the one who has hired the actuary and you are sharing on whatever that actuary determination is... again, a lot of assumptions. One swing in an assumption could change that liability up or down by four or five million dollars. The Government Accounting Standards Board (GASB), several years ago, required cities to disclose this information and to report the liability in your financial statements. Before it used to be off balance sheet, but now it is part of full-disclosure. Then, number five in the summary is Other Post-Employment Benefits (OPEB). This came about a couple of years ago. OPEB is the life insurance that you promise to your employees. For that calculation, the City hired an actuary again. In this case, that liability is at $4.6 million, as of September 30, 2019.

That’s a highlight of the audit results. Now I want to go over some financial highlights for you in perspective to the City as a whole. If you look at the City, how much does it take to operate or run the City in one fiscal year? This past fiscal year, it costs over $26 million dollars. How are you funding those expenses? You are funding them through charges for services, through grants and contributions, and through general revenues. Probably about forty some percent is from charges for services, forty some percent from general revenues, which are good. All in all, in 2019 you ended on a positive note, with a net increase in your bottom line by $517,000. The pension liability that had increased from last year to this year in reflected in that number. So, the $517,000 is already taken into consideration.

As you know your General Fund is your operating budget. This graph here (page 4 of the handout), shows the history of what has happened in the General Fund over the past several years, with a comparison of your revenues versus your expenses. One trend that we are seeing in the most current, the FY18 and FY19 years, is that your expenditures are exceeding your revenues. That’s for the general fund. Now, a positive thing for the City is that county-wide, there was the passing of the half-cent sales surtax, so we have now
additional monies that can be used from the discretionary sales surtax special revenue fund. That’s not reflected in the general fund. That is a separate fund set-aside. Those monies can be used to fund infrastructure, capital investment, and things like that. With that funding being available, you can now use those funds instead of general fund reserves that you had to use over the past several years.

The next graph just gives you the trend of how the property tax revenue has been over the past several years. You can see it is increasing a little bit each year. This graph right here is a presentation of what your fund balance looks like. Your fund balance is similar to your equity if you were running a for-profit business. How much of it is available for spending? How much has been internally designated, and how much has been restricted? If you look at 2019, the green which is the undesignated fund balance, is declining, which I talked about a little bit previously. What is increasing is the blue area, which is the restricted monies; but it is an influx. It is mainly due to the discretionary sales tax fund. At the end of FY19, you had over a million dollars in that fund, which is very good.

Business-type activities are utility-type revenues. This graph shows what each of those funds are doing. The water and sewer generated about $1.5 million in income this year. The Sanitation Fund did have a loss. The stormwater had a positive $180 thousand. All in all, you had an increase of $1.6 million in 2019.

The next couple of graphs gives you a picture of what that pension liability has done. You can see it fluctuates. From 2015, that liability for the pension was a little over $3 million and part of that liability also has a health insurance subsidy which was a little over $1 million. You can see the trend. It fluctuates, year by year, and again, the actuarial studies are done based on the assumptions at that time, so it is not unexpected for these to fluctuate from year to year.

This slide goes over the Other Post-Employment Benefits (OPEB). That standard became effective in 2018, and you can see the trend there as well.

Lastly, I would like to congratulate the City in this next slide. We had several findings that were carried over, one from 2017 and two that we noted from 2018. You couldn’t see them on there, but I’m going to tell everyone else what they were. The capital asset reporting finding occurred in 2017, and the City has done a very good job over the past couple of years trying to get all of that reconciled. So, as of the audit that we did, that task was accomplished, so that comment went away. Last year there was an annual financial reporting comment. That comment goes away. This year there was timely reporting, so that was good. The last comment dealt with the accrual process. We found no issues in 2019, so you had a good clean report as far as management comments.
And, that’s it. Does anyone have any questions that you’d like to ask? Just a comment, said Councilwoman Boudreaux, I think it was very inclusive. It had so much in it. I read through pretty much all of it. Thank you for doing it. Thank you so much. I very much appreciate it, said Ms. McGaughy.

Councilman Nodjomian said, Ms. McGaughy in your opening comments, in the summary of all of your results, I know you said both four and five were things that were driven by a lot of assumptions and actuarial modeling and things like that. What if anything should we be doing? I hate the word liability. So, the word liability is attached to both of those issues, to a point where they are increasing by twenty plus percent year over year, at least in this snapshot. Ms. McGaughy replied, that’s a million-dollar question, an 11-million-dollar question, because there’s not much that you can do. I mean, maybe studying more of the assumptions and talking with the actuaries? You have more control over the OPEB liabilities. But, your participation in the FRS is pretty much set, said Ms. McGaughy. Right, those are standard assumptions and standard requirements said Councilman Nodjomian. So, you are not alone in sharing in that liability. In fact, we have many cities that we audit, and that liability took their fund balance from a positive to a negative, and so you’re not alone in that respect. It just gives you a better idea that if the City were to stop right now, all of those benefits would have to be paid. You don’t have enough retirement assets accumulated to cover those liabilities, which is why it’s a deficit right now. You don’t have enough in earnings, but it’s market-driven. With inflation and salary increases, there’s really not much you can do about it, said Ms. McGaughy.

