

TOWN OF CINCO BAYOU  
COUNCIL AS COMMITTEE MEETING  
AUGUST 13, 1986

The Council as Committee Meeting of the Town of Cinco Bayou Town Council was called to order by Mayor Perry at 5 PM.

SILENT PRAYER

PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL

Present: Councilwoman Balsley  
Councilman Davis  
Councilman Gage  
Councilman Laginess  
Councilman Plaster

Also Present: Attorney McInnis Clerk Borchik  
Dr. Jacobson Mrs. Ebeoglu  
Abbie Tyner Adelia Robblee  
Josie Jackson

MINUTES - Mayor Perry asked the Council to review the minutes of July's meetings for approval at next week's meeting.

FINANCIAL REPORT - Mayor Perry asked the Council to review the July financial report for approval at next week's meeting.

REGULAR BUSINESS

1. Okaloosa Guidance Clinic Request - Dr. Jacobson -

Dr Jacobson and Mrs Ebeoglu presented a short briefing on the services available through the Okaloosa Guidance Clinic. A copy of the annual report on the Clinic's activities was presented to the Mayor and each Councilmember. Dr. Jacobson requested the Town to provide financial support as it has in the past in the amount of \$ 262.00. Action will be taken on this request at next week's meeting.

2. FYE 1986 Audit - Town Clerk - An audit proposal for the FYE 1986 Audit has been received from Creel, Bryan & Gallagher with a maximum charge for a "normal" audit of \$ 3,750.00. The Council will act on this proposal at next week's meeting.

3. Okaloosa Gas Franchise Renewal - Town Attorney - Attorney McInnis called the Council's attention to the proposed ordinance renewing the franchise with the Okaloosa County Gas District for 15 years and raising the franchise fee to 4%. Based on a previous council discussion, the Attorney proposed an addition to the franchise requiring the advance notice of any excavation/construction within the Town. The Council asked the Attorney to present this item to the Gas District and also determine who will pay the extra 1 percent of the franchise fee.

4. Board of Adjustment/Planning and Zoning Board - Town Clerk  
Following a short discussion on the merits and duties of a Board of Adjustment and a Planning & Zoning Board, the Council decided to study this matter and determine the best type of board will best suit the Town.

5. Ocean City/Wright Fire Department Contract - Town Clerk

The Clerk advised the Council that the contract with the Ocean City/Wright Fire Control District is due renewal during September. The present contract appears satisfactory and with the Council's approval, renewal of the contract will be requested.

6. Occupational Licenses - FYE 1987 - Town Clerk - The present ordinance covering occupational licenses has been interpreted to cover only those businesses who have their office here in Town. Other municipalities require anyone doing business in their town to purchase their occupational license. By not requiring outside businesses to buy a Cinco Bayou license, Cinco Bayou businesses are not being treated fairly. Increasing the fees charged financial institutions should be considered. The Council agreed to resolve this matter at next week's meeting.

7. Laguna Park Fence - Councilman Gage - Councilman Gage suggested that any action on this item be delayed pending a resolution of the project planned for the Johnson property.

8. Auditor's Recommendation, FYE 1985 Audit - Town Clerk

In the Auditor's comments in the FYE 1985 Audit, it recommended that the Council adopt the capitalization of fixed assets policy that would require the capitalization of those items with a purchase cost of \$ 200.00 or more. This would result in removing approximately 15 items from the fixed assets inventory.

PUBLIC REQUESTS WILL BE HEARD AT THIS TIME - NONE

COMMITTEE REPORTS

Standing Committees

1. Streets & Sidewalks - Councilman Davis No Report
2. Parks - Councilman Gage - Councilman Gage advised the Council that due to an incident in Leyenda Park where a child was injured by a pole from the slide, the slide and platform has been removed.
3. Finance & Budget, Councilwoman Balsley - No Report
4. Waterfront & Boatdock, Councilman Laginess - No Report
5. Civil Defense, Councilman Plaster - No Report
6. Neighborhood Watch, Councilman Laginess - No Report

Special Committees

1. Bicycle Path, Councilwoman Balsley - No Report
2. Building Codes, Councilman Plaster - No Report
3. Comprehensive Plan, Councilman Gage - No Report
4. Code of Ordinances, Councilman Gage - No Report
5. Sign Ordinance, Councilman Laginess - No Report
6. Building, Councilwoman Balsley - Mr. Kendrick has not submitted his proposal, however, it should be ready soon!

ATTORNEY'S REPORT - See item 3. Regular Business.

CORRESPONDENCE

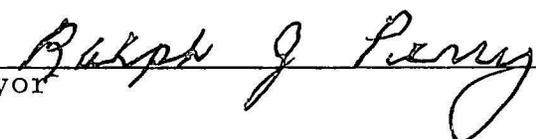
1. Okaloosa County Resolution 86-73, "No Wake Zone". The Board of County Commissioners has supported the Town's request for a "NO WAKE ZONE" for Kidd Bayou and will place signs in the near future.
2. Department of Labor & Employment Security Letter. This letter simply states that there were no discrepancies noted during their latest inspection.
3. Panhandle League of Cities Letter. This letter requests the Town to send a representative to the Public Hearing concerning the distribution of funds for preparing the Comprehensive Plan.

