

MINUTES
CITY COMMISSION MEETING
February 8, 2016

The City Commission met this date in regular session in the Commission Chambers. The Invocation was given by Mayor Arnold after which the Pledge of Allegiance was recited. A quorum being present, the meeting was called to order at 6:00 PM with the following in attendance.

Mayor	:	John B. Arnold, Jr.
Commissioners	:	Heyward H. Strong, Jr.
	:	Joe Morgan
	:	Clark (Tom) Browning, IV
	:	Kay Hamilton
City Clerk	:	Tammy Johnson
City Administrator	:	Carl Scott
Police Chief	:	Joe Hart
City Engineer	:	Roy Petrey
City Attorney	:	Hayward Dykes
VBCS Manager	:	James Butler
Library Director	:	David Weatherford
Dep. Public Works Director	:	Nathan Kelley
Recorder	:	Amber Elledge

Others in attendance: (Not inclusive): Annie Cameron, John Cameron, Marion Cassell, Louise Graham, Chris Wasdin, Don Caverly, Joseph Pascarella, Marcia Sanders (Bay Beacon).

Mayor Arnold welcomed the audience and stated that the Commission was interested in hearing their thoughts and welcomed any comments. He asked that anyone wanting to make any comments should raise his/her right hand to be recognized and use the microphone at the podium to address the Commission.

APPROVAL OF MINUTES

COMM. BROWNING MADE A MOTION TO APPROVE THE MINUTES FROM JANUARY 11, 2016. COMM. STRONG SECONDED THE MOTION, WHICH PASSED BY UNANIMOUS VOTE OF THE COMMISSION 5 TO 0.

CITIZENS' CONCERNS (non-agenda items) Resident

Ms. Marion Cassell, 173 Highland, asked if businesses on John Sims Parkway are involved in beautifying Valparaiso. She asked if they had been asked to beautify the fronts of their businesses such as fresh paint jobs. Comm. Morgan advised that the City has been encouraging businesses to do such and that it is going through an active code enforcement period of time, in which they talk to the businesses and reference code enforcement to a degree. He said this is all that they can do by law. Ms. Cassell asked if perhaps a contest would help energize the businesses and Comm. Morgan asked her to talk to the Visioning Committee about this and other ideas to help businesses want to improve the city. Mayor Arnold told us the city has made several attempts to get businesses to organize a group amongst themselves so that the city could help them get financing for improvements, but that there was little to no interest to do so. Comm. Morgan said that the Chamber of Commerce is always trying to get businesses to display the best business fronts possible. Ms. Cassell then inquired about residences in this regard. Mayor Arnold informed her that they have sent notices but did not want to mention any names. He said they have one or two businesses they were planning on taking to the Magistrate.

Mr. Joseph Pascarella, 196 Chicago, said that he had volunteered in past years to paint and help upgrade business facades. He also asked if there would be some type of forum where residents could meet the candidates who are running for City Commissioner. Mayor Arnold advised that each candidate would be allowed a five-minute video which will be aired every evening for two weeks prior to the election, on our local television channel 2 and perhaps on the city website. He said a letter would be going out to those five candidates so they could plan this. Mr. Pascarella again volunteered to help paint businesses if given the opportunity.

Minutes
Citizens'
Concerns

1. **CITIZENS' CONCERNS (non-agenda items) Non-Resident**

There were no non-resident comments.

1. **ACTION ITEMS – Added Agenda Items**

None.

2. **ACTION ITEMS – RESOLUTION NO. 02-02-08-16 – LEASE PURCHASE STREET SWEEPER**

This is a resolution authorizing the execution and delivery of a master equipment lease/purchase agreement with branch banking and trust company, authorizing the lease purchase financing of the acquisition of certain equipment herein describes; authorizing the execution and delivery of an acquisition fund agreement; authorizing the execution of such other documents as may be necessary to complete the transactions contemplated hereby; and providing an effective date. Mr. Dykes advised that this resolution is so that we may borrow \$141,000 for a new street sweeper rather than use our own money for it. He referenced a 3.5 year, 1.63 % option for the loan. Mrs. Johnson helped him clarify that \$132,860 is the amount to be paid for the street

Resolution
No. 02-02-08-
16 Lease
Purchase
Street
Sweeper

sweeper while the remainder is the amount financed to cover costs and expenses for closing. Mrs. Johnson advised that the city had budgeted for payments of \$40,000 starting this year.

Comm. Morgan answering the Mayor question informed him that our current sweeper has a blowing mechanism which will erode the interior compartment of it over time. He said it could be more expensive to try to maintain it than to replace it since newer sweepers are more mechanically sound and do a better job. He stated that our current sweeper is in fair enough condition that we can sell it but that will not always be the case. Mr. Kelley advised that the current sweeper is worth \$20,000 - \$40,000 in its present condition. Comm. Morgan then reiterated that should it get to a less desirable condition he will likely not be able to sell it at all.