The frustrating thing about it is we work very hard to be fiscally responsible, to not raise taxes and live within our own means, said Councilman Nodjomian. Then, when you have things like that to spin out to the tune of, between the two, three or four million versus last year, no matter what you do. There is not a thing that you can do, said Ms. McGaughy.

Where the City has been very good, and we do look at this. You, every year, create a budget. You stay within that budget. If you didn’t, then we would have an issue. We would report a compliance finding. One thing we always look at is to make sure you’re staying within the means of your budget. And, you have done that. That is something that you can control. The other liability; there is really nothing that you can do, except to report it, said Ms. McGaughy. Mr. Corbin said, one of the problems is the State requirements may increase. You also have a requirement from the State to make your contributions on an annual basis. You are meeting those contributions that they say you have to pay in. So, there is really nothing that you can do to reduce that liability at this point. It is something that has been accumulating for years and year. The change is based on assumption changes, said Ms. McGaughy.
Councilman Nodjomian then asked, so Lannie, more of a question for you then, since both of these are personnel-related, as pension liability and health liability for health insurance. How do they factor into our calculus about continuing to hire organic employees versus outsourcing requirements, asked Councilman Nodjomian? That's a good question. I guess it's going to get to the point where, what you're saying is that some of the things that we do in-house could be contracted out, asked Mr. Corbin? Yes, we always do the math, saying this is the cost of an employee, and it's always less than a contract, but when we start considering these long-term liabilities, I'm not sure that's going to be the case anymore. We're not going to solve it here tonight, but that's something we need to think about, said Councilman Nodjomian. Yes, you have to do it, but you have to take a deep breath, because then you start to get employees really concerned about their future and these sorts of things, but you're exactly right, said Mr. Corbin. That's the only way you can solve it, is to start looking at contracting. It's like we do with sanitation. We have 11 employees that pick-up trash. Waste Management picks up all of the garbage, and if we did that in-house, that would be another issue that we'd have to be facing.

Ms. McGaughy said, if you look at other governmental financials, you will see that the City is not alone in sharing this liability, so it is not something that you are doing personally. It is a liability that has been actuarially determined, because they were required to several years ago, and now it's full-faced on your financials, whereas before it was not required. Councilman Nodjomian said, right you mentioned it was off-book, but there are going to be unintended consequences associated with this as people start looking at their budgets and understanding what these liabilities look like. Mr. Corbin said, I think it is a good thing that it is required because it gives you a better picture of where you stand, said Mr. Corbin. Yes, it's more accurate agreed Councilman Nodjomian and Ms. McGaughy. Mayor Pro Tem Henkel asked if anyone else had questions or comments? There were none so he thanked Ms. McGaughy.

Mayor Pro Tem Henkel asked Dan Doucet to read this ordinance. Dan Doucet said this is a review reading of the ordinance.

Ordinance 20-03-02 - An Emergency Ordinance of the City of Niceville, Florida, recognizing a national, state and local State of Emergency due to COVID-19; declaring a State of Emergency within the City of Niceville, Florida; providing for and adopting emergency regulations to address preparation management and mitigation of the COVID-19; authorizing the City Manager to serve as Director of Emergency Management; providing for authority; providing for findings of fact; providing for repeal of conflicting ordinances or provisions; providing for severability; and providing for an effective date.
Mr. Doucet read Ordinance 20-03-02 by title. Councilman Schachtzle made the motion to approve the ordinance keeping the state of emergency in effect because it still exists. Councilwoman Boudreaux seconded it. Mayor Pro Tem Henkel asked if there was any discussion. Councilman Schachtzle said yes and asked, Mr. Powell, are we going to do this reading every month until in fact we’re back to what we considered normal before the pandemic? The charter requires for us to review the ordinance within 61 days, I believe it is, to make sure that it still exists, so we’re just complying with our charter. Then, if at some point we get back to normal, then we would no longer have a need for the emergency ordinance, said Mr. Powell. So, we’ll have to renew it again in two meetings from now, said Councilman Nodjomian. That’s what I was looking for... are we going to renew it at every Council meeting, asked Councilman Schachtzle? No, at every other one, said Councilman Nodjomian. We just had to review it for the 60 days from the date that we passed it originally on the 30th of March, said Mr. Powell. Are there any other discussion or comments asked Mayor Pro Tem Henkel? No one spoke for or against. Council Vote: Henkel-yes; Schachtzle-yes; Boudreaux-yes; Nodjomian-yes; Alley-yes. Motion passed. (Review Reading)