CLERK'S REPORT

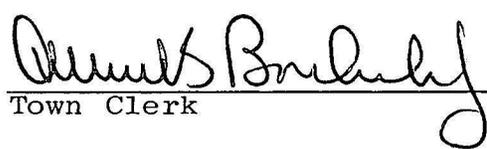
1. Film is no longer available for the Town's camera. Request to purchase a new camera was withheld pending the outcome of the law suit between Kodak and Polaroid.
2. In preparation for the annual audit, an inventory was conducted and the chain saw is missing! Apparently it was taken at the same time as the mower was taken sometime last January when the tool shed was discovered open.
3. Construction on the Cinco Bayou Bridge will begin around the middle of September. Pilings will be set on each side and a lane and walkway will be added. We can expect considerable vibrations when the piles are driven in to the bed of the bayou.

MAYOR'S ANNOUNCEMENTS - NONE

There being no further business, the meeting adjourns at 6:15 PM.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
Town Clerk

NOTE: A mechanical recording has been made of the foregoing proceedings of which these minutes are a part and is on file in the Office of the Town Clerk



Okaloosa Guidance Clinic,

RECEIVED  
7/28/86

ASB  
138 P

ALCOHOL CENTER  
Detoxification  
Substance Abuse Treatment  
Counseling & Rehabilitation  
DUI School/Probation Support

105 Lewis St., #12  
Ft. Walton Beach, FL 32548

MENTAL HEALTH  
Outpatient Clinics  
Crisis Line  
Crisis Stabilization Unit  
Inpatient Services  
Case Management

(904) 862-8781

OGC Services  
Full Service Outpatient  
Employee Assistance

July 24, 1986

PREVENTION  
Educational Evaluation  
Counseling & Consultation

EARLY CHILDHOOD  
Evaluations  
Preschool & Parent Education

Cinco Bayou Town Council  
ATTN: Al Borchick  
Kelly Avenue  
Ft. Walton Beach, FL 32548

GIRLS' GROUP HOME  
Residential Treatment

GREENLEAF (GRTS)  
Geriatric Residential Treatment  
Day Education

Dear Mr. Borchick and Council Members:

VAY (ARTS)  
Residential Treatment  
Day Education  
Case Management

The Okaloosa Guidance Clinic is requesting an appropriation of \$262.00 from the Town of Cinco Bayou for Fiscal Year 86/87. This request for local funding reflects the minimum required to provide match for services currently being provided.

The OGC is a not-for-profit corporation and all donations go into programs for Okaloosa County. The management of this corporation is one of the most cost-efficient in Florida, with the result that 92¢ of every dollar goes into service.

Jim Wright, Director of OGC's Alcohol Center, and I plan to appear before your town council on August 13, to answer any questions you may have concerning this request or the services being provided.

Sincerely,

Frank Jacobson, Ph.D.  
Executive Director

FJ/ja

L. E. CREEL, C.P.A.  
R. BRENTWOOD BRYAN, C.P.A.  
A. WAYNE WILLIAMS, C.P.A.  
J. STEVE JAY, C.P.A.  
JOHN R. HAYNES, C.P.A.  
JIMMY D. MESSICK, C.P.A.  
MARK T. GOFF, C.P.A.  
MARJORIE L. CUMMINS, C.P.A.  
GENE G. BARKER, C.P.A.  
FRED A. HURD, JR., C.P.A.  
WILLIAM P. GALLAGHER, C.P.A.  
CONSULTANT

**CREEL, BRYAN & GALLAGHER**

**CERTIFIED PUBLIC ACCOUNTANTS**

45 BEAL PARKWAY, N. E. - P. O. BOX 1600  
FORT WALTON BEACH, FLORIDA 32549 1600  
(904) 244-5121

MEMBERS  
FLORIDA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
OFFICES  
PENSACOLA, FLORIDA  
FT. WALTON BEACH, FLORIDA  
DESTIN, FLORIDA

July 8, 1986

To the Honorable Mayor and Members  
of the Town Council  
Town of Cinco Bayou  
35 Kelly Avenue  
Fort Walton Beach, Florida 32548

Ladies and Gentlemen:

This letter is submitted as our proposal to make an examination of the financial statements of the various funds and account groups of the Town of Cinco Bayou, Florida (hereinafter referred to as Town), for the fiscal year ending September 30, 1986.

We shall examine the financial statements of the Town, as of September 30, 1986, and provide such accounting and auditing services as deemed necessary including a review of any capital expenditures made during the fiscal year, and the preparation of appropriate year-end adjustments. We will also assist in the preparation of the Annual Financial Report of Units of Local Government to be filed with the Florida Department of Banking and Finance.

Our examination will include the Federal Revenue Sharing Trust Fund, but does not anticipate any extended optional audit procedures nor the preparation of special audit report for the Office of Revenue Sharing, Washington, D.C.

Our examination of the financial statements will be made in accordance with generally accepted auditing standards and will include such tests of the accounting records and such other procedures as we consider necessary in the circumstances and will be directed to the expression of our opinion on the fairness of presentation of the financial statements taken as a whole in conformity with generally accepted accounting principles.