MAYOR ARNOLD MADE A MOTION TO BORROW THE MONEY FROM THE CITY'S GENERAL FUND WITH AN INTEREST RATE OF 1.69% FOR A PERIOD OF FOUR YEARS, WITH THE SALE OF THE CURRENT SWEEPER CAUSING THEM TO REAMORTIZE TO THE GENERAL FUND. COMM. MORGAN SECONDED THE MOTION WHICH PASSED BY UNANIMOUS VOTE OF THE COMMISSION, 5 TO 0.

3. ACTION ITEMS – RESOLUTION NO. VCA 04-02-08-16 – Establish & Revise Communication Services

COMM. STRONG MADE A MOTION TO APPROVE RESOLUTION NO. VCA 04-02-08-16, A RESOLUTION OF THE VALPARAISO CABLE AUTHORITY TO ESTABLISH AND REVISE SERVICES AND PROVIDE AN EFFECTIVE DATE. COMM. MORGAN SECONDED THE MOTION, WHICH PASSED BY UNANIMOUS VOTE OF THE COMMISSION, 5 TO 0.

Comm. Strong explained that a result of the digital upgrade, we are now able to offer additional capabilities and this resolution details these. Mr. Butler stated the new options include whole home DVRs for television recordings, wireless network maintenance, faster internet speeds, and direct fiber connection for businesses. Comm. Morgan wished to clarify that while we have and will continue to assist with current internet issues, this gives us an opportunity to take the responsibility to support individual wireless networks. Mr. Butler advised that we do not currently provide support for wireless routers and networks. Business Fiber Connection will be a new service offered. The pricing for this new service is a 20% reduction to what businesses are currently paying. He informed the Commission that direct fiber connection operates separate from the City's as a whole. Mrs. Johnson mentioned a contract is required for this service.

Mr. Don Caverly, 113 Choctaw Cove, asked if there was some sort of business plan which details cost for equipment maintenance versus cost per customer, to offer these new services. Comm. Strong answered that we can get him that information but that we do not have a long term business plan in place. Mr. Caverly inquired about the monthly cost to the city for offering these services and Comm. Strong advised that information is detailed within each fiscal year budget.

Mr. Caverly then referenced the long discussed pole attachment fee collections which he said totaled around \$200,000. Comm. Strong explained that Gulf Power had come out with a pole rental fee which was different than what the FCC had approved. He said this went to court and we eventually won the suit at the end of which we moved the pole attachment money into reserves. He said we did that because we try to budget every year for reserves which go towards replacing the system when the time comes, or for some unpredicted failures we might have. Comm. Hamilton stated she very much disagrees with that statement and has been saying for four years that that money should not be moved into reserves. Comm. Hamilton indicated that we used the pole attachment money to "balance the cable budget", and Comm. Strong disagreed with that statement and clarified that there was already money in reserves when the pole attachment amount was rolled into reserves.

Mr. Caverly asked what the intention was by rolling these figures into reserves. Comm. Strong replied that the reserves are there so that the next time we need to upgrade services we will not need to charge for it. He said we do not charge for email and the reserve is both for future failures and for annual improvements plus budget. Mr. Caverly stated he still does not like the idea of money being collected then moved someplace else. Comm. Strong apologized for his feeling this way. He advised that many of the customers who had paid the pole attachment fee had moved and there was simply no way to refund the money to them, so they applied those funds towards making services better for customers.

Mr. Caverly asked about available cable packages versus channels wanted. Mrs. Johnson explained that a lot of times the television networks stipulate that in order to have a certain channel you have to purchase a bundle of channels. Mr. Caverly mentioned audio inconsistencies from one television channel to the next. Mr. Butler informed us that now that we no longer carry analog and all are digital channels, the audio is up to the broadcasters who are sending us the programming. Comm. Browning advised, however, that customers should be able to adjust audio settings via their own television equipment as well.

Comm. Hamilton stated she had received a few calls that the internet had been down earlier in the day and asked why. Mr. Butler replied that he had been working on a power supply for the CMTS (Cable Modem Termination System).

Mr. Caverly then asked if we can write the date posted on the real time informational updates we post on our local television channel 2. Mr. Butler informed him that we can.

COMM. STRONG MADE A MOTION TO APPROVE RESOLUTION NO. VCA 04-02-08-16, A RESOLUTION OF THE VALPARAISO CABLE AUTHORITY TO ESTABLISH

In addition to this discussion, Comm. Morgan added that we have done comparisons which indicate VBCS is very competitive in terms of rates. He also reiterated that the new business fiber connections would be offered at a discounted rate rather than the standard rate. Comm. Morgan stated that this resolution is the culmination of a long term strategy plan. We have had some long discussions on should we upgrade on what we have and the answer was yes and this in the outgrowth from that. Comm. Morgan answering Comm. Hamilton says once a vote has been made by the Commission it does not matter if a Commissioner agrees with that vote we need to move forward.

