

MINUTES  
SPECIAL COUNCIL MEETING  
CITY OF NICEVILLE, FLORIDA  
SEPTEMBER 14, 2006

The Niceville City Council met in special session at 6:00 PM, September 14, 2006 in the Council Chambers, 208 N Partin Drive. All council members and the Mayor were present. Also present were City Manager, Lannie Corbin; City Clerk, Dan Doucet; Public Works Director, Bruce Price; a member of the press and visitors in the audience. Mayor Wise called the meeting to order at 6:00 PM.

#### PUBLIC HEARINGS

Consulting Engineer Briefing - Mr Glenn Stephens, Polyengineering

Mr Glenn Stephens, Polyengineering of West Fl, Inc., briefed the council concerning his report on Debt Service Coverage Analysis and proposed water and sewer rates for the City of Niceville as required by our bond covenants. The statistical data he provided in his report supported the need for a 5 percent annual rate increase in FY 2007 to insure adequate coverage for our debt service requirements. He explained that bond covenants require that our net revenues be 1.15% of the debt service amount. He explained that if no rate increase is imposed for fiscal year 0-7 then we will fall short of our coverage requirements. Discussion followed. In addition, Mr Stephens advised that Niceville's proposed rates are 7.2% lower than the average water and sewer monthly bill charged by surrounding utilities. Discussion followed.

Ordinance 06-09-04 - An ordinance amending Section 1, Table 1 of the City of Niceville Florida, municipal waterworks rate Ordinance No. 05-09-03 dated September 22, 2005, to provide for a rate adjustment and providing for an effective date. (First Reading)

Mr Doucet read Ordinance 06-09-04 by title. Councilman Tislow moved approval on first reading. Councilman Swihart seconded. No one spoke for or against. Mr Doucet explained that water bills for a 7,000 gallon customer (average user) will increase \$.95 over last year's rate. Council Vote: Brewer-yes; Boudreaux-yes; Swihart-yes; Smith-yes; Tislow-yes:

Ordinance 06-09-05 - An ordinance amending Section 1, of the City of Niceville Florida, Municipal Sewer System Rate Ordinance No. 05-09-04 dated September 22, 2005, to provide for a rate adjustment and providing for an effective date. (First Reading)

Mr Doucet read Ordinance 06-09-05 by title. Councilman Brewer moved approval on first reading. Councilwoman Boudreaux seconded. No one spoke for or against. Mr Doucet

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explained that sewer bills for a 7,000 gallon customer (average user) will increase \$1.20 over last year's rate. Council Vote: Brewer-yes; Boudreaux-yes; Swihart-yes; Smith-yes; Tislow-yes.

Ordinance 06-09-06 - An ordinance amending Ordinance No. 05-09-05 dated September 22, 2005, of the City of Niceville, Florida increasing the Water Impact Fees and providing for an effective date. (First Reading)

Mr Doucet read Ordinance 06-09-06 by title. Councilwoman Boudreaux moved approval on first reading. Councilman Swihart seconded. No one spoke for or against. Mr Doucet explained that the impact fee will be increased from \$1,475 to \$1,550 for one inch meters with corresponding increases for large water meters. He advised that the increase applies only to new construction and helps to defray the cost associated with growth. Council Vote: Brewer-yes; Boudreaux-yes; Swihart-yes; Smith-yes; Tislow-yes:

Ordinance 06-09-07 - An ordinance amending Ordinance No. 05-09-06 dated September 22, 2005, of the City of Niceville, Florida increasing the Sewer Impact Fees and providing for an effective date. (First Reading)

Mr Doucet read Ordinance 06-09-07 by title. Councilman Brewer moved approval on first reading. Councilman Swihart seconded. No one spoke for or against. Mr Doucet explained that the impact fee will be increased from \$5,250 to \$5,830. He advised that the funds will be deposited in an escrow account and that the impact fee applies only to new construction and helps to defray the cost associated with growth. Council Vote: Brewer-yes; Boudreaux-yes; Swihart-yes; Smith-yes; Tislow-yes:

Ordinance 06-09-08 - An ordinance of the City of Niceville, Florida levying the Ad Valorem Property Tax Millage Rate for municipal purposes on all taxable property within the City for the fiscal year beginning October 1, 2006 and ending September 30, 2007 stating the percentage by which the millage to be levied exceeds the rolled-back rate; and providing for an effective date.

Mr Doucet read Ordinance 06-09-08 in it's entirety and stated that the proposed 3.50 millage excess the roll back rate of 2.8844 computed pursuant to Florida Law is 21.35%. Mr Doucet advised that the increased revenues will be used to defray budgeted General Fund Expense. Councilwoman Boudreaux moved approval on first reading. Councilman Smith seconded. No one spoke for or against. Mayor Wise asked for a roll call vote. Council Vote: Brewer-yes; Boudreaux-yes; Swihart-yes; Smith-yes; Tislow-yes:

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Ordinance 06-09-09 - An ordinance adopting the final budget for the City of Niceville for the fiscal year commencing October 1, 2006, an ordinance adopting and approving the appropriations set forth in said budget for the fiscal year commencing October 1, 2006; and providing for an effective date. (First Reading)

Mr Doucet read Ordinance 06-09-09 by title and provided an overview of estimated revenues and expenditures as follows:

#### General Fund

Total estimated revenues and expenditures: \$11,124,640

#### Special Revenue (Franchise and Utility Tax)

Total estimates revenues and expenditures: \$2,112,500

#### Sanitation:

Total estimated revenues and expenditures: \$2,313,000

#### Water and Sewer

Total estimated revenues and expenditures \$ 9,243,200

#### Storm Water Management

Total estimated revenues and expenditures \$ 3,706,400

Total Budget is **\$28,499,740**

Councilman Brewer moved approval on first reading. Councilman Smith seconded. No one spoke for or against. Mr Doucet advised that this year's budget is a 6.5% increase over last year's budget. Council Vote: Brewer-yes; Boudreaux-yes; Swihart-yes; Smith-yes; Tislow-yes:.

#### **SENIOR CITIZEN ADDITIONAL EXEMPTION:**

Mr Doucet advised that he received information from the Property Appraiser's Office advising that **90** Niceville residents applied for the additional **\$25,000** exemption this year. To qualify for the exemption the property owner must be 65 years old and have an annual income of **\$20,000** or less. The total property value (amount exempted) for people in this category is **\$2,081,821**. Based on a millage rate of 3.50 our revenues will be **\$7,286.37 less**.  
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The additional exemption saves them **\$87.50** in property tax. Thus, it was a good decision by the council to approve this provision for our lower income seniors.

Mr Corbin provided statistical information regarding personnel and other areas of the budget geared to providing essential services to the citizens of Niceville. Discussion followed.

Mr Doucet advised that the next budget hearing is scheduled for September 18, 2006 at 6:00 PM.

The meeting adjourned at 6:50 PM.

MAYOR

ATTEST:

CITY CLERK