

MINUTES
KEY COLONY BEACH
CITY COMMISSION SPECIAL MEETING
Friday, October 30 2015, 12:00 Noon
City Hall

1. **Call to Order and Roll Call:** The Special Meeting of the Key Colony Beach City Commission was called to order by Mayor Ellis at 12:00 Noon.

Present: Mayor Jerry Ellis, Secretary Treasurer Jim Pettorini, Vice-Mayor Ron Sutton, Commissioner Geraldine Zahn and Commissioner DeGraw. *Also Present:* City Clerk Cathy Henninger Public: 9

Mayor Ellis confirmed approval of the protocol for swearing-in Tucker DeGraw as Commissioner at this meeting. The ceremonial oath was recited and Commissioner DeGraw joined the Commission.

2. **Nomination of Chairperson for Utility Board-**Mayor Ellis called for the nomination of a Chair for the Utility Board. Mayor Ellis nominated John Dalton to Chair the Utility Board. Commissioner Zahn suggested since Steve Flood is on the Board currently could he move up to Chair the Board. She stated that way John Dalton could learn from Steve Flood during these next few months. She stated she can support and is comfortable with both nominees. Vice Mayor Sutton stated that he would like to see John Dalton on the Board, that he has worked with him on previous projects and is comfortable with him. He further stated he would like to see the Utility Board built back up and stable again. Tucker DeGraw and Jim Pettorini both stated they are comfortable with John Dalton serving as the Chair. Vice-Mayor Sutton stated he wants to keep both nominees on the Board if possible. John Dalton stated he agreed to step up since he had been told there were no other candidates. He stated he is more than willing to help the City. Steve Flood stated that he will Chair if needed and help the City in any way, but only until April after which he will be away for several months.

Motion: Made by Mayor Ellis, seconded by Commissioner Pettorini to approve John Dalton as Chair of the Utility Board.

On the Motion: Roll Call Vote: Unanimous approval.

Mayor Ellis introduced Lyn Walsh, who has agreed to serve as treasurer of the Utility Board if the Utility Board approves. She has an accounting background and has toured the Wastewater Plant to become familiar with the facility and the process.

3. **State Revolving Loan Payoff discussion** – Mayor Ellis reported that the City can pay off the existing State Revolving Loan with existing funds. Funds are available from the existing money market account and two (2) certificates of deposits will be cashed. Both the Auditor and Accountant have reviewed the wastewater finances and have confirmed that this is a reasonable proposal. As of November 15, 2015, the payoff amount is \$690,193.50. Mayor Ellis requested a motion on this request.

Motion: Made by Vice-Mayor Sutton, seconded by Commissioner Zahn to authorize the Mayor to initiate the payoff of the existing State Revolving Loan.

On the Motion: Roll Call Vote: Unanimous approval.

4. **Options for a New Loan-** Mayor Ellis shared the details of the rate and term for a new loan with the State. Revolving Loan Program. He has confirmed the rate of 1.29% over 20 years on an unsecured loan of \$5,970,000.00. Mayor Ellis shared that the SRL first payment would not be due until the completion of the first year of the construction. He requested input from the Commissioners if they felt going to local banks for quotes should be explored. The Commission by consensus stated the banks would not be able to offer a comparable interest rate or terms. Mayor Ellis proposes that the City should combine the phased in approach detailed in the wastewater upgrades Master Plan into one plan requiring one RFP instead of three. He mentioned a new resident who has grant writing experience who is exploring possible options for the City for funding. Mayor Ellis asked for approval on moving forward with the state revolving loan application, in the amount of \$5,970,000.

Motion: Made by Vice-Mayor Sutton, seconded by Commissioner Zahn to authorize the Mayor to apply for the state revolving loan.

On the Motion: Roll Call Vote: Unanimous approval.

5. **Bio-Water Containment Box-** Mayor Ellis reported that he has researched the Bio-Water Containment Box recommended in the Master Plan as an alternative to sludge hauling. He has determined the cost of the containment box delivered is \$62,000.00. The containment box is a sole source, proprietary purchase. The preparation work for the box location can be done by the Public Works staff of the City. A concrete pad of 20x30 ft. with 6 inches of depth and rebar is estimated at \$10,000.00. A polymer system and fill will also be needed. Mayor Ellis estimates that this containment box can be in place and functioning at a cost of \$100,000.00 or less. The Commission discussed the reduction in sludge hauling as a result of utilization of this new process. It is anticipated that the hauling costs will be half of the amount now being spent.

Motion: Made by Commissioner Pettorini, seconded by Vice-Mayor Sutton to authorize the Mayor to purchase the Bio-Dewatering Box and begin the preparation work for the installation at a cost not to exceed \$100,000.00.

On the Motion: Roll Call Vote: Unanimous approval.

Meeting adjourned at 1:00 p.m.

Respectfully submitted,



Cathy Henninger, City Clerk, CMC

Note: These minutes are unofficial and have not been formally approved by the Commission. The approval will be at the next scheduled Commission meeting.
