

**MINUTES**  
**COUNCIL MEETING**  
**August 25, 2022**  
**9:00 am**

Mayor Kelly called the meeting to order at 9 am.

Roll Call:

**Present:**

Ms. Barrow - present

Mr. Chaple - present

Ms. Galbreath - present

Ms. Gibson - present

Mayor Kelly - present

**ITEMS FROM THE AUDIENCE:**

1. **Kathleen O'Brien of 1455 Parkway Dr** – Questions about streaming the meetings, discussed animal control costs from other cities in comparison to Parker. Other cities pay less per resident, microchipping animals may help to put cost back on owner of animal.

**REGULAR AGENDA**

1. **Richard McKinney of Carr Riggs and Ingram** – Presented the 2021 Fiscal Year Audit

Gave handout showing the water/sewer revenue and customer count over the past several years. Stated 1.4 million in sewer revenue was almost the same as pre-Michael. We still have less customers than before the storm. General fund at the end of 2021 had 3.5 million which contained the CDL loan that was forgiven. Utility fund had 3.4 million. 1.5 of infrastructure money was in general fund. Trends are showing a growth in revenues. Net assets were replaced after the storm, city is in better position then it was 10 years ago. Concern over aging assets from council. Infrastructure will need to be replaced and 3% water increase yearly will not cover the costs of improving system. Capital improvement plan needs to be a priority. Discussion of audit findings, some will never be able to be corrected and will continue to show on yearly audits. Lack of staff make segregation of duties difficult. Concern over fraud and embezzlement without internal controls and need for approval of GL funds. Discussion of procedure manual to be written to show segregation of duties and internal controls to eliminate any future problems. Mr. McKinney stated the controls are getting better and the findings may go away with the next audit. Concern over all the money for the city being in one bank; not unsecured due to a qualified public depository. Council may not vote to restrict water revenue funds for certain projects but can assign the funds.

2. **Temporary allowance of pontoon boat rentals** – currently the LDR does not allow for equipment rentals in MU1 or MU2. Individual inquired about rentals with the city, but they did not close the loop on the process with the city. At the next LDR meeting the council may choose what direction they want to go with rentals. May allow rentals on a temporary basis, grant temporary permit until final LDR, grant hardship or variance to allow relief for individual since they purchased boats for rental

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purposes. Council wishes to allow for pontoon rentals in the revision of the LDR. Discussion over jet ski rentals, cannot allow pontoons and exclude personal watercrafts. Ms. Barrow made a motion to allow a temporary permit for pontoon rentals until the LDR is completed, second by Ms. Gibson.

Ms. Barrow - aye

Mr. Chaple - aye

Ms. Galbreath - aye

Ms. Gibson - aye

Mayor Kelly – aye

- 3. FEMA questions about the sports complex presented to council by Mr. Summerlin** – City will receive 1.1 million from FEMA and has gotten 300 thousand in insurance for the sports park rebuild. Without the addition of the clubhouse nor the restrooms the cost of rebuild is 1.4 million. Handout given showing costs estimates. Council voted to move the courts previously and parking lots, now will require ADA compliant spaces, fencing for the pickle ball court division, 4 gates on basketball courts and coating of the 10-foot boundary on the basketball court, adds up to additional \$39,160.75 Phase 2 of the sports complex will be for waterline and stormwater infrastructure. Motion to remove the bathrooms and clubhouse from phase 1 and adding the change order for the ADA compliance and using the cost construction report from the engineer for FEMA for the made by Ms. Galbreath and a second by Ms. Gibson.

Ms. Barrow - aye

Mr. Chaple - aye

Ms. Galbreath - aye

Ms. Gibson - aye

Mayor Kelly – aye

Motion to approve the change order from BCL for the ADA compliance by Ms. Galbreath and a second by Ms. Barrow.

Ms. Barrow - aye

Mr. Chaple - aye

Ms. Galbreath - aye

Ms. Gibson - aye

Mayor Kelly – aye

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4. **Ladder truck purchase** – straw vote was taken at last LDR meeting regarding the purchase of a ladder truck. 23 year old truck, newer motor has 2139 hours. Photos of truck given to council by Mayor Kelly. Can ship the truck by STT Logistic Group of Tampa. \$50000 for truck and \$7500 for shipping. Volunteer Chief Patterson will fly up in September to inspect the truck. Volunteers will pay for the training needed to operate the ladder truck through a course at GCSC. Mayor asking for total of \$57,500 for truck purchase. Ms. Galbreath question if Chief Patterson was qualified to look at the truck. Chief Patterson stated he has been a certified firefighter for the last 8 years. The truck may be purchased after inspected, we are not bound to buy it. On a Motion of Ms. Gibson and a second of Ms. Barrow, the council approve the purchase of the fire truck for \$57,500 using the ARPA funds.

Ms. Barrow - aye

Mr. Chaple - aye

Ms. Galbreath - aye

Ms. Gibson - aye

Mayor Kelly – aye

5. **Water rate increase** – Bay County is raising the rates we buy water from them by 3.9% about a \$6 per household rate increase. Ms. Gibson asked if we could restrict the funds? Ms. Galbreath pointed out that the water revenue is what is used to run the city for all departments. Mr. Summerlin stated that an increase of 13.9% is needed per the Rural Water Asset Management Team who just completed a study of the city water lines. Discussion over the need for \$225,000 per year to repair and replace needs in the water infrastructure. Mr. Sloan stated that two rate increases are allowed by ordinance now, a flat 3% raise and a rate increase by council vote or if the county raised rates, we can match that rate increase. Mr. Chaple would like to have a town hall meeting to let citizens know of the rate increase. Discussion over the city not being able to sustain itself with out a different revenue stream coming in. Future grants and loans can be limited if we do not have funds for the infrastructure of the city. Will ask Mr. Nalley of Rural Water Management to come to town hall meeting on the 30<sup>th</sup> of August. 6.9% increase will be put into budget and vote on any future increase after town hall meeting.
6. **Manhole lining project**- Mr. Summerlin requested council to approve \$125,000 for lining of 50 manholes while the company is already here mobilized, it will save money on not having to mobilize again. Motion by Ms. Galbreath and a second by Ms. Gibson to use \$125, 000 from ARPA funds to cover the cost of lining 50 manholes, cost not to exceed \$125,000.

Ms. Barrow - aye

Mr. Chaple - aye

Ms. Galbreath - aye

Ms. Gibson - aye

Mayor Kelly – aye



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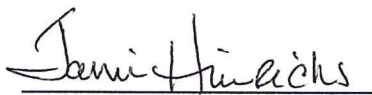
Closing remarks:

Mayor stated the subscriber cost of the 800 megahertz radios has gone from \$13,000 per year to \$49,000 from Bay County with no warning. The infrastructure needs of the radios has driven up the cost with the county.

Mr. Chaple reminded everyone that 5<sup>th</sup> Tuesday Gathering will be on the 30<sup>th</sup>.

Mayor will discuss water rates at the 5<sup>th</sup> Tuesday Gathering.

**Meeting Adjourned**

A handwritten signature in cursive script, reading "Jami Hinrichs", is written over a horizontal line.

Jami Hinrichs, City Clerk