



CITY OF CALLAWAY, FLORIDA
CITY HALL

6601 East Highway 22, Callaway, FL 32404
Phone 850-871-6000 • FAX 850-871-2444
www.cityofcallaway.com

Mayor
Thomas W. Abbott

Commissioners
Melba Covey
Pam Henderson
Bob Pelletier
Ralph L. Hollister

PUBLIC NOTICE

REGULAR MEETING

by the City of Callaway Board of Commissioners
on Tuesday, February 10, 2015 – 6:00 P.M.
at the Callaway Arts & Conference Center
500 Callaway Park Way
Callaway, FL 32404

AGENDA

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

ROLL CALL

MAYOR'S INSTRUCTIONS –

- Call for Additions / Deletions, and any items to be pulled from Consent Agenda for discussion. Remind everyone, elected officials and citizens, to speak directly into microphones.

PUBLIC PARTICIPATION (non-agenda items)

- Citizens must complete a Public Participation form prior to the meeting and submit it to the City Clerk to be called and recognized at the podium.
- Speakers must come to the podium to be heard.
- Comments are limited to five (5) minutes.

PRESENTATION / PROCLAMATION

- Presentation - Certificate of Appreciation - 10 Years of Service - Mr. Tarrell D. Phillips
- Presentation - Employee of the Month for December - Mrs. Sharon Lentsch
- Presentation - Code Enforcement Board Update - Chairman Volpi
- Presentation - Bay County Sheriff's Office Report for January, 2015 and Power Point
Presentation on the Callaway Zones

APPROVAL OF MINUTES

- Special Meeting - December 16, 2014
- Regular Commission Meeting - January 13, 2015

CONSENT AGENDA

ITEM #1 Resolution 15-03 - Amending Utility Billing Policy Manual for Mailing Bills - City Manager Fuller

ITEM #2 Resolution 15-04 - Amending the Accounting Policy Manual - City Manager Fuller

Fire Department
P: 850-871-2753
F: 850-871-5564

Leisure Services
P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement
P: 850-871-4672
F: 850-871-2404

Public Works
P: 850-871-1033
F: 850-871-2416

Arts & Conference Center
P: 850-874-0035
F: 850-874-0706

“This institution is an equal opportunity provider and employer.”

- ITEM #3 National Museum of The United States Air Force (NMUSAF) Loan and Static Display Program - City Manager Fuller
- ITEM #4 Declare Surplus of Leisure Services Capital Assets to be Sold on GovDeals.com - City Manager Fuller
- ITEM #5 Declare Surplus of Public Works Capital Assets to be Sold on GoveDeals.com - City Manager Fuller

OLD BUSINESS

- ITEM #6 Continuation of Reviewing Items/Issues Brought Before the Commission in 2014 Item 5-10 - Commissioner Covey

REGULAR AGENDA

- ITEM #7 Discussion on Delinquent Water Accounts - Commissioner Pelletier
- ITEM #8 First Reading - Ordinance #953 - Enforcement of Garbage Violation - City Manager Fuller
- ITEM #9 First Reading - Ordinance #954 - Mortgage Foreclosure Registration - City Manager Fuller
- ITEM #10 New Development Proposed in Callaway & Legal Notice in Paper for Planning Contract - Commissioner Covey

COMMISSION COMMENTS

ANNOUNCEMENTS

All meetings will be held at the Callaway Arts & Conference Center, 500 Callaway Park Way, Callaway, FL unless otherwise noted.

- Next Regular Commission Meeting, Tuesday, February 24, 2015, 6:00 P.M.
- Code Enforcement Board Meeting, Thursday, February 26, 2015, 6:00 P.M.


Sandra B. Hirth, City Clerk

Providing public input is important. It can be accomplished by calling, emailing, making an appointment with your Commissioner, or speaking at a public meeting. Public Participation for non-agenda items is called at the beginning of the meeting. Public Participation for regular agenda items is called during each item after the Commission has discussed the item and a motion and second are made but before there is a call for a vote.

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at the meeting, if an appeal is available, such person will need a record of the proceeding and such person may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. Any person requiring a special accommodation at this meeting because of a disability or physical impairment should contact Callaway's City Clerk, at 6601 E. Highway 22, Callaway, FL 32404; or by phone at (850) 871-6000 at least five calendar days prior to the meeting.

If you are hearing or speech impaired, and you possess TDD equipment, you may contact the City Clerk using the Florida Dual Party Relay System, which can be reached at 1-800-955-8770 (Voice) or 1-800-955-7661 (TDD).

"This institution is an equal opportunity provider and employer."

Certificate of Appreciation

Presented to

Tarrell D. Phillips

*In appreciation of 10 years of service
and dedication to the City of Callaway.*

January 31, 2005 - January 31, 2015



Thomas D. Callaway
Mayor

[Signature]
City Manager



Employee of the Month

JANUARY 2015

Presented to

Sharon K. Lentsch

Thank you, Sharon for your attention to detail, your positive attitude and your ongoing dedication to our City, Citizens and Staff.

Thomas D. Callaway
Mayor

[Signature]
City Manager

**CALLAWAY BOARD OF COMMISSIONERS SPECIAL MEETING
DECEMBER 16, 2014
TIME: 6: 00 P.M.**

The Special Meeting of the City of Callaway Board of Commissioners was called to order by Mayor Abbott at 6:00 P.M.

ROLL CALL: Commissioner Covey, Commissioner Pelletier, Commissioner Hollister,
Mayor Abbott

ABSENT: Commissioner Henderson

ALSO PRESENT: City Manager Fuller, Finance Director Waldrip, Leisure Services Director
Legare, City Clerk Hirth

Mayor Abbott said he would entertain a motion to add on Item #3 - Budget Transfer Requests.

**Commissioner Pelletier moved to add Budget Transfer Requests on the agenda.
Commissioner Covey seconded the motion.**

All ayes

Commissioner Covey asked if she could speak before starting the agenda because she had something to say. She said she asked for this Special Meeting tonight because there was a notification that there was going to be an audit schedule update and unfortunately she did not make it to the meeting. She said the next day there was a memorandum that said the following item was discussed and acted upon by the Audit Committee during their December 10, 2014, meeting. She said #1 - the Audit Committee discussed a revised timetable for the audit. She said she went to Resolution 13-09 where it talks about the Commission may ask the Audit Committee to serve other audit oversight services and duties as determined by the City Commission. She said under Section 5 of Duties it says the Audit Committee may be assigned tasks by the Commission and submit their findings and recommendation directly to the City Commission. It says the City Commission may require staff to review and report on the feasibility of recommendations. She said it further states the Audit Committee shall be tasked with recommending an auditor to conduct an annual financial audit of the City. It says the Callaway Audit Committee may further be tasked with the following other functions - preparing recommendation for improved financial practices and reporting, enhancing appropriate action against fraud, enhancing internal audit functions, enhancing external audit functions. She continued by quoting the resolution regarding the Commission agreeing that any task other than the recommendation of an auditor should be assigned by the Commission and that the Audit Committee should not undertake tasks without the direction of the Commission. The resolution further stated the Audit Committee had the right to refuse any task other than the selection of an auditor. Commissioner Covey said she was absolutely flabbergasted that this was brought before the Audit Committee when the Commission votes on the auditor and they are the one that determines if they get the contract or not. She said she appreciated them and everything they do but they should not have access or knowledge of what is going on in the finances of this City until the Commission has been notified first. She said that was why she called the Special Meeting tonight. She said they went ahead and discussed the possibility of a delay of the audit

and it not being started on time and she felt that was out of order and she wanted to know why no one but she had bothered to look at Resolution 13-09.

Mayor Abbott said they would continue with Item #1.

AGENDA

ITEM #1 AUDIT COMMITTEE UPDATE - AUDIT SCHEDULE

City Manager Fuller stated he had asked the Audit Committee Chairperson, Shelley McKinney, to be present at this meeting to provide an update. Commissioner Covey asked why she was provided an update when this should never have gone to them in the first place as she had just read in the resolution. Mayor Abbott said it is there before them tonight. City Manager Fuller said it was the auditor who asked to meet with the Audit Committee. Commissioner Covey said the auditor didn't run the City, they do. CM Fuller said the auditor requested they run the schedule through the Audit Committee. Commissioner Covey said if they read the resolution it specifically states the Commission has to assign them other duties. Mayor Abbott said the only thing he would have said was most of the Commission who sit there do not have intimate word by word knowledge of every resolution that we have. He said they have a working knowledge and the only thing he would say probably was that the recommendation should have come to the Board and then they would have given it to the Audit Committee. He said now that they are here...Commissioner Covey asked why can't CM Fuller read what was here as the projected timetable rather than the audit committee chair. Mayor Abbott said he did not know. He said that was an operational decision that CM Fuller had to make. Mayor Abbott said if we have an Audit Committee and someone needs to give an Audit Committee update that it should be the chair of the committee. Commissioner Covey said if he read the resolution, they did not assign a task to the Audit Committee. Mayor Abbott said he understood that they did not and that all he was saying was that Audit Committee update on anything should be done by the Audit Committee Chair. Commissioner Covey said they were getting information that they should have gotten on Tuesday before the Audit Committee meeting about the audit being late. CM Fuller stated the audit will not be late. Mayor Abbott said they need to find a way to proceed with Item #1 for discussion. Commissioner Covey said if CM Fuller did not want to do the update, then he should call on someone to do it. Mayor Abbott said that was what he had done. CM Fuller said the attached had the proposed revised dates for the agenda item, if approved, in their agenda packets. He said if the committee chair wants to add more detail about what transpired at the meeting then she could do so. Shelley McKinney, Chairperson of the Audit Committee, said she appreciated the opportunity. She said if she may she would say that they are a committee involved with scheduling how the audit goes and have been for years. She said there was a proposed change in the schedule, they heard it and their recommendation was as follows. She stated...Commissioner Covey said at this time that she does not propose how the audit goes. Mayor Abbott said to please wait. Chair McKinney stated she couldn't agree more with Commissioner Covey. She said there was a request for a proposed schedule change where basically all the auditor wanted to do was extend it by 30 days because their work is so backlogged and Mrs. Waldrip is trying her best to catch up. She said it was discussed and then brought to the Audit Committee for an extension of 30 days. She said that was their recommendation to the Commission, that they extend the audit schedule by 30 days. She said a 30 days extend will need to be requested for the CAFR. She stated an extension would allow the Finance Director to bring the City's finances up to date and allow the City to receive the Award of Excellence in Financial Reporting. She said those two things are important to the City because we have received it consecutively for 21 years. She said additional comments at the

meeting was that Finance Director Waldrip had requested the 30 days extension, which she had done. Chair McKinney said FD Waldrip and her staff are focusing on closing out FY14 finances for the City. She said that during this time it would be imperative that she be allowed to focus her attention on closing out the books for 2014 and they hoped the Commission would support this as well as the citizens. She said that was the extent of it and the Audit Committee's recommendation was that they approve the extension. Commissioner Covey said she was going back to Section 5. Chair McKinney asked to have one final comment and that was that the Audit Committee was involved in the original schedule so it was not like this was brought to them for that purpose only. She stated they had been involved with this since the beginning. Commissioner Covey said again that she was going back to Section 5. Mayor Abbott said she had done the lead in on this item and he would like to start at the other end of the Board for additional comments and questions. Commissioner Hollister asked if the schedule had been agreed to by the Finance Director and Chair McKinney said she had and that it was a unanimous agreement. Commissioner Pelletier stated he had passed out a memorandum. He said this should have been brought before the Commission at the December 9, 2014 meeting. He said he was at the Audit Committee meeting and probably should have said something as a citizen but did not because he liked to say things at the Commission meetings. He stated he sent an email to Angela Balent and told her this was really, really getting out of control. He said he specifically asked her if she had not observed this stuff when she was there. He said she told him that they only did what Debra gave them. He said they are bound by their contract as auditors. He stated he had already had a discussion with Attorney Obos and said they were not getting their money's worth from Warren Averett. He said if they read the memo he was told they will make comments this year. He said the condition of our finances have been like this for as long as he can remember. He stated he had been here 9 months and had seen one balance sheet and one financial statement. He said that was pathetic. He said he sat at the Audit Committee meeting and said they will get the books caught up but by the time the books are caught up we will be 5 months behind in this year. He said the following month they start budget meetings with no financial records. He said he was told at a meeting that Debra left a bunch of NSF checks in her desk. He said what the heck are we doing in this City. He stated it did not make any sense to him. He said we have no control of what's going on. He said he did not run his business this way. He said we need to get down to the nuts and bolts. He stated he was sick and tired of sitting up there making decisions when they have no information. He said why are we allowing this as a Commission. Mayor Abbott asked if he had any thoughts about the extension. Commissioner Pelletier said they do not have a choice. He said the City is not ready and Mayor Abbott said he agreed. He said one of the things the Audit Committee does is recommend the auditor so keep that in mind. Mayor Abbott asked Chair McKinney what was the downside of delaying the completion of the audit. Chair McKinney said there was no downside for the City. She said if we did this every year there would be a downside but since we do not, it was her understanding that this is a common occurrence in some cases. She said to her knowledge we had never asked for one and this will hopefully be the last. Mayor Abbott asked about the AWT audit holding us up with our audit every year. He asked if the proposed dates of change were going to push it even further with respect to completing the total audit. He said we are normally sitting with a completed audit waiting on AWT so would this flow right into that so it's all completed at the same time. Commissioner Covey said she did not know why we do not hold AWT to their schedule of when their audit is due to the City. Chair McKinney said AWT did not enter into the conversation. She said based on the information that the Commission was given, they saw no reason not to recommend a 30-day extension to the Commission. Commissioner Covey said she looked at the terms of engagement with Warren Averett and they are supposed to

start the audit on December 1, 2014. She said if they knew December 1st that they were not going to start the audit they should have brought it to the Commission. She stated if they had the Commission would have heard the reasons why there was a requested change. She said the Commission agreed that other than the recommendation of the auditor for the City, the Audit Committee would have to be assigned additional tasks. She said they did not assign the Audit Committee to determine whether they could push back the dates. CM Fuller said he had mentioned that the auditor requested to meet with the Audit Committee. Commissioner Covey said the auditor did not run the City. Mayor Abbott said no one has determined if we are delaying the audit. Commissioner Covey said he was not listening to her. He said he was listening to her. Commissioner Covey said this should have been before the Commission not the Audit Committee. Mayor Abbott said he understood that but it didn't and now here we are so we need to deal with it was all he was saying. Commissioner Covey said they need to deal with it so it won't happen again. Mayor Abbott said that may very well be but that was not the agenda item. Commissioner Covey said they approved the auditor's contract and it was between the Commission and the City as well as the citizens. Commissioner Covey told Chair McKinney she could sit down that she did not have any questions for her. Mayor Abbott stated he did. Commissioner Covey said if she had a contract with him to do something, she would not have told anyone other than him if she wanted to talk about changing the contract. Mayor Abbott said he understood she was upset with the auditor. Commissioner Covey said she was not upset. She said things need to be run the way the resolutions and ordinances say and should not be deviated from. She said if she had not walked in Thursday morning and seen this memo they would not have known anything until January and as far as she was concerned, she didn't know how the citizens felt but she wants to know what's going on financially with this City all of the time. Mayor Abbott said the only thing he would say was they would be either having this conversation tonight or in January. Commissioner Covey said better sooner than later. CM Fuller said he knew this Commission prefers to be a lot more informed than in prior years. Mayor Abbott said they had not had to change the schedule previously. CM Fuller said this was a procedural type issue and Commissioner Covey said no it was not. She stated it is a contract type thing. Chair McKinney asked Mayor Abbott if he had anything else for her and he stated he did not but asked if she had any other information to share with the Commission. Chair McKinney did not have any additional information to share. She stated she very much wanted to be a part of the Audit Committee and said she would continue to do this until they told her not to. Mayor Abbott asked if there was a motion to delay the audit.

Commissioner Hollister made a motion to approve the recommendation to delay the audit in accordance with the revised schedule.

Mayor Abbott said the Mayor Pro Tem was not there for him to pass the gavel so he could second the motion. Commissioner Covey asked if the Finance Director could explain if they do not delay it what were the pros and cons. Mayor Abbott said he thought they did all of that. Commissioner Covey asked if they do not delay it, would it cost them more money than now and Commissioner Pelletier said yes it would. Commissioner Covey said that was a con if you asked her. Commissioner Pelletier said it would cost more money because he was at that meeting and listened to the conference phone call and at the end of the day we were not ready for the audit. He said one of the things he called the City Attorney about was that we are still back in July. He said they were given a financial statement that was fictitious. Commissioner Covey said so they were basically back where it will cost them more money but do not know how much more because the auditor hasn't told them. She asked if anyone had an idea. Commissioner Pelletier

said even if they bring Warren Averett in it's not going to happen because we are not ready for it. CM Fuller said this should not be a surprise. Commissioner Pelletier stated it wasn't but he was fed up with it. Mayor Abbott said there's a motion to delay the audit was there a second. Commissioner Hollister asked what was the alternative. Mayor Abbott said if they don't delay the audit it will cost them more money. Commissioner Covey asked if anyone knew how much more it would cost. She said whenever Warren Averett said they couldn't come in because we were not ready they should have contacted the Commission to speak at a meeting. She asked how many months are we behind - July, August, September. Commissioner Hollister said in theory could they charge the City \$200 per hour for this and Commissioner Covey said she did not know. She asked if it was worth more for the Finance Director, who they are paying, to start working on the FY15 information since we are already behind. CM Fuller said the auditor stressed how important it was to finish up 2014. Commissioner Covey said her point was that they are already behind in 2015. She stated she didn't know how they did a budget last year. She said she was absolutely flabbergasted that they got a July monthly that apparently was not a true monthly and so they did a budget not being caught up. She said that was very frustrating and unnerving to her and it should be to everyone that they didn't really know where our financial status was. She said if they are going to delay it, Warren Averett knows that if they have to come in and they have got July, August and September to close out or reconcile on the bank statements then they should have some idea that they're going to spend 2 days here, etc. She stated we should still have some money left where they allocated for them to work and would that help toward them coming in and getting it caught up so we could start working in FY15? She said those were the kind of things she would like to know. Commissioner Pelletier said he had that discussion which was in his memorandum. He said there was some money left however, now that this has been brought up they have kind of changed their schedule and the only way we can get them in here on schedule was to hold them to their contract. He said she (Mrs. Balent) didn't know if they could let anyone loose to help the City and stated she was going to do the best she could but there was no commitment because they are in the middle of audits with other cities. He said at this point if they do not go with the motion this evening that he didn't think she was going to come anyway because she's already changed her schedule.

Commissioner Covey seconded the motion.

Mayor Abbott stated wasn't Commissioner Henderson their Audit Committee representative and was told she was. Mayor Abbott repeated the motion which was to approve the recommendation to delay the audit in accordance with the revised schedule.

PUBLIC PARTICIPATION

John J. Malone, 707 Plantation Circle, Callaway, FL, said he was listening to this and reading some of it and he stated he just shakes his head. He said he has been in Callaway almost 10 years and has not seen anything go right. He said the elected officials sit up there and they don't even know what they've been talking about. He said they have a contract. He asked why the auditor wasn't here on December 1st as agreed. He said he heard the auditor was on the phone with the Audit Committee. He said nobody seems to know the duties of the Audit Committee. He said the Audit Committee has one main function as laid down by the State of Florida which was to recommend an auditor to the elected officials. He said they could bring other suggestions to the Commission and it's up to the elected officials to do it or not. He said when he heard the City Manager and Finance Director worked together and made arrangements with the auditor he said he was shaking his head. He stated after 50 years in the auditing business that he did not

understand what the heck was going on here. He said he didn't believe in pushing this off here but as Commissioner Pelletier stated, the auditor didn't have time for the City now because they are tied up with other audits. He said they do not even know when the auditors will be in. He said the auditors should come in whether the books were up to date or not. The Finance Director should realize she can re-construct the books if you have to. He said the audit should have gone through whether they were up to date or not. He said that is the purpose of the audit which was to determine if we are complying with the rules laid down by accounting and it appears we are not. He stated it seems this has been going on for years and it's a joke. He said they need to reconstruct the records by using financial statements from the banks and they then reconstruct the records. He said never mind trying to pull up July, August and September because he said they are not ready. He said what he was hearing tonight was there were some checks sitting in the drawer and asked what was going on here. The Board said that was the previous Finance Director's and they do not have anything here tonight to prove what they're saying. He said they should have the auditor in here as fast as they can and let the auditor determine what is here and let them give the Commission recommendations. He said as it stands here he could pull up the records and show them that they do not even review the records that the auditors give them when they give them the audit report. He said they were at fault too for allowing this to go on and the City Manager should never be in cahoots with the Finance Director and working behind the scenes because this is what happened last week. He said why was the Audit Committee allowed to deal with the auditor. He said the auditor works for the Commission. He said they sign the contract not the Finance Director or the City Manager. He said the Commission is liable for this and the whole thing smells. He stated the sooner they get to the bottom of this the better. He stated they need to contact the auditor as fast as they can and ask them when they can get in here. He said it does not matter if they're up to date or not. He said they can recommend that you reconstruct the records. Commissioner Covey said she wanted to address Mr. Malone. She said as far as the annual audited financial statement, she said she did review it before she ever started working on the budget and discussed it with her when she (Mrs. Balent) was here. Mr. Malone said she can say whatever she wants in the financial statement it just has to balance. Commissioner Covey said she knew that and she was questioned why things she knew were not listed in the findings. Mr. Malone said he had been trying to tell the Commission for years regarding how to operate and they've all refused to listen to him. He said they should make a recommendation tonight to start with. He said the Special Meeting in accordance with our resolution, the only ones who can call one is two members of the Board or the Mayor. He said they then notify the rest of the Board in writing or electronically. They need to look at Resolution 14-11. He said they don't know what is published half of the time. Mayor Abbott said there was a motion and second to approve the delay of the audit.

Commissioner Covey said she was going to withdraw her second.

Mayor Abbott said they would then move on and we wouldn't have an audit this year. Commissioner Covey said she wanted them to come on as they were scheduled.

Mayor Abbott announced Item #2 which was Lockbox and Accounts Receivable Options.

Finance Director Waldrip requested to speak. She stated Mrs. Balent had gone out of her way to accommodate our staffing change and to work with them so we would have everything ready and everything scheduled. She stated she was not refusing to come in on December 1st. It was not her idea that we would not be ready. She was working with them to change the timing a little bit.

She said she didn't think the records were in that bad of shape, they were behind for a few months which was her only issue. She said Mrs. Balent had to adjust her schedule so she could not commit to fit the City into an earlier schedule but she was not going to do it then because we were not ready. Commissioner Covey said it would have been nice if she had come in and told them this. FD Waldrip said that she didn't really know that that needed to be a schedule change with the Board and approved by the Board. She said Mrs. Balent told her they needed to inform the Audit Committee and discuss it. Commissioner Covey said it was not her (FD Waldrip) fault. She stated Mrs. Balent had been an auditor for many years and worked with this City for many years. FD Waldrip said in her experience, she had worked with CAFR for over 20 years, she had never gone to get approval or a schedule adjustment with the Councils or Boards. She said now she will be cognizant of this requirement and not do this in the future. She said the records were not that bad, they were just behind. Commissioner Pelletier said they haven't had a financial statement since he had been on the Board which was 9 months. He said it was more than behind. He said she can say it's not correct but there are checks and cash laying around the City that's not getting deposited. He asked what was right. He said in her mind it's not wrong. FD Waldrip said we were posting things to date and most of the reporting was up to date and what is left is for her to verify and document the reconciliations and the general ledger to our financials. Commissioner Covey asked in the phone conversation that Commissioner Pelletier had yesterday, didn't she recommend coming on in and doing the audit. Commissioner Pelletier stated in the initial phone call it was discussed about her coming on in now but it was also discussed that there might be some additional cost associated with her coming in now. FD Waldrip said it's not ready it would take longer. Commissioner Pelletier said he understood and there would be additional costs. FD Waldrip said if they come in now it would be frustrating for both sides. She said she had not been here a month when it was time for the audit to start. She said she's on a steep learning curve with the new system, where are our bank accounts, which needs to be reconciled, etc. Mayor Abbott said she's trying to learn a system that they are trying to change, integrate, automate and so forth so there's a variety of things to be learned. FD Waldrip said they've updated bank authority, transitioning between Public Works and Utility and discuss ways to increase our efficiency and billing while continuing to work on updating records. She said it's not going to change the expenditures and receipts and they are trying to keep everything up to date for FY15 so hopefully those will go much smoother. Commissioner Covey said she hoped she understood their frustration. She said they did a budget and at the time they received a monthly account reporting through July thinking everything had been reconciled. She said they did a budget on that information and are now finding out that it was not correct. She said they've made a commitment that what happened in the past will not happen again and they want to know what is happening to their money. She said it make her feel very inadequate in that she had not done her job. She said the only place she can express that is up there so her constituents know that she had felt that she had been bamboozled. She said she did not like that an auditor who has been with the City for as long as they have did not know that her contract started on December 1st and didn't realize that this contract was approved by the Commission and that she didn't call our City Manager and say they were coming in on December 1st and him let her know we're not ready. She should have said right then that she needed to get with the Commission and let them know she was ready to uphold their part of the contract and that it was the City that was not ready. FD Waldrip said that was true that she was working with them to adjust the schedule. She said she did not know that July was substantially correct but June was closed. She stated she had to agree and trace back the documentation. Commissioner Covey said they totally understood what she stepped into and this not directed at her or CM Fuller. Commissioner Covey said they want to get on an even keel and run it as should be run

according to the resolutions and ordinances as well as the Florida Statutes. FD. Waldrip said a lot of the frustration was that they were not getting the financial information and she was definitely going to make that a priority. She stated she hated for the audit firm to get the blame when she was trying to help. Commissioner Covey said she was not blaming her but it would have been nice if on December 1 if she (Ms. Balent) would have told City Manager Fuller that she was ready and when we were not ready then asked to speak to the Commission. Commissioner Covey stated then they would have known on December 1 or maybe sooner that this wasn't going to happen. She stated finding out on December 16 that we're not materially ready was a little late and said she thought it had been started. Mayor Abbott asked if we were going to act on item 1 or move on. Commissioner Pelletier said we can't delay the audit and that it was going to have to go on as scheduled. Mayor Abbott said that it was not going to because it hadn't gotten started. City Manager Fuller asked for clarification on item 1, he said regarding the revised schedule, if not that one, what are we going by. Mayor Abbott said there was not a vote on the revised schedule. He said he did not have a Mayor pro tem tonight so he could not pass the gavel so he could second the motion. He said he did not know how it would go but at least they would have a vote. Mayor Abbott said the schedules what it is even if it's late, he said it would still be the original schedule. Commissioner Covey said it did not mean it would not happen it was that the Commission did not approve of the schedule change. She said it did not mean they can't continue with what they're doing and do the audit.

ITEM #2 LOCKBOX

City Manager Fuller stated as they remember, Warren Averett was contracted with to review, evaluate, and study certain aspects of our billing and cash receipts/UB. He said they outlined nine observations and recommendations in their report. He said he knew they had spoken about the nine recommendations and observations in a previous meeting. He stated it was discussed that we should wait until we get a new finance director on board who can help evaluate which or all of those recommendations and observations we would implement. He stated with that in mind, they met with Mr. Tommy Cooley from Credit Business Services. He said they currently provide the City with collection services. He said this company also provided other accounts receivable services. He stated Finance Director Waldrip and he would like for the Commission to review the possibility of having lockbox services. He then turned the presentation of this item over to Mr. Cooley who would explain in more detail what a lockbox is and how it would benefit the City.

