

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF CITY
COMMISSIONERS FOR THE CITY OF PORT ST. JOE, FLORIDA, HELD
IN THE COMMISSION CHAMBERS AT CITY HALL, FEBRUARY 15,
2011 AT 6:00 P.M.**

The following were present: Mayor Magidson, Commissioners Gingell, Johnson, Stephens and Buzzett. City Manager Charlie Weston, Attorney Tom Gibson and City Clerk Jim Anderson were also present.

Consent Agenda:

Minutes:

Motion by Commissioner Johnson, 2nd by Commissioner Stephens, to approve the Minutes for the January 18, 2011 Workshop, February 1, 2011 Workshops and the February 1, 2011 Regular Meeting with the corrections. All in Favor; Motion carried 5-0.

City Attorney, Tom Gibson:

Executive Session:

Mr. Gibson noted that the Executive Session in reference to the McDaniel Lawsuit has been rescheduled for March 2, 2011 at 10:00 A.M. to be held at City Hall.

BP Claim Update:

Attorney Gibson has talked with William Harrison whose firm is representing the City. Attorney Harrison feels that he is close to filing the claim and would like to delegate the claim review process to City Staff or the Mayor.

Mayor Magidson noted that he and Mr. Weston will review the proposed claim and any concerns will be brought to the Commission for review.

City Manager, Charlie Weston:

Dedication of Core Park and Zola Maddox Drive:

Mr. Weston would like to have some type of dedication for the park and road.

Mayor Magidson noted that the Core Family would like to be present for the dedication.

March 30, 2011 at 12:00 noon was established as the tentative date for the dedication ceremony.

Mr. Weston indicated that we have an issue with 911 on the name of the road. Currently we have a Maddox Street and the County would like for us to consider another name.

Motion by Commissioner Buzzett, 2nd by Commissioner Gingell, to name the road Miss Zola's Drive. All in Favor; Motion carried 5-0.

Langston Drive:

Mr. Weston noted that the project is on schedule and the County has been very cooperative in making the road possible. We may have two issues to contend with. Additional fill dirt may be required and Fairpoint Communications may have lines that will need to be moved. The road should be completed the first of April.

Sewer Availability Letter:

Mr. Weston indicated that the Sewer Availability Letter along with a graphic showing our sewer footprint will be sent out in the next day or so. He also noted that the letter has been reviewed by the Gulf County Health Department.

Commissioner Gingell asked for clarification on which items can be financed up to 36 months.

Mr. Anderson noted that the Commission approved, by Ordinance, the financing of only the impact fees which are currently \$2,570 for residential connections.

CodeRED:

Mr. Weston indicated that a notice will be on each customer's water bill and in the Star Paper in reference to how CodeRed contact information can be updated.

Washington Gym:

Mr. Weston noted that we have been working on several options to open the gym. He is continuing to coordinate with the Workforce Board on a joint venture that includes a mentoring/tutoring program along with opening the gym.

Mayor Magidson has met with County Commissioner Smiley who has been interested in getting the gym re-opened. Mr. Smiley's son, Tony, is in town and has volunteered to run and supervise the gym. We are working diligently to get the gym open as soon as possible. We also have another individual who would like to run a tutoring program and hope to announce something soon.

Commissioner Johnson asked, "Do we have an estimate of the Utility cost?"

Mike Lacour responded, "Approx. \$1,400 a month when the gym is open and approx. \$300 a month when it's closed."

Commissioner Johnson noted that this would require increasing our budget by amount \$6,000. If we have \$6,000 in unappropriated funds, we need to use them for our Water & Sewer Systems. The gym should be open to private individuals. He has no problem with opening the gym, but we laid employees off last fall. Our Water System is in dire straits and all five members of the Commission have indicated our number one priority should be the Water System.

Commissioner Stephens agrees with Commissioner Johnson.

Mayor Magidson asked, "Are we going to have a summer program?"

Mr. Lacour responded, "We have budgeted for a summer program."

Matt Fleck indicated that this may be something the Community Redevelopment Association could help out with. We have funding in the amount of \$15K for an Enrichment Program to be awarded to a Non-Profit Organization.

Mayor Magidson noted that this could be a good program.

Mr. Fleck indicated that the intent is to open the application up for any non-profit group in the area that will qualify.

Mayor Magidson noted that Charles Givens runs a program that possibly could qualify as well.

Mr. Weston informed the Commission that the City has budgeted for both the Washington Gym and the STAC House Summer Programs.