4. ACTION ITEMS – Library Budget

Mr. Weatherford explained that due to an increase in patronage and circulation, he would like to increase his budgeted amount of part time hours from sixty hours to eighty hours beginning in the next couple of weeks. He said since VBCS has hired a network technician to maintain computers and equipment at the library, it no longer suffers the computer expenses it once did. Comm. Hamilton added there has been a remarkable increase in enrollment and agreed this part time help would be needed. Mr. Weatherford further explained that savings within the systems maintenance and contracts, repair maintenance of the building itself, and other expenses for computers budget items would support his decision to hire additional part time help. Mayor Arnold asked how much this added help would cost and Mr. Weatherford replied it would cost approximately \$8,000 more annually. Mrs. Johnson referenced last year’s budget and said when the IT position was created, that she had moved some money from one of the library’s line items up to wages, to account for this IT technician’s role in maintaining the library. Mayor Arnold advised that he has issue with straying from the budget as written to accommodate new ideas. Comm. Strong stated the budget is always an estimate and if there is no increase in the budget, he sees no problem with it. COMM. HAMILTON MOTIONED TO APPROVE IT COMM. MORGAN SECONDED THE MOTION, WHICH PASSED BY UNANIMOUS VOTE OF THE COMMISSION, 5 TO 0.

Library Budget Increase Part time Hours from 60 to 80

5. ACTION ITEMS – Tom’s Bayou Bridge

Comm. Morgan said that at the time the initial design for the bridge was made, it was discussed whether or not the bridge should be higher. He said, however, that the flood data at that time did not indicate that they needed to raise it. He advised that the Coast Guard asked whether we had called for input on this decision. Comm. Morgan stated that the FDOT had sent out surveys in the surrounding areas when the bridge design went out. He said one person requested that the bridge height be raised. Comm. Morgan advised that he would like to ask the residents now if they think the bridge should be raised. He asked that a yes or no response along with a short reason why, be emailed to him at jmorgan@valp.org or submit to Carl Scott at City Hall within one week from today. Comm. Morgan then informed us that presently the bridge sits at 11’ high, at mean high water. Mr. Pascarella asked if there would be a cost estimate and Mr. Morgan said this question is being posed regardless of cost.

Tom’s Bayou Bridge

6. ACTION ITEMS – Asset Survey

Mayor Arnold referenced an asset survey which the City had received recently from the League of Cities. He said between Mrs. Johnson and the department heads, they have deleted many items from that survey such as picnic tables, benches, etc. Comm. Strong stated that by carrying out this process with the League of Cities will be able to help us greatly and this will increase our chances of getting FEMA support should a situation arise when we would need it.

Asset Survey for the FLOC

3. ACTION ITEMS – Added Item – Mosquitos

Comm. Browning wished to make a quick presentation on mosquitos. He said Mr. Scott had advised that there was a concerned citizen who had asked what the Okaloosa County schedule is for spraying for mosquitos. Comm. Browning informed us that Okaloosa County sprays one day a week on Mondays from June 1st through August 31st. He said he had found London Foggers for approximately \$8,500 however the big cost is in the chemicals, at \$1,300 a week. He said biweekly for twenty-four weeks it would cost about \$45,000. He said he would think that Valparaiso might take the initiative to implement this since we have so much standing water. He also advised that the County will not go after standing water unless they see larvae activity. Mr. Scott added that he pays a company called Mosquito Joe \$70 monthly to keep mosquitos from his property. He said if we offered to add that service for a few dollars a month he would be willing to pay it. Mayor Arnold advised we should compile some pricing information for this at the next meeting.

Mosquitos

1. OLD BUSINESS – Referendum Business Property Tax Exemption

Mayor Arnold said this is in March and he encourages residents to vote in favor of the referendum, which lets the Commission offer tax reductions to certain businesses in hopes that we can expand our business sector. He said the details have not yet been worked out but will be worked out once the referendum passes. He clarified the period of tax reduction would be five years. Mr. Dykes advised that there are statutory requirements and we must meet the criteria for this. He said this would not go retroactively unless an established business wished to expand.

Referendum Business Property Tax Exemption

1. REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – TPO/DOT

Comm. Morgan informed us there had been a special meeting on January 1, 2016 in regards to moving monies forward to place five pedestrian crosswalks in Destin. He said he

TPO/DOT

voted against it and it still passed. He voted against it because a small number of pedestrians are causing an unreasonable amount of cars to wait.

2. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Stormwater**

Mr. Scott said there were a couple major issues with the last rainstorm. He said a resident on Bayshore Dr., who has been warned repeatedly, will now be going before the Magistrate for dropping sand on Bayshore Dr.

3. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Legal Activities**

Mr. Dykes said there was an update received last week regarding the Willingham matter and that is all the legal activity to report. He did not elaborate. Mayor Arnold referenced having asked Mr. Dykes for the title to the Plat 1 waterfront properties. Mr. Dykes advised that he is still working on that due to a lot of issues. Later Comm. Morgan asked what total cost was incurred for the Willingham trial. Mr. Dykes replied it was around \$60,000-\$80,000. When Comm. Morgan asked when this would be paid Mr. Dykes said he wasn't sure but that Attorney Bowman had met with a representative from the League of Cities. He had not heard of the outcome.

4. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Cable Update**

Mr. Butler provided a slide presentation which gave an overview of what we had before and after the digital upgrade. He said we now have the capability of MoCa (media over coax), which we did not have before. He also said we have a national ad insert on our local channel which will generate revenue for the city. In addition, we will have the capability to access Wi-Fi networks remotely.

5. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Community Liaison Report**

Comm. Hamilton said the Niceville-Valparaiso Chamber has a new publication out called "Keeping it Local". She said that under the Chamber umbrella there is an organization being developed called Young Professionals.

6. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Construction Activity**

Mr. Scott said there are seven new residential structures right now, one of which is valued at almost \$1 million. He said there are five major remodels going on which are almost whole house constructions. He also said he and Roy Petrey are working through Carondolet issues and that Pat Byrne has said new subdivision lots in Indian Shores should be ready for sale in August.

7. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Disbursements**

Mayor Arnold said everyone had copies of disbursements.

8. **REPORTS/CORRESPONDENCE/ANNOUNCEMENTS – Etc.**

Mayor Arnold mentioned there would be an election on March 15th, 2016 for two Commissioner Seats. He said while this is a primary election, all residents are eligible to vote.

Mayor Arnold advised that the city's investments with the Florida Municipal Investment Trust Fund are down \$5,000 currently. He said for the time being we are \$5,300 in the hole and has faith that will turn around.

9. **ADMINISTRATIVE ITEMS – Public Works Director (Vacancy)**

Mayor Arnold said James Valandingham had resigned from the position and the position has been advertised in-house for five days. Mayor Arnold said Mr. Kelley who has been serving as our Deputy Public Works director had been the only in-house applicant. We have his application and a recommendation from Mr. Valandingham. THE MAYOR MADE A MOTION TO HIRE MR. KELLEY AS THE NEW PUBLIC WORKS DIRECTOR WITH A SALARY INCREASE OF \$100 PER WEEK, EFFECTIVE FEBRUARY 19TH, 2016. COMM. MORGAN SECONDED THE MOTION. Comm. Strong said he would like permission to negotiate the salary since we are at a very critical point for utilities and need this continuity. Mayor said Mr. Kelley has the option to accept or decline the position. Comm. Morgan wished to authorize the Mayor to negotiate the salary for Mr. Kelley, with a cap at Mr. Valandingham's present salary. This was not adapted by the other Commissioners.

THE VOTE PASSED BY A 3 TO 2 VOTE WITH COMM. MORGAN AND COMM. STRONG VOTING IN THE NEGATIVE.

Mr. Kelley responded by respectfully declining the offered salary and suggested the Commission advertise externally. Comm. Strong responded by saying this situation will not work with the city having potentially \$1 Million in grants relying largely on the position at stake. COMM. MORGAN MADE A MOTION TO ALLOW THE MAYOR TO NEGOTIATE THE SALARY FOR A REPLACEMENT PUBLIC WORKS DIRECTOR AS REQUIRED AND NOT TO EXCEED THE CURRENT BUDGET. COMM. STRONG SECONDED THE MOTION. Mayor asked if this means he would be in a position to renegotiate with Mr. Kelley, Comm. Morgan answered yes. THE VOTE PASSED BY UNANIMOUS VOTE OF THE COMMISSION, 5 TO 0.

ADJOURN

There being no further business to be brought before the Commission, the meeting adjourned at 7:48 PM.

Stormwater

Legal Activities

Willingham Case

Cable Update

Construction Update

Election

FMIT Fund is down \$5000

Public Works Director Vacancy

Adjourn

John B. Arnold, Jr.
Mayor

Heyward H. Strong, Jr.
Chair, VCA

ATTEST:

Tammy Johnson, CMC
City Clerk

February 8, 2016

The DVD labeled February 8, 2016 contains the audio and video of this meeting and will be kept as a permanent part of these minutes.