The fair presentation of financial position and results of operations in conformity with generally accepted accounting principles is the Town's responsibility. The Town is responsible for the development, implementation and maintenance of an adequate system of internal accounting control and for the accuracy of the financial statements. Although we may advise you about appropriate accounting principles and their application, the selection and method of application are responsibilities solely of management.

Our engagement is subject to the inherent risk that material errors, irregularities or illegal acts, including fraud or defalcations, if they exist, will not be detected. However, we will inform you of any such matters that come to our attention.

July 8, 1986

Our fee for the services enumerated above will be primarily dependent upon the time required to complete the engagement. Based upon our experience in auditing prior years for the Town, and subject to the books and records being up-to-date and maintained in accordance with generally accepted accounting principles, we estimate that our fee will range between \$3,400.00 and \$3,750.00. We will make every effort to keep our time at a minimum consistent with quality professional services required by the engagement. If, however, we should encounter unexpected problems and it becomes apparent that our bill will exceed the maximum costs of \$3,750.00, we will bring the matter to your attention immediately. Our bill will be due and payable upon receipt.

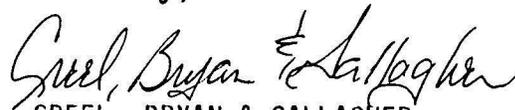
Whenever possible, we will attempt to use your personnel. This effort could reduce our time requirements and help you hold down audit fees.

During the course of our engagement, we may observe opportunities for economy in or improved controls over your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

Please indicate your agreement to these arrangements by signing this letter and returning it to us.

We appreciate your confidence in retaining us as your certified public accountants and look forward to working with you and your staff.

Sincerely,

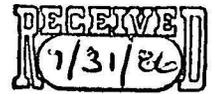
  
CREEL, BRYAN & GALLAGHER  
Certified Public Accountants

TGR:jdm

Town of Cinco Bayou, Florida

Signature \_\_\_\_\_ Date \_\_\_\_\_

POWELL, POWELL & POWELL  
ATTORNEYS AT LAW



POST OFFICE BOX 277  
422 NORTH MAIN STREET  
CRESTVIEW, FLORIDA 32536  
904-682-2757

POST OFFICE BOX 277  
BARNETT BANK BUILDING  
NICEVILLE, FLORIDA 32578  
904-678-2757

GILLIS E. POWELL, SR.  
GILLIS E. POWELL, JR.  
AVA SUSAN POWELL-  
(TEXAS BAR ALSO)

IN REPLY ADDRESS FIRM AT

BILLIE J. MERRITT

July 28, 1986

Niceville

Mr. Albert S. Borchik, Jr.  
Town Clerk  
TOWN OF CINCO BAYOU  
35 Kelly Avenue  
Fort Walton Beach, Florida 32548

Re: Okaloosa County Gas District

Dear Mr. Borchik:

Enclosed is a new proposed franchise ordinance. It will be appreciated if you will review this ordinance and bring it to the attention of the council for action. The present franchise has expired.

Please note that the proposed franchise fee is four percent (4%). Fort Walton, Crestview, Valparaiso, and Niceville have increased their franchise fee from 3% to 4%. Hopefully this will be satisfactory. The franchise fee is substantially the same as all renewals for the other cities.

If Mr. Talbot or I can furnish further information, we will be happy to do so.

Thank you for your courtesy in this matter.

Very truly yours,

Gillis E. Powell, Sr.

GEPsr/db  
Enclosure  
cc: Mr. Earl Talbot, General Manager  
Mr. Jeff McInnis, Town Attorney

PROPOSED NOTICE REQUIREMENT ADDITION

Section III. Right to Operate

Before the final period insert

"...additionally, the district agrees to give the town 24 hours notice before any work is commenced within the town limits by any employee or agent of the gas district. Such notice shall be given to the town clerk in writing and shall include the specific area in which work is to be performed, the length of time the gas district expects to be working inside the town limits, and the type of work expected to be performed.

This notice shall be given so that the town can properly advise any residents who may be effected by the work and also so that the town may adjust it's work schedule so as not to interfere with the activities of the district. This notice requirement shall be waived in the event of an emergency which requires the district to perform unscheduled maintenance or repairs.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE GRANTING TO THE OKALOOSA COUNTY GAS DISTRICT, CREATED UNDER THE LAWS OF THE STATE OF FLORIDA, ITS SUCCESSORS AND ASSIGNS, THE RIGHT, AUTHORITY, EASEMENT, PRIVILEGE AND FRANCHISE TO INSTALL, OPERATE AND MAINTAIN A GAS MANUFACTURING PLANT OR PLANTS, GAS TRANSMISSION SYSTEM, GAS DISTRIBUTION SYSTEM AND SUCH OTHER FACILITIES AS MAY BE NECESSARY OR DESIRABLE FOR THE PURPOSE OF PROVIDING GAS SERVICES TO ALL CLASSES OF CUSTOMERS WITHIN THE TOWN OF CINCO BAYOU, FLORIDA, AND CONSTRUCT, MAINTAIN, OPERATE AND EXTEND GAS TRANSMISSION AND TRANSMISSION LINES IN THE STREETS, ALLEYS, AND PUBLIC PLACES OF SAID TOWN, PROVIDING THE TERMS AND CONDITIONS OF SUCH GRANT OF FRANCHISE PROVIDING AN OPTION TO THE TOWN TO PURCHASE THE DISTRIBUTION SYSTEM THEREOF AT THE EXPIRATION OF SAID FRANCHISE, PROVIDING FOR THE PAYMENT OF A FRANCHISE FEE TO THE TOWN, PROVIDING A SEVERABILITY CLAUSE AND A REPEALING CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