Mr. Cooley said he was happy to be there and said as Mr. Malone had stated, they need to move forward. He said there seems to be some backlog in the city finances and said to quote Commissioner Pelletier, it has to do with the nuts and bolts, the working parts of the City. He distributed his proposal to the Commission outlining what they do and the suggested services. He said it narrowed down to four main ones, online payment processing, processing payments by telephone, lockbox and their continuing debt collection services. He said lockbox is for utility billing and any type of accounts receivable that the City would be proposing to collect. He said they would like to handle these services for the City and in the most convenient way for the citizens. He stated currently City Manager Fuller said he was interested in the lockbox portion of it at this time. He stated the lockbox takes the burden from the staff of actually processing the payments and automates it. He said the payment goes directly to the lockbox, he would then ACH the payments (which was making an image of the check and it would automatically go to our banking account). He stated he then sends a file to a staff member, whoever is designated by the City. He said the staff member then uploads the file into Springbrook and the payments are

automatically posted. He said that addressed some of how the nuts and bolts have not been working because they were working with an inefficient system that did not work. He said he was there tonight to provide any solution he could to the City, he stated his company has been here since 1953 and they were not going anywhere. He said the cost would be \$.65 per transaction. He said when you take away the cost of over time saved, plus bank charges etc., it would basically be a wash. He stated his charges would be offset by the savings. City Manager Fuller said currently the Records Clerk spends approximately 2 days per week doing drop box which could be moved back to the front utility billing office. He said this would free up the Records Clerk to do her job with helping the City Clerk. Mr. Cooley said this provided the staff with the checks and balances they need. He then said he could address how lockbox would help with each of the nine recommendations of the auditors. Mayor Abbott turned the meeting over to the Commissioners for questions. Commissioner Covey said she noticed where there were extra fees for certain things such as multiples, mismatched items, etc. Mr. Cooley said that was on the website and it was what the state recommended as far as how a state/city government would look for a lockbox vendor. He said he did not provide that. He stated that came from the city staff. City Manager Fuller said this information came from the Government Finance Officers Association. Mr. Cooley said his fees were stated in his proposal on page 21. Commissioner Covey then said his proposal talked about scannable remittance and asked if that was referring to the bottom part of the bill. Mr. Cooley said that was correct. She said we have a scanner now and asked Finance Director Waldrip if we were scanning this mail. She said we are not scanning, that we do have barcode readers but they were inefficient and they did not post the voluntary park fee so we had to discontinue using them. She said when the payment has a park fee, the customer service rep still had to go into the payment and post that amount so the report and check/cash balance. Commissioner Covey said it's slowed down because we have not been able to scan the remittance receipt and the check at the same time. Mr. Cooley said this is how his business works because they record thousands of payments each week and this is how he processes his payments. He said to speak to her point about getting our own house in order, he stated they could use his company for a month or several months it was up to them. He said he was here for a solution to help the City move forward for as long as he's needed. Commissioner Covey asked him if he could deal with the park fee issue and not show where the payment was short by a dollar. Mr. Cooley said he would be processing with Finance Director Waldrip and it will be up to her as to how she wants the file. He said the one dollar voluntary park fee is something he had a proposal for also. He said the one dollar fee has obviously put a wrench in the process. He said his suggestion was to send out a letter or some sort of advertisement for a \$12 donation one time per year and keep it separate from the utility payment. He said he would do a complete campaign, letters, advertisement etc. for park fee donations. City Manager Fuller said they spoke about this yesterday. Mayor Abbott said it was probably a good idea about the park fee and that it had been on there for years. He said there was a lot of discussion over the years about the fee being on the bill. He said he would be in favor of that not stopping them from solving this problem. He said the Board would have to make a decision about that. Mr. Cooley said he was asking for 10% of the park fee. Mr. Cooley said he was paying all of the postage, all phone calls, etc., he said he would work something out with the City that if he didn't go above a certain amount he would eat the 10%. Commissioner Covey discussed the numbers and asked if anyone had done a study on the best and worst case scenario on the cost to the City. Mr. Cooley said it will not cost the City anymore than what is currently costing. He said the cost of credit cards, E payments etc. are dictated by the state. He said what he thought should happen was to have one site with all the payment options. He said he would collect the NSF checks for free. Commissioner Pelletier said again they're doing this without demographics, who's paying cash,

checks, E payments, etc. He said that we have not done our homework. Mr. Cooley said Finance Director Waldrip had the total number of checks handled per month but thought it was 3100 transactions per month. City Manager Fuller said he had an average break down of payments for 3 months, cash 4,357; 9300 checks; 2500 credit cards; 2200 E-pay; 197 money orders; and 134 online payments. Commissioner Pelletier said that's a management thing. He said he manages a lot different. He stated he wants to know the nuts and bolts of his operation. He said when he was talking yesterday evening about the dollar causing a huge problem for us. He stated if the dollar was taken out it would improve our efficiency a lot and then just find another way to get it because it's affecting online billing. He said he was not throwing anyone under the bus and no one from the past has stated there is this dollar and it's creating a big problem. Mayor Abbott said it had never been brought to the Commission's attention. Commissioner Pelletier continued by saying why not fix our house. He said he understands the services but what's the payback, we're not letting any employees go. Mr. Cooley said the utility billing audit report said we needed to hire someone else. Commissioner Pelletier said he understood that but now he (Mr. Cooley) was taking over 60% of the work load and we were not reducing. Mr. Cooley said he would be cutting 33 hours a month on over time. Commissioner Pelletier said just a month ago we discussed the ACH and said he stated it was not the system but the machine we were using that was causing the problems when we scanned our checks. He said no one listened to him and the whole Board voted to get rid of the machine and now we're not using it. He stated it was the machine and not the system that was the problem. He said we should have never spent time on this; we should have been closing our books out. Commissioner Covey said she agreed 100%. Commissioner Pelletier said you can laugh all you want, you need to get used to it. Mr. Cooley said he believed that was why he was brought in which was to alleviate some issues and problems we had. He said the bank fees and overtime costs would more than offset his costs. Mayor Abbott said he was a bit lost and asked how the citizen was going to see it differently. Mr. Cooley said they would mail it to a different address. Mayor Abbott said the only citizens it what effect would be the ones who already mail their checks into City Hall. Commissioner Covey asked if he knew how many checks we had, Mr. Cooley stated an average of 3100 per month. Mr. Cooley said it's there to make staff and the City more efficient and said that's what they are there to do. Mayor Abbott asked if the Board had any other questions. City Manager Fuller said this began when the Board approved Warren Averett to conduct a separate audit of utility billing. He said they came up with nine observations/recommendations. He stated the board had debated when they wanted to implement one or all of these observations. He said they decided to wait for new finance director to be hired and said this is part of their recommendation as a result of that. Commissioner covey said she would go on record as saying that she was not impressed with Warren Everett and felt it was a waste of money because they did not tell them anything they didn't already know or had heard. Mayor Abbott said the city attorney has not had an opportunity to review this. He told Mr. Cooley it was his understanding that he was they are to offer a service for anything from a short period of time to whatever we needed. Mr. Cooley agreed. Mayor Abbott said their job was to make a determination for tonight or otherwise whether or not this will serve and if so, for how long. He said they may not know how long until they get into it to see what was coming down the road. He said it would probably be 6 to 18 months to fully integrate and implement a variety of things to help us be more efficient. He stated he knew city manager Fuller did not have a recommendation listed but did he have a thought as to how they might proceed. City Manager Fuller said they definitely think the lockbox services would be the best option cost wise and to help them work more efficiently. Mayor Abbott stated if the board was to make a decision tonight are we prepared to do that. He said are we prepared to move because he did not see a recommendation from the city manager. City manager Fuller stated we

need to establish the lockbox services and Mayor Abbott asked if we were prepared to do that city manager Fuller said his recommendation was to contract with lockbox services. Mr. Covey said she didn't know they were therefore recommendation. She asked Mayor Abbott why we are pushing to make a recommendation. Mayor Abbott said he was not. Commissioner Covey said he made his proposal and now they need time to digest it. Mayor Abbott said they absolutely could make that choice. He said he had been giving city manager Fuller and options. Mr. Cobey said he had not made it so why push them. Mayor Abbott asked if he was not authorized to ask him questions about whether he thought we were ready. He said those are the questions I would ask my staff member. City Manager Fuller said their intent had been to present this to the commission and have them digested. He said between now and the meeting in January they will have time to digested and he will put it on the January 13, 2015 agenda he said they good give them more information if they needed more. Mayor Abbott said he had no problem doing that but in the interim he would like for the city attorney to review it as well. Mr. Pelletier said they're talking about this and again no one but two of them were concerned about the state and fiscal condition of the city and getting these financials done. Mayor Abbott said that was an offensive statement and he took exception to it. Commissioner Pelletier said that it was and if it was offensive to him that's the way he felt. Mayor Abbott told him he didn't appreciate it and said he could guarantee him there were others that him that are very concerned so to make a statement that only two people on the board are concerned about the financial state of the city to his way of thinking was out of line and was offensive Commissioner Pelletier said he appreciated the comments. Mayor Abbott said he was more than welcome. Commissioner Hollister said he thought they should sit on it until Commissioner Henderson was back. Mayor Abbott said that each of them want to review the information and ask their own questions and then forward it to the attorney for review and then bring it back to the commission at the January 13, 2015 commission meeting. He asked if that was the will of the board. Mr. clearly stated this was not taking on anything but trying to alleviate the staff's time so they could work on the things that they want done. He continued by saying these were not hard costs, they were incremental. He said it's nothing the city would pay upfront. He said the only way the city incurs any charges was when he collected money or when the citizens pay. He told the commission that he appreciated their time.

Item number three add-on budget transfers

City Manager Fuller received budget transfer requests from public works in the sewer fund and was related to the CA to lift station. This was to increase the original budget amount from \$126,000 by \$29,100 to cover the cost of the rehabilitation projects. Mayor Abbott said the City had some quick questions on personnel services. He said he saw the decrease of \$20,000 and read the reason which he said was a guesstimate to begin with and City Manager Fuller stated that was correct. City Manager Fuller said there can be vacancies etc. that would cause the salary amount to fluctuate. Mayor Abbott asked about the \$9100 where it said they anticipate fewer expenses and said they may or may not have fewer expenses. He said the city still has the AWT issue waiting to be decided. He stated it was (public works director Johnson) way of making the budget fit said they did not have to go into reserves. Commissioner Covey asked about the personnel services and said they do have a vacancy that will not be filled which was the meter reader correct and City Manager Fuller agreed. Commissioner Pelletier said he had a discussion with City Manager Fuller regarding approval of new projects. He said City Manager Fuller had mentioned that the new procedure required commission approval to transfer funds within a department was slowing to process down and he stated that in the future if they are going to approve a project and it requires a transfer form, so get them at the same time so it would not

slow him down. Mayor Abbott asked him to repeat this could Mr. Pelletier stated they were having a discussion yesterday evening on a broad range of items and one of them had to do with situations such as this. He said when finance director Waldrep had mentioned that she was not used to the commission being as involved to the depths that they are ends said he told her if they're going to approve a project when they which they did and it was requiring a transfer of funds then instead of slowing progress down why not approve both at the same time. Mayor Abbott stated he agreed with this and said three weeks ago when they made this decision, a transfer should of been asked for at that time. City manager Fuller said he would do this in the future.

Commissioner Covey moved to approve the budget transfer requests. Commissioner Pelletier seconded the motion.

All Ayes

PUBLIC PARTICIPATION

Reeda Thompson, Maxwell Court, Callaway, FL, said City Manager Fuller keeps making a statement that makes her hair stand on end and that was "the way it used to be". She said they don't want it like it used to be so please refrain from saying that. She said she hates that. City Manager Fuller said he had said that so it would be noted that they are making a change down. She said she was glad to hear that. He said he thought they were all about change. She said she wanted to congratulate Mr. Malone because he said a lot of things that she was going to say tonight but usually she wants to choke him too. She said he did great tonight so she won't repeat it but said she agreed with everything he said.

John J. Malone, 707 Plantation Cir., Callaway, FL, asked what was the final outcome of item number one. Mayor Abbott said there wasn't one. Mr. Malone then asked why we had a meeting. Mayor Abbott said there's the authority that gives him the right to call a meeting or any two commissioners can call a special meeting. Mr. Malone again asked why did they have a meeting because they did not have an outcome and Mayor Abbott said they had three items that were discussed and that was the outcome. Mr. Malone asked what they were going to do regarding item number one. He asked if they were going to do away with the audit. Mayor Abbott said there was no action taken so whatever is currently in place stays in place. Mr. Malone said Warren Everett was supposed to be here December 1 so when were they coming now. Mayor Abbott said it's already late but that was the will of the board. Mr. Malone thanked him for enlightening him.

There being no further business, Commissioner Covey moved to adjourn the meeting at 7:35 PM.

Sandra B. Hirth, City Clerk

**CALLAWAY BOARD OF COMMISSIONERS REGULAR MEETING
JANUARY 13, 2015
TIME: 6:00 P.M.**

The Regular Meeting of the City of Callaway Board of Commissioners was called to order by Mayor Abbott at 6:00 P.M. Commissioner Pelletier gave the invocation and Commissioner Hollister led the Pledge of Allegiance.

ROLL CALL: Commissioner Covey, Commissioner Henderson, Commissioner Pelletier, Commissioner Hollister, Mayor Abbott

ALSO PRESENT: City Manager Fuller, City Attorney, Fire Chief Joyner, Finance Director Waldrip, Public Works Director Johnson, Code Enforcement Officer Frye, Assistant to the City Manager Koepke, and City Clerk Hirth

MAYOR'S INSTRUCTIONS

Mayor Abbott asked if there were any additions/deletions to tonight's Agenda. City Manager Fuller stated he and Commissioner Covey had spoken about the list of 25 items she would like an update on. He said he would need to get with staff to answer some of the questions. Commissioner Covey said she was asking for a status update on all the items brought before the Commission during her period of service on the Commission. She stated she had read all of the minutes from May, 2014 to the present and did not get around to getting CM Fuller the list until yesterday. She said they spoke about it and CM Fuller stated he would place it on the next agenda with all of the answers. Mayor Abbott said that was fine but as soon as he got the information, give it to Commissioner Covey and at whatever point at the next meeting they could discuss any or all of it. Commissioner Covey said it caught her attention when she was sitting out there (in the audience as a citizen) that things are talked about and then they never hear anymore about it. She said on August 26, 2014, CM Fuller talked about making a project status report on these type things so he could bring it back periodically. She said it was never done so when he does this report it will answer for the citizens all the items that had been brought up at the Commission meetings. Mayor Abbott said most of these were action items they had already made decisions on. Commissioner Covey said they want to know where we are at on these items. He stated she would like to pull Item #13 and Commissioner Covey stated she would.

PUBLIC PARTICIPATION

Brigid Johnson, 7509 Melody Lane, Callaway, FL, stated she went to downtown Panama City the other day looking for a particular place and could not find it so she began riding up and down the streets looking for it and eventually found the place she was looking for. She said as she looked all around Panama City she said from what she saw down there, people do not have a right to complain about Callaway. She said it was absolutely filthy in Panama City. She stated that same night when she got back to her house she saw a Commissioner talking on TV about Code Enforcement and that there was a problem under his command and they were going to take care of Code Enforcement (Panama City). She said the Commissioner stated they would be hiring more Code Enforcement employees and people to clean the streets. Mayor Abbott asked if this was Panama City she was speaking about and she stated it was. Mrs. Johnson said when she came back to Callaway everything was neat, there was a crew of men working in the

medians cleaning them up and picking up litter, mowing, etc. She stated everything looked very nice. She said she would like to thank them for a job well done!

John L'Heureux, 133 Lauren Lane, Callaway, FL, said there was a part of each meeting that covered old business items but said they do not hear the follow-up on these items. He stated in a company he previously worked with every item was assigned a number and an individual who was to follow up on this item would give a report on it. He stated that just a little while ago an organization had rented the hall and was not allowed to put up a sign regarding the advertisement of this function at City Hall. He stated at a Commission meeting following the function he brought it up and asked why they were not allowed to advertise this event in the lobby at City Hall. He stated it was talked about during the Commission meeting and he thought that they would be following up with him at another Commission meeting regarding this policy but he never heard anything else about it. Commissioner Covey stated she thought that they had addressed that at the meeting when he brought it up. She said it was decided that we had to be very careful who we let put up signs in the front lobby due to the number of people who have functions at the Arts & Conference Center and stated that it was limited to municipal type functions. Mayor Abbott stated the general guideline was that if there was a public purpose regarding the meeting they could place something in City Hall but said it was worth looking at. He continued by saying if any of the citizens would like feedback on issues that were brought forth at meetings where perhaps the decision had not been made, they could contact him or any of the Commissioners for clarification but many of these things had to do with issues that have come before the Board and the Board had taken action. He said there are four Commissioners and the Mayor plus the City Manager and if someone knows of something that has been discussed and are wondering where it had left off, they were more than welcome to contact an elected official or they could stop by and speak with the City Manager so there were any number of ways where they can get this information. City Manager Fuller said he would be more than happy to point them in the right direction if additional information was needed and they were more than welcome to stop by his office. Commissioner Covey stated the reason she felt that it was a good idea to bring it before the Board was because they have some pretty regular attendees at these meetings and she would get two or three calls requesting the same information and would have to repeat it over and over when if it's brought up in a meeting it can be said one time and then the issue is over and it was part of the meeting record when it was discussed.

Jean Champoux, 621 S. Berthe Avenue, Callaway, FL, said she wanted to take this opportunity to commend Lt. Branning and his officers at the Callaway Substation. She stated they had planned to be out of the state for several days during the holidays and because of recent events in their neighborhood, they requested a courtesy check of their house during this time. She said the station's Receptionist/Assistant, Charm, who was true to her name, treated them in a friendly and professional manner. She said upon their return they found all was well and a few days later they received a note from the Community Affairs Section of the Bay County Sheriff's Office. She said they documented the number of times an officer monitored their property. Mrs. Champoux said it was a comfort to have a feeling of security while they were away and a relief to return and find everything in order. She said Callaway is very fortunate to have such a caring and dedicated group of protective personnel taking care of our City.

Dolly Andrew, 5104 Collins St., Callaway, FL, said she wanted to add a little bit to Mrs. Johnson's code enforcement comments. She said they have had several problems in their neighborhood but that the major problem with code enforcement was there was no follow through. She said he does not go back and follow through to see what has been done in a timely manner. She stated she did know that 407 Camellia Ave. had been reported several times and that it is a dilapidated place for vermin to live in. She stated the place behind her property had part of the problem fixed but with regard to the septic tank there was a pile of sand that was piled up and said she did not know if they ever field in the septic tank or not. She said she wished that our Code Enforcer would follow through. She stated she knew that we were getting new water meters and had noticed in the newspaper today where Springfield received \$499,000 for a grant. She asked if Callaway had anyone who could write grants. Mrs. Andrew stated that she knew City Manager Fuller had stated he was good at writing grants when they hired him. City Manager Fuller stated that he writes grants and that we had applied for that grant. Mrs. Andrew asked if he could give her reason as to why we did not receive the grant and City Manager Fuller stated we did not qualify for it. He said we apply for grants and said we get some and we don't get others. She stated Springfield got almost a half a million dollars and they're not much different than Callaway except that they were close to bankruptcy. She stated her last comment was that she wished Commissioner Hollister and City Manager Fuller would use their mics because they were very low-volumed guys but said they could always hear the Mayor, herself and the ladies. She then asked when they were going to do evaluations. She said sometimes they have to be done on employees, on the City Manager etc. City Manager Fuller stated that it is an ongoing process and that the evaluations are done on the anniversary date of hire for employees. She then asked when City Manager Fuller's evaluation was due and he stated it would be due in a few months.

Bill Brown, 6023 Howard Rd., Callaway, FL, asked if we knew anymore about the AWT issue. Commissioner Covey stated she would address that during her Commissioner comments. He said another issue that came to mind was that some months ago there was a regulation or law regarding where house numbers were to be placed and on all businesses which were to be visible from the road. He stated half the houses in Panama City did not have the numbers on them as well as many businesses. He stated you can't locate a business sometimes due to this.

George Mercer, 523 South Gay Ave., Callaway, FL, said as they know South Gay is about two blocks off of S. Tyndall Pkwy. He said for the past 2 to 3 months he had seen an increased volume in the number of semi-trucks going probably from the convenience stores from point A to point B. He stated that the semi-trucks are not conducive to be driven on the roadways they are going down. He stated they should be using Tyndall Parkway and not be in residential areas. He stated he had looked through the ordinances and could not locate an ordinance that prohibited this. He asked if there was something that could be done to amend the ordinances to keep that kind of traffic from routinely using residential roadways. Mayor Abbott stated that was a good question and asked that Lt. Branning to furnish them with a listing of the roadways where the semi's are allowed and not allowed in the City. Lt. Branning stated they do have an ordinance addressing where semi trucks can be driven within the City and that the load limit was 12,500 pounds he thought but would verify that. He said if it's a truck that gets lost and had to turn around was one thing but to routinely use residential roadways was prohibited when they were over a certain weight limit. Mr. Mercer stated these trucks were moving back and forth between

the convenience stores he felt pretty certain. Lt. Branning stated if he would get with him after the meeting he would get his name and number and let him know the information from the ordinance. Mayor Abbott asked if there was an easy way that Lt. Branning could give them general guidelines regarding these type trucks. Lt. Branning stated that residential roadways are restricted to a certain weight limit for trucks and he believed that it was 12,500 pounds but again said that he would get this information to the Board and to Mr. Mercer.

John J Malone, 707 Plantation Cir., Callaway, FL, stated he was very glad to see Commissioner Henderson sitting on the dais tonight and said he was unaware that she had been ill and would have visited her if he had known. He stated he wished her well and that he had gone through what she had gone through. Mr. Malone stated on January 12, 2015, he had emailed the proper legal procedures for annual financial audits to everyone. He stated he firmly recommended the elected commissioners review these. He said after time off of approximately one month one would think the elected officials would be hitting the floor running but alas that was not to be. He stated only Commissioner Covey had initiated a workload on the staff to present the status of the issues brought before the Commission in the year 2014. He asked what items was she talking about. He said by being silent the taxpayers are not able to participate in the discussion. He said City Manager Fuller had two items which were First Readings of Ordinances. He asked if the elected Commissioners had discussed these items beforehand. He stated the same goes for the Resolutions on the agenda. He said it was his analysis that the Commission was providing a vacuum of leadership and fails to note the lack of proper management by all parties. He said he repeatedly had advised the elected officials of their failure to properly review the 2013 comprehensive annual financial audit. He stated again the auditor presented comments and recommendations that required action by the elected officials. He stated he emailed the Commission notifying them of the proper legal procedures for annual financial audits. He stated based on his email, the City Manager stated the auditors comments and recommendations are very important to him and influence his recommendations to the Commission. He stated the City cannot properly operate without the elected officials properly complying with the rules and recommendations of the State of Florida. He stated he could do no more and that it was up to the elected commissioners to benefit by the rules and laws of the State he has put out for their benefit. He stated he was glad to see the Mayor Abbott was bringing up the new rules that the State has put out with regard to proper ethics training which is now required by law.

Steven Rossignol, 5321 Garden Cove Rd., Callaway, FL, said last week someone from Public Works went around to clean out the water meters in front of the houses on his street. He stated they did not clean his because his was already clean. He said the worker cleaned out his next-door neighbor's water meter and when he pulled out big hunks of stuff he then threw it in his yard and on the street. He asked what kind of people we have working for us. He said they were not supposed to do that kind of work. Mayor Abbott asked Public Works Director Johnson if he would check into this and repeated Mr. Rossignol's address. Mr. Rossignol stated that the worker was walking around and was not driving a truck at the time. Mayor Abbott stated we would certainly look into that.

Joe Townsend, 6412 Babby lane, Callaway, FL, stated this afternoon he went online and read the agenda and said he had heart palpitations when he saw old business. He stated he had misinterpreted it. He stated he was interested in old, old business such as Sandy Creek. He stated

Sandy Creek had been brought up many times and never followed up on. Mayor Abbott asked what type follow-up did Mr. Townsend want on Sandy Creek. Mr. Townsend stated he believed it came from Mayor Abbott, then he was Commissioner Abbott, who said they would keep an ongoing tally for the costs out at Sandy Creek. Mr. Townsend stated he was told that Sandy Creek would make money. Mayor Abbott stated it was not him who had said that but what he had stated was that Sandy Creek would not cost the citizens of Callaway any money and would support itself. Mayor Abbott asked specifically what Mr. Townsend would like to know regarding Sandy Creek. Mr. Townsend stated he would like to know how much money we made out there. Mr. Townsend stated that he received a runoff from City Manager Fuller. City Manager Fuller asked if the information that he had given him did not answer his questions and Mr. Townsend stated it did not tell him how much we had invested in Sandy Creek, how much it costs to run a truck out there, what the people owe, etc. City Manager Fuller stated it had how much it costs to run a truck to Sandy Creek and back and Mr. Townsend stated it did not tell him how many trips the City had made back-and-forth to Sandy Creek. City Manager Fuller stated that it was the information on costs that Public Works Director Johnson had put together regarding Sandy Creek. Commissioner Covey stated she saw what City Manager Fuller had given to Mr. Townsend and that it did not address her questions. She stated that one of the items on the list that she had pulled from tonight's agenda was regarding Sandy Creek and the status of the financials for separate revenues and expenses for that area. She stated she had gone back from the time she was elected Commissioner and said that had been brought up many times before. She stated we, from day one when they had taken took on Sandy Creek, had asked repeatedly that a separate set of financials be kept on this area because they were promised that it would never cost the citizens of Callaway any money. Mr. Townsend stated he would like to see a monthly report, similar to how the Sheriff's Department reports, from Code Enforcement Officer Frye. He stated he would like to know how many things are active. He stated Code Enforcement Officer Frye had outlined his duties for them. City Manager Fuller excused himself for interrupting Mr. Townsend but stated this information was available on the website and Commissioner Covey stated that it was now but had not been there for a while. Mr. Townsend asked when did they put it up. Mayor Abbott stated that it had been up for years and Commissioner Covey stated that it had not. She stated they may have been doing it for years but it had not been on the website. She stated that Marcus Collins asked that this be placed on the website. Mr. Townsend asked City Manager Fuller if this was online and City Manager Fuller stated it was online. Mayor Abbott said if he had any trouble accessing it on the website to please give City Manager Fuller a call. Mr. Townsend stated that citizens should not be required to squeal on their neighbor. He stated Code Enforcement Officer Frye gave him a piece of paper and said for him to fill it out and turn it into him and he would follow it up. Mr. Townsend stated the name was not on the paper but that it would not take too much follow-up to figure out who had reported that issue. He said that was what the Gestapo did or even Santa Claus did it with Elf on a Shelf. He stated he for one would never do that. He stated it should only take a call to Code Enforcement Officer Frye with an address and an explanation of what they think the discrepancy was for him to follow up on it. He asked if that was asking too much. City Manager Fuller stated all the information Mr. Townsend is inquiring about is online on the website. Mr. Townsend asked if it would be asking too much for Code Enforcement Officer Frye to give a report once a month to earn his keep in the last month. City Manager Fuller stated that Code Enforcement Officer Frye earns his keep and Mr. Townsend stated he didn't know that and stated that he didn't know him, referring to City Manager Fuller, and that he hadn't been here a year yet. Mr.

Townsend stated all he was asking was to have that done and if that was too much and he needs help laying it out he stated he would be happy to help. City Manager Fuller stated he knew he would be real receptive to any help offered. Mr. Townsend again asked if it was online and City Manager Fuller stated that it was online on the website. Mr. Townsend stated he had been trying to get to a meeting but that he had canceled the last meeting (Code Enforcement Board) and he hoped that he would not cancel the next one because he would like to see what transpires at the meeting. Commissioner Covey stated that she was disappointed when last month's Code Enforcement Board meeting was canceled and had heard that it was from lack of agenda. She said she would say it again as she had when she was sitting in the audience that there is no reason for there to be a lack of agenda for a Code Enforcement Hearing and that there was just too much in the City. Mr. Townsend stated he was also told the same thing but was also told that he was on vacation. Commissioner Covey stated that she agreed with Mrs. Johnson's comments that Panama City is in bad shape and that she agreed with her 100% but that did not alter the fact that they want better in Callaway. She said they are not being good there but it didn't mean that we should back off and accept less here.