Ordinance 20-03-03 – An Emergency Ordinance of the City of Niceville providing for the rescheduling of special municipal election scheduled for April 14, 2020 to July 21, 2020 because of a national, state, and local State of Emergency due to COVID-19; providing for authority; providing for findings of fact; providing for repeal of conflicting ordinances or provisions; providing for severability; and providing for an effective date. (Review Reading)

Mr. Doucet read Ordinance 20-03-03 by title. Councilwoman Boudreaux made a motion to approve Ordinance 20-03-03. Councilman Nodjomian seconded the motion. Council Vote: Henkel-yes; Schachtzle-yes; Boudreaux-yes; Nodjomian-yes; Alley-yes. Motion passed. (Review Reading)

CITY MANAGER REPORTS/REQUESTS/RECOMMENDATIONS:

Fire Department – Update

Chief Mayville greeted the Council and stated that during the month of April 2020, the Fire Department had 104 calls with 100 of those being located within the City. There were four mutual-aid calls. The fire department continues to sterilize the station every day. Every time we go on a call we sterilize our trucks. If you ask us how we do that, we have a paint sprayer we fill with a mixture of chlorine and water and we go through the whole station. That’s what we do every day. We are checking our employees with thermometers. You scan the forehead and before you enter the station you’ve got to have below a 101 F temperature. We constantly are running on calls within our City, staying
safe with all of our partners: the other departments, EMS, Emergency Management, our Police Department, with our City Manager and his team that he has established. We’re doing very well. So far, nobody’s got it.

We had to step up our game the other day and help out our neighboring counties. (A forest fire had done damage near Milton, Florida.) Okaloosa County fire departments actually got put to the test and did a very good job. In those areas, we’d like to thank our City and the folks that back us and what we do in our mission and also Garcon Point. We split our strike team up with Eglin AFB and Ocean City, and all of the other departments and area. We all sent one fire truck, and rotating them out from Wednesday all the way to Saturday in 24-hour shifts. So, they were very appreciative. We constantly are staying up to date with all of the things that are going on. I’m sure Mr. Corbin will fill you in on all of that. It is just a chore. We have to stay safe and healthy. Anything from the Council, asked Chief Mayville? Councilwoman Boudreaux replied you’re doing a good job. I like to hear all those safety precautions are in place and working. Thank you said Chief Mayville.

Councilman Nodjomian asked, I’ll start with you; but, I have the same question for everyone as they come up. Have we had any issues getting necessary supplies and Personal Protective Equipment (PPE) or are we able to cover all of our requirements? We have, said Chief Mayville, but we reached out to some of our folks in Atlanta and pretty far off. We have 55 gallons of hand sanitizer. We have masks. Now those supplies are starting to filter into our area, where we can get them. Chad will probably brief you all on some of that as well. Okay; thanks, said Councilman Nodjomian. Anybody else, asked Mayor Pro Tem Henkel? Thank you.

**Police Department - Update**

Chief Popwell greeted the Councilmembers and Mr. Corbin and stated that during the month of April 2020, the Niceville Police Department responded to 3,793 calls for police assistance. There were a total of 27 traffic crash reports written involving 48 vehicles and one pedestrian. The estimated amount of damage to these vehicles and related property was $112,251. A total of 76 traffic citations and 88 traffic warnings were issued, 6 misdemeanors, 10 felonies and no DUIs. And the same thing; we’ve got plenty of supplies and we are doing good. Nobody’s sick. Are you sanitizing, asked Councilwoman Boudreaux? Every hour, replied Chief Popwell. Councilwoman Alley asked Chief Popwell what kind of felonies the felonies were. Were they drugs, she asked? Two were drugs, two were domestic violence, one was obstruction of justice, one
was an aggravated assault, one was a habitual traffic offender, and three were probation violations.

Just a compliment to your force, said Councilman Nodjomian; early on in the lockdown, when there was a lot of closed businesses, I noticed your guys out there patrolling, and going through locks and looking at buildings. I happened to be in my office. They saw the car and they came by and knocked on the door just to make sure everything was the way it was supposed to be. So, kudos to them for a good job. I’ll pass that on, said Chief Popwell. Please do. Anything else, asked Chief Popwell? Thank you.