NOW, THEREFORE BE IT ORDAINED by the Town Council of Cinco Bayou, Florida:

SECTION I. Whenever used in this Ordinance, the following words shall have the following meaning:

1. "Town" means the Town of Cinco Bayou.
2. "District" means the Okaloosa County Gas District.
3. "Corporate Limits" means the corporate limits to the Town as said limits are now established or as such limits may hereafter be extended.
4. "Transmission System" means the District's main transmission lines, laterals, metering stations, connections and other components thereof used in the transporting of gas to connect to the distribution system within the Town and to transport gas to such other distribution systems or points of destination in other towns or unincorporated territories.
5. "Distribution System" means the distribution system of the District lying within the corporate limits of the Town and all such distribution facilities of the District in the area adjacent thereto as the Town and the District shall mutually in good faith determine to constitute a component part of such distribution system. The term, however, shall not include any interruptible customer or any connections or metering facilities of the District used in connection with its gas transmission system or any transmission line tap connections for individual customers or metering facilities for such connections.
6. "Interruptible Customer" means natural gas is offered to customer on a contract which anticipates and permits interruption of gas service on short notice.
7. "Non-interruptible Gas" means gas sold to all classes of customers other than interruptible customers.
8. "Agreed" means an express contractual covenant.
9. "Legislative Charter" means the legislative act creating the Okaloosa County Gas District, being Chapter 29334, Laws of Florida, Special Acts of 1953, as amended by Chapter 31051, Laws of Florida, Acts of 1955 (Senate Bill No. 1286).

10. "Fair Market Value" means the price that a willing seller would take being under no compulsion to sell and the price that a willing purchaser would pay being under no compulsion to purchase.

SECTION II. Grant of Franchise Privilege. In consideration of the benefits that will accrue to the Town and its inhabitants, the District, its successors and assigns, is hereby given, granted and vested with the right, authority, easement, privilege and franchise to construct, erect, own, install, extend, renew, repair, maintain, improve and operate a gas manufacturing plant or plants, gas transmission system, gas distribution system and such other facilities as may be necessary or desirable for the purpose of providing gas services to all classes of customers within the Town and the surrounding territory and to conduct all lawful activities necessary to perform and provide gas services enumerated in its Legislative Charter.

SECTION III. Right to Operate. The Town hereby grants to the District the right, privilege, authority and franchise at any time and from time to time during the period covered by this franchise, and without any requirements as to permit or fee therefor, to construct and extend its mains, pipes and conduits over or under or along any street, avenue, alley or public way or place in the Town for the purpose of constructing, repairing, improving, enlarging or extending said gas transmission and distribution system.

SECTION IV. Non-Exclusive. This franchise is non-exclusive.

SECTION V. Town not to Compete. The Town agrees that it shall not, during the term of this franchise, construct, acquire, own or operate, directly or indirectly, a gas plant or gas transmission or gas distribution system within its corporate limits except through the exercise of the option to purchase hereinafter provided in this Ordinance or except in the event this franchise is terminated prior to the end of the term of this franchise.

SECTION VI. Proper Operation. All plants, transmission lines, distribution lines, fittings, appliances, appurtenances, and all components and installations of the District shall be maintained in reasonably good condition and repair. The District and the Town mutually agree that the location, appearance and aesthetic qualities of such facilities is an important consideration and agree to participate during the term of this franchise in a cooperative effort in the location, relocation and construction of such facilities to achieve the most feasible and desirable result compatible with sound economic consideration of the District.

SECTION VII. Relocation at District Expense. The District agrees that in all cases the location or relocation of all plants, transmission lines, distribution lines, fittings, appliances, appurtenances and all components and installations of the District and the construction thereof any change or extension, removal or relocation necessitating by a change by the Town of the grade, width or location of any street, alley or other public way, except as provided in succeeding Paragraph VIII, the District will promptly, at its own expense, change or move its structures so as to conform thereto, and further agrees to restore any and all public right-of-ways disturbed by the District to their original condition (as determined by the Town). The District further agrees that it will, in advance of any paving or repaving of any street, alley, or other public way, and upon reasonable notice thereof, install and construct, at its own expense, all conduit, transmission lines, distribution lines and other installations reasonably necessary for

its future use in said street, alley or other public way, so as to prevent, so far as possible, the disturbance by the District of any pavement; provided further, however, that the Town further agrees that it will in advance of any such paving or repaving of any street, alley, or other public way, notify the District of such plans in advance and coordinate the same with the District for the purpose of joint planning to achieve maximum economic cost savings to both parties.