PRESENTATIONS

Employee for the Month of December - Ms. Micah Rodriguez

Mayor Abbott stated that maybe they could ask the employee of the month to step up to the dais but before he did that he would like to read her letter of recommendation for Employee of the Month. Mayor Abbott proceeded to read the recommendation letter. He stated it said she was inherently personable, positive and a pleasure to work with. It also said she volunteers to help wherever there was a need and was willing to take on other duties as assigned. He continued by stating she has a great attitude, did a great job at everything she undertakes and was always professional and polite. He said she has the invaluable attribute of taking the initiative of learning new tasks and troubleshooting new issues as they arise. Mayor Abbott continued with the letter extolling her many virtues as a valuable employee. He and the Commission thanked Micah for her attention to detail and dedication to serving the citizens of Callaway. They congratulated Ms. Rodriguez for her excellent service to the City.

Bay County Sheriff's Office Report for December, 2014 - Lt. Michael Branning

Lt. Branning stated the numbers listed below for the month of December:

Miles patrolled	- 21,474	Traffic stops	-120
Calls for service	- 1,179	Traffic crashes	- 52
Arrests made	- 67	Citations	- 83

He stated they had made several very good arrests for burglary/theft suspects. He stated he had received a letter from FDO T regarding the four landing of Highway 22 requesting comments and suggestions. He said he recommended a very positive thing if it was feasible which was an elevated crosswalk at Callaway Elementary School. He stated as they all knew, when travelling down Highway 22 in the mornings or at the time school gets out, the roadway becomes very congested. He said that would not only greatly increase the safety factor for the kids and parents especially when it would become a four-lane roadway but also would assist with traffic congestion and said basically they would not have to stop just slow down for the school zone. He felt that it would be a win-win situation and feels that if the Commission would supported it, it

would carry a lot of weight. Mayor Abbott stated he wanted to ask since he had brought this up, did he receive this directly from FDOT or was it through the Bay County Sheriff's Office. Lt. Branning stated he received it directly from FDOT. Mayor Abbott asked if Lt. Branning would forward the document to City Manager Fuller and any response that he provides to them. He stated that was certainly an issue at the school and said they had been discussion for years at the School Board that the School Board may purchase the property that surrounds and goes behind Callaway elementary. He said that would help to give the buses access other than from Highway 22. He stated if we can follow up with this it may be helpful.

APPROVAL OF MINUTES

Commissioner Covey moved to approve the Regular Meeting Minutes from December 9, 2014. Commissioner Henderson seconded the motion.

All ayes

Mr. Malone stated from the audience that he had a comment regarding the minutes. Mayor Abbott asked him to come forward.

PUBLIC PARTICIPATION

John J. Malone, 707 Plantation Circle, Callaway, FL, asked what happened to the minutes of December 16, 2014. He asked what was the status of the meeting minutes from December 16, 2014 Special Meeting. He stated the agenda items were audit date and lockbox and other accounts. He stated there was also no mention of his letter dated December 4, 2014 regarding proper legal procedures regarding the annual financial audit report which was addressed to Commissioner Covey, City Manager Fuller and City Clerk Hirth. He said if they recall at that meeting they were supposed to be debating the Lockbox but they sat there and nothing occurred. He stated all they did was take about an hour's time and had no motions, no nothing. Commissioner Covey stated it was a workshop. Mr. Malone stated it did not matter and that they had a result of the meeting. He stated he had minutes. He said he was asking her why didn't she discuss it. Commissioner Covey stated he commented that they didn't do anything for over an hour and just sat there. She said this was a workshop to discuss the Lockbox issue. Mayor Abbott asked City Clerk Hirth if we had anything on the minutes and City Clerk Hirth stated that they were not ready for the Commission. Commissioner Covey's stated she did check with City Clerk Hirth regarding the minutes and knew that she was diligently working on them. She stated that she gives them the best minutes they ever received since she's been in office with the Commission and because she is so thorough she did not hesitate to not put stress or pressure on her to have them done.

CONSENT AGENDA

Mayor Abbott called for a motion and second to approve the Consent Agenda.

ITEM #1 REQUEST FOR BUDGET TRANSFERS

Commissioner Henderson moved to approve the Consent Agenda. Commissioner Pelletier seconded the motion.

All ayes

OLD BUSINESS

ITEM #2 LOCKBOX SERVICES PROPOSAL

City Manager Fuller stated this was a follow-up from the workshop on December 16, 2014, where Mr. Cooley daily presentation on Lockbox services. He stated they wanted to recommend that the Commission approve to use the Lockbox services. He stated they had a summary in the packet regarding why they feel the services would be good for the City. He stated he would be glad to answer any questions they might have at this time. Commissioner Covey stated she had questions. She said what surprises her was number one, how many utility bills had they increased and asked if Sandy Creek had been the only increase because there had not been a population increase since the late 1990's. She wanted to know if Sandy Creek was the only addition because the houses out there were not 100% occupied. She said she believed there were approximately 215 accounts at Sandy Creek but knew the occupancy came and went. She stated that was the only increase in utility accounts that the City had had. City Manager Fuller stated there were other accounts and asked what time was she referring to. Commissioner Covey stated there had not been any houses built and no population increase. Commissioner Hollister asked what about the apartments that went from single to multiple occupancy. Commissioner Covey stated she was asking City Manager Fuller. He stated there were multiple residences in unincorporated Bay County who had connected to the water and sewer and there were more down old Allanton Road. Commissioner Covey asked if these were new houses and City Manager Fuller stated some were old some were new. Commissioner Covey asked in the last seven years how many accounts had the utility billing been increased by. She stated she was trying to figure out why all of a sudden we have such an issue doing the job up there. She said the only thing she knew that had happened was that Ms. Conley had left. She stated she had a lot of knowledge of the office. She said that was one question she had and with that being said her next question was as she read the recommendation by the accountant that did it and she said one of the things was the City should consider running tests to validate that all accounts are being billed. She stated she also spoke about cutoffs and rereads. Commissioner Covey stated those had been transferred down to Public Works. Commissioner Covey quoted the auditor as saying some strain on the system could be alleviated if the City were to implement cycle billing. She asked if we had even looked into cycle billing. She said she thought before we started contracting out and paying more money that we should take some of those recommendations into consideration she said if cycle billing would help where we could do two cycles per month. She stated that would alleviate the strain and it would eliminate us from having another contract out there. She thought it would be one of the first things we would try before we started spending more money and felt the citizens would support that. City Manager Fuller stated this was not going to be a significant cost increase and stated he had spoken to our Finance Director about this and it was one of her recommendations. He said we had previously stated we would wait for the new Finance Director to be hired before looking at the recommendations so we would have his or her input on these issues. Commissioner Covey stated yes but this was another thing, she said she went to work on November 1, 2014 and on December 16 they were in a meeting telling the Commission to contract out services. She stated that Finance Director had been knee-deep in catching up on it and they haven't even received monthly accounts yet. She asked how had the Finance Director had time to assess each of her employees' jobs to see if they are working smarter rather than harder, to see if they had good time management, if they are allocating their time sufficiently etc. She stated she thought

these were things they needed before they talk about contracting out. She said he had indicated at the last meeting that this would be paid for by a cut in overtime. She said they did not factor this into the budget and said that she assumes that we must have a lot of overtime in that department and with that being said that would cover the overtime. She said when she started looking up in the Personnel Manual it says that over time should only be done when it's necessary and performing responsibilities or duties that would be of benefit to the City. She stated that someone came in and audited the overtime, and asked if over time was approved ahead of time, was the budget looked at or is the overtime signed off on by the department head, had it been approved by the City Manager who is responsible to the Commission for the budget, or is it on just a wing that over here we need overtime on Saturday and Sunday. She said there was no record with regarding the justification as to why the overtime was necessary. She stated she is looking at it from her standpoint that before they start and another thing they were talking about meeting with Springbrook to assess the needs on software, they had talked about the check scanner not working properly, there was code readers that were not working which if in code reader was working properly they can scan the bill and the check at the same time and that would immediately take care of that, and the assessment of the need for software and asked if that wouldn't that speed things up considerably. She stated she was just saying they needed to find solutions without jumping the gun and contracting something out. She said at the City is going to have to have software to improve and make us more efficient so wouldn't it be better for them to invest in that and determine what we need before we jump into contracting out. Commissioner Henderson stated in looking at this item that she knew they had Warren Averitt do the audit of the utility billing. She stated that they had spent \$15,000 of the citizens' money on this audit and she hates to just push it aside and not pay any attention to it after we've invested that much money in it. She asked would it be beneficial to table this item until the next meeting or postpone it to the meeting after that so that maybe they can look at the two things together. She said look at the recommendations that came from the audit, look at the things our Finance Director is talking about and look to see how we can match up the recommendations that have been made with different services and how can they fit these two things together to see if they work. She said if they do it in a meeting or two that would give everyone more time to look at it, address the questions about over time, look at the issues are we working harder or smarter and whether they have all the information they need to make a decision. Commissioner Pelletier stated he had a couple of comments. He said again they were up there trying to make decisions without having seen a financial statement and he was tired of beating an old horse but how can they make a decision when they don't even know what their overtime is. He said as Commissioner Covey had stated they don't know who's approving the overtime or why we're having the overtime. He stated they had talked about eliminating the one dollar from the utility payment to expedite things and that we haven't done anything on that. He stated we of voted on getting Springbrook in here to do an assessment and we haven't done that yet. He stated we are not trying to help ourselves yet we are pawning out more work to contractors. He stated he agreed with Commissioner Henderson that they need to step back and take a look at what they're trying to do. He stated he doesn't even know where they're at with financials and would be talking about it at the Commissioner Comments. He stated it is so difficult to sit up there and make decisions when the City Manager is not providing them with financial statements. He stated he knows why he's not but by now they should at least have July or possibly August to review but they do not have them. Mayor Abbott said then Commissioner Pelletier was not in favor of the lockbox as of this

evening. Commissioner Pelletier asked how could they make a decision and it said yes, he was not in favor of it.

Mayor Abbott stated that based on what he was hearing there were at least three elected officials that have said maybe but they thought they were way ahead of the planning even if it was a maybe. He stated unless someone wanted to make a motion to approve Item #2, he did not feel there would be action taken on this item at tonight's meeting. There was no motion by the Commission at this time to approve or disapprove Item #2. He said based on what he was hearing tonight that he felt like their suggestion was to take the Lockbox Service Proposal and the recommendations they received from the auditor and look at these in a comprehensive manner. He stated he was in agreement with Commissioner Pelletier on something that he just said and thought it was important for him to say it again. He stated they know we need training, they know the capacity is there for Springbrook once they get the training to do it, he said there was a push to do training, there was a push back not to spend money, but we know that we're going to have to spend the money for training. He stated he would also like to see them move in that direction of solidifying the training so we needed to get that scheduled and going and that would help them also. He said it doesn't look like there will be movement on this item tonight but said he thought Item #2 would come back in some form after bringing all of the audit recommendations together with it. Commissioner Covey stated or it may not if he looks at it after they talk about billing cycles and that may solve the problem. City Manager Fuller stated the Lockbox proposal was a direct result of the audit report that our auditor did. He stated there were several ways that this addresses the recommendations by the auditors. Mayor Abbott stated that he understood that but there were at least three people sitting on the dais tonight who are not prepared to do this singly. City Manager Fuller asked if they preferred to having it addressed at another meeting or workshop. Commissioner Pelletier stated he was going to send City Manager Fuller a list of what he would like to see before they go forward and he had spoken to that this evening. He said it's an issue of again putting the cart before the horse. He said he just wanted to make sure and said there had not been a population increase in Callaway since 1995. He continued by stating for 50 years we had been doing this in Callaway without a Lockbox. He said Lockbox is going to use ACH which we had but are not using anymore because it was not efficient. He said we were supposed to do deposits using end of shift or whatever we were using and bringing the checks to the employee to be scanned which was using ACH. He said now we're going to pay someone to use ACH. He stated he would send City Manager Fuller a list of what he would like to see prior to making a decision. Mayor Abbott stated any elected official that has information that will help City manager Fuller put this together so that it meets whatever it is they are looking for if they would please share it with him so that when he brings this back we have something we can work with. Commissioner Covey stated yes if he brings it back. Mayor Abbott stated they know the issue of solving the problems would be coming back to them and in that spirit he would be bringing it back to them. Mayor Abbott stated they would be taking no action on this item tonight but if those people who wanted to speak on it want to speak on it we would do so now.

PUBLIC PARTICIPATION

John J Malone, 707 Plantation Cir., Callaway, FL, said for the benefit of Commissioner Covey the meeting on December 16 was a Special Meeting and it was not a Workshop. He said that he was glad Commissioner Henderson and Commissioner Pelletier brought this up. He said the

auditor put out a very good report that went right by their eyes. He stated the City spent a lot of money to be audited, the auditors gave them an excellent report and they just slough it off which was a shame. He said tonight if you read them, he did not know how the City Manager came up with the Lockbox proposal when the auditors more or less spelled it out for them plus they had a meeting on December 16 with the gentleman who is trying to give them the Lockbox and everything else took the floor for about half an hour without an explanation. He stated it would all be in the minutes and he would suggest that they have a workshop. He said the City Manager should know by now what he needs to get to prepare for the Workshop. He stated he had all of the paperwork with the reports. He said they have the October 16 audit report on utility billing put out by the auditors and they had the report put out by the firm who was trying to give them the Lockbox procedures. He stated reading the Lockbox procedures listing everything that he would take over and the City Manager should be recommending to do away with an employee in the front office because of it. He said they sit there every night at the meetings and all of this goes on and nothing ever comes of it. He said it was like the gentleman behind him who said they discussed this and it just goes right out. He stated he wished from here on out any recommendations given should be discussed not just thank you and sit down, whether it's from citizens or the City Manager and nothing ever comes from it. He said he was glad to see tonight that Commissioner Henderson and Commissioner Pelletier have decided to use the audit reports because to him that was the best thing they could do. He stated there should be no animosity, no nothing toward anyone. He said as Commissioner Henderson could tell them, she had been an auditor as he had been an auditor, that if they are going to give you any comments it will be in the report, there will never be hearsay or off the shoulder remarks. He stated anything an auditor has to say will be in the report and the auditor may possibly offer commendations or recommendations on how to correct situations. He said to please use the audit reports. He said they spent \$15,000 on one report so please use it.

Bill Brown, 6023 Howard Rd, Callaway, FL, said he had been out of action for some time and had written down three or four things that he would like to say. He said his understanding as far as the Lockbox is concerned, someone else would do the billing for them, that they are contracting someone to do the billing. City Manager Fuller stated it was the collection of payments. Mr. Brown asked how had this been done in the past. He said Public Works is now reading the meters and we're in the process of upgrading the meters to get the information to City Hall or wherever we want to make it which should make billing easier. He stated we are going to get new computer programs and it looks like billing should get easier over the next year or so and asked why do we need someone to do things that we have been doing ourselves. He said he just did not understand why we need to go and get someone to do the job that we have been doing when things should be getting easier. He said if we were going to cut a position then that would make more sense to him but he did not believe we were going to do that. Mayor Abbott said no that was not part of this proposal. Mr. Brown said he did not understand why we were going to pay someone to do something that we had been doing for years and years. He said things should be getting easier to do. City Manager Fuller stated this best addressed the audit report and said that the report actually recommended the City hire an additional staff person in utility billing. Mr. Brown asked what had we done in the past for collections. He said things should be getting easier for us once we get the new meters in and the new IT program it should be a lot easier.

Dolly Andrew, 5104 Collins Street, Callaway, FL, said that maybe she didn't understand the whole concept of it and that it had not been thoroughly explained plus she did not read anything on it. She stated she could not see why we would pay someone, outsourcing a job, when it has been being done in the office. She stated she had been in the office where you pay your bill and people were not working to their best abilities. She said she saw people filing fingernails, making personal phone calls making appointments for lunch etc. she stated these things are nice if you have time or on your lunch break but dog-gone-it when you have to wait for someone to finish filing their fingernail she did not approve of it. She said we have several different ways to pay our utility bills. She said you can walk in, you can put it in the drop box in the parking lot, she said you can use this by snail mail, she stated that now you can use your debit card and can even go online and pay it with a credit card. She stated she did not trust the Internet to pay her bills. She stated she really and truly thinks that if they train or retrain the personnel, get some qualified people in the front office where the bills are being collected now, they could handle it on the 15 day increments and asked Commissioner Covey what she had said and Commissioner Covey said it was cycle billing, which would be a tremendous help. She said she believed the best way was to train, cross-train the employees in the front office so they have no excuse not to be able to get this done. She said it's been being done in the past.

Jean Champoux, 621 S. Berthe Avenue, Callaway, FL, stated it was interesting that they were sitting there tonight and the Commission made a decision not to make a decision without one word of input from the citizens. Mayor Abbott said that he had received a lot of input on this item over the last month. Mrs. Champoux said that she was dealing with right now, this evening. She said once again the Commission is confronting the citizens with more expenditures. She said the so-called Lockbox proposal has no evidence to show that it will be effective in utility collections. She stated that perhaps it was our software system and or our processes that were ineffective. She said Commissioner Pelletier has been attempting for some time to discover why our system takes so long to show progress and results and we still have no answer. She stated now the City Manager is introducing a new method which will cost the citizens more money. She said granted it was a very long time ago but when she was in the workforce revenues were tallied and deposited the same day or within the next 48 hours. She stated with the new technologies available it should be even more smoothly accomplished now even on a billing cycle. She said they need to implement a plan that does not increase expenses but uses our current employees in a more productive manner. She said it appears they are slipping back into a situation that they the citizens, who replaced by vote several commissioners, in order to remove the spend and no questions mentality that prevailed at that time.

Janice Jennings, 7514 Sara Lane, Callaway, FL, said she was glad that they put this on hold because it needs a lot more investigation. She said that she wanted to say one thing, that she and her husband have lived in Callaway for 29 years and have never mailed their bill, had never done a debit card or credit card paid online etc. and she stated she walks in the office and pays in person every month and had never seen the office so swamped that it should be presenting all of these problems. She said for 29 years it's run pretty good and did not understand why within the last six months we've come to this terrible situation.

Brigid Johnson, 7509 Melody Lane, Callaway, FL, said she personally thought what the problem was is that we have the wrong people in the wrong jobs and she thinks everyone should be evaluated as to exactly how much knowledge they have. She said she did not understand why they can't reconcile the accounts every single night. She said that City Hall was open more hours for the whole week and there was still over time and then it was brought to their attention about how exhausted the employees were. She said to not tell her how exhausted they were or how tired they were. She said they can't be that tired now when they're not putting in those kind of hours. She said regarding the thing about over time, no one was bringing up the monetary amount and telling them how much was spent on overtime. She stated that she as a citizen would like to see how much is being spent every single month on overtime. She said she thought that should be a priority because after all that was their money being spent. She stated she thought we were through spending and were going to move on and get on to other things that needed to be taken care of but instead it's the same old thing. She said it's always about spending, more spending, she said they cannot spend anymore and that they've already gotten money from reserves to donate to the trolley and other things. She said they don't need to be giving away any more money that they don't have.

Mayor Abbott asked Commissioner Henderson if she would like to have Item #9 moved up and she stated she would appreciate it if they would because she was going to have to excuse herself pretty soon. Mayor Abbott asked the Commission's approval to move Item #9 up. Everyone was in approval for this to be done.

Mr. Cooley asked if it would be possible for him to address the Commission for a few minutes. He said he wanted to thank the Commission for consideration of the proposal before them regarding Lockbox. He said to sum up on December 16, 2014 the Commission held a meeting to discuss the pros and cons at that time regarding Lockbox. He stated they determined through analysis that between the current bank charges, staffing and incremental charges that Lockbox would more than pay for itself. He stated there would be no extra money spent and he wanted that to be known to the citizens that were there tonight. He stated to Commissioner Covey that one thing about double cycle billing was that work would be doubled on the current staff for them collecting twice in one month. He said anything he could do for the City that he would be still be happy to do and still come forth with solutions. He stated that Lockbox was a solution and that the auditor gave nine points. He stated he presented those points with answers regarding how the whole accounts receivable management part of this would directly help the office to catch up. He stated he appreciated the Commission's time for allowing him to speak. Mayor Abbott stated he hoped that it was alright for him to say this but that if any elected officials had questions he would be happy to speak with them. Commissioner Covey asked Mr. Cooley to clarify one item for her. She's asked that when he talked about Lockbox, basically checks would be mailed to a box that he designates, he would take receipt of those, deposit the checks into the bank and accounts of the citizens, basically do everything this office would do with regard to payment on an account. She stated that this Lockbox was not something that would be down at City Hall that it was going to be wherever his office was which was in Fort Walton Beach. Mr.

Cooley stated that was correct and that checks would be deposited within 24 hours of his receipt. He said he believed it was lost in the translation but the real savings was the automatic posting to the accounts. He stated currently what would happen is each check would have to be independently entered into each individual account. Commissioner Covey said she understood that and stated they talked about the barcode readers not being able to swipe the check and the barcode reader at the same time because of the park fee preventing it. She said they discussed doing something with the park fee regarding taking it off the bill so the barcode could then be swiped and put into the account at the same time and then it would go directly into the account which was what he was going to do. She stated that if the park fee is still on the payment and they don't do something about that, then he would take 10% of the park fees. Mr. Cooley stated that was not correct and that was why he was afraid some of the information had gotten crossed up in the translation. Mr. Cooley stated the 10% was a totally separate thing. He stated where the Lockbox really pays off, helps out and eliminate the costs was because it allows the office staff to catch up with the audits and financial statements and other things where they are behind on plus it allows for automated posting. He stated with the barcode reader staff has to individually swipe the payment card. He stated with his product, it comes all in one, they process it and send staff a file each night. He said the file is then uploaded and it is automatically posted within seconds. Commissioner Covey stated that was why if they needed software wouldn't they be better off to purchase the software that would do this rather than contracting the service out. Mayor Abbott stated at this time we would move to Item #9.

Item #9 First Reading Ordinance #952 Dissolving the Bridge Harbor Community Development District

City Manager Fuller said in 2007 Bridge Harbor submitted a petition to establish a CDD. He stated it was never used for its intended purpose which was as a financial tool and now are petitioning the City to dissolve the CDD. He stated it incurred no debt, there was no maintenance or operation of any structure on the property and staff recommended approval of the dissolution of the CDD. Mayor Abbott asked what affect, if any, did it have on the City's ability to oversee the development of any of that property out there, require anybody to adhere to municipal standards or Land Development Regulations or anything like that. City Manager Fuller stated it had no effect on any of that. Mayor Abbott asked Mr. Bob Hughes, who was representing the petitioner, if he wanted to speak at this time. Mr. Hughes introduced himself and stated he was an attorney with the law firm Barron and Redding, 220 MacKenzie Ave., Panama City, FL. Mr. Hughes stated he represented the owners of the Bridge Harbor development. He stated as City Manager Fuller had explained, the Community Development District, known as the CDD, was a statutory animal which was created by Florida Statute and the reason they were here was because a CDD was formed by the local governmental authority where the property is located. He stated it may have been a good idea in 2007 but it's not a good idea now. He stated the fact was this CDD never did anything, it didn't issue any bonds, did not create any debt, didn't incur any liability and did not do anything except meet the statutory requirements. He said they hired a

manager, were required to hold an annual meeting, hired an attorney, etc. Commissioner Covey said when the CDD's were set up they were to do infrastructure and other things within that community. She said when people purchase the lot and or home within that community they found out after they purchased which wasn't disclosed at closing that they had other fees to be paid. She said they would be there six months or less and they would have terribly high fees imposed upon them. She said there were a lot of unhappy homeowners located out there that had not been told at the time they purchased that they were going to be hit with more fees. She stated she took it upon herself to call a County Attorney in Central Florida and he had done a lot of work with CDD's. She stated she had posed quite a few questions to him and said her primary concern was the infrastructure on this property and that the CDD was supposed to be where bonds could be generated and that would help with the cost of the infrastructure and the maintaining of that infrastructure. She told him that she did not want to dissolve this CDD and not be clear that the City of Callaway and our existing citizens were to take on additional expenses to maintain roads, sidewalks, stormwater issues or whatever within that community. She stated that he told her she was on the right track and in the dissolution it needs to address how that is going to be developed and how it is going to be maintained. He suggested that she call the specialized person in the State who had the most knowledge about CDD's and had oversight of the CDD's and his name was Jack Gaskin. She said she did not get around calling him until yesterday afternoon which was Wednesday afternoon. She said she spoke with Mr. Gaskin and conveyed her concerns and he was of the same opinion, that the dissolution should spell out exactly how they plan to develop this infrastructure and how it's supposed to be maintained financially so that we could ensure that our citizens will not bear any cost for the infrastructure. Mr. Hughes stated at this time and that with all due respect, Commissioner Covey had provided them with a lot of inaccurate information he said with due respect to Commissioner Covey. Mr. Hughes stated first of all there was no one person that oversaw all of the CDD's and stated the CDD's are overseen by the CDD Board which is selected by the homeowners. He said there were no homeowners at the Bridge Harbor location. He said there had not been any lots sold and the Board was existing only to comply with the Statute by having an annual meeting. Mr. Hughes stated this CDD was not formed specifically to do infrastructure. He said that is one of the many things a CDD can do by issuing bonds but this CDD did not issue any bonds. He stated that he had spoken on the phone with Commissioner Covey and had implored her to call him if she had any questions or comments. He said he did not hear back from Commissioner Covey. He stated that he had asked her prior to this meeting if she had read the PD for Bridge Harbor and reviewed zoning overlay booklet which has been in place for some time and she said she had not. He said if she had called him he would have been glad to provide for her the proper paperwork that would show where the infrastructure is all covered and had been before this Commission and debated several times. Mr. Hughes said what they were dealing with was a very simple matter of getting rid of the CDD so that they can go ahead and market this area and hopefully bring some development to the City of Callaway. Mayor Abbott asked the City Attorney to weigh in on any impact that this has with respect to the City with regard to our

ability to develop that area, our ability to require whoever builds to be held to our municipal standards and all of the Land Development Regulations. He asked the City Attorney what impact this had on the City if we dissolved the CDD. City Attorney Obos said it would not have any impact due to the PD being set up which was amended two years ago. He said that was just the zoning regarding that property and they would have to come back if they wanted to plan a certain phase or several phases and then they would have to come back with the development order. He said they would have all those levels that we would be involved with. He said this was just eliminating the one layer of bureaucracy and had something happened out there and had they had maintenance issues then we would not be dissolving it with this method and would have had to handle all of that stuff and still would have been able to dissolve it. Commissioner Covey said with all due respect to Mr. Hughes, that Mr. Obos was our City Attorney and that she wouldn't call him back if she didn't want to. She said she told him that she didn't finish gathering her information until Monday so with him stating that she had given misinformation from a County Attorney who had multiple CDD's in the central area of the State of Florida was entirely wrong with the information he gave her. She said she spoke with Jack Gaskin who is the Economic Development Officer with the State of Florida. She stated Mr. Gaskin told her that if we did approve this that it would come back to him for recordation and said he was involved in the CDD process. Mr. Hughes stated he was sorry but the CDD is controlled by the people sitting in this room tonight and had nothing to do with anyone with the State of Florida. He stated Mr. Gaskin may be the Economic Development person and he may have some opinions about that but it is the people sitting in this room tonight who will make the decision about whether a CDD in the City of Callaway lives or dies. He said he was not saying the Attorney she spoke with, who does not know anything about this City, did not know what he was talking about. He said he may very well know information but what he was telling her was that this CDD had done nothing but impede the progress of the development of this piece of property and thereby impede the progress of development in the City of Callaway. He stated that it was said we had not had a population change since 1995 in the City of Callaway it was these kinds of things that inadvertently have unintended consequences and they are trying to get rid of this unintended consequence. Commissioner Covey stated she would like to ask one more question but Mayor Abbott asked if we could start at the other end of the dais to give someone else a chance to speak and said that they would come back to Commissioner Covey. Commissioner Pelletier said he knew he was a rookie but shouldn't they have some kind of a discussion with the City Attorney prior to drafting up an Ordinance such as this. He asked why was an Attorney tasking our City Attorney to do this Ordinance. City Attorney Obos stated they (Mr. Hughes' clients) had filed a petition with the City through his office. Commissioner Pelletier said shouldn't this have been discussed with the Commission since this was the legislative body for Callaway. City Attorney Obos stated that's what we were having tonight and Commissioner Pelletier stated this was not a discussion it was in the form of an Ordinance. City Attorney Obos stated if we had monthly Workshops, which we have never done previously, it would have been discussed in the Workshop but since the petition was filed this had been the way these type items were handled.