Technology - Update

Chad Morris greeted the Council and said we have spent the last couple of months, in the Information Technology (IT) side of things, trying to make sure that those people that were able to work from home have had the remote capabilities. I don’t know off the top of my head what the number was, but we had several that were working from home, and we had some challenges, because we were in the middle of that network upgrade. Luckily, the licensing that we had purchased for the network upgrade included some remote access capabilities. At the time we needed them, we had not gotten to that stage of implementation so we, with our consultants, hurried that part up and rearranged our schedule a little bit. That part of things, now that everybody is pretty much back to work, we’ve moved out of that and it seems to be working pretty well, well enough that we’re keeping it in place for some possible needs down the road, for people that travel and things like that once travel opens back up.

From a purchasing standpoint, to address your question Councilman Nodjomian, supplies have been very difficult to get for some items. For some reason we haven’t had any problems whatsoever getting gloves. Masks, especially the M-95 masks, but all of the masks have been very difficult to get. They’re just beginning to trickle back in to the area to where we can actually find vendors that have them and can supply them in a manner that is not us ordering them now and getting them in three months. We have surgical masks coming in next week that we ordered about a month and a half ago. Some things are still difficult to get. Clorox wipes are almost impossible to find from any of our vendors, and we’re also having to make sure, to the best of our ability, that everyone is still following all of the procedures that we have set up, because one of FEMA’s requirements for reimbursement is that you continue to follow your purchasing procedures that your organization has in place, and we don’t want to come up two or three years down the road and have a request for reimbursement audited, and have them
find that we have to give money back because we didn’t follow procedures. So, we’re trying to stay on top of all of that. But, as both Chiefs mentioned, it has relaxed quite a bit. We still have some items that are difficult to find, especially particular brands and things like that. For the most part, we are getting back to normal operations as far as acquisitions go. Any questions?

Councilman Nodjomian asked, along the purchasing discussion Chad, has there been conversations, among the County and all of the municipalities within the County, about a strategic buy? Having the County as the overall purchaser, and then the distribution to the cities, so we don’t have 13 different cities all trying to do the same thing? I’m a member of a purchasing organization, the Gulf Coast chapter of the national organization, said Mr. Morris. We have discussed that quite a few times. Actual implementation is really, really tricky, especially in a situation like this, because if we don’t all have the same purchasing procedures and requirements, if we use some of those items that were acquired through the County’s purchasing procedures and they don’t fit our purchasing procedures, then FEMA goes, nope that doesn’t count, because FEMA doesn’t like piggy-backing as a contract method.

We had discussed some things, and quite often what happens is the County signs a contract with a vendor that will allow us to use that same vendor. If that is specifically written into the contract, then there is a good indication that it will be allowed. It hasn’t really been tested yet. The contracts have to be specifically written that way. The County, in some instances, does write their contracts to include, by name, all of the municipal organizations within the County, said Mr. Morris. I think there’s a lesson to be learned, an opportunity here, that needs to be looked at. That means aligning purchasing systems or whatever.

First of all, there is going to be a rebound to this. There is going to be another wave of this; and if not this, then a hurricane or something else that is going to create the same scenario where it makes no sense for a dozen different purchasing departments to all be on the phone or clicking on the internet, trying to buy the exact same things. There’s a better way to do that, said Councilman Nodjomian. I would agree one hundred percent from an IT side and from a purchasing side, said Mr. Morris.

On the IT side, the FLGISA is the statewide Local Government Information Systems Association that the City is member of and I am the representative for the City. We have been discussing this for almost 20 years now, trying to find a way that we can do that. The problem comes down to politics. Each organization doesn’t want to give up their
authority. In that instance, for most situations, the County would be deciding what we were buying, because they’re the largest user of it, and things like that. Well, one of our departments, that is in that position, might not agree that’s the best solution. Then, you also get into the higher levels... the administration and the elected officials. The cooperation that’s required sometimes requires you to give up authority, and that’s just not the way that the systems work right now. I agree one hundred percent with you that there are better ways to do it, said Mr. Morris. If we fail to learn from what we just suffered through, then bad on us, said Councilman Nodjomian. Well, I can tell you that we will have a stock of masks if it comes back around again and hand sanitizer, said Mr. Morris. Any other questions?

Sometimes it’s better for cities to have control of what their needs are. This is why there is such a big fight between the municipalities and the State, so that the State doesn’t take over and control what the cities are doing. You know sometimes when you turn it over to a bigger system like Okaloosa County, and then trying to get our needs to be met, there is something to be said about that as well, said Councilwoman Alley. It’s a balance; no doubt about it said Councilman Nodjomian.