Commissioner Buzzett asked, "Where are we with the Grinder Pump Maintenance Fee?"

Mr. Weston indicated that staff plans to bring back a proposal for the Grinder Pump Fees as well as Utility Deposits and Service Fees.

Commissioner Gingell asked, "Are we going to review our parking lots?"

Mr. Weston has asked the Police Department to look at our options for RV Parking as well as Overnight Parking.

Commissioner Gingell would like to review the option of a few parallel parking spots on Williams Avenue across from the Decorative Flooring Store.

Mr. Weston noted that staff is reviewing the current EWS contract and supporting documents in response to a request from EWS to raise rates by 4%. A meeting is scheduled with EWS on February 24, 2011.

Emerald Waste Service Rates:

Mr. Weston noted that EWS is requesting a 4% rate increase to take effect March 1, 2011. Copies of the current contract were given to the City Commission for review. A workshop has been scheduled for February 16, 2011 at 5:00 P.M. to discuss the details of the proposed rate increase.

Commissioner Gingell asked, "Didn't EWS agree not to raise the rates when they were given a long term contract?"

Mr. Weston noted that the last contract mediation that we are aware of was done in 2006 and expires in 2014.

Attorney Scholz noted that the contract talks about the rate increase of up to 4% being based on the Consumer Price Index.

Mayor Magidson indicated that we need to know what the CPI is.

Commissioner Johnson asked, "Can the rate increase be cumulative?"

Attorney Scholz responded, "I don't think so, the contract doesn't address it."

TDC Building:

Mr. Weston indicated that the issue is rental of the TDC Building for private use.

Attorney Gibson noted that the lease between the City and the TDC contemplates the building being rented for private use. The TDC Board is not inclined to rent the building out for private use, only for its tenants due to concerns about security.

Motion by Commissioner Johnson, 2nd by Commissioner Buzzett, to modify the rental fees by Resolution and bring it back to the Commission for approval. All in Favor; Motion carried 5-0.

Capital Area Community Action Agency:

Jim Belisbeck gave a presentation to the Commission. The mission statement for his organization is to help low income families with monetary support. He will be working three days a week in Port St. Joe, primarily out of the Senior Citizens Building. The primary focus is an Energy Assistance Program that helps with heating and cooling bills for families with low household incomes.

Commissioner Buzzett asked, "Where do you plan to locate your new office in Port St. Joe?"

Mr. Belisbeck indicated that they would like to have an office on Reid Avenue.

DEP Letter:

Mr. Weston noted that the Consent Order from DEP talks to the following requirements: 1) To have a Flushing Program for the distribution System, 2) Have our Engineer determine pipes that need to be repaired or replaced, 3) Include the items in the Capital Improvement Plan. He also indicated that the City has been coordinating with DEP and we are well ahead of the timeline for the requirements.

Mayor Magidson noted that the City's fourth quarter running average didn't require a notice to be published concerning Trihalomethanes. Our last six months have looked good and we are ahead of the curve.

Commissioner Johnson is concerned about paragraph 5-G and item 7 on page 31 which notes the City can be fined \$100 a day if the items are not corrected in a timely manner. We are about to take on additional debt for the Headworks and Sprayfield Project. "Where are we going to get the money for the repairs", asked Commissioner Johnson.

Mr. Weston indicated that the City has received a \$204K grant to put together a CIP Plan and we are looking to get up to 72% financing for repairs from the State Revolving Fund.

Commissioner Johnson wants everyone to understand that we will have to pay a fine if it's not complete in 36 months.

Mr. Lacour noted that approx. \$3M was included in the Utility Rate Study for this type of upgrade to the Water System.

Commissioner Johnson indicated that we have a lot of unknowns.

Mayor Magidson doesn't think that we have a lot of choices.

Mr. Weston noted that the City has made a lot of progress to meet the requirements.

Commissioner Johnson is concerned about the cost associated with water line replacement.

Commissioner Stephens indicated that from day one the Engineers didn't take into consideration the water lines and valves when constructing the new Surface Water Plant. "Do we need to bring in a new Engineering Firm?" He asked.

Mr. Grantland responded, "When the Consent Order was written, we were well underway with the Flushing Program. DEP knew we were identifying valves to replace and Preble Rish was working on the master Plan. We have already fixed four problem areas."

Commissioner Stephens noted, "It still goes back to day one."

Mr. Grantland responded, "It goes back even further, to the day the system was built."