City Manager Fuller said that's why we have First and Second Readings of Ordinances so that we can have discussions on the matter at hand and make changes if necessary. Commissioner Pelletier said normally isn't there discussion prior to an Ordinance being placed on the agenda and was told not necessarily. Mayor Abbott asked if he had any questions on the CDD and he stated he did not they had been asked already. Commissioner Hollister stated if we were going to get any progress on this piece of property for development that they needed to get rid of the CDD he said that was his opinion. Commissioner Henderson stated she wanted to confirm with the City Attorney that the dissolution of this CDD will not have a negative impact on the citizens that live in Callaway today or add responsibility to the City or citizens. She said from what she is hearing there was really not a downside to dissolving the CDD and there was only an upside because it may open up things for new development which will increase the tax base and which will help the existing citizens. City Attorney Obos said they have not done anything with this property, the CDD had not done anything and all they were doing was acting as if we never created it in the first place he said just like a normal developer who had this land. Commissioner Covey asked Mr. Hughes if he was going to assure the Board and all of the citizens that live in Callaway that when this is developed they will not incur any expenses on infrastructure, maintaining the roads, the right-of-way, and everything else in that community. City Attorney Obos said it will follow the PD adopted by the Commission. Commissioner Covey stated that was not what she wanted to hear and that what she wanted to hear was that it would not affect the citizens. City Attorney Obos stated the PD may say they could do a plat out there of 100 lots and dedicate the roads to the City. Commissioner Covey said that is what she did not want. City Manager Fuller stated the CDD had nothing to do with that. Commissioner Covey stated the CDD was not all infrastructure but those bonds were to be issued. Mr. Hughes stated the problem he finds with her argument was that if the CDD was left in place there was no requirement that it use the CDD to do the infrastructure. He said it could sit there forever and let the place be developed. He said that her City Attorney had told her several times thus far that... Commissioner Covey said she did not need him talking and looking at her the way he was because she is there to ask questions for her constituents. Mr. Hughes apologized if he offended her and Commissioner Covey said that he had. Mr. Hughes said the thing that will happen is that when there was a proposed development of the property which would include infrastructure there, would have to be, as City Attorney Obos had pointed out, a development order, public hearings, and compliance with the PD. Mr. Hughes encouraged Commissioner Covey to read the PD document which he felt would answer all of her questions. Mayor Abbott asked if anyone else would like to speak. He thanked Mr. Hughes for his input and stated he would entertain a motion on item 9.

Commissioner Hollister moved to approve Item #9 - First Reading of Ordinance #952 - Dissolving the Bridge Harbor Community Development District. Commissioner Henderson seconded the motion. City attorney Obos read Ordinance #52 by title only.

PUBLIC PARTICIPATION

David Griggs, 7111 Wynonna Ave., Callaway, FL, said actually most of his questions had been answered but to clarify and summarize what Mr. Hughes has brought up was that this was a taxing authority for the development and basically what they were asking them was to dissolve that particular taxing authority. He said the question he had and wants to verify was that this had nothing to do with the PD status and any obligations related to the PD. City Manager Fuller stated the CDD was allowed by Chapter 190 of Florida Statutes which is totally separate from zoning, PD, land-use, etc. Mr. Griggs stated that's what he thought and that basically this was strictly dissolving the taxing authority of the CDD. He said he wanted to make sure was that the development orders and other things such as access easement to the Lowrey property and all of that business stays into effect and that this was purely the taxing authority. He stated he had no problem with dissolving the CDD.

Becky Lowrey, 7228 Boat Race Road, Callaway, FL, said Mr. Griggs said basically what she was going to say and basically said she wanted to make sure it did not affect the PUD that was in place already. She said it had already been altered by will, etc. and said she did not have a problem with them dissolving it. She stated it was all over the Internet on 30 or 40 sites where the property is for sale and depending on what they say, she said she could not decide whether they were trying to sell it by pieces or sell the whole plot of property. She said thought they were trying to sell the whole 157 acres. She stated by doing what they are trying to do with the CDD it will probably open up the property more and have more options to sell it. She said a lot of clearing has been done as well as stormwater ponds put in and said these are all permits that have been in place for a while. She said the Statute they say that qualifies them to be able to do this says the District is dissolved provided by subsection 7 a or 9. City Attorney Obos stated they only needed to meet one of those sections. Ms. Lowrey said she was aware of that and that within five years they had to have had permits which they did have the permits and under number 9 they had no loans or funding so she said more power to them. She said they were not developers they were investors. She said they were a line item on a sheet of paper that they need to get rid of. She said when they come forward with the plan development with whatever their plan is would be whoever is going to buy it and she had no problem with the dissolution of the CDD. Mayor Abbott stated we had a motion and a second on item number nine and called for a vote

All Ayes

Commissioner Henderson asked at this time for a short break to enable her to leave the dais. Mayor Abbott stated they would take a five-minute break at 7:41 PM to return at 7:45 PM. if that met with everyone's approval. The Board adjourned for short recess. Mayor Abbott called the meeting to order at 7:45 PM . Commissioner Henderson thanked everyone for all their prayers and well wishes during this time.

Mayor Abbott call the Board to order. Commissioner Covey asked to be able to speak she stated that Mayor Abbott had allowed Mr. Hughes to speak to the Board before they finished discussing the issue as a Commission. Mayor Abbott said actually what he did was allow City Manager Fuller to introduce this item and he said Mr. Hughes was present and Mayor Abbott stated he asked Mr. Hughes at that time if he would like to speak regarding the issue. Commissioner Covey said she felt that that was out of order and did not think he should have been given any more credence than one of our citizens. Mayor Abbott said he allowed Mr. Hughes to speak when the item was being introduced because he knew in detail what this item encompassed. Mayor Abbott said he would allow anyone who was present for an item if it was an item that concerned them to speak. Commissioner Cody stated he was not on the agenda and Mayor Abbott stated the item was on the agenda and he was the petitioner on the item. Mayor Abbott stated he did not find that to be unusual and was sorry that she had.

ITEM #3 RESOLUTION 15-03 - INTENT TO USE UNIFORM METHOD OF COLLECTION

City Manager Fuller stated he felt that everyone knew what this was regarding which was it concerned the non-ad valorem assessment to collect nuisance abatement fees. Mayor Abbott stated and this was just a method of collecting the fees. City attorney oboes stated this is the one where they had approval to advertise and with all the advertisements having already run this notifies the Property Appraiser and Tax Collector that at some point during this year prior to September 15, 2015, we may or may not do some assessment resolutions for some of the nuisance abatement issues. City Attorney Obos read Resolution 15 – 01 by title only.

Commissioner Hollister moved to approve Resolution 15 – 01. Commissioner Pelletier seconded the motion.

All Ayes

ITEM #4 RESOLUTION 15-02 - UTILITY SERVICE DISCONNECTION AND RECONNECTION FEES AND TIMES

City Manager Fuller said currently the City collects reconnection charges only when the disconnection has actually physically been done at the meter. He said this presents a problem when people rush and on the last day trying to be the clock which is a hindrance to the meter readers trying to get meters cut off or cut back own etc. He said Resolution 15-02 would amend the procedure's for assessing the charges and it also discontinues the hours of reconnection during after hours of the regular workday. He said currently they Fire Department is involved in collecting money orders and notifying after hours personnel to reconnect services. He said we've looked at it and it's hard to justify the cost of overtime pay and it also up our firefighters as a means of collecting funds. He said he is recommending a \$25 charge to be assessed to all people on the disconnect list whether they had been physically disconnected or not. Mayor Abbott said

he wanted to be clear regarding this that there would be no after hours reconnections. City Manager Fuller stated that was correct. He said the only instance we could find where after-hours connection was being utilized was in unincorporated Bay County. Commissioner Pelletier said he had a couple of comments. He said he had a discussion with City Manager Fuller due to him receiving an email from a citizen who was on auto pay and got disconnected by the City. He stated he asked City Manager Fuller what we have in place for the new procedures in Springbrook to verify that a customer/citizen is on auto pay and that we should not be disconnecting someone who is on auto pay. Commissioner Pelletier stated he was told we are still working with Springbrook. City Manager Fuller said we are working with Springbrook and the only thing he could add is that approximately 10 people were involved in a situation such as this. He stated they found out that the people involved were not verifying their email account with the online provider there by not setting up the online payment properly. He said so they never get an email or get the bill email. He stated he did not think that in most cases it was something that the City was doing but they are still working with those customers to get everything straightened out. Commissioner Pelletier said he was talking about auto pay this was a separate subject. He said they signed up for auto pay. City Manager Fuller explained the ACH were apparently doing updates and we were just waiting for them to finish. He said that was the explanation he received. Commissioner Pelletier said his concern was that we were going to disconnect people and not reconnect their water until the next day because of an error the city made. Mayor Abbott said these are separate issues but he could see the connection. Mayor Abbott said to let him try to help with this issue for a moment. Commissioner code asked why he didn't let the city manager explain. Mayor Abbott said he wanted to address this during comments time that he realized that we are having some issues with that but what he thinks this was regardless of this resolution, if there is some fault for disconnection of a citizen on the city's part he said we would have to go back and reconnect those folks after-hours or not. He said he agreed that there could be a number of ways that this could happen and he agreed with Commissioner Pelletier. Commissioner Covey asked if city manager Fuller answer this question without Mayor Abbott conveying what he thinks. Mayor Abbott stated the citizens, and he would think that she of all people would know this, that the citizens ask them to speak. Commissioner Covey said city manager Fuller was asked to address this and yet he (Mayor Abbott) tried to clarify it better. Mayor Abbott said that was exactly what he attempted to do and he hope that it helped. He asked city manager Fuller to continue. City manager Fuller said he knew they had experienced some issues during this transition to the online bill pay and they are working it out. He stated this resolution is for the people that are on disconnection notice almost every month. He stated he knew that we had the 10 glitches but if these were the only glitches that happened over the entire billing cycle then he felt that was not a bad number. Mayor Abbott said he had three or four citizens to contact him and this was 10 citizens that needed to be fixed on this issue and thought that he would address this during Commissioner comments that felt like it was being discussed at this time. He said he told the citizens that our efforts was to try to streamline utility billing to give citizens another option for paying their utility bill. He said he had several people

tell him they were very glad that this had happened as far as online billing and had three or four others who had errors that needed to be corrected. He said he explained to the citizens that this was a new process and we were working the bugs out of it and they will find where the problems are and get them fixed. He said he would hope been Commission Comments that City Manager Fuller would address this issue to let them know where we are in getting these issues corrected. He again stated that when the City wrongly disconnects a citizen then we need to get out there and correct the situation even if it's after hours. Commissioner Covey stated shouldn't there be something in this resolution that covered this when it was not their lack of payment but a problem at City Hall with the billing. She stated that she felt it should be in the resolution that if it was something other than their nonpayment of the utility bill. City manager Fuller stated they could include some language to cover emergency or extraordinary situations. Commissioner Covey said she would like to see some language added to the Resolution to cover emergency situations. Commissioner Pelletier said the only reason he asked was the citizen had been wrongly disconnected and we had placed him in the sequence to be reconnected. He feels that if the city wrongly disconnected a citizen they should go to the top of the list for reconnection. Mayor Abbott suggested the language include if the City Manager determines there is an error on the city's part or extraordinary circumstances that he would have the authority to reconnect that citizen immediately. City Attorney Ocos suggested the language that through no fault of the citizen the city manager may authorize reconnection immediately. He stated that City Manager Fuller could add this language and have it on the next agenda for Commission approval. City Manager Fuller said he made a note of decimal heaven on the January 27, 2015 Commission agenda.

ITEM #5 FINAL READING/PUBLIC HEARING - ORDINANCE #948 - IMPOSING FEES FOR LIEN SEARCHES

City manager Fuller stated this was the final reading that would allow the city to impose a fee when we receive requests for lien searches. He stated we received quite a number of these requests sometimes several for the same address. He stated that staff recommends approval of this final reading to impose fees for lien searches.

**Commissioner Covey moved to approve the Final Reading of Ordinance 948.
Commissioner Pelletier seconded the motion.**

City Attorney Obos read Ordinance 948 by title only.

All Ayes

ITEM #6 FINAL READING/PUBLIC HEARING - ORDINANCE #949 - NUISANCE ABATEMENT ASSESSMENTS LEVY AND COLLECTION

City Manager Fuller said this was regarding the same thing the nuisance abatement and that this

ordinance amends Ordinance #876 related to the levy and collection of nuisance abatement assessments. He stated staff recommends approval of Ordinance #949. City Attorney Obos read Ordinance #949 by title only.

Commissioner Covey moved to approve Ordinance #949. Commissioner Pelletier seconded the motion.

All Ayes

ITEM #7 FINAL READING/PUBLIC HEARING - ORDINANCE #950 - AMENDING THE NUISANCE ABATEMENT CODE

City Manager Fuller stated this was the third and last ordinance regarding nuisance abatement and actually changes the Callaway Code of Ordinances concerning nuisance abatement. He said staff recommends approval of Ordinance #950.

Commissioner Covey moved to approve Ordinance #950. Commissioner Pelletier seconded the motion.

City Attorney Obos read Ordinance #950 by title only.

All Ayes

ITEM #8 FIRST READING ORDINANCE #951 - KEEPING OF FOWL AND LIVESTOCK

City Manager Fuller stated this came about due to recent discussion concerning the existing code regarding fowl. He said he believed it had been brought up at the last few meetings that the portion of our code on that should be amended to clarify and help improve on a couple of provisions. He said ordinance number 951 amended Chapter 4 of the Code of Ordinances prohibiting livestock and fowl within the City unless exempted by certain conditions. He stated these conditions include one person may have up to six chickens if not prohibited by private covenants on the property and these chickens should be secured with neat and clean pens and be fenced. He also explained that the owners of the chickens would pay a five dollar per chicken registration fee as a one-time fee. He said this ordinance also prohibits roosters within the city. He said this is the first reading of this ordinance and staff recommends approval. Mayor Abbott stated he knew this had come up in other cities and it's come up here a couple of times and they want to deal with this in a proper manner. He said he had a couple of questions. He asked if not having a rooster would in any way prohibit chickens from laying eggs. He was told that it did not prevent the laying of eggs. Commissioner Covey asked City Manager Fuller if they had to name the chickens when they came into register them and pay the five dollar deposit because how are you going to keep up with which chickens are allowed. She said she thought it

may sound unreasonable to ask this but how were we going to keep up with it. City Manager Fuller address this and stated as long as they had no more than six chickens they would consider them as registered. Mayor Abbott clarified that this was a one time fee per chicken and if a chicken were to die they could replace that chicken. Commissioner Covey asked if we also went to geese or other fowl since we've only addressed chickens. City Manager Fuller stated this was very specific to chickens only. Commissioner Hollister asked that the city desires to to clearly establish regulations and restrictions within the city for keeping livestock or file. He stated livestock could be horses cows and goats etc. and was this also addressed in this ordinance. City attorney oboes stated that within this ordinance this was moved up to definitions of livestock from Section 4.8 in the previous ordinance which listed this as a definition in that section. Commissioner Covey stated that initially there was not a limitation on the number of chickens allowed in this now restricts it to six chickens. Commissioner Hollister felt that five dollars was a bit exorbitant. City Attorney Obos stated when Lynn Haven added an ordinance addressing chickens that the charge was the only area that caused comment. Mayor Abbott asked what was the rationale for having a five dollars fee per chicken. City Manager Fuller stated he spoke with the Lynn Haven City Manager and they charge a five dollar fee and the Lynn Haven City manager said that that was the only thing that he would have changed which was to delete the five dollar charge per chicken. City Attorney Obos stated the fee was to address the charges associated with administration of the ordinance. After further discussion the commission was in agreement that the charge was not the issue it was the number of chickens allowed per residence. City Attorney Obos stated they could delete number three which was the line item addressing the charge per chicken which would make this a pure code enforcement issue allowing six chickens per residence. This language will be changed for the final reading of ordinance 951.

Commissioner Pelletier moved to approve the First Reading of Ordinance #951 with the deletion of the charge per chicken for the final reading of this ordinance. Commissioner Covey second the motion.

City Attorney Obos to read Ordinance #951 by title only.

PUBLIC PARTICIPATION

George Mercer, 523 Southgate Ave., Callaway, FL, said he had not been hearing too much about chicken issue until first Lynn haven and now Callaway were addressing it. He stated he had lived in Callaway for 35 years and a rather confined area with houses nearby. He stated we were now saying that anyone can house six chickens and their yard. He said he did not think it was a good idea and what if everyone had decided they wanted to get six chickens. He stated they would be over infested with chickens. He stated they also talk about code enforcement not addressing all of our concerns and now code enforcement would be involved in counting whether people had five or six chickens. He said there were health issues involved with having chickens in their neighborhoods. He said he found a pig rooting around in his yard before in the middle of the city

and there should be no pigs but there should be no pigs either but there are. He said chickens can fly if their wings are not clipped and does not think this is a good idea to have chickens in Callaway neighborhoods. He stated he was against it.

City Manager Fuller said he wanted to clarify that this ordinance would further restrict the number of chickens and Callaway. City Attorney Obos stated currently there is not a number limiting the number of chickens a person can be issued a permit for. He said this also prohibits livestock which of course would include pigs. Mayor Abbott called the next citizen to the podium which was Michael Gandy and Mr. Gandy stated he was going to defer to his representative, Don Dennis, with the law firm of Jones Gaglio, PA.

Don Dennis, 901 Grace Ave., Panama City, FL,(Mr. Gandy's address is 1039 S. Comet Ave., Callaway, FL), stated he wanted to commend the city's staff and attorney for this proposed legislation which addressing key elements that were lacking. He said he wanted to touch on a couple of other things one of which was the fee that was discussed. He said as they had just heard there are some health concerns with chickens, there are byproducts and where is are those byproducts it to. He said Callaway is a city by the bay and as far as they're concerned with the proper regulations of the chickens and their byproduct is properly taken care of. He stated they feel that it would be helpful since this will require additional duties that should have a fee imposed and to not ask more of the city's employees than they currently are. He said they feel that a \$25 initial application fee would be appropriate and then five dollars per chicken. He said if you're going to have someone check on something whether it's one chicken or six chickens there should be an initial fee charged to cover those duties and the initial charge of \$25 is fairly reasonable. He said they feel that this should be an annual permit because responsibilities of the employees continue on. He said this would help with compliance whether it's the first year or the 10th year of having chickens. He said it was not overly intrusive but it could be maintained on a yearly basis. He said you're talking about the health and safety of individuals and no one wants to have a chicken farm next to them where the byproduct of them spills into the neighborhood. He again stated they felt an annual permit was appropriate. He said he did not feel the chickens should be For the purpose of breeding and if appropriate the chickens should have their wings clipped to keep them from flying and thereby keeping them where they should be rather than throughout the neighborhood. He said they liked the prior permit process which required approval from your neighbors to have chickens on your property. He said they thought that was a good idea. He said he thought that was an important aspect that was not in the current ordinance that should be carried forward from the previous one. He said he thought it was mentioned but that anyone who would be having chickens would have to be in compliance with the health and safety regulations of the City, County and state. He asked for one other point of clarification with regard to how the chickens are housed. He asked if this ordinance address the size, is it to be fenced in, is there a setback requirement etc. he said as he read the ordinance he thought those things could be incorporated into it but wanted to bring up these points of clarification because

they felt items such as these were important. He stated that if you have chickens anywhere in the state of Florida that you would have other wild animals. He said they felt that it was good to place a limit on the number of chickens because if you have 20 or 60 chickens in one area it's going to attract animals that prey on those chickens. He said is a neighbor you would not want to be next to something like this. He again repeated that they felt it was good to have an annual fee charged to anyone wanting up to six chickens. He said this would ensure that pens and surrounding areas are kept in compliance. He said they felt that these were some of the issues that needed to be addressed with the ordinance. He stated they thought the ordinance was a good idea with a few little tweaks that they mentioned it would be a good first step. Commissioner Covey asked if she understood, since Mr. Gandy's neighbor had chickens, that if these chickens were contained appropriately and limited to the number mentioned in this ordinance, that Mr. Gandy would have no problem with his neighbor's chickens. Mr. Dennis stated he was speaking directly to the ordinance and said he did not know if it directly applied to an individual case. He said currently the ordinance does not require neighbor approval but they do think that's appropriate and he said that's why they are addressing this ordinance. He said they have some specific concerns regarding this ordinance to be addressed. He said they were trying to speak to the ordinance as a whole and not just specifically applying it to one case. Commissioner Covey stated the previous ordinance did require neighbor approval and Mr. Dennis said and that is something they would like to see added to the currently discussed ordinance. Commissioner Covey said he spoke about annual permitting and asked how that would address code enforcement oversight anymore or any less. Mr. Dennis stated the ordinance would have to be enforced whether there was a fee or not but the city would allow the city to have some funding for it when they are trying to determine if they want to provide these services. He said it would be a user fee which says if you want to chicken you will have to pay for it if you don't there is no charge. Commissioner Pelletier asked why the prerequisite of having neighbor approval was removed from the ordinance. City Manager Fuller replied that they looked at how Lynn haven handle this issue. City Attorney Obos stated the neighbor issue is how we have arrived where we are now. He stated that if you have this in your ordinance there's nothing to say an hour, a day, or a week later that a neighbor could change their mind. Mr. Pelletier said he understood they were speaking about if neighbors had a disagreement been they would pull their approval and have a different situation occur with whether or not the chickens were allowed. Mr. Dennis stated that the way you would handle that would be you would have the neighbors approval for a year and then when it came up for renewal if a neighbor wanted to withdraw their approval they would do so at that time. He said as the ordinance is written currently the permit would go on into perpetuity. He felt that this was a problem. City Manager Fuller stated the board had discussed that this procedure needed to be simplified and clarified and that is how the ordinance came about as it is.

Alf Cushing, 1025 S., Avenue, Callaway Florida, said he had a family next door to him that did not like chickens. He stated this person had lived next door for over 35 years and had previously

never had a problem with the chickens until approximately a year or two ago. He stated he had never said anything about any of the animals they've had on their farm hearing Callaway. He said all of a sudden he has a problem with the chickens and he did not know if it was about the chickens or if it was about their family. He said the pans are at least 150 feet from the neighbors house and about 100 feet from his shed where he says he's out working all the time. Mr. Cushing stated they did have roosters and they did make a racket and they have gotten rid of them. He stated the hands will cluck and clack when they lay an egg or when a hawk or buzzard flies over and scares them. He stated they are in a pan and the pans are cleaned once per week. They have laying boxes which are cleaned and take care of once per week. He stated they had spoken about the rain washing the feces out of the hand in area into the neighbors yard and when you have a big flood like we've had been that could happen. He stated if there's a man hole in the middle of the road and it overflows due to excessive rain the same thing would happen. He said washing it out over the land only happens when you have the big floods. He said they have allowed the vegetation to grow up along their fence line so when they have regular rains if it were to wash the feces along the ground the vegetation would catch it at the fence line. Mayor Abbott interrupted at this point and stated he was glad to listen to the particulars about this case but wanted Mr. Cushing to understand that this ordinance would affect everyone in the city. He said whatever he shares with them for him to think about how this ordinance is proposed and written and give them his feedback. Mr. Cushing said he was told when this ordinance goes into effect it's only going to affect them because we were not going to go out and enforce it on anyone else. He stated they were not going to go out and look for chickens all over Callaway only the ones they have. Mayor Abbott said if it's an ordinance the city approves then they are bound to enforce it citywide whenever they have knowledge of it. Mr. Cushing said he did not know how we came up the number of six chickens because with a family of 6 to 8 people six chickens would not provide enough for them. He said they eat the chickens they eat the eggs and that was not enough to provide for large family. Commissioner Covey stated she remembered Mr. Cushing's sister speaking at a meeting and stated she remembered they had been on the property for a number of years. Mr. Cushing said his family members have lived on this property over 60 years. Commissioner Covey asked how long they had had the chickens on this property and Mr. Cushing replied that in 1953 when his family bought this property he was born and raised there. He said they had had chickens on this property from the time they bought the property. Commissioner Covey asked if they had sold any property since they had a large tract for housing. Mr. Cushing's stated his mother divided the property among the children and sold off one small corner piece that has one home on it. Commissioner Covey said when you sell property to be developed then naturally people are going to come in and build and that causes things to change over time. She said as the city evolves it becomes zoned residential rather than rural said that gets us where we are today. He stated that having lived there for so many years they didn't understand the issue. She said they have to think of the city as a whole and development in our area. Mr. Cushing stated the good citizens of Florida put him out of the fishing business and now the city of Callaway is going to put him out of the chicken business. He

said he knew that they had to have these meetings and they probably made up their mind on how they want to proceed. Commissioner Covey said she had not made up her mind but she was trying to understand the situation. Mr. Cushing stated the chickens are 200 feet from the roadway from where the one piece of property was sold that has been one house on. Mr. Cushing's still questioned how they came up with the number of six chickens and Mayor Abbott stated six was the number of chickens they had come up with during discussions with him, discussions with Mr. Gandy, and discussions with other municipalities on how they would handle this issue. Sandra Adams asked if she could distribute a map for the commission to review as she spoke which Mayor Abbott allowed her to do so.