Chad, when you say that it is political, I’ve never gotten involved with any decision about whether we do business with the County or not. How does it get political asked Mr. Corbin? Well, this is going to sound like I’m kissing up here and that is not what is happening; but you actually think about the benefit the organization and the benefit of the citizens and things like that. There are many other people in positions that are attached to their authority enough that they’re concerned about giving up any authority, and it can get political. I know from the IT side of things, we have had specific instances where we can’t do a joint purchase of something because a City Manager or a County Administrator refuses to allow that because it wasn’t something that went through their processes, said Mr. Morris. I don’t think we would have an issue if it was up to you, and all of the other City Managers all thought the same way that you did about things. Okay; I appreciate it, said Mr. Corbin. Anything else? Thank you, said Mr. Morris.

Well, we do meet every day, Monday through Thursday, said Mr. Corbin. I meet with both Chiefs, Johnathan, our Publics Works Director. I meet with Steve and Dan and Danielle. Really, Chief Popwell does a good job bringing us up to date on what happened that night and what the State is doing and what the Federal government is doing. Steve works with Chief Popwell bringing us up to date. Dan brings me up to date on where we are financially. Johnathan does with Public Works. That’s working out pretty good. I think we missed a couple of dates because of scheduling conflicts, but
other than that it is working out well. We really can make decisions based on the information we have. As I was telling Councilman Schaezelle the other day, this thing is so dynamic; you really can't just write things down that you're going to do. You have to be flexible enough to change with it. All of our employees returned back to work Monday the fourth of May. We didn't have anyone leaving because of this corona virus. Today, we did have three people leave because one had bronchitis and her doctor recommended that she be tested in the morning and she had close contact with two others. They're being quarantined.

The Library re-opened last Thursday with limited schedules after being closed to the public since March 17th. The Library is open Tuesdays, Thursdays, and Saturdays, from 8 until 10pm for seniors and high-risk patrons, and 11 am until 5 pm for the rest of the public. More than 75 seniors took advantage of the dedicated hours on the first day, and over 300 more patrons visited during the public hours. Over a thousand items were checked out in the first two days. So, people were ready to get back to the Library. The Library has seven full-time folks and eleven part-time. The hours for the part-time have been reduced and we have not resumed the youth program yet. We've done it with Facebook and we've also considered the book club via the teleconferencing.

The Senior Center is obviously closed. The last day was March 17th. We have two part-time and a full-time. The full-time employee is working about 20 hours in the Library and 20 hours there. We furloughed the two part-time employees and hopefully when all of this is over with they can return. At the Community Center, we haven't had any request for the use of the Community Center. None of the organizations have met wanting to use it. So, it's mostly given us a good chance trying to catch up on some maintenance that probably was lacking in all of those departments. That's being done. At the Children's Park, there are two full-timers and we furloughed the part-timers.

We really are keeping a close watch. The City revenues are staying pretty constant. We had about 300 more folks late on their water bill than the previous month. The big issue that we're looking at closely is the State revenues. The State revenue sharing is tied into a formula that includes sales tax. And, as you know sales tax Statewide, I'm sure has really taken a hit, especially with Disney World and Miami and all of those areas. It all goes into a formula and then it is based on population. We won't know that information, according to Dan and Steve, probably until the latter part of this month.

All of the parks are open. There are no organized sports. On ballfields, there are just pick-up games and folks just exercising more than anything else. We are concerned
about the fireworks. We hope by July 4th that we will be able to have the tradition of fireworks over at boggy bayou. We have Johnathan here. Johnathan bring us up to date on Public Works and some of the issues we have with it.

Can I ask a question first, said Councilwoman Alley, the Children’s Park, when will that be open? We don’t know; that’s a good question. You have Mother’s Day with young kids and some of those mothers are waiting to have another kid and you have grandparents that are bringing kids in. So, we really are watching that real closely and I get asked about it every day. That and the Senior Center; I get asked about that more than anything else. Obviously, we can’t open that until it is time to do that. The kids park, we are looking at maybe opening as quick as we can, said Mr. Corbin. The other question I have is about sports. I was told that the City sports, those kinds of sports have been reopened up and you can do those sports. You can’t do school sports but you can do City sports is what I was told, said Councilwoman Alley. We don’t have City sports, said Mr. Corbin. You’d have to have a team from some organization like Little League or that type of thing. The City doesn’t have any organized sports, said Mr. Corbin. I meant like Little League confirmed Councilwoman Alley.