SECTION VIII. Relocation for Private Enterprise. It is agreed, however, that in the event of the closing or abandonment of any street, alley, or other public way by the Town to accommodate the request of private persons or corporations solely for the benefit of such private persons or private corporations containing District gas transmission lines, distribution lines, metering or other facilities, that the Town will require as a condition for granting such request that such private persons or corporations defray and pay the actual cost of removing or relocating same.

SECTION IX. Hold Harmless Clause. The District shall indemnify and save harmless the Town from any and all damages, judgments, costs and expenses of every kind which may arise or result by reasons of or in consequence of the acts or neglect of the District, its agents or servants to fully comply with the provisions of this Ordinance and will save and keep harmless the Town from any and all damages, judgments, costs and expenses caused by, or incident to, or in any manner resulting from the District's operation, installation, maintenance, construction, relocation or other acts or omissions of the District providing prompt notice in writing of all claims for such damages, costs and expenses and reasonable opportunity to defend against the same are given to the District by the Town, together with all information thereon in its possession.

The District agrees to carry adequate liability insurance at all times.

SECTION X. Term of Franchise - Right to Operate. The franchise granted by this Ordinance shall exist and continue for a period of fifteen (15) years only, commencing \_\_\_\_\_, and as a condition precedent to the taking effect of this grant, the Town does hereby reserve and the District gives and grants to the said Town, the right, after the expiration of fifteen (15) years, to purchase the gas distribution system within the corporate limits of the Town, including necessary component parts of the gas distribution system at valuation of fair market value, which fair market value shall be determined by arbitration under Florida Statutes governing arbitration methods. This option to purchase is further subject to the condition that upon the exercise of the option, the Town shall take and purchase from the District its entire requirements of gas for use and for resale in the communities and areas supplied by the distribution system, and the District shall sell and deliver to the Town such gas to the extent the same is available at such rates and charges as shall be established from time to time by the Board of Directors of the District; such rates and charges to be fair, equitable and just commensurate to the same price charged other like customers.

SECTION XI. Notice of Exercise of Option. In the event the Town exercises its option to purchase at the expiration of the term of this franchise as enumerated in preceding Section X, such option shall be exercised by giving notice in writing not less than sixty (60) days prior to such expiration signed by the Mayor or other Chief Executive Officer of the Town accompanied by a resolution of the governing body of the Town authorizing the exercise of such option.

SECTION XII. Transmission System and Interruptible Customers. In the event the Town exercises its option to purchase the distribution system, the District shall have the right to continue to supply any interruptible customers theretofore supplied by the distribution system including any such customers situated within the corporate limits of the Town. In the event the District so elects to continue to supply any such customer or customers, and shall so notify the Town in writing within sixty (60) days after receipt of the notice from the Town of the exercise of the option in Section X of this Ordinance, the right, privilege, authority and franchise granted by the Town to the District by this Ordinance shall continue in force and effect with respect to any such customer or customers, and the Town shall, without charge, permit the District to make such use of the facilities of such distribution system as may be necessary to permit the District to supply such customer or customers.

The obligation of the District to make payments provided for in Section XIV of this Ordinance shall thereupon cease and terminate.

SECTION XIII. Annual Audit. The District agrees that it will cause an annual audit immediately after the end of each Fiscal Year to be made of its books, records and accounts by a certified public accountant and will furnish a copy thereof to the Town.

SECTION XIV. Franchise Fee. The permission and authority herein granted is upon the express condition that the District, as consideration therefor, and as compensation for the use herein granted of town streets, alleys, viaducts, elevated roadways, bridges, and other public ways shall pay into the Town Treasury a sum equal to four percent (4%) of its gross operating receipts which are hereby defined to mean all amounts of money which the District receives or becomes lawfully entitled to receive from the sale of gas resulting from the use of its plant and properties within the Town. The District shall file with the Clerk of the Town within sixty (60) days after the close of each Fiscal Year a statement in detail reflecting its said gross receipts for the preceding Fiscal Year together with a check from the District to the Town for such sum. The Town may, upon reasonable notice at any reasonable time during business hours, have the certified public accountant make examinations at the District's office of any and all of its books and records for the purpose of verifying any of the statements of receipts herein provided for.

SECTION XV. Collection Provision. The District hereby agrees to collect and remit to the Town any lawfully levied utility taxes now existing or hereinafter enacted upon gas customers of the District within the Town limits.

SECTION XVI. Default Clause. In the event that the District shall default in the observance or performance of any one or more of the agreements, duties or obligations imposed upon it by any of the provisions or conditions of this Ordinance, and if such default or defaults shall continue for a period of six (6) months (exclusive of all times during which the District may be delayed or interfered with, without its connivance, by unavoidable accidents, acts of God or the public enemy, labor strikes or the orders or judgments of any commission or court entered in any suit or proceeding brought without its connivance) after written notice thereof to the District from the Town stating the alleged default on the part of the District, then and in each and every such case the Town, in addition to all other rights and remedies allowed by the law, shall be entitled to terminate the grant made to the District under this Ordinance.