Sandra Adams, 1021 S., Avenue, Callaway Florida, said she would try to clarify some of the information that's been talked about. Mrs. Adams proceeded to explain the aerial map that she had distributed to the board prior to going to the podium. She pointed out her house, her neighbor's house Mr. Gandy, she pointed out the chicken coops and the partially built fence between Mr. Gandy's property and her property. She said her property begins 150 feet from South Comet. She stated that puts her property starting behind his home and swimming pool. She said it's another 150 feet to where the chickens are located. She continued by saying she is almost a complete football field from her chickens to his house. Mrs. Adams said the chickens are at the very back of the property which is 300 feet from South Comet to them. She said the property in front of her is her brother Alf's and the property behind her which is 4 or 5 acres is all family. She said the property right next to her is family and is a vacant lot. She pointed out the small parcel that her mother had sold years ago and that's the only property they have ever sold. She said her family owns most of the property they are looking at from South Comet all the way through to Katherine Avenue. Mrs. Adams said the chicken 5 pens are 7 feet tall, 10 feet wide and 12 feet long. She said it was more than enough room for the 60 or so chickens that she has which gives them each their own water, food, nesting areas as well as doors. She said she had never had a problem with chickens getting out and never had a complaint 50 something years which included Mr. Gandy who has lived on Comet Avenue for 36 years. She stated she did not know what happened other than they both went through cancer treatments and she said she came through it blessed that she was still alive and he came through hating the world. Mayor Abbott stated that he would let Mrs. Adams speak as long as she needed but he was going to tell her the same thing he told Alf and that was to say he understands it is a particular case to them but it could be a case anywhere in the city. He stated he wanted to make sure that she gave the city feedback on how she sees the board presenting this and how it's going to impact the pros and cons of this ordinance. Mrs. Adams stated she thought that where your property is, how much property you have and who lives around you should be part of it and considered. She said her family has been there for over 60 years and the small corner lot is the only property her family has ever sold which was over 30 years ago. She stated none of the Cushing's were going to be leaving their property and if they die one of their children or grandchildren will be there they have made sure of that. She said considering where she is at compared to everyone else around

her and as far away from his house she is, she stated she has had animal control the Bay County Sheriff's office all of the news people standing at her hands and they could not hear her chickens right beside the pin. She said if you want to know the facts come to her house and then go to his house and tell her what they hear. She stated it is not a noise matter nor and a manure matter. She said she has never been to the hospital or sick because of chicken manure and none of her kids or grandkids have been to the hospital or doctor with regard to this issue. Commissioner Covey asked if her pens were covered so the chickens could not fly out. Mrs. Adams stated her pens are partially covered because chickens have to have some light in order to lay but she said all of her coops are enclosed. She said she had a shed just to the side of the beginning pens toward his fence which is 14 x 14 which is also considered a barrier between his house in her house. She stated the chickens cannot go into the shed. She said she has more than six people living in her house. She said they believe in sharing and if she has a garden and has excess and if someone needs something out of her garden and it's no problem. She said they take care of each other which includes the neighbors. She said she believes if you bless others the blessings will come back. She said they have always tried to grow enough in their garden to take care of all of the family as well as others who may need assistance. She said it was the same with the chickens and eggs. She said she has sold a few eggs but it was not something they advertised. She said to her she's not charging for the eggs but people will say take this or that toward helping to take care of the chickens. She said they've had a lot of people come to her house to see how bad the situation is because of what happened last June. She said she did everything she was told that she needed to do and did not know what else to do. She stated six chickens were not enough to provide for her family. Commissioner Covey said that she hoped Mrs. Adams understood that this is a very hard decision for them to make because society is encouraging people to become more self-sufficient. She said a lot of the big cities are encouraging rooftop gardens container gardening etc. he said that this put her in a precarious spot because she believes in self-sufficiency. Mrs. Adams stated this is the way that she was brought up. She said some in her family believe in self-sufficiency and others do not and they have never forced any of their children to live this way it's their choice. She said this was their choice and they choose to live this way and to do so in Callaway. She said this is the only place that she's ever wanted to be and when she got married her husband moved to her property. She said they grow vegetables and canned food and fish and hunt. She stated to take this away from her now was like taking her whole identity and this is the only way she's ever lived. She stated she felt like she had a target on her back and she did not understand why. Commissioner Covey asked Ms. Adams how many acres of property she had and Ms. Adams replied her family, which is the entire area on the map excluding the one corner lot, has approximately 5 acres. Commissioner Pelletier stated he had asked city attorney oboes if the different parcels could be consolidated so that it would qualify for more chickens and he had stated they could not consolidate. Mrs. Adams stated when they appeared before the commission in June 2014 that she and her brother had decided to try to keep the peace they would continue the privacy fence that had already been started between her property and Mr. Gandy's property. She said she thought they were trying to keep the peace and that Mr. Gandy would be happy that

they were continuing on with the privacy fencing but instead he call the police and tried to have them arrested. Commissioner code the asked how long Mr. Gandy had lived there while the chickens were house don't her property and Mrs. Adams stated he had lived there for 36 years. Mrs. Adams stated that when he purchased his property there were over 100 pigs that had their pan adjacent to his property +300 chickens. Someone stated from the audience that at some point this had become a personal thing and they were discussing an ordinance. Mayor Abbott said he understood this and that was while he was trying to guide it into responding for pros and cons of the ordinance. This individual stated that she was making personal accusations against Mr. Gandy and I have tried to keep it strictly about the ordinance and not make it particular. He said she is making very personal allegations against Mr. Gandy and he feels that it's out of line. Mayor Abbott stated he would say again that this is about the ordinance and not personal feelings or allegations. Mrs. Adams stated she felt that the ordinance should address more where you lived, the amount of property you have, the number of people in your family, and such as that. She said if she lived across the street on a small lot where my house would barely fit on it and someone wanted to have a large number of chickens she would try to understand that but when there was a large piece of property that was surrounded by family members except for one or two parcels that this should be taken into consideration when they make a ruling.

PUBLIC PARTICIPATION

John J. Malone, 707 Plantation Circle, Callaway, FL, said he suggested the Board "grandfather" Mrs. Adams' chickens into the books. He stated since they have had chickens on this parcel for more 60 years that the Adams' family should be allowed to continue to raise chickens.

Billy Hall, 504 Camellia Ave., Callaway, FL, said he was against this Ordinance. He stated he lives behind Commissioner Covey and said his chickens were probably a lot closer than what Mrs. Adams had stated with regard to the property neighboring her land. He asked Commissioner Covey if she had ever heard his chickens and Commissioner Covey said she had not. He continued by stating that as far as the five dollar registration fee, he said his is already paying a fee. He said he pays \$13.54 every two weeks for feed for the chickens. He stated he paid this fee just to have them for his grandchildren he stated his grandson would probably get aggravated with the board if they tried to come and take the chickens away. He said as far as paying an additional fee he felt like they already paid enough of a fee and said he would not want to pay Mrs. Adams' feed bill. He also said if they come to a decision and approve of this Ordinance to please raise the number of chickens to 8 because that was how many he has. Commissioner Covey stated she could see this impacting other people and as far as the ones mentioned tonight they were both in her ward. She said right up the street from her house, she said she couldn't remember the name of the street, but the name of the street has been named after the people who own the whole block and they have chickens peacocks ducks and geese etc. She stated before Mr. Malone had brought it forth that she had been thinking of grandfathering the Adams in because this was really hard when you have these type situations and their sitting

up there making a decision. Mr. Hall said he has 3 acres of land and they have eight chickens. He stated as he listened to Ms. Adams talking about her chicken coop that is better than most kids have for tree house. He said he spoke with his neighbors about this yesterday when he had heard about this and they have no problem with his chickens. He stated the ambulance service on Tyndall Parkway talk to him because he had gotten rid of his rooster and they liked hearing him crow each morning but he didn't! Mr. Hall said as far as making an ordinance about this is he stated you hear a hand cackle when she lays an egg and that was it. He again reminded Commissioner Covey that she lived about seven houses away from his and had never known that he had chickens until tonight. Commissioner Covey agreed that she did not know he had chickens. He said if they have to approve this that he hopes they change the number from 6 to 8 to cover his chickens. Commissioner Cody asked if anyone else had considered grandfathering this issue in because there is a lot of land involved on this particular case. She said there are not a lot of people that have lived in Callaway for as long as the Cushing family. She stated she had never had a problem with regard to the fowl owned by the Whitaker family that lives near her house. Mayor Abbott stated there was a motion and second on this item. Mayor Abbott stated his opinion which was he did not like this ordinance. He stated he had a tremendous respect for Mr. Gandy and wants to do everything he can to try to solve Mr. Gandy's problem that he did not like this ordinance for number of reasons. He said he was almost 57 years old and was born and raised in Callaway. He said putting a stop to the way people live their lives is a huge restriction and he feels they need to be able to find a way to resolve the problem, eliminate a nuisance without eliminating people's way of life. He stated they know what progress does and said they know it's not 1950 or 1960 any longer and yet at the same time he still thinks they should go above and beyond to try to find a way to not say "no" they can't do some things and said they have to do better of finding a way to solve these type issues. He said as much as he understands Mr. Gandy and is supportive of his right to peace and quiet and to enjoy his property and such as that, he said he feels that this is a death knell to anyone that wants to do these types of things. He said he will probably be criticized for this but he feels that this is overkill to put people out of the business of teaching things to their kids and continuing a way of life where there are clearly from what he can see, and he said he did not want to talk about a particular case because this could happen anywhere in the city, that when people are trying to continue something and trying to really not interfere with the lives of others, that they need to find a better way to solve it rather than just say they are not allowed to do what they've always done. He stated he knew other cities had done this and there will probably come a day when Callaway will have to also and there will come a day when this will happen. He said he is also not supportive of a fee because if it's an ordinance, there are not fees on other ordinances. Commissioner Pelletier stated that he agreed. Someone from the audience tried to interject at this point and Mayor Abbott stated that he had given everyone a chance to speak on this issue including this person with all due respect and they have an ordinance that is being proposed with a motion and a second. He said there will be a vote tonight but that doesn't mean the city is not committed to finding a way to resolving this issue. Someone from the audience stated his comments were directed at - I could not understand the me

- and the gentleman continued by saying if they do not adopt an ordinance what they have left is ambiguity and dumping and something needs to be there to address that ambiguity. Mayor Abbott stated at this point that he felt they needed to go back to the drawing board and do it better. He said he was not supportive of putting people out of a way of life when he thinks they should have the wherewithal to figure out how to do it without putting them out of their way of life. The person in the audience continued by saying the commission needed to have a workshop to come up with a rule because in the absence of an ordinance they don't know what they have. He stated something needs to be done maybe not this ordinance but some sort of workshop were something to come up with a process for how Callaway will deal with it because if Callaway votes the ordinance down in essence they're not saying a new you can have all the chickens, he said they are back to what was before. Mayor Abbott stated he is aware that what they currently have which they know is not the fix but he did not want this which makes other problems. He said he agreed that they still need to figure out what to do.

Mayor Abbott stated we have a motion and a second and called for a vote.

All nays

Mayor Abbott stated clearly there is an issue and he is respectful of the efforts they have gone through to put this together to try to solve this issue but he does not favor putting people out of a way of life that they needed to be able to solve the problem without putting people out of a way of life.

ITEM #10 DECLARE SURPLUS OF CAPITAL ASSET - PUBLIC WORKS TRUCK

City Manager Fuller stated he was requesting the commission to declare surplus a 1999 Dodge Quad truck that was recently involved in an accident which was not the employees fault. He stated we had received \$5900 from the insurance company but said the truck is no longer useful to the city. He said we have worked on the vehicle and now it's drivable so they would like to place it for sale on Gov Deals. He said he felt they would receive approximately \$3-5,000 to apply to the purchase of a new truck. Public Works Director Johnson stated with the combination of insurance and what we receive for the sale of the vehicle that we will have about 50% of the cost of purchase price of a new vehicle. Mayor Abbott stated that they were telling the Board that this vehicle would no longer be of use to the city and Public Works Dir. Johnson stated he felt that it would nickel and dollar and dime us to death with repairs. Commissioner Pelletier stated again only half of the puzzle. He stated if they had to replace this vehicle why was it not brought before them tonight. Public Works Dir. Johnson stated they did not know until after the wreck that they were going to replace it. Commissioner Pelletier asked when was the wreck and Public Works Dir. Johnson said approximately 3 weeks ago. Commissioner Pelletier stated it was not a budget issue the issue was that they are asking for approval to sell the vehicle and purchase another one but they only have a portion of the puzzle which was the sale amount approximately

and did not have the approximate cost of a new vehicle. City manager Fuller sake stated right now all were asking us for their approval to sell the vehicle on Gov Deals.

Commissioner Pelletier moved to approve Item #10 - Declare Surplus of a Capital Asset - Public Works Truck to be sold on Gov Deals. Commissioner Covey seconded the motion.

All Ayes

ITEM #11 IRRIGATION USAGE AT 238 HUGH THOMAS DRIVE

City Manager Fuller stated he had copied Mr. Coffey's letter to everyone which was included in their packet and did not want to rehash all of the information that was contained therein. He stated he tried to add additional facts in an email which he also included in the packet. He said there was an extraordinary amount of water that went through this meter which he said the meter was pulled and tested as accurate. He stated it was determined by public works staff that it is possible to use that amount of water. He said what remains now is a \$1900 utility bill for the consumption. He stated no one has denied using the irrigation water. City Manager Fuller stated that Mr. Coffey is present tonight who has a couple of points he would like to make regarding the irrigation meter. He has not denied using the irrigation meter but had never set up in irrigation meter account. Commissioner Covey stated she had questions regarding this issue. She said she did not like the payment plan that for this amount of money we should do a promissory note against the property so a lien could be placed on the property if the amount of money owed to the city is not paid. She stated this is not done and the current resident moves out we have no guarantee of payment. City Manager Fuller stated that was a very good question in this could be done. Commissioner Covey said that would be the only way that she would approve of any type payment plan. Commissioner Pelletier stated he understands the irrigation meter account was not opened but it is his understanding the water had been used. He stated the homeowner had to know he was using free water and he also had an issue with the \$1900 for three-year period of time. He feels the resident should take a loan out to pay the utility bill because the city and citizens has paid this money out.

PUBLIC PARTICIPATION

Christopher A. Coffey, 238 Hugh Thomas Drive, Callaway, FL, said he had lived at that property since June 2014 for a period of about seven months. He said the irrigation account was closed in June 2012 by the owner and other tenants have lived at that property since that time without the irrigation meter account never being turned off. Mr. Coffey stated he's being charged for over 27 months of irrigation usage when he has lived there for only six months. He said he was interested to see where we received the information and how 457,000 gallons of water could be used in one month. He stated his research shows that would be nearly impossible to do he said he could drain his pool every day and refill it and still not have use that amount of water. He said if there was a leak on the property for that amount of water his house would be flooded. He stated there was no

way his family could up consumed or use that amount of water in nine months time. He stated when he talked to legal counseling, he was under good faith that he was paying his water bill. He said it wasn't like he was using water and not paying his bills because he did pay his bill each month. He said he was under the impression that all the water they had used was on that utility bill. He said it was the city of Callaway that failed to say the irrigation account was being used. He also stated there was never a deposit placed on that account and the account was never open. He said it's the equivalent of someone using his credit card number and then coming to him to pay the bill. He said there was no account in his name so there was no responsibility on his end. He stated the numbers correlate to two years of water consumption. Mayor Abbott stated he had a couple of questions for Mr. Coffey. He stated that Mr. Coffey's name was on the account was that correct and Mr. Coffey stated yes that was correct on the water account not the irrigation account which was to separate accounts. Mayor Abbott stated that he had in front of him a utility bill that stated there was a \$40 utility deposit for irrigation as of October 2014 and was that correct. Mr. Coffey stated that was correct but said he never paid that deposit. Mayor Abbott stated all of this usage happened prior to that October date and asked if that was correct. Mr. Coffey stated that the bill was sent along with the \$1900 utility bill and said he did not know what it was about. Mr. Coffey stated that this is when he went to the city of Callaway and asked what this was regarding. He said at that time they started breaking it down and found that there was no account for irrigation that had been open. He stated he was told basically when the system audited itself it was found that irrigation was being used at that particular address and then it kicked out of bill for the approximate \$1900. He said prior to this there was no account opened in his name other than his regular water account. He said once the audit occurred then he thinks the system automatically sent a utility bill for the irrigation amount owed which tagged on to it the deposit for the irrigation account. Mayor Abbott asked what caused the generation of the irrigation utility bill. Mr. Coffey stated he was not aware of what made it generate the deal. Mayor Abbott asked if he had begun to use the irrigation meter at that particular time and Mr. Coffey responded that the sprinkler settings are automatic. He stated the previous tenant was chaplain in the United States Air Force and said he knew for a fact that they had been using the irrigation system. He stated if you looked at the water usage on the irrigation meter it shows that it stopped in June 2012. He stated there were other tenants that had been living there watering the grass etc. but they were never being charged and there were no meter readings being taken. Commissioner Covey stated this brought to her mind that possibly the owners of rental properties should have deposits on the water accounts provided to their renters so that his situations like this happened again there would be some sort of recourse for the city. She stated she understood exactly regarding where he was coming from because if he had moved there in June and now he's being hit with his humongous utility bill for irrigation water while other renters were there as well as himself. She said she believed the new finance director at the first meeting talked about having owners of rental properties establishing a deposit escrow account for just such instances as this. She stated to Mr. coffee that he really was not there to set up a payment plan for the \$1900 and Mr. Coffey said absolutely not. Commissioner Covey stated she did not feel

comfortable holding Mr. Coffey responsible when he had lived there. City Manager Fuller stated we read the meter in September 2014 and then the meter was read again and approximately one month and that was when we saw this large amount of consumption on the irrigation meter. Mr. Coffey stated that 27 months of irrigation water which was 28,000 gallons of water and for the month of September 2014 it showed 454,000 gallons of water used. Commissioner Covey asked if this meter had been checked and was told by public works director Johnson that it had been tested and was tested as accurate. Mr. coffee stated he did not doubt that the meter was correct but felt that it was a human error that the reading was put in incorrectly in October 2014. Mayor Abbott stated if he had 454,000 gallons of water usage and one month there was either a massive water leak, and he stated he may not have even known it if it was an underground water leak which could happen. Mayor Abbott stated where we are as a city was that we have to be able to show that the meter reading in September 2014 was accurate and have to be able to show the meter reading in October was also accurate. He stated this could be a case of human error. He stated that he was hoping that was already done and we have reread the meter and that was not the case. Mr. Coffey stated he had talked to Mr. Fuller in December shortly after the first meeting that this talk pick was brought up and that it was going to be his recommendation that the fee be waived due to the circumstances. Mayor Abbott stated where he was with this situation was that the commission had the authority to waive this utility bill but the reality was that if this water has gone through the line and the meter within the city will be charged with this water usage from Bay County. He said that's why it was really important him to establish was this used or not used, was it a human error etc. he said he wanted to be writes with Mr. Coffey but he also needed to be right with all the citizens of Callaway and stated he was not comfortable with waving this utility bill. He said we have to establish whether the water was used or not and who used it. He stated the city has the obligation to build the correct people for the usage. city manager Fuller stated he saw where the reading for September 29, 2014 was checked and rechecked and said he could go back and confirm that. He said he knows for certain it was red whether it was rechecked or not he needed to verify. Mayor Abbott stated it comes down to whether the October reading was correct or incorrect. He said if it's correct the city has to pay Bay County for this water. He stated if the reading was incorrect then we needed to get it corrected. Mayor Abbott stated that he did not feel we could solve this issue at this meeting because we had to have verification that the October readings were correct. City Manager Fuller stated we would have documentation as to whether the reading was rechecked and he believes that it was. Mr. Coffey ask what was the norm procedure when someone terminates an account with city. He asked was not the meter technician supposed to go out and close off the water meter. Mayor Abbott stated when an account is closed the meter is red for final time and if the deposit is enough to cover the amount of water usage for the final deal there could be a refund if it is less than the amount of the deposit they would be due a refund otherwise the final bill would be mailed to whoever close the account. Mr. Coffey ask if the irrigation was ever cut off in 2012. City Manager Fuller stated it was obviously not shut off if someone could use the irrigation meter after 2012 when the meter should of been shut off. Mr. Coffey stated so if someone moved

in not knowing there was an irrigation account and turns on the automatic sprinkler system, washes their car, fills up the pool, etc. and they do not know that there is a separate account and felt that the water bill was covering the water usage. Commissioner Covey asked if this amount was based on the readings that were taken on this meter recently and then times the number of months that Mr. Coffey had lived there and asked if that was how the \$1900 was arrived at. Commissioner Covey stated that Mr. Coffey moved in to the house in June 2014. She stated if the city read it in September 2014 and then again in October 2014 and in one month later he had used X amount of gallons of water and if they times that times the number of months he lived there would it come up to him owing \$1900. City Manager Fuller stated that was how they generated the amount not for many reads that were done in 2012 or 2013. City Manager Fuller stated this reflects 32 days of usage on that meter that was verified as being accurate. Commissioner Covey stated then we are saying that water usage did belong to Mr. Coffey based on our reading of a month times the months he had lived there. She said we were billing him for the number of the month he had lived there at the rate of he appears to have consumed the water. City Manager Fuller stated that was correct. Mayor Abbott said what he did not have tonight was verification of the October reading. Mr. Coffey asked how he got that verification. City Manager Fuller stated he believed that it had been rechecked exception report that is generated each month which would show anomalies and we would recheck those. City Manager Fuller stated he would have to get the piece of paper that verified that this meter reading was rechecked. Mr. Coffey stated the problem with rechecking the meter is that there had already been two checks done and once two checks done the prior check the one that was in question the 28,000 gallons cannot be verified again once the second check has been done. He said you cannot verify that one anymore once the second reading has been done and they can only verify based on the current reading and then what the next reading may be and that he could not go back behind that in check. Mr. Coffey said there is no way to verify that the October reading was correctly put in and accurate. he said there could've been a decimal point put in the wrong place for all they know. Commissioner Covey stated that if it was Reading correctly the next month would play catch-up if it's read correctly been. Mr. Coffey stated exactly and that's when it came up with 454,000 gallons of usage. Commissioner Covey stated that was what she was saying that if she understands correctly if they to the amount of water that he used during a one month and multiplied it times the months he had lived there and charged him for that, and Mr. Coffey interrupted in stating that was not what they did. Mr. Coffey stated there was a 20 month., Over two years, that the meter was not read. Commissioner Covey stated he needed to get someone out to check to see if there was a leak and Mr. Coffey stated there was no leak of that magnitude because you would know about it. Mayor Abbott stated there were circumstances that that amount of water usage could be used and Mr. Coffey stated that he would like to know what those are because he deals in facts. Mayor Abbott asked Public Works Director Johnson if there could be a leak of this magnitude down in the ground that might not show. Public Works Director Johnson stated that it was possible and that he and Sharon were looking at it today and if there was a larger pipe leak then it could happen. He said he understood Mr. Coffey's

concerned that there should be pooling water of some sort with the leak of that magnitude. Mr. Coffey stated that if the irrigation lines were leaking that much would he not lose pressure would he not lose the pressure for the water irrigation system to work. Mr. Johnson stated he would lose water pressure and neck instance and Mr. Coffey stated that he had normal water pressure that he normally has. City Attorney Obos as if there was a November and December reading on the irrigation meter. Mr. coffee stated the meter had been removed to do the test he thought for the accuracy of the meter itself. He said Mr. Johnson just verified that if he had a leak of this sort he would not have water pressure in his irrigation system or his hose bibs and he does have water pressure. Commissioner Covey asked if he had turned off all of his water within his household to see if that meter was still turning at that point which would indicate a leak. Public Works Director Johnson stated he did not know. Mayor Abbott asked if we have a method of determining whether the that much water flowed through that meter and are going to have to pay Bay County for that water. Mr. Coffey asked what was the method that was used to confirm that the water flowed through the meter. City Manager Fuller stated they tested the meter and the meter checked as accurate and they rechecked the reading Mr. Coffey stated that did not tell them if the reading was done correctly. Mr. coffee stated that was the kicker here. He said if the October 28 reading was not done correctly then it makes sense. Commissioner Covey asked if we could not set a meter out there to determine if there was a leak by having everything turned off in the house to show if there was a leak happening at that particular time. She said if were losing this kind of water then we need to find out where the waters going. Public works director Johnson stated absolutely. He also stated there was a meter in their currently so Commissioner Covey asked if anyone had been out there to verify that the meter was moving or not. Mr. coffee stated he had turned everything off. Commissioner Covey stated that she was asking if anyone from the city had been out to verify if the meter currently in place was registering water going through it with everything shut off. Commissioner Covey stated the water is going somewhere if the meter registered more water going through it. Mayor Abbott stated that was all correct but that we still needed to be able to prove whether or not the 454,000 gallons move through the meter or not because the city was going to be billed for that amount of water. He said if we are going to hold somebody accountable for this amount of water we have to be able to show without a doubt that it went through the meter. City manager Fuller stated Mr. coffee was concerned where there it would cost his water to be cut off until the situation was rectified one way or the other and Commissioner Covey stated that until we had all the information we could not cut his household water off. City manager Fuller stated we would also not send this information to the collections agency and Commissioner Covey stated definitely not until it was cleared up. Mayor Abbott agreed. Mr. coffee stated he wanted to point out whether it was right or wrong about the 454,000 gallons of water going through the meter that he did not understand how the responsibility would fall on him. He stated he did not sign up for an irrigation accounted did not feel he could be held responsible for the water usage. Mr. coffee stated there was always the possibility of human error and it can be checked 1 million times and they could not go back to that previous date reading to see if that previous reading was correct. Commissioner Covey

stated to Mr. coffee with all due respect, there was a citizen in a couple of months ago that thought someone was using her water and they went out and checked it and it was an enormous amount of water with there being no leak determined anywhere. She stated that she had to pay that account because there was no way to prove that she had not used that water. She stated if it is determined that that water was used during his time when he was living in the house then he would need to pay. She said let them get the figures together unless they meet again regarding this issue. Mayor Abbott stated that he was not certain whether it would require board action or not but they will have the answer. Mr. coffee asked when he could expect an answer and Mayor Abbott stated as soon as possible. Mayor Abbott stated he should have an answer this week.

PUBLIC PARTICIPATION

John J. Malone, 707 Plantation Circle, Callaway, FL, said according to the owners letter he opened the water account in June 2014. He stated early in November 2014 he was advised up an irrigation bill of \$1934.48. He asked if someone could please advise him what the city of Callaway was doing during the months of June July August September and October 2014. He said in the meantime we have an auditor auditing the utility billing account and all of that and he thought she found something like 12 accounts where no one knew anything. He said he was listening to Mr. coffee and said he did not get in the house until June 2014 and in the meantime the city was trying to bill him for over \$1900 and water consumption that happened prior to his moving into the house during the previous two years. Mayor Abbott stated we were not trying to do that and that it shows that he was not opening an irrigation account until October 2014. Mr. Malone stated that was correct and that he had been an auditor and had reviewed the information provided and wanted to know what we were trying to do.

ITEM #12 ETHICS TRAINING FOR ELECTED OFFICIALS

Mayor Abbott asked how much money was put in the budget for elected officials for ethics training which is a requirement effective January 1, 2015 of all elected officials. City manager Fuller stated there was \$1000 in the commission budget for education. He stated \$600 of the 1000 was designated as IEMO training for two elected officials. Mayor Abbott stated he was just bringing this to everyone's attention about the statutory requirement and that there was a variety of ways they could receive their training. He said the board could say that they could all do it the same way or each get their training individually. He said it is just their obligation to get four hours of training and ethics this calendar year. Commissioner Covey asked if it could be done and I webinar. City Attorney Obos said there was a variety of ways they could do it. Mayor Abbott said some of the ways he is aware of is some of the training is free and some that charge a fee. He believes Florida league of cities will have the training but was unsure whether there would be a fee are not. He said there is also a provision where it can be done locally by a company that is also used by the Bay district schools to provide their training also. He said that did not mean that they would have to use this company just that there is an option out there. He asked how the board wanted to proceed. City Attorney Obos stated that Amy Myers in the

Harrison cell office will also be providing a program to be offered for all of their municipal clients which would be free and will be held in June 2015. He said this is new for municipal officers but the school board has been required to have this training for a while. Mayor Abbott also said that other agencies have made internal decisions that said even though it's not required that they want anyone who has fiduciary responsibilities to go through the training. He said he felt that was something that they may want to consider. He said there are many agencies send more than what is required for this training. Mayor Abbott stated that based solutions has a course and now we know that Harrison sale will be providing some training in June and possibly the Florida League of Cities will be having some training in April so there are several different options for the elected officials to pursue. City Attorney Obos stated this is training that is required every calendar year. Mayor Abbott stated that it is his understanding that when they all do their financial disclosure annually that part of the financial disclosure is that they will have to show evidence of the training. He said in the interest of full disclosure one of the companies offering local training is based solutions which will be offering training in late January they have given the city of flyer and will also be providing the training in February. Commissioner Pelletier stated he would be going to Crestview in April as it would be free. Commissioner Covey stated she probably would go to Crestview also. She stated it should be left up to the individual elected officials on how they received their training. He said he wanted the board to give some thought as to whether others in addition to the elected officials may want to take this training.

COMMISSION COMMENTS

Mayor Abbott stated that he knew there were some glitches with the online bill paying and asked city manager Fuller to give an update on how these issues are being cleared up. He also stated that he spent two days in Tallahassee recently at the Florida regional counsel Association and to suffice it to say the biggest thing that's coming out of this was that somewhere between 800 million to perhaps \$1 billion that the state now believes will come in as revenue that they did not forecast that was going to come in back in the spring when they built the budget. He said they seem to view this as the economy improving slowly but steadily. He said that he hoped that this would possibly lead to more revenue sharing in the future.