Commissioner Johnson thinks that whatever our Engineer identifies as needing replaced is what the Consent Order will require.

Commissioner Stephens asked, "How long will it take to complete the Water Study?"

Mr. Jones responded, "We will submit it in March."

Motion by Commissioner Johnson, 2nd by Commissioner Gingell, to have Mayor Magidson sign the Consent Order on the Water System. Motion carried 4-1. Stephens Nay.

Centennial Building Project Update:

Mr. Weston indicated that we are in the process of replacing the carpet on the steps at the Centennial Building.

Mr. Grantland noted that the contractor is set to begin work this week and should take one or two days to complete.

Audit Workshop:

Mr. Weston noted that we will have a Workshop on March, 1, 2011 at 5:30 P.M. Richard McKinney from Carr, Riggs & Ingram will present the 2009-2010 Audit Report to the Commission.

Commissioner Johnson requested that the Commission receive a copy of the Audit Report to allow time for review before the workshop.

City/County Joint Meeting:

Mr. Weston indicated that the joint meeting is scheduled for February 24, 2011 at 10:00 A.M. at the Emergency Operations Center. He will be coordinating the topics with County Administrator Don Butler and will follow-up with fact sheets.

Public Works, John Grantland:

No Update

Surface Water Plant, Glenn Davis:

Mr. Davis noted we had a sewer break at the primary lift station this past week. Work is also continuing on the repair of the emergency generator. He also indicated that the Water Plant is working well since Siemens cleaned the clarifiers.

Staff is continuing jar tests with the chemical PAC for the water plant and will probably have a proposal for the Commission to consider at our next meeting. We are also continuing to review the report on the water plant provided by CDM Engineers.

Commissioner Buzzett indicated that the report seems to put a lot of the burden on City Staff and CDM is not taking a lot of the responsibility.

Philip Jones noted that City Staff has turned around the data requested from CDM in a timely manner. CDM is still working on a cost analysis for improvements and Mr. Jones thinks they are considering three or four scenarios.

Commissioner Buzzett thinks that we are already over budget for chemicals at the Water Plant.

Mr. Weston noted that we are about 30% over budget for chemicals.

Commissioner Buzzett would like to see how much Bay Co. is paying per 1,000 gallons to treat their water.

Mr. Davis indicated that we should see a reduction in chemical cost now that we are not flushing as much and a big leak has been repaired. He also believes that our water quality has improved.

Commissioner Buzzett feels that the City should rely on our Engineers for chemicals to get the job done that will not break the bank.

Headworks and Sprayfield Bid Award:

Mr. Weston noted that Reynolds Construction, the low bidder on the project, has withdrawn their bid due to substantial mistakes. The 2nd lowest bidder is North Florida Construction at \$10, 323,000. The funding available for the project thru the State Revolving fund is \$8,872,000. The project has been re-engineered to reduce approx. \$1.6M. Mr. Weston plans to take the proposal to SRF and DEP for approval.

Motion by Commissioner Buzzett, 2nd by Commissioner Gingell, to award the Headworks and Sprayfield bid to North Florida Construction pending approval from DEP and SRF. All in Favor; Motion carried 5-0.

Commissioner Stephens asked, "Has North Florida Construction done any work in the City before?"

Mr. Jones responded, "No, but they have done a lot of work in the area."

Baseball Complex:

Mr. Grantland indicated that the power lines are in and the fence should be complete this week.

Code Enforcement, Richie Burkett:

Mr. Weston noted that four structures are currently scheduled for demolition on March 11, 2011.

Police Department, Rusty Burch for Chief Barnes:

No Update

Grants, Charlotte Pierce:

Grants Activity:

Mrs. Pierce gave the Commission a handout with the breakdown on Grant activity for the past two weeks. She also noted that the reimbursement process is going well on the current projects.

PSJRA, Matt Flack:

No Update

Citizens to be heard:

No one spoke

Commissioner Comments:

Commissioner Stephens has talked with Chief Barnes in reference to U-turns and people crossing solid lines. Chief Barnes told him that he was not going to enforce it.

Commissioner Stephens requested Chief Barnes to enforce the law in reference to U-turns and crossing solid lines.

Mr. Weston will talk to Chief Barnes about these issues.

Motion by Commissioner Stephens, 2nd by Commissioner Gingell, to adjourn at 7:29 P.M.

Approved this 1st day of March 2011.



Jim Anderson, City Clerk



Mayor Magidson