SECTION XVII. Annexation Provision. The District hereby agrees to provide service to any and all areas that may be annexed to the Town provided feasibility of the area annexed meets the same feasibility requirements for extension of service as other areas within the District. Service to all areas proven feasible should be available within six (6) months of notification by the Town that the annexed area desires natural gas service. If an area annexed by the Town is already being served by the District, the District will begin to collect all applicable franchise fees (as provided herein) within sixty (60) days of notification by the Town. Any and all annexed areas will fall under the same terms and conditions of this Ordinance as the current areas now located within the Town. The Town agrees to notify the District of the names and addresses of the residents in newly annexed areas within sixty (60) days of the date of the annexation.

SECTION XVIII. Periodic Review Provisions. The District and the Town agree to meet through their designated representatives at five (5) year intervals beginning with the fifth anniversary of the acceptance by the District of this franchise, for the purpose of reviewing the provisions of this franchise in light of any technological or other pertinent changes which may have occurred since the granting of this franchise. In the event of any such change which impairs the fundamental purpose of this franchise, the parties agree to negotiate in good faith an appropriate modification of the franchise.

SECTION XIX. Exclusivity of Ordinance Sections. Should any section or provision of this Ordinance or any portion hereof be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder, as a whole or any part hereof, other than the part declared to be invalid.

SECTION XX. Repealing Clause. All ordinances or parts of ordinances in conflict herewith be and the same are hereby repealed to the extent of such conflict.

SECTION XXI. Effective Date. This Ordinance shall be in full force and effect from and after its passage and approval; the term of this franchise shall commence on \_\_\_\_\_ for a term of fifteen (15) years provided the District unconditionally accepts this Ordinance in writing filed with the Town Clerk on or before the franchise effective date of \_\_\_\_\_.

ADOPTED in regular session this \_\_\_\_ day of \_\_\_\_\_, 1986.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
Town Clerk

A G R E E M E N T

The TOWN OF CINCO BAYOU, a municipal corporation, herein after referred to as "Cinco Bayou" and the OCEAN CITY-WRIGHT FIRE CONTROL DISTRICT, and in consideration of the mutual covenants, hereby agree as follows:

1. During the term of this Agreement, the Ocean City-Wright Fire Control District agrees to furnish fire protection service to Cinco Bayou comparable to that service furnished to the residents of the Ocean City-Wright Fire Control District, provided, however, that Cinco Bayou will provide the water, water lines and hydrants to be used by Ocean City-Wright Fire Control District in providing the fire protection. The Ocean City-Wright Fire Control District fire inspectors shall be permitted to make such inspections at proper times of such businesses and residences in Cinco Bayou as they deem necessary to determine compliance with the Cinco Bayou fire protection code (current fire prevention code adopted by American Insurance Association). However, Cinco Bayou will be responsible for enforcing the fire protection code upon being notified of a violation.

2. Cinco Bayou agrees with Ocean City-Wright Fire Control District to pay for the fire protection a sum equal to a millage rate of 1.768 mills time the assessment valuation of the real property located in the Town of Cinco Bayou prepared by the County Tax Assessor, allowing to the Town of Cinco Bayou the same discount percentage as is allowed by the tax assessor's office to each tax payer. The above sum shall be paid to the Ocean City-Wright Fire Control District on or before the 31st day of October, 1985. In the event that fire protection services are furnished for a period of less than one year, then the aforesaid sum shall be pro-rated for the period of time that the actual fire service is furnished to Cinco Bayou.

*Patricia Strickland  
Warren  
Attorney at Law  
P. O. Box 218  
Fort Walton Beach, Fl.  
32549*

3. The term of this Agreement is October 1, 1985, through September 30, 1986; however, either party to this contract may terminate the same upon giving Sixty (60) days written notice to the other party of its desire to do so, and any such fire protection service shall be pro-rated for the period of time the agreement was in effect.

IN WITNESS WHEREOF, the parties hereto have executed this contract this 25<sup>th</sup> day of September, 1985.

OCEAN CITY-WRIGHT FIRE  
CONTROL DISTRICT

James H. Cook BY: Edward S. Bohloff  
Witness

Cathy S. Morgan ATTEST: Sharon N. Purdy  
Witness

TOWN OF CINCO BAYOU

Linda J. Knox BY: Max O. Tesrey  
Witness

Virgil S. Davis ATTEST: Alvin S. Burch  
Witness



Patricia Strickland  
Warren  
Attorney at Law  
P. O. Box 218  
Fort Walton Beach, Fl.  
32549

L. E. CREEL, C.P.A.  
R. BRENTWOOD BRYAN, C.P.A.  
WILLIAM P. GALLAGHER, C.P.A.  
A. WAYNE WILLIAMS, C.P.A.  
J. EVE JAY, C.P.A.  
R. HAYNES, C.P.A.  
JIMMY D. MESSICK, C.P.A.  
MARK T. GOFF, C.P.A.  
MARJORIE L. CUMMINS, C.P.A.  
GENE G. BARKER, C.P.A.