Commissioner Pelletier asked city manager Fuller if he could get a few records from him for the month of September and October November. City Manager Fuller stated that would be fine. He then stated that the water bills were out late again and that he spoke to City Manager Fuller regarding this. City Manager Fuller seem to believe that in part that work orders could be part of the problem. He stated he spoke with someone at Springfield regarding this type issue and asked city manager Fuller to explain about the work orders and how it could cause the bills to go out late. He stated Springfield stated it should not be a problem regarding the work orders. Commissioner Pelletier stated it's his understanding that public works is closing out work orders. City manager Fuller stated he was told that the bills were a little delayed due to some work orders that needed to be closed out and Mr. Pelletier stated he did not understand and ask if this

had something to do with the meter readers. City Manager Fuller stated between work orders and the holidays this calls a slight delay. Commissioner Covey stated that Springbrook allows them to do work order closeouts. Public Works Johnson asked Sharon to explain the issue. She stated the work orders themselves does not directly affect the meter reading. She said the work orders that they were talking about are the work orders that Micah generates on 31 December to go back out and do rereads all accounts. She stated our meter readers went out on the first and did the rereads even though they were on holiday. She stated she sent them to Micah at the beginning of January 2. She stated once she sends them to Micah electronically she has no control over them after that point and it was up to her to close them out. Commissioner Covey asked his lance if she could have closed them out herself using Springbrook software. Ms. Lynch stated she was told not to close those out yet because it had not been transferred as one of her duties at this point. Commissioner Covey asked if there was software in Springbrook where she could do these closeouts and Ms. Lynch stated there was. Commissioner Covey stated we shouldn't have that problem happen again. She asked why were we generating follow-ups as late as December 31. Ms. Lynch stated it was due to the holidays and disconnects that had to be taken care of because the meter readers were behind because of holiday leave time and they did disconnects late for both November and December. City manager Fuller stated again that it was the holidays that through them off. City manager Fuller stated that working hard to get these bills out in a timely manner and Mayor Abbott stated so in February they would see the bills out on time. Commissioner Covey again asked about closeout of work orders. She asked Sharon that since she had the software then it did not have to get transferred up to City Hall for her to do the closeouts of the work orders was back correct. Sharon stated the only part of them because disconnects are a billing issue and have to be sent to City Hall. She said any service order dealing with meters checks for leaks tampering etc. she said she can closeout but connects disconnects have to go back to City Hall for closeout. Commissioner Covey asked why and Sharon stated that was the way they had the billing setup, Micah said she has to do things different than what she has to do which affect billing. Commissioner Covey asked if Sharon couldn't close them out at public works and City Hall personnel pull it up and view it electronically to be able to do their portion of the billing. Sharon said she did not know their procedures at City Hall on closing those work orders out but that she just knew there are more steps and what she would normally do to close out billing work orders. Commissioner Covey stated they might want to look into that because if they could do part of them at public works then they should be able to do them all at public works which would speed up the process. City manager Fuller stated they are researching ways to do away with be paper trail and to handle these issues electronically instead. Sharon stated they are eliminating the paper because anything she does is electronic until she printed out and gives it to her text to go out and physically do the checks read checks etc. She stated once this has been accomplished by her text then she goes back in and handles it electronically. Sharon stated by asking her to do on and off cutoffs as well they are asking her to put another task in her lap. City manager Fuller stated they could still pull it up electronically at City Hall utility billing and assess the accounts. Commissioner Pelletier

asked City Manager Fuller if he could get him status of delinquent accounts from May to December 2014. He stated his last question was where were we all the financial statements. He asked if we had made any progress and city manager Fuller stated there had been progress made. City Manager Fuller asked finance director Waldrip to step to the podium and address this issue. She said she had completed bank Rex through September and said she was probably a little more optimistic than she should be but she was hoping to get a trial balance for 2014 for the audit at the end of this month. She said the month was flying by and she's not making a lot of progress but said she did have all of the bank things closed out and reconciled and being recorded so she said she was making some progress. Commissioner Pelletier stated since July and August have been closed out why do they not have financials he said they voted on this six or seven months ago and that it was a matter of printing them was that correct. Finance Director Waldrip stated that was correct as far as the printing but she had not gone back to verify all of her information and had not gone back and looked at all the balance sheet accounts and reconciled all of those. She said it was probably not materially different and that she could give them some preliminary financial statements. She said she could definitely give them July and August preliminary statements. She stated she solve it they were receiving a dashboard type report at some point and said that it looked like a pretty neat report. She stated it was a one sheet report which showed the revenue coming in the expenses, had pie charts etc. Mayor Abbott stated that was the quarterly financial statements and stated they were from finance director Bennett to was the couple of finance director's previous and had not received them in over a year. City Manager Fuller stated once they get back up to speed though he believed they had voted to receive the monthly and Commissioner Pelletier stated that was correct. Finance director Waldrip stated she had not been able to totally concentrate on the financial reporting and was trying to make that her biggest priority. Finance Director Waldrip stated she had not been able to totally concentrate on doing the financials but she had been trying to make that her biggest priority. Commissioner Pelletier asked if Warren Everett had started the audit and asked for yes or no answer. Finance Director Waldrip stated no. Commissioner Pelletier stated they had not come the City Hall so they are in violation of their contract, correct. Mayor Abbott stated why didn't she touch base with them to see when they intend to be here and let us know. Finance Dir. Waldrip said they would be there when we're ready. Commissioner Pelletier stated that was not the issue because they are in violation of their contract. Finance Dir. Waldrip stated we had asked them and Commissioner Pelletier interrupted to state the commission had not asked them for an extension. Finance director Waldrip asked if they wanted us to asked them to come in be here. Commissioner Pelletier stated he was asking the question where are we at. Finance director Waldrip asked that that is what they would like for them to do and Commissioner Pelletier said since there was no vote no second and that we have a contract with Warren Averett, then he would assume they are in violation of their contract and should have started by now and said this was his assumption. Mayor Abbott stated we can assume that but if they are doing another audit somewhere then they cannot physically be in two places at one time. Mayor Abbott stated that was one of the points he had made when they wanted to make a statement that we weren't going to vote to change it or

vote not to change it but if there are not here, they are not going to be able to do it if they're not here and said that's where they are right now. He said that's why he was asking city manager Fuller to please get in touch with them and ask them what their intentions are. Commissioner Covey said she thought that as a contractor they would come before the Commission if they have another job going and they were not going to get here in time, they could have come and said to them as a Commission that they were asking us because they were not going to be able to make the contract beginning date so would they be willing to understand that and allow it. Finance director Waldrip stated that it was not them who is not ready, she stated it was the city who was not ready so she said she spoke to the auditor and let them know that she would not be ready by December 1st to begin the audit. She said they offered a 10 day extension and she let them know that she would not be ready within the 10 day extension either. Commissioner Covey stated the auditor has a contract with the commission and they should have come before the commission letting them know that they had been contacted by our financial staff that we would not be ready to begin the audit on December 1. She stated that if that had been done the commission could have handled the contract issue then rather than after the fact. Finance director Waldrip said that she, Mrs. Balent, did initiate a request to take this issue up with the audit committee. Commissioner Covey stated the audit committee was not the people who this request should have been sent to. She said the audit committee only selects the auditor and any other tasks as assigned by the commission. She stated the commission did not ask the audit committee to take on this duty because the contract was between the commission and Warren Averett. Finance director Waldrip said that she felt Mrs. Balent was just concerned that this be communicated to the commission and that was what she thought she was supposed to have done. City Manager Fuller asked at this time what we were proposing. Mayor Abbott stated said we were proposing to have an audit when we're ready. Finance director Waldrip said we have the alternative schedule and stated she had contacted her and said that she could move it up at least one week from the schedule that was passed out this evening. Mayor Abbott stated as far as finance director Waldrip knew and based on the communication the auditor received from the city, when do they expect to be here. Finance Director Waldrip said they committed to the schedule which she had on her desk. Mayor Abbott asked that she communicate this information to the commission. Commissioner Pelletier thanked her.

Commissioner Covey stated she would first like to commend the public works staff for staying on top of the fact that water was used at an address, having charges filed against the person for thievery of water, and for Micah working with the police to ensure they were prosecuted. She said so it took the public works department and Micah from the City Hall working together to get this done. She stated she also wanted to commend Leisure Services Director Legare for obtaining free trees for our city stating this was the kind of initiative taken among our employees to benefit the city. She stated she wanted to bring the commission and citizens up to date on the AWT issue. She said they are still in closed mitigation and said things are moving unbeknownst to everyone but they have to wait on receipt from this one before they can take action. She said the

attorney gave parameters to the representatives that they have to stay within. She stated they have deadlines and they are moving as fast as they can considering the parameters everyone falls under. She said with that being said we can't dictate the time frame on these parameters that other people are having to meet. She said the point she was trying to make was that this was taking longer than they anticipated due to the different parameters set for other individuals. She stated she would keep everyone updated at every meeting and that it is moving it just may not be moving as fast as we would like for it to. She said she felt it was moving in a positive direction. She then asked if the city is still utilizing inmates for work. City Manager Fuller stated as far as he knew we were. She stated we have so much litter on the streets that we could have them picking up litter if we do not have anything else for them to do. She said she felt like we should utilize the inmates as much as possible. City Manager Fuller stated we will be using the inmates as much as possible so our manpower will not be used for those type tasks. Commissioner Covey stated that March will be paint up, clean up, fix up month and said she was tired of us reading proclamations and not getting anything done with regard to the proclamations. She asked that someone tried to contact groups at Tyndall to assist retired military, possible contacts churches within our city limits who may help their congregations to help clean up and beautify Callaway, she said there are people who will help the elderly we just need to get in contact with them so if anyone had any contact information on any of these type groups she would appreciate them doing so for the benefit of Callaway. She stated our City Hall really needed to be fixed up and that it was in bad shape. She said that she had spoken with city manager Fuller regarding a possible USDA grant which might help with that area. She said if we're going to read this proclamation we need to do a concerted effort to get out and do something about it. She then asked what was the status of the code enforcement position and had anything been done about it. City manager Fuller stated it is currently being advertised. She said that she looked at the performance appraisal forms for city manager and for other employees stating that city manager Fuller's evaluation would be coming up in June and she then asked when city clerk Hirth's evaluation would be due and was told that would be in September. Commissioner Covey stated the city clerk got by this time without them having done an evaluation. She then said she had noticed a monthly sewage flow report from Parker and had never seen one of those before. She asked what it was. City Manager Fuller clarified that it was a monthly report sent out to all AWT members. She also stated that she noticed they had received monthly financial reports for the past two months from the military point advanced wastewater treatment system and asked if we had been receiving these every two months. City manager Fuller stated we had been receiving them regularly. She asked when they are fiscal year ended and city manager Fuller stated the same as Callaway's which would be September 30 of each year. She also mentioned that she had seen a memorandum from the state where the Berthe Avenue request for reimbursement from FEMA was not approved. She asked what we were going to do about the city manager Fuller explained we had requested a waiver for public disaster funding which required a 25% match requirement. He stated the state will help us pay one half of that if we qualified for a waiver which was 12.5% and they informed us that we did not meet the requirements that said that this

did not reflect all whether or not we would receive the FEMA grant for the spillway project. He stated we still want to move forward with what we are doing with regard to the spillway even though we do not have the waiver.

City manager Fuller stated that he and Commissioner Covey had spoken last week regarding a resolution which would require defaulted or properties going through foreclosure to register with the city. He said it was being done throughout the state and said there were over 100 cities and counties that have passed ordinances such as this. He stated we were going to start working on an ordinance if this was the direction the commission wanted us to go. He stated they would have something prepared for the next commission meeting regarding this issue. He stated they briefly discussed having a provision for residents to provide the city with evidence of having a garbage collection provider/account from whichever carrier they chose. He stated that this time we are still trying to figure out how to go about collecting that information. Mayor Abbott stated the only thing that made him a little nervous about requesting this information was did you mean their individual private accounts. City manager Fuller stated that possibly when someone comes into City Hall to open a utility account that they furnish the information to the city at that time. Commissioner Covey said that she did not have a garbage collector because she did not generate enough garbage to pay that fee every month. She stated she had a friend who has a business who allows her to put her garbage in his dumpster. She said she felt that it would be imposing on her. She stated she lived in a County at one time where this information was attached to their tax bill and you would pay it through your taxes. She said she saw the need for something like this because we have it sitting out by the road they briefly discussed commercial entities such as apartment buildings etc. having dumpsters but that is a different case than having private individual residences. Mayor Abbott stated that he was not real comfortable with saying that they were going to require having the service. Commissioner Covey stated that down the street from her home people put it out in their non-trash company issued containers and it sits around it is never collected. She said that she needed to contribute in this sort of way in order to help clean up Callaway then she would be willing to do it. She said it was important to her to not see this type trash laying around in the city. City attorney oboes stated if we required them to provide evidence that they had an account what was to stop them from turning right around and cancelling the account. Commissioner Covey stated that if we expect code enforcement officer Frye to handle this type situations then we would have to give him the tools to be able to deal with. She again stated that when she moved here she thought that it was attached to the tax bill as in the county where she had previously lived. City Manager Fuller said his last item for discussion was regarding the number of annual leave hours he had accumulated last year over the amount of hours employees can bring forward in January (240 hours). Commissioner Covey asked what his total was when he became the City Manager. City Manager Fuller stated he would get this information broken down into the number of hours accumulated as the Planning Director and as the City Manager and would bring it back to the Commission.

Mayor Abbott read the Announcements for the meeting at this time.

- Code Enforcement Board Meeting - Thursday, January 22, 2015, 6:00 P.M.
- Next Regular Commission Meeting - Tuesday, January 27, 2015, 6:00 P.M.
- City Offices Closed - January 19, 2015 - Dr. Martin Luther King, Jr. Day

There being no further business, Commissioner Covey moved to adjourn the meeting at 10:22 P.M. Commissioner Pelletier seconded the motion.

All ayes

Sandra B. Hirth, City Clerk

- Code Enforcement Board Meeting - Thursday, January 22, 2015, 6:00 P.M.
- Next Regular Commission Meeting - Tuesday, January 27, 2015, 6:00 P.M.
- City Offices Closed - January 19, 2015 - Dr. Martin Luther King, Jr. Day

There being no further business, Commissioner Covey moved to adjourn the meeting which was seconded by Commissioner Pelletier at 10:___ P.M.

Sandra B. Hirth, City Clerk

City of Callaway Board of Commissioners Agenda Item Summary

February 10, 2015

Resolution 15-03 Amending Utility Billing Policy Manual For Mailing Bills

1. PLACED ON AGENDA BY:

J. Michael Fuller, City Manager

2. AGENDA:

PRESENTATION	<input type="checkbox"/>
PUBLIC HEARING	<input type="checkbox"/>
CONSENT	<input checked="" type="checkbox"/>
OLD BUSINESS	<input type="checkbox"/>
REGULAR	<input type="checkbox"/>

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

In October 2014, Warren Averett conducted a study regarding the billing and cash receipts in the Water Fund and presented recommendations, including mailing utility billings by a certain date. At the last regular, the City Commission voted to adopt a policy requiring utility bills be generated and mailed a by the end of each month.

The attached Resolution will amend the Utility Billing Policy Manual by establishing a "Mailing Bills" section and including the new policy on mailing utility bills by the end of each month.

ATTACHMENT:

- Resolution 15-03 and Exhibit

5. REQUESTED MOTION/ACTION:

Staff recommends the City Commission approve Resolution 15-03 amending the Utility Billing Policy Manual by including the new policy on mailing utility bills by the end of each month.

RESOLUTION #15-03

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CALLAWAY, FLORIDA AMENDING THE UTILITY BILLING POLICY MANUAL ADOPTED BY RESOLUTION 12-17; REQUIRING UTILITY BILLS BE SENT TO POST OFFICE WITHIN A CERTAIN PERIOD OF TIME; REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Callaway, Florida formally adopted policies and procedures in regards to utility billing practices in 2012 by Resolution 12-17; and

WHEREAS, the City Commission requested a study evaluating the billing and cash receipts processes of the Water Utility enterprise fund in October 2014; and

WHEREAS, the City Commission met at a publically noticed meeting on January 27, 2015 to adopt a policy regarding the generating and mailing of utility bills each month; and

WHEREAS, these new utility billing policies and procedures should be made part of the existing "City of Callaway Utility Billing Policy Manual."

NOW, THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF CALLAWAY, FLORIDA:

SECTION 1. The "City of Callaway Utility Billing Policy Manual" is hereby amended to include a section titled "Mailing Bills" and attached hereto as Exhibit A.

SECTION 2. REPEAL. All resolutions or parts of resolutions in conflict herewith are repealed to the extent of such conflict.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Resolution, including Exhibit A, is for any reason held invalid or unconstitutional by the decision of any court or regulatory body of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this _____ day of _____, 2015, by the CALLAWAY CITY COMMISSION meeting in regular session.

CITY OF CALLAWAY, FLORIDA

Thomas W. Abbott, Mayor

ATTEST:

Sandy B. Hirth, City Clerk

users (\\CITYSVR)/M Fuller Docs/Utility_Resolution 15-03.doc

Exhibit A

Once approved, the discount will cease immediately if the account holder no longer owns the homestead. However, the account holder may reapply for the discount as a Non-Homeowner if they still reside in the home. (See next section for details.)

Qualifying Senior Non-Homeowners

The Senior Citizen Discount is also available to residential account holders 65 years of age or older, living within the city limits, who permanently reside in a household with a household income that does not exceed the maximum amount provided for by Florida Statute 196.075.

An application form is required to apply for the discount, along with documentation for the most recent calendar year available for each member of the household that would be sufficient under Florida Statute 196.075 to establish that the household would qualify for the additional senior citizen homestead exemption, if the account holder were the owner of the housing unit and were applying for it. In addition, the account holder may present his/her latest social security statement as proof of income.

Confirmation and Effective Dates

Upon inspection of the application form and required documentation, City staff will notify applicant of qualification or disqualification of the discount and state the reason for any disqualification.

Once a senior homeowner's application has been approved, the discount shall apply up to and including December of the year following the year of the tax bill. However, if the application has not been approved by the 15th day or later of a month, the discount shall not apply to that month.

Once a senior non-homeowner's application has been approved, the discount shall apply to the following thirteen utility bills for the household or until the applicant no longer permanently resides at the residence. However, if the application has not been approved by the 15th day or later of a month, the discount shall not apply to that month.

Because qualification for the Senior Citizen Discount is based on income for a particular year, the account holder must apply each year.

MAILING BILLS

To allow for an adequate number of days between the times utility bills are sent to customers and the time payment is due, bills must be calculated by the end of each month. The calculated bills shall be sent for printing and mailing by the last day of each month.

Comment [f1]: Add Underlined

DUE DATES & PENALTIES

Utility bills are due and payable on the 15th day of each month. The due date is clearly stated on each billing statement and no past-due notices are mailed.

Failure to make timely payment on the 15th day of each month will result in a penalty of ten (10) percent of the utility bill which will be added to the amount then due and payable. In the event that the 15th day of the month falls on a day that City Hall is closed, the utility bill is due and payable on the next business day. Payments RECEIVED thereafter will be subject to the ten percent penalty.

**City of Callaway Board of Commissioners
Agenda Item Summary**

February 10, 2015

Resolution 15-04 Amending the Accounting Policy Manual

<p>1. PLACED ON AGENDA BY: J. Michael Fuller, City Manager</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input checked="" type="checkbox"/></p> <p>OLD BUSINESS <input type="checkbox"/></p> <p>REGULAR <input type="checkbox"/></p>
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3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

In October 2014, Warren Averett conducted a study regarding the billing and cash receipts in the Water Fund and presented recommendations, including policies for daily deposits and risk assessment. At the last regular, the City Commission voted to adopt a policy requiring deposits be made daily. The vote included a policy to conduct annual/semi-annual risk assessment of the City's billing functions.

The attached Resolution will amend the Accounting Policy Manual by change the section titled "Cash Receipts and Deposits" and establishing a section on "Risk Assessment".

ATTACHMENT:

- Resolution 15-04 and Exhibit

5. REQUESTED MOTION/ACTION:

Staff recommends the City Commission approve Resolution 15-04 amending the Accounting Policy Manual by including by requiring daily deposits and annual/bi-annual risk assessment on the City's billing functions.

RESOLUTION #15-04

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF CALLAWAY, FLORIDA AMENDING THE ACCOUNTING POLICY MANUAL PREVIOUSLY ADOPTED BY THE CITY; REQUIRING DAILY BANK DEPOSITS OF UTILITY PAYMENTS; PROVIDING RISK ASSESSMENTS OF UTILITY ACCOUNTS; REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Callaway, Florida formally adopted policies and procedures in regards to accounting practices in August 2011; and

WHEREAS, the City Commission requested a study evaluating the billing and cash receipts processes of the Water Utility enterprise fund in October 2014; and

WHEREAS, the City Commission met at a publically noticed meeting on January 27, 2015 to adopt a policies regarding daily bank deposits and risk assessment of utility accounts; and

WHEREAS, these new accounting policies and procedures should be made part of the existing “City of Callaway Accounting Policy Manual.”

NOW, THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF CALLAWAY, FLORIDA:

SECTION 1. The “City of Callaway Accounting Policy Manual” is hereby amended to revise the section titled “Cash Receipts and Deposits” and to include a section titled “Risk Assessment” and attached hereto as Exhibit A.

SECTION 2. REPEAL. All resolutions or parts of resolutions in conflict herewith are repealed to the extent of such conflict.

SECTION 3. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Resolution, including Exhibit A, is for any reason held invalid or unconstitutional by the decision of any court or regulatory body of competent jurisdiction, such decision shall not affect the validity of the remaining portions hereof.

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this _____ day of _____, 2015, by the CALLAWAY CITY COMMISSION meeting in regular session.

CITY OF CALLAWAY, FLORIDA

Thomas W. Abbott, Mayor

ATTEST:

Sandy B. Hirth, City Clerk

users (\\CITYSVR)/M Fuller Does/Utility_Resolution 15-04.doc

Exhibit A

Cash Management

The City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Acts." Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, multiplied by the depository's collateral pledging level. The pledging level may vary depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositories are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. The City Clerk will request written acknowledgement from all public depositories that the account(s) will be classified on the records of the qualified public depository as a public deposit and will be collateralized as such.

Cash Receipts and Deposits

Payments are received primarily through the mail, in person at the City's offices, or electronically. Cash and checks should be immediately deposited after the balancing of the drawer to the proof list by the Customer Service Representative. A ~~D~~ deposit slips are prepared by the Cashier Customer Service Representative and payments are deposited in the bank daily by a courier or officer of the City. Any payments received during the day which are not deposited in the bank at the end of that day are kept in the secured vault for deposit the following business day.

~~All monies received shall be deposited within two business days of receipt.~~

All payments are identified by type (i.e., assessments, facility rental fees, utility bills, reimbursements, etc.) by the department responsible for receipt of payment. A copy of any support documentation is filed in the monthly cash receipts folder. A validated copy of the deposit slip is filed by the Cashier along with a register report which details the receipts which are included on each deposit slip.

All transactions are then posted when received through daily interfaced journal entries. The validated bank deposits slips and proof list should be used by the City Clerk or Finance Director to commit batches the day following deposit of the funds.

Deposit slips along with supporting documentation are then grouped by month and maintained by the Cashier in the City's records in accordance with retention requirements.

...

~~(Strike through Removed)~~/Underlined Added)

Exhibit A

Miscellaneous

Insurance

The City obtains insurance policies to protect itself from the risks of loss from theft of, damage to, or destruction of assets, errors and omissions, and job-related illnesses or injuries to employees among others. Specifically, the City insures for the following:

- Property
- Inland marine
- Fuel Tank Coverage
- General liability
- Automobile liability
- Public officials and employees liability
- Workers compensation
- Supplemental Coverage required for Firefighters
- Life and Accidental Death & Dismemberment (on the job)

All insurance policies are for a period of one year and generally coincide with the City's fiscal year beginning October 1. The policies are reviewed on an annual basis by the City Clerk's office along with the City's insurance consultant(s) to insure the adequacy of coverage.

Risk Assessment

On an annual or bi-annual basis, a risk assessment of City's billing functions should be performed. Internal testing should be performed to ensure all accounts are configured properly to reduce the risk of a billing error. The City's risk assessment strategy should give particular focus on utility accounts to test whether all meters are configured properly in the system.

Information Technology (IT) Security

The City uses a computerized, networked accounting system. The City contracts with an IT Service Provider to provide for continuity of support services, to safeguard data stored on the City's computer network system, and to maintain the integrity of the system as a whole.

The City presently has 4 computer servers; each using a Windows based operating system (1 Windows 2000 and 3 Windows 2003). One server is dedicated to the automated meter reading system and it is locked in a secure room at City Hall. The main file server and a print server are located in the Media Room at City Hall which is only accessible to City employees. Another file server is located at the City's Public Works office and is accessible only to City employees.

Backups are performed twice daily, on tape and USB external devices. The backups are checked daily and are tested twice per week by the contracted IT Service Provider. Daily backups are maintained at City Hall. Weekly backups are kept off-site in the City's safe deposit box at Regions Bank.

~~(Strike through Removed)~~/Underlined Added)

Exhibit A

Files stored on the servers are password protected. Administrators and authorized users are required to change their passwords every 90 days. Complex passwords are required.

**City of Callaway Board of Commissioners
Agenda Item Summary**

2-10-15

National Museum of The United States Air Force (NMUSAF) Loan and Static Display Program

1. PLACED ON AGENDA BY:

Michael Fuller,
City Manager

2. AGENDA:

PRESENTATION	<input type="checkbox"/>
PUBLIC HEARING	<input type="checkbox"/>
CONSENT	<input checked="" type="checkbox"/>
REGULAR	<input type="checkbox"/>

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

NA

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

The City is required annually to submit a Loan Agreement to The National Museum of The United States Air Force for the static display aircraft at the Callaway Recreational Complex and Veterans Park.

Attachments

- 2015 (NMUSAF) Loan Agreement
- Inventory Report
- Point of Contact Information Sheet

5. REQUESTED MOTION/ACTION:

The City Manager request approval from the Commission to execute the National Museum of The United States Air Force Static Display Program 2015 Loan Agreement.

MUNICIPALITIES - INSTRUCTIONS FOR COMPLETING THE LOAN RENEWAL PROCESS

1. **2015 LOAN AGREEMENT:** Review, sign and date the Acceptance Statement located on page six of the loan agreement. **NOTE:** No changes are authorized to be made to the 2015 Loan Agreement. Any changes made will automatically void the Agreement.

2. **2015 INVENTORY REPORT:** Complete a physical inspection of each item, verifying the nomenclature against the attached computerized inventory report. Please annotate any discrepancies such as additions (munitions that are attached to the aerospace vehicles), shortages, damage or deterioration. Upon completion of the physical inspection, sign and date the Certification Statement at the bottom of the inventory.

Loan Agreement & Inventory must be signed by the Mayor/City Manager (no exceptions).

3. **2015 POINT OF CONTACT INFORMATION SHEET:** Review the Point of Contact Information sheet and make pen and ink changes to correct the information, do not retype document. Explanations of several items on the Point of Contact Information Sheet are listed below:

- **The Historical Property Custodian:** The Mayor/City Manager is the Historical Property Custodian (no exceptions). This is the only individual authorized to sign the loan agreement and inventory report in accordance with Department of Defense Directives.
- **Primary Point of Contact, Title Primary Point of Contact & Primary Phone Number:** This is the individual that you want to receive any correspondence from the Museum and can answer any questions in reference to the items on loan. This individual can be different from the Historical Property Custodian. This individual can't sign the loan agreement and inventory report.

4. **PHOTO REQUIREMENTS:** Provide a CD containing current digital images in JPG format. Do not send hard copies of images or any other media, no 3.5 disks, flash drives, movies, etc.

Images must contain:

- General view of the whole aircraft/missile in its entirety, taken from both left and right sides to include sufficient detail to show the overall condition and tail number for the airframe. No angle shots. Images for all other artifacts will be of sufficient detail to insure positive identification of each object.
- Any damage to the item (e.g. corrosion, insect/animal infestation, paint chipping or fading, broken or cracked canopies or windows). Provide both close up, detailed views and wide angle views (where appropriate)
- Any armaments or munitions attached to items on loan; images should show sufficient detail to ensure positive identification of each object (if applicable)

5. **INSURANCE:** Provide proof of insurance to include name of carrier, limits of liability and period of coverage (copy of binder). For self-insured organizations, proof shall constitute a written and signed statement attesting to ability to reimburse for full replacement value will be provided each year. For insurance purposes the Government appraised value of the item(s) on loan to your organization is noted on the inventory report in the column labeled "Value".

Upon completion of the above actions, forward a copy of the loan agreement and inventory signed by the Mayor/City Manager, corrected points of contact information sheet, CD containing digital images, and proof of insurance coverage to the address below no later than **31 March 2015**.

NMUSAF/MUC
ATTN: Patricia Ochs
1100 Spaatz St
Wright-Patterson AFB OH 45433-7102

NOTE: NMUSAF will not accept loan renewal packages via email.