You made a comment that I was going to ask at the end of the day, but I’ll bring it up right now. I too, as I think all of us are concerned about the potential reduction in revenues, specifically from the State, as it relates to taxes. What portion of our revenue annually comes from that source? I mean, I know that ad valorem is about thirty percent and what percent comes from that, asked Councilman Nodjomian. Out of the general fund, probably about a fourth of it or a third of it. I don’t have the numbers in front of me, but we have revenue sharing. We’re lucky. We had all of these projects that we had the half-cent sales tax scheduled for, and we’ve got the revenue but we haven’t started the projects. The only project that we’ve really started, we started yesterday. That was the turn-lane on Rocky Bayou Road. That’s going to cost about $58,000. I thought that was necessary. That was really getting to be a problem with people trying to turn left and go towards Bluewater, backing all the way up past that service station. But, to answer your question, I don’t have the numbers in front of me, but it is a sizable amount and it can really impact our budget. Luckily the City has reserves and we don’t want to hit those very hard, but we do. We’re going to be talking about some of that later on when Johnathan is up here. But, to answer your question, it will be an impact. When we start getting those numbers in, we’ll know more about revenue sharing and that State sales tax. That’s going to be an issue, said Mr. Corbin. So, which will then, of course influence our Budget hearings that we’re going to be starting this Summer. We could be looking at a couple of million dollars less theoretically, said Councilman Nodjomian. It will; that’s
the reason we haven’t really started the budget yet. We usually start the last part of April or the early part of May. Because, we need those numbers before we start working on that, said Mr. Corbin. Alright; thanks, said Councilman Nodjomian.

Water and Sewer Update

Mr. Johnathan Laird addressed the Council and Mr. Corbin. Griner Contracting has completed the maintenance of Well 11, which is east of SR 285. We disinfected and sampled. We passed samples one through four. We failed sample five and so on. We will get with Poly Engineering today and the Department of Environmental Protection (DEP) to send Griner back out to disinfect some more and sample, and hopefully get the well back online, said Mr. Laird. The reason that’s important, said Mr. Corbin, is that is one of our bigger wells. The water pressure and the amount of water we are pumping there is fine, but if another pump goes out, with this drought the way it is right now, we could have some issues. The well had some issues; if you remember, we pulled it. It was about $60,000. We have to do ten samples that pass the test. We got through four and the fifth, sixth, and seventh did not pass. So, some bacteria or something get on it. So, we’ve got the engineers involved in double-checking that to get those samples going again, said Mr. Corbin.

Yes sir, said Mr. Laird, we had 33 water calls and 25 sewer calls. The Stormwater is all being contracted. We are continuing the excavation of the 2.38 acres of the stormwater pond across from Niceville High School. We have the driveway extension in, off of John Sims Parkway, and have hauled 6,640 yards of dirt away from the site so far. Our Street Department crews, with the loss of our inmates, are maintaining or holding problems at the moment, and working on maintenance of sidewalks. We also started our lane extension project yesterday on Rocky Bayou Road which saw ribbon curving being poured today, which will give us about 200 more feet of stacking during congestion time, said Mr. Laird. Are we going to get the inmates back after COVID, asked Councilman Nodjomian? I talked to the prison official this morning and she has no clue, replied Mr. Laird. Okay; but it’s COVID-related, asked Councilman Nodjomian? Yes sir, replied Mr. Laird.

Does anyone else have any comments, asked Mayor Pro Tem Henkel? One thing, while he’s up there, said Mr. Corbin, when they did the runway at the Ruckel properties, they established about 3.5 acres of land on Forest and Rocky Road. We do have a well that we bought from Ruckel properties quite a few years ago. We have an easement for a waterline down that 3.5 acres. Somebody called Mayor Pro Tem Henkel and asked him
about people piling stuff in that area. So, I looked at it and it's a nice area, except it's grown up. So, we made contact with the County and asked the County to consider giving that to us, and they'd be glad to, I think. They're going to have to go through a department, but that'd be about three point something acres that we could clear. It's the over-run. It can easily be turned into, not a park, but at least an open area for people to enjoy. We're working on that, said Mr. Corbin. So, it's at the corner of Forest and Rocky Bayou Road, asked Councilwoman Alley? Yes, after the corner you'll see that open area and it's grown up quite a bit. I hadn't even thought about it until I got a call about people hauling trash and dumping it, said Mr. Corbin. On Ruckel side, asked Councilwoman Alley? It's on the City's side. It's really separating Niceville from the County area said Mr. Corbin. More discussion followed about the location. We're looking at it. If we get permission from the County I think we're going to try to do something with it, said Mr. Corbin.