**CREEL, BRYAN & GALLAGHER**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
45 BEAL PARKWAY, N. E. - P. O. BOX 1600  
FORT WALTON BEACH, FLORIDA 32549-1600  
(904) 244-5121

MEMBERS  
FLORIDA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
OFFICES  
PENSACOLA, FLORIDA  
FT WALTON BEACH, FLORIDA  
DESTIN, FLORIDA

November 7, 1985

The Honorable Mayor and Member of the  
Town Council  
Town of Cinco Bayou  
35 Kelly Avenue  
Fort Walton Beach, Florida 32548

Ladies and Gentlemen:

**AUDITOR'S COMMENTS REGARDING OTHER MATTERS**

In conjunction with our examination of the financial statements of the funds and account groups of the Town of Cinco Bayou, Florida, for the fiscal year ended September 30, 1985, and in complying with the Rules of the Auditor General, Chapter 10.510(4), concerning communication of the auditor's comments to the Auditor General, we noted the following item that we feel deserves your attention and consideration.

The Uniform Accounting System (UAS) mandated by Chapter 218.33 of the Florida Statutes has changed its policy regarding capitalization of fixed assets. UAS required that all fixtures and other tangible personal property of a non-consumable nature, the value of which is \$200.00 or more, and the normal expected life of which is one year or more, be capitalized. This policy is less restrictive than the current capitalization policy of the Council which sets the value consideration at \$100.00. The council should act on any changes to the capitalization policy deemed necessary in this circumstances.

The Annual Financial Report of Units of Local Government (1985) filed with the Department of Banking and Finance pursuant to Section 218.32 Florida Statutes, is in agreement with the annual post-audit (audited financial statements) for the fiscal year ended September 30, 1985.

We are again pleased to have served as your auditors and look forward to continuing professional relationship in the future.

If we can be of further assistance, please let us know.

Respectfully submitted,

*Creel, Bryan & Gallagher*  
CREEL, BRYAN & GALLAGHER  
Certified Public Accountants

RECEIVED  
8/11/86  
ASB  
RJR

RESOLUTION NO. 86-73

A RESOLUTION SUPPORTING RESOLUTION NO. 86-4 OF THE TOWN OF CINCO BAYOU; URGING THE ESTABLISHMENT OF A "NO WAKE ZONE" FOR KIDD BAYOU IN THE INTEREST OF SAFETY, CONSERVATION AND WILDLIFE PROTECTION.

WHEREAS, Kidd Bayou, a body of water, is bounded on the East and South by the Town of Cinco Bayou, and

WHEREAS, certain forms of wildlife, i.e. ducks, breed, grow and live on Kidd Bayou, and

WHEREAS, development and the addition of large boat docks along the shore of Kidd Bayou have reduced and narrowed open waters of the bayou, and

WHEREAS, wakes from boats traveling at high rates of speed have caused severe erosion to the shoreline and have caused some damage to moored boats, and

WHEREAS, the Board of County Commissioners continually strives to protect the property and support the concerns of the citizens of Okaloosa County, which includes the residents of the Town of Cinco Bayou.

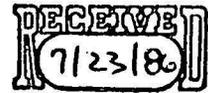
NOW, THEREFORE, BE IT RESOLVED that the Board of County Commissioners of Okaloosa County, Florida, does hereby support the Town of Cinco Bayou in its effort to establish a "No Wake Zone" for Kidd Bayou.

DULY PASSED AND ADOPTED in regular session this the 29th day of July, 1986.

BOARD OF COUNTY COMMISSIONERS  
OKALOOSA COUNTY, FLORIDA  
*Sam Brunson*  
SAM BRUNSON, Chairman

ATTEST:  
NEWMAO C. BRACKIN  
CLERK OF CIRCUIT COURT  
*Debra McQuire*  
Deputy Clerk





STATE OF FLORIDA  
DEPARTMENT OF LABOR AND EMPLOYMENT SECURITY  
Division of Workers' Compensation  
Bureau of Industrial Safety and Health

July 22, 1986

Mr. Albert Borchik  
Town Clerk  
Town of Cinco Bayou  
35 Kelly Avenue  
Fort Walton Beach, Florida 32548

RE: J86-2096

Dear Mr. Borchik:

We are pleased to report that no hazardous conditions were found during the survey conducted at your establishment on July 11, 1986, by our State Specialist, Mr. Gordon Blenis.

You are to be commended for your concern for occupational safety and health.

Sincerely,

H.T. Lawson  
Jacksonville Regional Manager

/vh  
Enclosure

RECEIVED  
8/18/86  
RGP  
1187

SPECIAL NOTICE TO ALL MEMBERS OF  
THE PANHANDLE LEAGUE OF CITIES

Please take note of the announcement below. Since one of the two hearings on this matter is to occur in our region, it is up to Panhandle League members to represent the city-and-town side at that hearing. I urge all member cities and towns to attempt to have representation at the hearing in Panama City on August 18.

**Local Comprehensive/Funding -**

The Department of Community Affairs announces two public workshops on the proposed funding distribution to local governments for comprehensive planning. The workshops will be at the following times and locations: August 18, 1986, 10:00 a.m. CDT - City Commission Chambers, City Hall, Panama City, FL. ~~August 18, 1986, 10:00 a.m. EDT - Lee County Public Library, 2050 Lee Street, Fort Myers, FL 33901~~

For a copy of the proposed funding distribution formula please contact Jim Wolf, General Counsel, Florida League of Cities. It is important that you get involved in this process, as it appears that the counties will be seeking more funding under this rule and will be attempting to lessen the cities' share. The governor and Cabinet will be meeting on the proposed funding formula on September 4, 1986.