ATTACHMENT 1

NATIONAL MUSEUM OF THE UNITED STATES AIR FORCE (NMUSAF) LOAN AND STATIC DISPLAY PROGRAMS

INSTRUCTIONS FOR PREPARATION AND MAINTENANCE OF AEROSPACE VEHICLES

SECTION A - GENERAL

A. Information:

1. This instruction covers the requirements for the preparation and preservation of aerospace vehicles for static display by an organization borrowing an aerospace vehicle from the National Museum of the United States Air Force (NMUSAF).
2. These requirements are designed to return and/or maintain the aerospace vehicle in as near original configuration as possible and to render them suitable for display.
3. Generally, all reconditioning, repairing, and refinishing will be accomplished in accordance with current Air Force directives and instructions and in a manner that would not modify it in any way, thereby altering the original form, design, or the historical significance of, said property. Deviations from this standard must be requested in writing and approved by NMUSAF.

B. Security Requirements:

1. Aerospace vehicles on display and undergoing preparation for display shall be kept secure from unsupervised personnel. Aerospace vehicles will be maintained with sufficient security to ensure that it is protected from vandalism and theft or unauthorized removal of components.
2. Any theft or unauthorized removal of components shall be immediately reported to the local law enforcement agency and by the next working day to NMUSAF. This must be followed by a report of the investigation of the incident within 30 days.
3. All canopies, doors, access hatches, and access plates, except for one entrance door, will be permanently sealed shut by any of the following methods to prevent unauthorized entry:
 - a. Bolting through the hatch to internal crossbars placed across the opening. These can be fabricated from sturdy steel strapping or channel iron.
 - b. Riveting the door securely to the jamb section.
 - c. Attaching hasps internally and securing with inside padlock.

d. Whatever method is employed to secure doors and access hatches, the crevices remaining will be filled with caulking compound or elastic putty to prevent internal damage from rain, snow, dust and ice. The access door that is not permanently sealed must be secured by a hasp welded or riveted in place. Multiple locks (two or three) are preferable, each with separate key or combination. This technique will reduce the possibility of unauthorized access but will provide emergency entrance for authorized personnel.

C. Maintenance Records:

1. Whenever items are permanently removed, the removal and disposition of such items shall be annotated on a maintenance log or AF Form 3581 (available from NMUSAF).

2. All work items that are accomplished shall be listed and signed off on a maintenance log (AF Form 3581, available from the NMUSAF).

3. Utilizing the maintenance log, a detailed accounting will be maintained by the borrower of all items removed or installed with the date of installation/removal and the name of the individual accomplishing the work.

4. Copies of all maintenance records must be returned to NMUSAF/MUC with the annual loan renewal process for preservation.

SECTION B - REQUIREMENTS

A. Prepare Powerplant for Display:

1. Disconnect and drain all water and oil lines, tanks, valves, and pumps. Reconnect lines and reinstall plugs after draining (if applicable).

2. Clean excess oil and grease from exterior components of engines (if applicable).

3. Check powerplant cowling for corrosion and damage. Repair and refinish as necessary for display.

4. Install intake and exhaust protective covers. Use standard covers if available or suitable substitutes.

5. Clean and preserve propeller(s). Treat any affected areas and refinish to standard configuration.

B. Prepare Landing Gear:

1. Clean and preserve strut.

2. Clean all wheels and other landing gear components.

3. Check and remove corrosion. Repaint to standard configuration.
4. Check all tires for excessive wear and adjust pressure as required.
5. Secure all retractable landing gear in the down position with positive locking devices.

C. Prepare Hydraulic Systems:

Clean all exposed finished surfaces of actuating rods, hydraulic cylinders, locks, and valves. Other hydraulic equipment will be cleaned and coated with corrosion preventative compound.

D. Prepare Electronic Systems:

Leave all electronic equipment that is not reclaimed installed on the aerospace vehicle. Stow all connectors from equipment that has been removed.

E. Prepare Airframe:

1. Check airframe for corrosion and treat affected areas.
2. Clean all debris and foreign material from interior of fuselage.
3. Check airframe for external damage and repair.
4. Cover all openings that will allow the entrance of water or other foreign matter that may have a corrosive or other deteriorating effect. Use standard covers if available, or suitable substitutes. Additional protection may be incorporated for aerospace vehicles displayed outside.
5. Check all fuselage, wing, and empennage drain holes for obstructions. Aerospace vehicles displayed outside may necessitate additional drain holes to ensure proper drainage. Drain holes should be periodically probed to ensure they are not obstructed. Inspect for water trapped in lower portions of fuselage. If water is present, comply with instructions contained in applicable technical order for removal and correction.
6. Clean and treat lavatory and relief facilities (if applicable).
7. Check all astrodomes and plastic panels for crazing and damage. Repair and/or replace as necessary. Clean all plastic panels thoroughly with soap and water.

F. Prepare Control Surfaces:

1. Check all metal control surfaces for corrosion and treat-affected areas.
2. Check all control surfaces for external damage and repair areas as necessary.
3. Inspect all fabric-covered control surfaces, repair or re-cover as necessary.

4. Check all control surfaces, attaching mechanisms for loose rivets and/or sheared bolts and make necessary repairs.

5. Secure all moveable surfaces in a neutral position with positive locking devices.

G. Radiation Safety:

No radioactive components will be reinstalled by the borrowing organization. If radioactive items are found reinstalled during later inspections, the borrowing organization will pay the cost of removal of the radioactive items and any decontamination required.

H. Final Preparation:

1. Secure aerospace vehicles by attaching tie down restraints to surface attaching points and to major structural parts of the item. Tie down restraints, including surface attaching points, should be of sufficient strength to withstand the expected wind condition for the locality.

2. Place aerospace vehicles on surface concrete or asphalt of sufficient strength to support its weight. This will not apply if the recipient, with the written permission of the NMUSAF, has mounted the aerospace vehicle on a pylon attached to its structural members.

3. Aerospace vehicles that are normally supported on pneumatic tires must be placed on display stands. Tires should be inflated and or checked to maintain normal tire shape.

4. Remove all antenna wires that could serve as a bird roost.

5. Install bird proofing on all aerospace vehicle openings, including intake and exhaust covers.

6. Flag or cover protruding objects of a hazardous nature.

I. Coordination:

1. Deviation from the procedures outlined in this attachment must be requested in writing and require written approval prior to deviation.

2. No aerospace vehicles will be renovated, reconfigured, have markings changed, or tail number altered, or any parts added, removed, or replaced as part of a planned restoration effort without prior written approval from the NMUSAF.

ATTACHMENT 2

NATIONAL MUSEUM OF THE UNITED STATES AIR FORCE (NMUSAF) LOAN AND STATIC DISPLAY PROGRAMS

INSTRUCTIONS FOR THE CARE OF ARTIFACTS

A. Information:

1. These general guidelines are provided to fulfill the NMUSAF's obligation to ensure the preservation of the collection and to define the responsibilities of organizations that retain historical property for display.

2. Under normal circumstances, artifacts will not be made available from the NMUSAF unless the basic measures for preservation and conservation have already been accomplished. However, regardless of the state of preservation at the time of receipt, an assessment must be made and all appropriate measures taken to ensure continued preservation of historical property. All items must be properly prepared for exhibition, placed in a safe environment and inspected periodically.

B. General Guidelines for Artifacts:

1. All artifacts must be protected from harmful exposure and maintained in a stable environment. Preservative treatments and mounting techniques will vary with each item depending on its material(s), condition and display method. The following are some general guidelines:

a. When displaying an artifact never modify it in such a way as to alter or compromise its integrity, authenticity or uniqueness. Retain its natural characteristics.

b. Provide appropriate physical security against vandalism or theft through the use of locked or sealed display cases. The artifact's intrinsic value should determine the security measures required.

c. Good housekeeping and environmental control are essential for the long term care of museum artifacts.

2. Contact the NMUSAF Conservator for guidance if needed.

C. Damage Threats to Artifacts: The threats of damage or deterioration to artifacts generally come from four sources:

1. People – The greatest threat to the continued survival of an artifact comes from people. This is a result of mishandling the artifact resulting in mechanical breakage, soiling from unprotected hands (fingerprints), improper cleaning methods and incorrect attempts at preservation or repairs (making it 'look' better). Unfortunately, theft must also be included in this category.

2. Light – Light, a form of radiation, damages many materials, especially fabrics. This damage is first observed as the fading of colors followed by the gradual breakdown of the material. The most harmful portion of the light spectrum is ultra-violet (UV). Protecting from UV is accomplished by avoidance of natural sunlight or artificial light such as florescent and halogen. The use of Light Emitting Diodes (LED) is the preferred standard in museum exhibits. Normal incandescent lighting is low in UV radiation.

a. All historical property on loan from the NMUSAF that is on interior exhibit will not be exposed to light level which exceeds 200 lux or 20 foot-candles from any source. The acceptable level for most artifacts falls between 50 and 200 lux or 5 and 20 foot-candles. Sensitive artifacts, such as artwork, photographs and textiles should have their intensity levels adjusted toward lower limits and/or limited exposure time. There is a reciprocity law between intensity (lux) and time of exposure: Ten hours of exposure at 50 lux has the same damaging effect as 1 hour at 500 lux.

b. Protection for UV is accomplished by avoidance or shielding. Shielding of UV producing light sources, such as direct or diffused sunlight and all fluorescent lighting, requires UV Plexiglas, solar screen, blackout curtains or UV filtering sleeves. All UV filtering media have a life span of about 10 years, after which they must be changed to maintain their effectiveness.

3. Environment – The most common environmental threats are heat and humidity. Ideally, an artifact is displayed at a constant temperature of 68 degrees and 50% relative humidity. Of the two, humidity is the most destructive. Excessive heat and humidity may create a favorable environment for the growth of molds and fungus as well as rust/corrosion. Rapid changes in temperature and humidity should be avoided.

4. Insect/Pest – Insects and pests can be highly destructive. The first line of defense is the cleanliness of the facility. Careful monitoring and frequent inspection will provide early detection of infestation. If and when an infestation is detected many methods of pest removal are destructive to artifacts. If an artifact is exposed to infestation, contact the NMUSAF Conservator.

D. Conservation: Adherence to the guidelines for preservation of artifacts will go a long way to ensure their longevity. In rare instances, some conservation measures may be needed. Contact the NMUSAF Conservator for guidance. Do not attempt to treat an artifact on your own.

E. Storage: All attempts should be made to place artifacts on exhibit as soon as possible. Environmental control, good housekeeping and periodic inspections are essential to the proper storage of artifacts. Textiles shall be stored flat when possible and laid out on acid free tissue

paper. Well padded hangers should be used if textiles are hung for display. Storage on shelves shall be loose with no piling or stacking of artifacts and all shelving covered with acid free tissue. If shelving is wood, it shall be sealed to deter transfer of acid from wood to artifacts. Cabinets are preferable to open storage as they discourage theft, dust and insect problems.

F. Handling: Wear cotton, nitrile or latex gloves while handling artifacts. Two hands should be used to handle or carry artifacts to reduce risk of dropping. Carry only one artifact at a time. Do not carry or lift artifacts by handles or weakest point.

G. Display: Displaying an artifact can be very detrimental if not done properly. Cases should be designed to incorporate UF-3 or UF-5 Plexiglas to shield artifacts from UV light. Cases should be ventilated to allow air exchange and openings filtered to prevent entry of insects. All interior surfaces of wooden cases should be properly sealed. All artifacts should be buffered from acidic display materials. Never alter an artifact to fit a case or to facilitate mounting. Use mannequins that do not place undue stress on uniforms. Do not force garments on to mannequins. Keep cases clean and place them in areas away from direct sun and extremes in temperature and humidity.

H. Shipping: Damage to artifacts can occur during shipping. Use appropriate packing materials to protect the artifact during transit. Consult the NMUSAF to arrange shipping.

**NATIONAL MUSEUM OF THE UNITED STATES AIR FORCE (NMUSAF)
STATIC DISPLAY PROGRAM**

2015 LOAN AGREEMENT, SDA0051

1.0. Parties. This Agreement is entered pursuant to Public Law 80-421 [10 United States Code (USC) §2572], and any amendments thereto, and is effective as of 1 April 2014 between the United States of America, or, "the Government," represented by the National Museum of the United States Air Force (NMUSAF), and collectively referred to hereinafter as "the Lender," and the CITY OF CALLAWAY hereinafter called "the Borrower," incorporated and operating under the laws of the State/Country of FL and located at CALLAWAY. The Government hereby establishes with the Borrower a loan agreement for U.S. Air Force (USAF) historical property for the period commencing 1 April 2015 and ending 31 March 2016. This agreement is not transferable.

2.0. Borrower Obligations/Costs. The Borrower has applied, in writing, for the loan of USAF historical property, and hereby agrees to be responsible for all arrangements and, in accordance with 10 USC §2572, is required to pay all costs, charges and expenses incident to the loan of this property, including, but not limited to, the cost of preparation, demilitarization, hazardous material removal, disassembly, packing, crating, handling, maintenance, repair, restoration, transportation and all other actions incidental to the use and/or movement of the loaned property to or from the Borrower's location.

3.0. Loaned Property. The NMUSAF shall loan to the Borrower the historical property identified in the inventory report, which has been included in the loan package and is incorporated into this Agreement by reference as if fully rewritten herein (hereinafter the "Property"). The Borrower accepts the Property on an "as is, where is" basis, and the Lender makes no warranties, expressed or implied, as to the Property's condition, fitness for any particular purpose, or other warranty of any kind.

4.0 Loan Conditions.

4.1. The Borrower agrees that the Property shall be used for static display purposes only. Loaned aerospace vehicles will not be flown or restored to flying condition under any circumstance, nor will they be licensed with the Federal Aviation Administration (FAA). The Borrower shall not remove any parts from loaned aircraft except as directed in paragraph 4.2. Relocation of the Property for temporary special events (parades, ceremonies, air shows, etc.) is not authorized under any circumstances. No decorations of any type, for any purpose (special event, seasonal display, ceremonies, etc.) are authorized to be displayed on any of the Property.

4.2. The Borrower agrees to allow the Lender to remove parts from loaned aerospace vehicles for NMUSAF or military requirements, upon written direction from the NMUSAF. Such parts are generally internal in nature and removal or replacement should not alter the external aesthetic appearance of the aerospace vehicle.

4.3. The Borrower shall not part with possession of the Property or any component of the Property in any manner to any third party either directly or indirectly. The Borrower shall not enter into any negotiations with a third party regarding any future disposition of the loaned material, in whole or in part.

4.4. The Borrower agrees to all of the following: to use the Property in a careful and prudent manner; to not modify the Property in any manner, without prior written permission of the Lender, which would alter the original form, design, or the historical significance of said Property; to perform routine maintenance to include (but not limited to) annual upkeep, periodic painting, repair of damage, day-to-day care and management of the Property, so as to provide an acceptable appearance and to not reflect negatively on the Lender; and to display and protect the Property in accordance with the instructions set forth in Attachments 1 and 2, which are incorporated into this Agreement by reference as if fully rewritten herein.

4.5. The Borrower agrees that any additions, modifications or alterations that improve the Property become part of said Property and are owned by the NMUSAF.

4.6. Interior access to loaned aerospace vehicles (cockpit, cargo areas, etc.) for purposes other than maintenance or restoration work by persons other than staff or authorized maintenance personnel is prohibited. This is to ensure not only the integrity and preservation of the aircraft, but more importantly, the safety and security of the public.

5.0. Use as Security, Sale or Lease. The Borrower agrees not to use the Property as security for any loan, and not to sell, lease, rent, lend, or exchange the Property under any circumstances.

6.0. Professional Photography. The Borrower shall not make or allow the use of the Property in any manner for commercial use, such as still or motion video production, without prior written approval from the Lender. Casual photography or motion video created by visitors for personal or non-promotional use is permitted.

7.0. Incident Reporting. The Borrower shall within one (1) working day of discovery, notify the Lender of any instance of loss, damage or destruction of the Property.

8.0. Title. The Borrower shall obtain no interest in the Property by reason of this Agreement and title shall remain in the Lender at all times.

9.0 Receipt, Custody & Liability.

9.1. This Agreement shall be executed prior to the Borrower accepting physical custody of the Property or on or before 1 April 2015.

9.2. The Borrower agrees to provide a receipt to the Lender at the time it assumes physical custody of the Property (unless the Property is already in its possession).

9.3. The Borrower agrees that it is strictly liable for up to the full replacement value (FRV) of the Property, as identified in the inventory report, and to accept such liability upon assuming physical custody of the Property or execution of this Agreement, whichever occurs first.

9.4. The Borrower agrees that the FRV of the Property is as identified in the inventory report and waives any right to contest the FRV in any legal proceeding. In the event any item of historical property does not have an FRV identified in the inventory report, the FRV shall be determined at the sole discretion of the NMUSAF.

9.5. The Borrower agrees that if the Property, or any portion thereof, has been irreparably damaged, destroyed or stolen the NMUSAF may direct the Borrower to either replace the Property with an historical item of equal value to the satisfaction of the NMUSAF or require monetary reimbursement equaling the FRV. In the event of less than total loss to the Property, or any portion thereof, the Borrower agrees to repair/replace the damage to the Property to the satisfaction of the NMUSAF or reimburse the NMUSAF for the full value of the damage, as determined by the NMUSAF. The election of a remedy under this subparagraph is at the sole discretion of the NMUSAF. This subparagraph is not intended to waive or limit the Government's rights and remedies, legal or equitable, and the Government reserves all such rights and remedies.

9.6. The Borrower agrees to place the Property on exhibit within ninety (90) days from the date it takes physical custody, or as otherwise mutually agreed upon.

10.0 Borrowers Responsibilities.

10.1 The Borrower agrees to indemnify, save harmless, and defend the Lender from and against all claims, demands, actions, liabilities, judgments, costs, and attorney's fees, arising out of, claimed on account of, or in any manner predicated upon personal injury, death, or property damage caused by or resulting from

possession and/or use of the Property.

10.2 The Borrower agrees to report as requested to the Lender on the condition and location of the Property. Further, the Borrower agrees to allow authorized Department of Defense representatives access to the Borrower's records and facilities to assure accuracy of information provided by the Borrower and compliance with the terms of this Agreement.

10.3 The Borrower agrees to return said Property to the Lender on termination of this Agreement or earlier, if it is determined that the Property is no longer required, at no expense to the Lender. In the event of a partial termination, the Borrower agrees to the return of all items of the Property subject to the partial termination, at no expense to the Lender.

11.0 Initial Loan Agreement Requirements.

11.1 The Borrower agrees to furnish the Lender a CD/DVD containing digital images of the Property within fifteen (15) days of taking physical possession of the Property. The image file name must be the accession number for that item (i.e. SD-2000-0136.JPG). For aircraft and ballistic missiles, images will include views showing all external surfaces including tail number and all accessible interior areas including instrument panels, avionics racks and equipment, aircrew, passenger, cargo and payload compartments, wheel wells, and bomb bays. Digital images for all other artifacts will be of sufficient detail to insure positive identification of each object.

11.2 The Borrower shall arrange insurance coverage for the Property on an all-risk, wall-to-wall basis, at a minimum, for an amount that equals the total agreed upon FRV for all items in the inventory report, plus any additional amount to cover the inventory that does not have an identified FRV, so long as the Property remains in its possession. The Borrower further agrees to furnish the Lender proof of said insurance. For Borrowers with private insurance coverage, proof shall constitute a copy of the insurance certificate from the commercial provider, noting any deductible, and showing coverage up to the FRV of the Property and any additional coverage for Property that does not have an FRV identified in the inventory report. For self-insured organizations, proof shall constitute a written and signed statement attesting to its ability to reimburse the Government for the FRV of the Property (as identified in the inventory report and/or as determined by the NMUSAF).

12.0 Annual Loan Renewal Requirements.

12.1. The Borrower agrees to furnish the Lender a CD/DVD containing digital images of the Property. The image name must be the accession number for that item (i.e. SD-2000-0136.JPG). Digital images of aircraft and missiles will provide general views to include sufficient detail to show the overall condition and tail number of the airframe. Digital images for all other artifacts will be of sufficient detail to insure positive identification of each object and its current condition.

12.2. The Borrower agrees to furnish a copy of the most recent annual financial statements to include revenue and expense reporting and a projected budget for the next operating year.

12.3. The Borrower agrees to furnish the Lender proof of insurance as required in subparagraph 11.2 for each renewal period.

12.4. The Borrower agrees to furnish a signed inventory as provided by the Lender with the annual renewal package, which accurately reflects the Property in its possession. Discrepancies in the inventory provided by the Lender shall be noted on the inventory report by the Borrower to the extent that such notes accurately reflect the current inventory held by the Borrower. In the event of a dispute, the Lender shall make the final determination of the current inventory on or near the renewal date and document the NMUSAF records accordingly.

13.0 Display/Maintenance Requirements.

13.1. No aircraft will be renovated, reconfigured, have markings changed, or tail number altered, or any parts added, removed, or replaced as part of a planned restoration effort without prior written approval from the NMUSAF.

13.2. The Borrower agrees that all aircraft, missiles and artifacts on display will have an identification sign adjacent to each display. For aircraft and missiles note the type, model, and serial number. If the aircraft or missile has been reconfigured, markings changed, or serial number altered after acquisition for display purposes, it will be stated on the sign and noted in all records as follows:

"The (item) on display is actually (nomenclature), Serial No. _____, but painted and marked to depict (nomenclature, Serial No. _____, assigned to the (unit and/or person) in (location or theater) during (year)".

13.3. The sign will state that the item is part of the NMUSAF collection as follows:

"This (artifact/object) is on loan from the National Museum of the United States Air Force."

13.4. For aircraft on which the serial number has been altered for display purposes with prior written approval, the model, design and series (i.e. F-100C or F-4C) along with the original serial number will be stenciled in two inch letters using contrasting paint colors on the fuselage under the horizontal stabilizers.

13.5. All record keeping will reflect the true serial number.

14.0 Radioactive Components.

14.1. Completion of Section 2 of Air Force Form 3580, (USAF Museum Aerospace Vehicle Static Display Acceptance Condition and Safety Certificate), or comparable certification indicating that a complete radioactive material survey has been accomplished shall be included in the official file.

14.2. In accordance with Attachment 1, ("NMUSAF Loan and Static Display Programs' Instructions for Preparation and Maintenance of Aerospace Vehicles"), if radioactive items are determined to have been installed or reinstalled during later inspections, the Borrower will pay the cost of removal of the radioactive items and any decontamination required.

15.0 Loan Termination.

15.1. **The failure of the Borrower to observe any of the conditions set forth in this Agreement and Attachments 1 and 2 thereto shall be sufficient cause for the Lender to terminate the loan and repossess the Property.** Repossession of all or any part of the Property by the Lender shall be made at no cost or expense to the Government; the Borrower shall be responsible for paying all maintenance, freight, storage, crating, handling, transportation and other costs or charges attributable to such repossession.

15.2. In the event the loan is terminated for any reason, the provisions of this Agreement will remain in effect until all of the Property, or in the event of a partial termination that portion of the Property at issue, has been relocated and in a condition that is satisfactory to the NMUSAF.

15.3. Termination of the loan and subsequent repossession of all or any part of the Property at the option of the Borrower shall require no less than thirty (30) days advance notice to the Lender in writing. This requirement may be waived by the Lender only through the provision of a written waiver to the Borrower prior to the return of the Property.

15.4. The Lender reserves the right not to renew this Agreement, in all or part, and to recall the Property if required by the Lender to meet the requirements of the NMUSAF, Wright-Patterson AFB, OH or for military

requirements. The Lender will provide a written thirty (30) day notice of intent to recall to the Borrower. In the event of recall, movement of the recalled Property from the Borrower's site will be accomplished at the Lender's expense.

16.0. Dispute Resolution. In the event a dispute arises between the parties over the terms and conditions of this Agreement reasonable attempts will be undertaken to resolve the matter through negotiation between the parties or persons appointed, in writing, by the parties. This Agreement shall be construed and interpreted in accordance with Federal law. If any provision herein is held unlawful or otherwise unenforceable by the Court any remaining provisions shall be considered divisible and remain in full force and effect. In the further event that negotiations fail to reach a resolution, the parties agree that the Federal District Court for the Southern District of Ohio, at Dayton, Ohio, will have exclusive jurisdiction over such disputes.

Executed on behalf of the Lender this Ninth Day of December 2014 at Wright-Patterson AFB OH.

UNITED STATES OF AMERICA

OCHS.PATRICIA.A.1230366671

Digitally signed by OCHS.PATRICIA.A.1230366671
DN: c=US, o=U.S. Government, ou=DoD, ou=PKI, ou=USAF,
cn=OCHS.PATRICIA.A.1230366671
Date: 2014.12.09 10:29:15 -05'00'

By: PATRICIA A. OCHS
Title: Static Display Administrator

Agency: National Museum of the United States Air Force

Address: NMUSAF/MUC
1100 Spaatz St
Wright-Patterson AFB OH 45433-7102

Telephone: (937) 255-4770 Fax Number: (937) 656-4081

Email: patricia.ochs@us.af.mil

ACCEPTANCE

The Borrower, through its authorized representative hereby accepts responsibility of the loaned property subject to the terms and conditions contained in the Loan Agreement set forth above. The Borrower certifies that they have read, understand and acknowledge that concealing a material fact and/or making a fraudulent statement in dealing with the federal government may constitute a violation of federal law in accordance with 18 USC §1001.

Executed on behalf of the Borrower this _____ day of _____ 2015,

CITY OF CALLAWAY, CALLAWAY, FL
(Name of Borrower/Organization)

By: _____
(Signature)

(Typed or Printed Name & Title)

Address: _____

Telephone: _____ Fax Number: _____

Email: _____

NATIONAL MUSEUM of the U.S. AIR FORCE
RCS: HAF-HO(A) 8801 INVENTORY REPORT
Loan Account Number SDA0051

03-Dec-14

ACCESSION #	NOMENCLATURE	Value
SD-2000-0068	AIRCRAFT, F-101B, 57-0417	\$21,000
SD-2000-0114	AIRCRAFT, F-15A, 77-0146	\$21,000

I certify that the above listed items shown on Pages 1 through 1
have been accounted for with any discrepancies so noted.

Signature: _____
(Historical Property Custodian) (Date)

Typed or Printed Name

Typed or Printed Title

2015 POINT OF CONTACT INFORMATION SHEET

ACCOUNT NUMBER	SDA0051
CITY/ORGANIZATION NAME	CITY OF CALLAWAY
MAILING ADDRESS	6601 E HIGHWAY 22
CITY	CALLAWAY
STATE/COUNTRY	FL
ZIP CODE	32404
PHYSICAL LOCATION OF ITEM	F-101B, Callaway Arts & Conf Ctr Rec Complex, F-15A, Callaway Veterans Park
HISTORICAL PROPERTY CUSTODIAN	MR MARCUS COLLINS Mr. Michael Fuller
TITLE, HISTORICAL PROPERTY CUSTODIAN	CITY MANAGER
PRIMARY POINT OF CONTACT	MR MARCUS COLLINS Mr. Michael Fuller
TITLE PRIMARY POINT OF CONTACT	CITY MANAGER
PRIMARY PHONE NUMBER	850-871-6000
ALTERNATE PHONE NUMBER	
PRIMARY FAX NUMBER	850-871-2444
EMAIL ADDRESS	citymanager@cityofcallaway.com

CERTIFICATE OF COVERAGE

Certificate Holder and Loss Payee

DEPARTMENT OF THE AIR FORCE
 NATIONAL MUSEUM OF THE
 UNITED STATES AIR FORCE
 1100 SPAATZ STREET
 WRIGHT-PATTERSON AFB, OHIO 45433-71102

Administrator

Issue Date 2/4/15

Florida League of Cities, Inc.
Department of Insurance and Financial Services
 P.O. Box 530065
 Orlando, Florida 32853-0065

COVERAGES

THIS IS TO CERTIFY THAT THE AGREEMENT BELOW HAS BEEN ISSUED TO THE DESIGNATED MEMBER FOR THE COVERAGE PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE AGREEMENT DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH AGREEMENT

COVERAGE PROVIDED BY:

FLORIDA MUNICIPAL INSURANCE TRUST

AGREEMENT NUMBER: FMIT 0072

COVERAGE PERIOD: FROM 10/1/14

COVERAGE PERIOD: TO 10/1/15 12:01 AM STANDARD TIME

TYPE OF COVERAGE - LIABILITY

General Liability

- Comprehensive General Liability, Bodily Injury, Property Damage, Personal Injury and Advertising Injury
- Errors and Omissions Liability
- Employment Practices Liability
- Employee Benefits Program Administration Liability
- Medical Attendants'/Medical Directors' Malpractice Liability
- Broad Form Property Damage
- Law Enforcement Liability
- Underground, Explosion & Collapse Hazard

Limits of Liability

* Combined Single Limit

Deductible N/A

Automobile Liability

- All owned Autos (Private Passenger)
- All owned Autos (Other than Private Passenger)
- Hired Autos
- Non-Owned Autos

Limits of Liability

TYPE OF COVERAGE - PROPERTY

- Buildings**
 - Basic Form
 - Special Form
- Personal Property**
 - Basic Form
 - Special Form
- Agreed Amount
- Deductible \$1,000
- Coinsurance 100%
- Blanket
- Specific
- Replacement Cost
- Actual Cash Value

Miscellaneous

- Inland Marine
- Electronic Data Processing
- Bond

Limits of Liability on File with Administrator

TYPE OF COVERAGE - WORKERS' COMPENSATION

- Statutory Workers' Compensation
- Employers Liability
 - \$1,000,000 Each Accident
 - \$1,000,000 By Disease
 - \$1,000,000 Aggregate By Disease
- Deductible N/A
- SIR Deductible N/A

Automobile/Equipment - Deductible

- Physical Damage
 - NA - Comprehensive - Auto
 - NA - Collision - Auto
 - Per Schedule - Miscellaneous Equipment

Other

* The limit of liability is \$200,000 Bodily Injury and/or Property Damage per person or \$300,000 Bodily Injury and/or Property Damage per occurrence. These specific limits of liability are increased to \$1,000,000 for General Liability (combined single limit) per occurrence, solely for any liability resulting from entry of a claims bill pursuant to Section 768.28 (5) Florida Statutes or liability/settlement for which no claims bill has been filed or liability imposed pursuant to Federal Law or actions outside the State of Florida.

