

TOWN OF CINCO BAYOU
REGULAR COUNCIL MEETING MINUTES
June 10, 2010 – 6:00 PM

Mayor Farley called the Regular Council meeting to order at 6:00 P.M. on Thursday, June 10, 2010. Following the Pledge of Allegiance and a silent prayer, roll call was taken:

Roll Call:	Mayor Farley	Mayor Pro Tem Koch
	Councilman Artabasy (absent)	Councilman Chubb
	Councilman Bratton	Councilman Driver

Also present at the meeting were: Town Manager/Clerk Nell Dykes, Asst. Town Manager Monika Gillette, Attorney Jeff McInnis, Engineer John Lewis and Deputy Jim Welch.

Regular Business:

1. **Council Approval of Agenda:** Mayor Farley asked for acceptance of the agenda. Councilman Koch made a motion to approve the agenda. Councilman Chubb seconded the motion. The motion passed unanimously.
2. **Council Approval of Consent Agenda:** Mayor Farley asked for acceptance of the consent agenda: Regular Council Meeting Minutes of May 13, 2010 and Budget Status as of May 31, 2010. Councilman Koch made a motion to approve the agenda. Councilman Driver seconded the motion. The motion passed unanimously. Councilman Bratton voiced his concern that revenue and expenditures needed to be reviewed for the current year.

ACTION ITEMS:

By way of background for discussion and decisions to be made by the Council at this meeting, Attorney McInnis stated he needed to update the council on information received earlier in the day regarding easement acquisitions for the Eglin Parkway Corridor project specifically for Hughes Avenue (Dan Findley Salon Easement) and K-Mart. Regarding Hughes Avenue, he stated he had received correspondence from Gulf Power containing a non-binding over-all project cost estimate for Gulf Power's work which was within the construction contract allowance, but is contingent upon Gulf Power first confirming that the required free standing pole base will fit into the available Hughes Avenue right of way area and Gulf Power soliciting bids for the work. Soil samples must be taken first and tested for the pole design engineers to know how to design the base for the pole. An upfront fee of \$3,275.00 will have to be paid to Gulf Power to initiate the soil sample work and the free standing pole engineering design. In regard to the K-Mart easement, he stated he and Nell Dykes had learned that K-Mart had recently discovered that a leak/contamination mitigation project had been installed partially on their property that includes a field of approximately 12-16 test wells and piping, some of which appear to be in a portion of our requested easement area. Until more information can be obtained, he stated K-Mart was unable to move forward with the easement approval. Attorney McInnis explained that because of this new information, he and the Town Manager had requested and received from SunTrust Bank an extension to the loan closing through June 25, 2010.

1. Councilman Chubb made a motion to increase the Suntrust loan by \$37,500, bringing the total loan request to \$237,500 from SunTrust Bank. Councilmen Driver seconded the motion. Ms. Dykes reminded the council that new General Fund and CRA Fund bank accounts would be opened with SunTrust as part of the terms of the loan agreement. A roll call vote was taken:

Councilman Chubb	yes
Councilman Bratton	yes
Councilman Driver	yes
Councilman Koch	yes

The motion passed unanimously.

2. Attorney McInnis read by title Resolution 2010-04: **A RESOLUTION AUTHORIZING THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF CERTAIN CAPITAL IMPROVEMENTS; PROVIDING FOR THE ISSUANCE BY THE TOWN OF CINCO BAYOU, FLORIDA OF NOT EXCEEDING \$237,500.00 CAPITAL IMPROVEMENT REVENUE NOTE, SERIES 2010, TO FINANCE THE COST OF SUCH IMPROVEMENTS; PLEDGING FUNDS TO PROVIDE FOR THE PAYMENT THEREOF; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF THE NOTE; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTE; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.** He thoroughly reviewed the resolution and attachments reminding the council no ad velorum taxes would be pledged as collateral for the loan or as a source of revenue to re-pay the loan. He also stated that the resolution would include a change of the closing date to no later than June 25, 2010. He also confirmed an annual interest rate of 3.98% if the terms of the loan agreement are met, (ie. move current Town General Operating and CRA bank accounts to SunTrust). He stated that a provision was included that SunTrust could adjust the interest rate if Federal tax regulations changed that would affect the "Qualified" status of the loan. He advised that this was standard language and is included as a safety net for the Bank. He also stated that since this was an approved CRA project in the CRA Plan, that CRA funds could be used to repay the loan according to Attorney Lott. Councilman Bratton made a motion to adopt Resolution 2010-04 as read with the change of the loan closing date to no later than June 25, 2010. Councilman Koch seconded the motion. A roll call vote was taken:

Councilman Chubb	yes
Councilman Bratton	yes
Councilman Driver	yes
Councilman Koch	yes

The motion passed unanimously.

Councilman Chubb made a motion to confirm that the Council recognizes that the project has been approved by the Town's CRA and is listed under the CRA project plans and therefore the CRA funds can be used in the repayment of the SunTrust Loan. Councilman Bratton seconded the motion. The motion passed unanimously.

3. Councilman Bratton made a motion to delete Action Item #3 "Motion to Authorize the Mayor and Town Manager to execute a contract with Florida Construction and Development Corporation" from the Agenda. Councilman Chubb seconded the motion. The motion passed unanimously.
4. Councilman Koch made a motion to authorize payment in the Amount of \$3,275.00 to Gulf Power for the engineering design and soil testing for installation of a free standing pole for relocating overhead power lines for the Eglin Corridor Project. Councilman Driver seconded the motion. A roll call vote was taken:

Councilman Chubb	yes
Councilman Bratton	yes
Councilman Driver	yes
Councilman Koch	yes

The motion passed unanimously.

DISCUSSION ITEMS:

1. **CRA/CDBG – Easement Update:** Nothing additional.
2. **Glenwood Park Drainage Culvert:** Engineer Lewis stated that the surveyor and Corps of Engineers representative met to re-stake the wetlands at Glenwood Park and that the final permit had not been issued yet.

REPORTS:

Town Manager's Report: Ms. Dykes submitted a written report. In addition she stated she had received preliminary property values for 2010/2011 and that the appraisals were down approximately \$6 million or about \$11,000 in revenue for the town in the next budget year. She also stated that the value of property in the CRA district was down approximately \$3.8 million or about \$6,314 in revenue. She also updated the council on the likely effect of the Gulf oil disaster and that the boat launch would be closed if the waterways were closed which would mean a loss of revenue for the Town. Mayor Farley voiced her concern about the entrance from the Bayou to the wetlands of Glenwood Park if any oil was to contaminate Choctawhatchee Bay. Councilman Bratton suggested that Ms. Dykes call the county to see what can be done.

Councilman Bratton excused himself at 7:00 pm.

Engineer's Report: nothing additional

Attorney's Report: nothing additional

Community Officer's Report: Officer Welch submitted a written report and added that the increase in thefts was due to an increase in loss prevention at K-Mart.

Public Comments/Requests: None given.

Council Member's Comments/Reports:

- Councilman Driver asked about what had been determined about the light being out at the boat launch. Deputy Welch stated he checked on it but it was a light maintained by the bank. She also asked if it would be possible to hire an attendant to monitor the boat launch to make sure people pay the fee.
- Councilman Chubb stated that the Okaloosa County League of Cities did rescind the resolution regarding Valparaiso and the F-35 project. He also stated he attended the EDC meeting earlier in the day. He concluded by stating that he had talked with Fort Walton Beach Mayor Anderson about the striping of a bike path on Eglin Parkway and learned the striping would be completed as part of the resurfacing project on Yacht Club.
- Mayor Farley reminded the council to return financial forms from the Supervisor of Elections by July 1, 2010. She also stated she had attended the Memorial Day ceremonies. announced upcoming meeting/closure dates.

Adjourn – There being no further business, the meeting adjourned at 7:16 pm.

ATTEST:





Theresa Farley, Mayor



Nell Dykes
Town Manager/Clerk