One of the things that we would like to consider tonight, and I know we are trying to save money, but this will I think save money, is the Sanitation Department is requesting the purchase of two additional trailers. If the City purchases these trailers, then the route drivers will be able to continue picking up curb-side debris without having to stop and wait for a relay-driver to return from the landfill in Crestview. It takes about 45 minutes to fill up one of those and it takes about an hour and a half for that trip. So, what we want to do is buy a couple more of those trailers. It will cost about $58,000. Chad might want to chime in on this. He has already checked that. It is the same trailer we have been buying ever since we have been doing this. Since people have been home, we've already spent over $7,000 in a month just on overtime for this work. This would create a little sideline area where we could drop off the trailers, continue picking it up, and the driver could go back and forth. It would take a lot of pressure off of us, because those guys are just down until the trailer comes back. We have over a million dollars in the Sanitation Fund. We have plenty of funds to take care of this, and it really would be a good decision, said Mr. Corbin. Chad, you may want to let them know what you found out.

Was this a pre-COVID-19 problem as well? Was it only being driven by the fact that everyone's home now, asked Councilman Nodjomian? No sir; we've tripled in salary, and Steve gave me a price. We went from $7,000 to $21,000 in two months just on trash pick-up for what we've hauled to the landfill, said Mr. Laird. It's an enterprise fund. It's paying for itself so we can take a little pressure off by doing this, said Mr. Corbin. This would keep it where they're not down waiting, because it takes a little while to get back out there said Councilwoman Alley. More discussion followed about the topic.
This is a purchase from the same vendor that we've been using for quite a while. We have looked for other vendors in the past. The ones that we've been able to find that were less expensive were only a little lower in price and the quality was not all that great. These are from a State contract from Raymond Manufacturing. It is the source well contract which is formerly in a Joint Purchase Agreement (JPA), which is one of the pre-bid contracts which we had specifically said could be used. I feel like this is a good price. My opinion is it is a reasonable price. It falls within our rules as long as you all approve it. That's what my recommendation is. It had been discussed before the virus shut things down. There were several discussions about how to streamline things and make it run more efficiently, but unfortunately, we can't move the landfills any closer to make that trip shorter, said Mr. Morris. Is that $58,000 total or $58,000 each asked Mayor Pro Tem Henkel? That's for both of them. So, they're $29,000 each. Do I hear a motion asked Mayor Pro Tem Henkel asked? Councilwoman Boudreaux made a motion to approve the purchase of the two trailers for $58,000 from the vendor requested by Chad Morris. Councilman Nodjomian seconded the motion. There was no further discussion. Council Vote: Henkel-yes; Schaezte-yes; Boudreaux-yes; Nodjomian-yes; Alley-yes. Motion passed.

Mayor Pro Tem Henkel said before you walk, I just wanted to pass on some kudos. Bayshore Baptist Church has contacted me and let me know that your guys did an awesome job helping them get a tree out of the road and off their properties. We had that call Saturday morning at about 9 o'clock. It was a pretty nasty tree on a power line and two cars. Yes, they contacted me and they sent me photos of your guys in action, and they just said, hey the City really helped us out, said Mayor Pro Tem Henkel. Thank you, sir. Councilwoman Alley asked what caused the tree to come down? We don't know said Mayor Pro Tem Henkel. The wind from Friday; it's a tree we have been battling for a long time with dead limbs and stuff and it finally came down, said Mr. Laird. I have a question for you, said Councilwoman Boudreaux; how do you like the job so far? I'll let you know at the end of tonight, joked Mr. Laird. (Laughter from all.) Thank you.

Amy, bring us up to date on the contract with Avcon, asked Mr. Corbin. Ms. Hanson greeted the Council and said, as Jonathan mentioned, we have started our project at Thomas Branch, right over here. We have signed another contract with Avcon so that they can maintain the construction of it for the engineering. We hope to be totally finished with it by October and have final paperwork to the National Fish and Wildlife Foundation (NFWF) before December. That's the finalization of that grant.

Rackel Properties gave us an easement so that we could always access that stormwater
pond, because there’s no other way for us to access it. If we came from the church property, we wouldn’t be able to get our equipment over there to take care of the pond. So, we worked out an arrangement so we could put in a driveway connection for Ruckel Properties but the City will be able to use it for the rest of the time that we maintain that property. For our Boggy Bayou Headwater Restoration project, we are still waiting on permits from the Army Corps of Engineering, so sorry, not good news there. But the other project is really moving along and doing really well, said Ms. Hanson. That’s good; I had several people call me and ask what’s being built, said Councilwoman Alley. That’s what I get asked too, Ammy said, and I tell them it’s a stormwater project that’s really going to improve the water quality of the bayou, and Thomas Branch and Ellis Branch, because they’re all interconnected. We’ve had a lot of flooding due to the waters that come off the highway, the schools, and that little triangle area there, because there’s a natural seep-head there. So, we’re restoring the stream while we’re improving the water quality of the whole bayou. Thanks, Ammy, said Mayor Pro Tem Henkel.