Larry Walker  
League Coordinator  
Panhandle League of Cities

COASTAL COUNTIES AND MUNICIPALITIES  
EXCLUDING MONROE COUNTY

<u>COUNTY</u>	<u>CITY</u>	<u>POPULATION</u>	<u>BASE ALLOCATION</u>	<u>PER CAPITA ALLOCATION</u>	<u>TOTAL ALLOCATION</u>
BAY COUNTY		46888	35000.00	11083.00	46083.00
BAY	PANAMA CITY	34623	15500.00	16269.00	31769.00
BAY	CALLAWAY	10919	15500.00	5131.00	20631.00
BAY	LYNN HAVEN	8300	13000.00	3900.00	16900.00
BAY	SPRINGFIELD	8060	13000.00	3787.00	16787.00
BAY	PARKER	4698	10000.00	2208.00	12208.00
BAY	PANAMA CITY BEACH	3376	10000.00	1586.00	11586.00
BAY	CEDAR GROVE	1515	7500.00	712.00	8212.00
BAY	MEXICO BEACH	1124	10000.00	528.00	10528.00
	SUBTOTAL	119503	129500.00	45204.00	174704.00
<hr/>					
<u>COUNTY</u>	<u>CITY</u>	<u>POPULATION</u>	<u>BASE ALLOCATION</u>	<u>PER CAPITA ALLOCATION</u>	<u>TOTAL ALLOCATION</u>
ESCAMBIA COUNTY		201442	53500.00	47615.00	101115.00
ESCAMBIA	PENSACOLA	60819	25000.00	28578.00	53578.00
ESCAMBIA	CENTURY	2454	7500.00	1153.00	8653.00
	SUBTOTAL	264715	86000.00	77346.00	163346.00
<hr/>					
FRANKLIN COUNTY		4470	30000.00	1057.00	31057.00
FRANKLIN	APALACHICOLA	2613	10000.00	1228.00	11228.00
FRANKLIN	CARRABELLE	1323	10000.00	622.00	10622.00
	SUBTOTAL	8406	50000.00	2907.00	52907.00
<hr/>					
GULF COUNTY		5363	30000.00	1268.00	31268.00
GULF	PORT ST. JOE	3993	10000.00	1876.00	11876.00
GULF	WEWAHITCHKA	1796	7500.00	844.00	8344.00
GULF	WARD RIDGE	120	7500.00	56.00	7556.00
	SUBTOTAL	11272	55000.00	4044.00	59044.00
<hr/>					
OKALOOSA COUNTY		77353	40000.00	18284.00	58284.00
OKALOOSA	FORT WALTON BEACH	22308	15500.00	10482.00	25982.00
OKALOOSA	NICEVILLE	10142	15500.00	4766.00	20266.00
OKALOOSA	CRESTVIEW	8200	10000.00	3853.00	13853.00
OKALOOSA	VALPARAISO	6484	13000.00	3047.00	16047.00
OKALOOSA	DESTIN	6322	13000.00	2971.00	15971.00
OKALOOSA	MARY ESTHER	4108	10000.00	1930.00	11930.00
OKALOOSA	LAUREL HILL	673	7500.00	316.00	7816.00
OKALOOSA	SHALIMAR	405	10000.00	190.00	10190.00
OKALOOSA	CINCO BAYOU	371	10000.00	174.00	10174.00
	SUBTOTAL	136366	144500.00	46013.00	190513.00
<hr/>					
SANTA ROSA COUNTY		49957	35000.00	11808.00	46808.00
SANTA ROSA	MILTON	7175	10000.00	3371.00	13371.00
SANTA ROSA	GULF BREEZE	5585	13000.00	2624.00	15624.00
SANTA ROSA	JAY	664	7500.00	312.00	7812.00
	SUBTOTAL	63381	65500.00	18115.00	83615.00
<hr/>					
WALTON COUNTY		18377	35000.00	4344.00	39344.00
WALTON	DEFUNIAK SPRINGS	5872	10000.00	2759.00	12759.00
WALTON	FREEPORT	774	7500.00	364.00	7864.00
WALTON	PAXTON	633	7500.00	297.00	7797.00
	SUBTOTAL	25656	60000.00	7764.00	67764.00
	TOTAL	8748307	4536500.00	3063502.00	7600002.00

RECEIVED  
7/22/86

ASB  
BGP

# Waller Bros.

Helping You Succeed In Business.

P.O. BOX 1531

FORT WALTON BEACH, FL 32548

904/244-6171

July 21, 1986

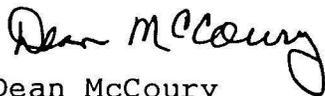
Mayor and Council  
Town of Cinco Bayou

Gentlemen:

I have observed in the news quite a lot of criticism directed toward Al Borchik and I feel I must, as a Cinco Bayou businessman, step to his defense.

In the 7 1/2 years we have been located in your town we have had numerous occasions on which we have called on Al for help and other times he has done business with us. I find him to be one of the most dedicated and efficient people I have ever met. He has always been most courteous with me and my employees. My observation of him around town is always busy and business-like. He probably expects his employees to work hard like he does. I admire him for that.

Sincerely,



Dean McCoury  
Vice-President