Mr. Corbin stated, Mark Wise sent me an email today and the reclaim water project has been fully funded by the County through a grant and through in-house resources. They’ve actually got all of the easements signed by Eglin, so this thing is moving along a little more quickly than we anticipated. It was five years and now it could easily be two to three years. So, we’re going to have some tough decision to make about the original plan and those things going forward. Mark Wise has done a good job on following this project. The regional system; we met last Thursday. The budget for this coming year; we haven’t approved it yet. But, it actually is less than the previous year; so that’s a good thing. The numbers of the nitrates have been within state standards now for the last two months, so the regional system looks good. As you know we were having issues with that a year or two ago and the people up there have turned that around. That’s all I have, said Mr. Corbin.

Mayor Pro Tem Henkel asked for a motion to pay the bills. Councilman Nodjomian motioned to pay the bills. Councilman Schaetzle seconded. All in favor say aye, said Mayor Pro Tem Henkel. All Councilmembers responded verbally with aye. Motion passed unanimously.

Mayor Pro Tem Henkel asked the audience if anyone would like to address the Council. Nobody responded. Mayor Pro Tem Henkel asked each Councilman or Councilwoman if they had anything else?

Councilman Nodjomian gave an update on the Youth Advisory Council. Briefly, I sent
my Youth Advisory home tonight so they didn’t have to wait through the CRA meeting. So, I told them I’d give an update for them. It was their last meeting. So, unfortunately, I had to say goodbye to a couple of our Youth Advisory Council members. Both Elise and Anna are seniors, so they’ll be moving on to college this fall; one to UF, and one to TCU. But, we had a phenomenal year with them.

They reported tonight on their event two Saturdays ago. They went to Twin Cities Pavilion and did that drive-by greeting parade for the residents there. It was a highly successful event. They probably contributed to over a third of the total number of cars, which were from the Youth Advisory Council and them reaching out to their peers. Additionally, they were responsible for over fifty cards, letters, and notes that were dropped off for the seniors to read, which I thought was fantastic. I’ll write that up into an award package for the Florida League of Cities event. That’s due the 30th of June. So that was great.

We also got the results of our survey. They polled all previous Youth Advisory Council members, about twenty of them who have been through the program in the last five or six years, and just asked them questions like: was it beneficial; has it helped you in your life and stuff like that. Universally, they all came back and said they were so happy they had been part of it, and some gave words of wisdom to use in shaping next year’s class. So, overall it was a really good group, said Councilman Nodjomian.

Councilman Schaetzle asked, did they submit any presentation down to the Florida League of Cities for the Youth Council Awards this year? Yes; we have submitted for those. At this point it is still going on. So, I do have returning members this year, I had mentioned to them that the opportunity exists for them to attend. So, we’re not making any plans until we know whether or not there’s going to be an event.

Councilwoman Alley said, I just want to tell the City thank you very much for putting the seniors up on the bill boards. I have to tell you people do sit and wait for their kids to come up so they can take a picture of their kids on the billboard. This has been very difficult this year for the seniors, not being able to participate in the normal activities. One of the hardest things is that they had no idea, when they left for Spring Break, that they would never be coming back to school again, and seeing their friends again, and telling their teachers goodbye, and that this would be their last moment in time as a senior at Niceville High School. Thank you very much for working with the principal to put that together. Mr. Corbin said Lamar Signs was very instrumental. Luckily, he had gone to Niceville High School with the principal; they’re good friends. So, they helped make
it happen. That’s a good thing, said Mr. Corbin. Were you able to get anything on channel 98 as far as the graduating seniors, asked Mayor Pro Tem Henkel? You know I have not done that, said Mr. Corbin, I will follow up on that.

Just an update, said Councilwoman Alley, if you haven’t heard, they are going to hold graduation. I don’t know what that’s going to look like and it will be in July, from the 14th through the 18th. So, right now, I don’t have the information on whether there’s going to be a split graduation. I don’t have information on that. They’re still waiting to see what the guidance is going to be at the point in time in July with this virus.

Chad, Jessie was following up on Channel 98. Make sure he follows up on that tomorrow. I’ll make a note said Chad Morris.

Any other comments or business asked Mayor Pro Tem Henkel? No comments.

There being no further discussion the meeting adjourned at 8:05 PM.

ATTEST:

Daniel J. Daset
CITY CLERK

MAYOR PRO TEM

Daniel P. Henkel