Description of Operations/Locations/Vehicles/Special Items

RE: Coverage Verification for Aircraft F 15A, Serial #77-0146, Location 009.003 - Veterans Park, 5916 Cherry Street, Callaway, FL - Value \$21,000 & Aircraft F 1001B, Serial #57-0417, Location 011.002 - Callaway Recreational Complex, 500 Callaway Parkway, Callaway, FL - Value \$21,000

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE AGREEMENT ABOVE.

Designated Member

City of Callaway
 6601 East Highway 22
 Callaway FL 32404

Cancellations

SHOULD ANY PART OF THE ABOVE DESCRIBED AGREEMENT BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED ABOVE, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE PROGRAM, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

**City of Callaway Board of Commissioners
Agenda Item Summary**

2-10-15

Declare Surplus of Leisure Services Capital Assets' to be sold on govdeals.com

1. PLACED ON AGENDA BY:

Michael Fuller,
City Manager

2. AGENDA:

PRESENTATION	<input type="checkbox"/>
PUBLIC HEARING	<input type="checkbox"/>
CONSENT	<input checked="" type="checkbox"/>
REGULAR	<input type="checkbox"/>

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

NA

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

The following equipment has been replaced and is no longer in use.

- 1993 Ford F-350 Crew Cab, Equipment #93
- 2005 John Deere Gator, Equipment #124
- 2005 John Deere Gator, Equipment #120

5. REQUESTED MOTION/ACTION:

Declare surplus to be sold on govdeals.com.



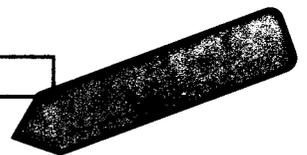
CAPITAL ASSET ACTIVITY FORM

Asset ID#	Dept #	Asset Description (incl. Year)
	572	1993 Ford F-350 Crew Cab

- // TRANSFER - New Department _____
- // CHANGE LOCATION - New Location _____
- SALE - Buyer _____
- // TRADE-IN - Vendor _____
- // DONATION - Nonprofit Organization _____
- // DISPOSAL - Other: _____

Activity Date

Department Head Signature:
x _____



Approval Date
2/5/15

City Manager Approval
x _____

Submit approved form to : Emily Franklin, Assistant to Director of Finance

Finance Department - Section	
Board Approval Date:	_____
Original Cost of Asset _____	Current Book Value _____
Asset Record Updated: _____	initial: _____

Unit Information

Equip Num 093

Date 9/30/2014

Equip Desc '93 Ford F-350 Crew Cab

General Information

Location	Sports Complex	Date Activated	Purchase Date
Department Or Area	572 Leisure Services	Date Inactivated	Purchase Price \$0.00
Type	Truck, Pickup	Fuel Type Gas	PM Based On Mileage/KM AND Days
Make	Ford	Default MPG	Number Of Axes 0
Model	F-350	Capital Equip #	Number Seats 0
Year	1993	Purchase Order#	Fuel/Gas Card # 93
Vin#	2FTJW36H7PCA92356	Lease Or Own	Tire Size(s)
Engine Type	5.8L	Owner 0	
Condition	Poor		

License Information

License Number	XA6848
Base State/Province	
Renewal Date	
MVT Renewal Date	
HUT Renewal Date	

Odometer/ Hours Information

Beginning Odometer	19108
Current Odometer	62360 63,780
Current Odometer Date	6/9/2014
Beginning Hours	
Current Hours	
Current Hours Date	

Fixed Yearly Costs

Depreciation	\$0.00
License Fees	\$0.00
Insurance Amt	\$0.00
Other Fixed Cost	\$0.00

Equipped With

<input type="checkbox"/> Lift Axle Equipped	<input type="checkbox"/> Intra State Unit
<input type="checkbox"/> 2 Axle Truck Pulls Trailer	<input type="checkbox"/> Reefer/ PTO Equipped:
<input type="checkbox"/> 2 Axle Truck Pulls 5th Wheel	<input type="checkbox"/> Unit Hauli

Weights

Combined Gross Weight	0
Licensed/Gross Weight	0
Unladen Weight	0



CAPITAL ASSET ACTIVITY FORM

Asset ID#	Dept #	Asset Description (incl. Year)
10208	572	2005 John Deere Gator TS 4x2 #124

// TRANSFER - New Department _____

// CHANGE LOCATION - New Location _____

SALE - Buyer _____

// TRADE-IN - Vendor _____

// DONATION - Nonprofit Organization _____

// DISPOSAL - Other: _____

Activity Date

Department Head Signature:
x _____

Approval Date
2/5/15

City Manager Approval
x _____

Submit approved form to : Emily Franklin, Assistant to Director of Finance

Finance Department - Section	
Board Approval Date:	_____
Original Cost of Asset _____	Current Book Value _____
Asset Record Updated: _____	initial: _____

Unit Information

Equip Num 124

Date 9/29/2014

Equip Desc '05 JD Gator TS 4x2

General Information

Location	Sports Complex		Date Activated	Purchase Date	
Department Or Area	572 Leisure Services	Date Inactivated	Purchase Price \$0.00		
Type	Misc. Equipment	Fuel Type	Gas	PM Based On	Hours AND Days
Make	John Deere	Default MPG	Number Of Axles 0		
Model	Gator TS 4x2	Capital Equip #	No Sticker Found	Number Seats	0
Year	2005	Purchase Order#	Fuel/Gas Card #		
Vin#	W04X2SD004025	Lease Or Own	Tire Size(s) 		
Engine Type	Kawasaki	Owner	0		
Condition	Poor				

License Information

License Number	N/A
Base State/Province	
Renewal Date	
MVT Renewal Date	
HUT Renewal Date	

Odometer/ Hours Information

Beginning Odometer	
Current Odometer	
Current Odometer Date	10/20/2009
Beginning Hours	99
Current Hours	3705
Current Hours Date	1/15/2014

Fixed Yearly Costs

Depreciation	\$0.00
License Fees	\$0.00
Insurance Amt	\$0.00
Other Fixed Cost	\$0.00

Equipped With

<input type="checkbox"/> Lift Axle Equipped	<input type="checkbox"/> Intra State Unit
<input type="checkbox"/> 2 Axle Truck Pulls Trailer	<input type="checkbox"/> Reefer/ PTO Equipped:
<input type="checkbox"/> 2 Axle Truck Pulls 5th Wheel	<input type="checkbox"/> Unit Haul

Weights

Combined Gross Weight	0
Licensed/Gross Weight	0
Unladen Weight	0



CAPITAL ASSET ACTIVITY FORM

Asset ID#	Dept #	Asset Description (incl. Year)
10209	572	2005 John Deere Gator TS 4X2

#120

// TRANSFER - New Department _____

// CHANGE LOCATION - New Location _____

SALE - Buyer _____

// TRADE-IN - Vendor _____

// DONATION - Nonprofit Organization _____

// DISPOSAL - Other: _____

Activity Date

Department Head Signature:

x _____

Approval Date
2/5/15

City Manager Approval

x _____

Submit approved form to : Emily Franklin, Assistant to Director of Finance

Finance Department - Section	
Board Approval Date:	_____
Original Cost of Asset	_____
Current Book Value	_____
Asset Record Updated:	_____
initial:	_____

Unit Information

Equip Num 120

Date 9/29/2014

Equip Desc '05 J.D. Gator TS 4x2

General Information

Location	Sports Complex		
Department Or Area	572 Leisure Services	Date Activated	Purchase Date
Type	Misc. Equipment	Date Inactivated	Purchase Price \$0.00
Make	John Deere	Fuel Type Gas	PM Based On Hours AND Days
Model	Gator TS 4x2	Default MPG	Number Of Axles 0
Year	2005	Capital Equip # No Sticker Found	Number Seats 0
Vin#	W04X2SD004026	Purchase Order#	Fuel/Gas Card # Engine Bad!!!!!!!!!!!!
Engine Type	Kawasaki Salvage	Lease Or Own	Tire Size(s)
Condition	Unusable	Owner 0	

License Information

License Number	N/A
Base State/Province	
Renewal Date	
MVT Renewal Date	
HUT Renewal Date	

Odometer/ Hours Information

Beginning Odometer	1783
Current Odometer	1783
Current Odometer Date	5/12/2011
Beginning Hours	29
Current Hours	2388
Current Hours Date	7/16/2012

Fixed Yearly Costs

Depreciation	\$0.00
License Fees	\$0.00
Insurance Amt	\$0.00
Other Fixed Cost	\$0.00

Equipped With

<input type="checkbox"/> Lift Axle Equipped	<input type="checkbox"/> Intra State Unit
<input type="checkbox"/> 2 Axle Truck Pulls Trailer	<input type="checkbox"/> Reefer/ PTO Equipped:
<input type="checkbox"/> 2 Axle Truck Pulls 5th Wheel	<input type="checkbox"/> Unit Haul

Weights

Combined Gross Weight	0
Licensed/Gross Weight	0
Unladen Weight	0

**City of Callaway Board of Commissioners
Agenda Item Summary**

February 10, 2015

Declare Surplus of Public Works Capital Asset to be Sold on GovDeals.com

<p>1. PLACED ON AGENDA BY: J. Michael Fuller, City Manager</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input checked="" type="checkbox"/></p> <p>OLD BUSINESS <input type="checkbox"/></p> <p>REGULAR <input type="checkbox"/></p>
---	--

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO
N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

This is a request for the City Commission to declare surplus of a capital asset, and to authorize the City Manager to auction and sell the item. The asset is a 1999 Dodge Ram T 3500. The money received from the sale of this truck will be added to the purchase of a new truck to replace the street department truck that was recently involved in a motor vehicle wreck. This truck is no longer useful to the City and should be declared surplus

ATTACHMENT:

- Capital Asset Activity Form
- Vehicle Information

5. REQUESTED MOTION/ACTION:
Staff recommends that the Commission declare the 1999 Dodge Ram T 3500 truck as surplus and authorize the City Manager to auction and sell the truck.



CAPITAL ASSET ACTIVITY FORM

Asset ID#	Dept #	Asset Description (incl. Year)
001642	541	Dodge Ram T 3500 (1999) Truck # 54

- // TRANSFER - New Department _____
- // CHANGE LOCATION - New Location _____
- // SALE - Buyer _____
- // TRADE-IN - Vendor _____
- // DONATION - Nonprofit Organization _____
- DISPOSAL - Other: Public Auction _____

Activity Date
2-2-15

Department Head Signature:
x <i>Randy Johnson</i>

Approval Date
2/2/2015

City Manager Approval
x <i>A. M. O.</i>

Submit approved form to : Emily Franklin, Assistant to Director of Finance

Finance Department - Section	
Board Approval Date:	_____
Original Cost of Asset _____	Current Book Value _____
Asset Record Updated: _____	initial: _____

Unit Information

Equip Num 054

Date 2/2/2015

Equip Desc '99 Dodge T3500 (concrete)

General Information

Location	Yard	Date Activated	Purchase Date
Department Or Area	541 Streets	Date Inactivated	Purchase Price \$0.00
Type	M. Truck	Fuel Type Diesel	PM Based On Mileage/KM AND Days
Make	Dodge	Default MPG 0	Number Of Axles 0
Model	Ram T3500	Capital Equip # 001642	Number Seats 0
Year	1999	Purchase Order# For Salvage	Fuel/Gas Card # 54 Runs & Drives
Vin#	3B6MC3660 XM554561	Lease Or Own	Tire Size(s)
Engine Type	5.9L Cummins	Owner 0	
Condition	Poor Useable		

License Information

License Number FL 131844
 Base State/Province
 Renewal Date
 MVT Renewal Date
 HUT Renewal Date

Odometer/ Hours Information

Beginning Odometer 54681
 Current Odometer 123430
 Current Odometer Date 1/13/2014
 Beginning Hours
 Current Hours
 Current Hours Date

Fixed Yearly Costs

Depreciation \$0.00
 LicenseFees \$0.00
 InsuranceAmt \$0.00
 Other Fixed Cost \$0.00

Equipped With

- | | |
|---|--|
| <input type="checkbox"/> Lift Axle Equipped | <input type="checkbox"/> Intra State Unit |
| <input type="checkbox"/> 2 Axle Truck Pulls Trailer | <input type="checkbox"/> Reefer/ PTO Equipped: |
| <input type="checkbox"/> 2 Axle Truck Pulls 5th Wheel | <input type="checkbox"/> Unit Haul |

Weights

Combined Gross Weigh 0
 Licensed/Gross Weight 0
 Unladen Weight 0

STATUS ITEMS

1. New Meters installation.
2. Ordinance #494, Flat Rate Water fee charged to each household where there is Master Meter.
3. Residents required to connect to city water.
4. 5 grants.(Stormwater, sidewalk,Berthe Ave. Spillway, Water Supply) info taken from grease board in Conference Room.
5. purchasing the two screens for the Commission Room.
6. new carpet for Leisure Services Auditorium.
7. survey, appraisal of lot on Poston Dr.
9. Lt. Branning bringing in display to show patrol zones in Callaway.
10. Ordinance/Statue on RV's, boats in yards. Mayor ask CM to have Code Enfor. Officer research and provide response.
11. meeting with Springbrook to assess city needs and schedule training.
12. determining what personnel has authority to call and/or meet with Labor and City Attorneys.
13. number of residents required to be connected to city Sewer and if all are connected.
14. FEMA for funding to help purchaser additional defillabrators for Fire Dept.
15. placing 2 household members on Water Bill.
16. Vacant parcel behind City Hall priced at \$25,000 that Realtor had contacted CM about.
17. final amount paid to Ms. Bennett for assistance in completing budget, \$2,000 allotted.
18. Project Status Report to bring before Commissions
19. Fuel Use oversight policies.
20. when monthly financials will be furnished Commissioners.
21. establishing financials for separate revenues and expenses at Sandy Creek.
22. final annual charges by Bay County Animal Control for 2014.
23. automated transcribing minutes training.
24. double salaries paid for Commissioner(s) after election.
25. Contract Spreadsheet.

Status Items Requested by Commissioner Covey

1. New Meters installation.

Per PW Director Johnson – No new meters installed yet for the meter replacement project.

2. Ordinance #494, Flat Rate Water fee charged to each household where there is Master Meter.

We do master meters for multi-family properties. A flat rate is charged per unit plus a usage charge.

3. Residents required to connect to city water.

There were a total of 81 certified letters sent out requiring existing sewer customers to connect to the city water system. Of those certified letters, 60 were signed for, 19 were returned to sender, and 2 are unaccounted for (meaning no signature and no return to sender). Out of the 81 delivered letters, 6 existing sewer customers have setup water accounts.

4. Grants. (Stormwater, sidewalk, Berthe Ave. Spillway, Water Supply) info taken from grease board in Conference Room.

a) FDOT LAP Agreements:

7th Street Sidewalk Project - Five (5) foot sidewalk from Tyndall Parkway to Bob Little Road. STATUS: Engineering is 100%. Awaiting FDOT LAP executed construction agreement and Notice to Proceed for advertising for Construction and Engineering during Construction.

Bob Little Road Bike Path/Sidewalk Project - Five (5) foot bike path/sidewalk from 7th Street to Cherry Street. STATUS: Advertised for Request for Proposals for design on December 12, 13, 14, 2014. Received only two proposals. FDOT requires at least three proposals to qualify as an acceptable RFP request. Re-advertised on January 16, 17, 18, 2015 with a proposal opening scheduled on February 11, 2015.

b) STORMWATER PROJECTS:

N. Kimbrel Avenue Drainage Improvements - CRA Project to replace three existing 34" by 53" ERCP culverts and head walls with two 3' by 5' box culverts and head walls. STATUS: Data Collection & Surveying is 95% complete. Design services are 30%. Total project is at 41% complete. Awaiting additional CRA funds.

Lance & Pridgen Street Stormwater Project - This project consists of the development of a new stormwater management facility for the purpose of improving water runoff quality while providing some attenuation within the limits of the City. Funded by a Northwest Florida Water Management District (NFWFMD) Grant not to exceed \$705,218.00. STATUS: Data Collection & Surveying is 100%. Design Services are 45%. Total project is 49% complete. Total amount of engineering billed to date is \$48,468.30.

Berthe Spillway Repair - Bridge at the spillway on Berthe Ave. was damaged during the 100 year rain event that occurred in July 2013. A Public Assistance Grant has been

requested from FEMA. STATUS: Currently the project has been un-obligated (not funded). Continuing contact with Florida Department of Emergency personnel to get project funded. A waiver request for the local funding match was denied. It was hoped that the City could receive a waiver to pay the local portion of the repair which is 12.5% and that the entire 25% would be paid by the State.

(Storm Pipe Replacement Project - Replace rusted and damaged storm drain pipes throughout the City as budget allows. No grant funding for this project but City Manager is reviewing available grants to see if any are available.)

5. Purchasing the two screens for the Commission Room.

Per LS Director Legare – scheduled for March 2015.

6. New carpet for Leisure Services Auditorium.

Per LS Director Legare – scheduled for April 2015.

7. Survey, appraisal of lot on Poston Dr.

The City would not need appraisal to abandon the Right-of-way. We have a good legal description of the R.O.W. so a survey would not be needed either. The current issue is the ownership of the R.O.W. We are working to determine the ownership with City and County staff. Once the ownership is determined, it may come back for request to be abandoned.

8. Lt. Branning bringing in display to show patrol zones in Callaway.

Lt. Branning will give a power point presentation at the February 10, 2015 meeting addressing this item.

9. [Ordinance/Statue] on RV's, boats in yards. Mayor ask CM to have Code Enfor. Officer research and provide response.

Staff has researched what other local municipalities and the county require concerning cars, boats, and R.V's parked in the front yard.

- a) *Bay County has no restrictions.*
- b) *Parker has no restrictions.*
- c) *Springfield has no restrictions.*
- d) *Panama City does not restrict cars, but they do strongly encourage that all R.V's and boats be in the side or rear yard. It was mentioned that officer discretion is used in certain areas where it is not possible to get the R.V or boat in the rear or side yard.*

Callaway Code Enforcement does not receive many complaints of cars or boats parking in the front yard. R.V.s are to be parked in the side or rear yard. In general, there is good cooperation with R.V. owners. Usually the owners of larger R.V.'s like to park in a storage area. In some neighborhoods there may be private deed restrictions or covenants that are not enforced by the City.

10. Meeting with Springbrook to assess city needs and schedule training.

The Springbrook proposal includes a 1-day site visit from a consultant (\$1,400), their business process analysis (\$1,750) and a related conference call (\$450). Training and/or implementation recommendations are estimated to cost between \$2,800 and \$7,000 for 2 to 5 days, onsite. Due to the new Finance Director's familiarity with software implementation and processing, and other organizational changes, numerous improvements in business processes and software setup have been noted recently and are being addressed. There is no staff time available to commit to the Springbrook evaluation. Although the service could prove valuable, it should be done after specific needs allowing for the most improvement have been identified. Solutions to alleviate and even out the workload in order to allow for time for process analysis are currently being addressed. Also, completing the audit and CAFR, and bringing the financial records and reports up-to-date are more urgent priorities for the Finance Director position which has been filled for 2 1/2 months. The elimination of customer service training and software conference attendance from the budget can also contribute to lost efficiencies and to not keeping up with available software improvements.

Finance Director Waldrip would like to suggest doing a needs assessment evaluation done by an independent consultant and not the vendor performing the services.

11. Determining what personnel has authority to call and/or meet with Labor and City Attorneys.

Meeting and discussions with the City Attorney and labor attorneys shall be primarily with the City Manager. Department Heads and authorized employees may speak with the attorneys after receiving permission from the City Manager. Elected Officials and other charter officers of the city are not subject to this rule.

12. Number of residents required to be connected to city Sewer and if all are connected.

See Item #3 and response.

13. FEMA for funding to help purchaser additional [defibrillators] for Fire Dept.

The Fire Department currently operates with two AED's. We have completed three applications through Firehouse Subs Restaurants for the AED's. We worked with the Leary Firefighters Foundation for the AED's, but there has been no response yet. We also got with the EMS coordinator with Gulf Coast Hospital guidance regarding funding for AED's. We will complete another AFG grant when it opens back up. These types of grants are very competitive, but fire staff is being persistent. The cost of an AED is around \$2200.00

14. Placing 2 household members on Water Bill.

Utility accounts are established in one name to prevent problems with account authorizations and account changes, and due to collection issues. Utility billing has not experienced many situations where this has been a problem.

15. Vacant parcel behind City Hall priced at \$25,000 that Realtor had contacted CM about.

Per CM Fuller – Property no long on the market and would not have an immediate need for it.

16. Final amount paid to Ms. Bennett for assistance in completing budget.

a) 10/13/2014	Ck# 17293	\$2,000
b) 10/23/2014	Ck#17333	\$ 450

17. Project Status Report to bring before Commissions.

Status Report needs updating including information contained herein.

18. Fuel Use oversight policies.

Per PW Director Johnson – Each employee has their own personal key to access fuel, each vehicle has its own I.D. key, and we also have a different fuel vendor.

19. When monthly financials will be furnished Commissioners.

Our goal is to provide a FY2014 preliminary and 1st quarter 2015 financial reports in February. City Manager and Finance Director have made audit preparation work the highest priority, but this can be changed if needed by Commission.

20. Establishing financials for separate revenues and expenses at Sandy Creek.

Direct and indirect charges are not segregated in the budget or when posting expenditures for the Sandy Creek area. Financial statements cannot be generated at a level below that of recording transactions. Capital expenditure, maintenance and utility accounts for Sandy Creek have been estimated separately. The status of assessment collections can be reported.

21. Final annual charges by Bay County Animal Control for 2014.

Total expenditures for animal control services in FY14 were \$108,463.

22. Automated transcribing minutes training.

City purchased transcribing software in May 2014. City Clerk and Commission Pelletier are scheduled to begin training on January 28 and 29.

23. Double salaries paid for Commissioner(s) after election.

Issue was noted during prior election and adjustment has been made.

24. Contract Spreadsheet.

See attached Contract Spreadsheet.

**City of Callaway Board of Commissioners
Agenda Item Summary**

February 10, 2015

Ordinance No. 953, First Reading – Enforcement of Garbage Violation

1. PLACED ON AGENDA BY:

J. Michael Fuller, City Manager

2. AGENDA:

PRESENTATION	<input type="checkbox"/>
PUBLIC HEARING	<input type="checkbox"/>
CONSENT	<input type="checkbox"/>
OLD BUSINESS	<input type="checkbox"/>
REGULAR	<input checked="" type="checkbox"/>

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

At the last regular meeting, the City Commission discussed how to better ensure that property owners and tenants are disposing household garbage in a responsible manner. The consensus was to amend the City's existing ordinance to require proof of private garbage collection upon a notice of a violation.

The attached Ordinance will amend Chapter 9 of the Callaway Code of Ordinances to require the owner of record of the real estate or the lessee or occupants to provide proof of an account with a private garbage collector permitted to operate within the City. This is the first reading of Ordinance No. 953.

ATTACHMENT:

- Ordinance No. 953

5. REQUESTED MOTION/ACTION:

Staff recommends the City Commission approve the first reading of Ordinance No. 953 and authorize the advertisement of the final reading/hearing.

ORDINANCE NO. 953

AN ORDINANCE OF THE CITY OF CALLAWAY, FLORIDA, AMENDING CHAPTER 9 OF THE CALLAWAY CODE OF ORDINANCES RELATING TO GARBAGE, REFUSE AND WEEDS; AMENDING ENFORCEMENT PROVISIONS AND ACTIONS AVAILABLE TO THE CITY UPON FAILURE TO COMPLY WITH THE CODE; PROVIDING FOR SEVERABILITY; REPEALING ORDINANCES IN CONFLICT HERewith; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Callaway created Chapter 9 of the Callaway Code of Ordinances relating to garbage, refuse and weeds in order to promote the health, safety and welfare of the citizens of the City of Callaway; and

WHEREAS, the City Commission determined it is in the best interest of the citizens of Callaway to improve upon the methods of enforcement available to the City to curtail accumulations of garbage, trash and waste;

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF CALLAWAY, FLORIDA:

Section 1. From and after the effective date of this Ordinance, Chapter 9 of the City of Callaway Code of Ordinances is amended to read as follows (deleted text ~~stricken~~, new text **bold and double underlined**):

Sec. 9-26. ENFORCEMENT.

(a) **Criminal offense – penalty.**In addition to the procedures set forth below any person found to have violated any of the provisions of Sec. 9-25 shall be guilty of a criminal offense, and subject to those penalties provided in Sec. 1-12 of this Code. In the event of a continuing violation, each day of continued violation shall constitute a separate

offense.

(b) **Show cause notice.** Any law enforcement officer or code enforcement officer of the City may issue a show cause notice for a violation of this ~~ordinance~~ Chapter. Such document will be served personally as provided by law or in the alternative, it shall be sent by certified mail, return receipt requested, postage prepaid to the owner of record of the real estate and to the lessee or occupants. Notice shall be deemed to have been given if sent to that address used by the tax collector's office in levying ad valorem taxes on the subject parcel. If the name of any such party or his or her place of residence or his or her post office address cannot be ascertained after diligent search, or in the event a show cause notice which is sent by certified mail shall be returned undelivered, constructive service will be perfected by publishing a copy thereof, in a newspaper of general circulation within the City. A copy of such show cause notice shall be posted in a conspicuous place in City Hall and upon such dwelling or property.

(c) **Requirements.** The show cause notice may require the removal of garbage, trash, filth, biohazardous waste, construction debris, demolition debris, hazardous waste, litter, or refuse or such other measures as are reasonably necessary to ensure compliance with this ~~ordinance~~ Chapter. The notice may also require the owner of record of the real estate or the lessee or occupants to provide proof of an account with a private garbage collector permitted to operate within the City.

(d) **Content.** The show cause notice shall be in writing, signed by a law enforcement officer with an accurate description of the violation of this ~~ordinance~~ Chapter. The notice shall require that the violation must be corrected within twenty (20) days of delivery of the notice. If delivered by mail, delivery shall be presumed to have occurred five (5) days after mailing.

(e) **Emergency Conditions.** If the condition/violation poses a threat to the health, safety or welfare of the citizens, the City may take that action necessary to immediately alleviate the hazard. Any expense incurred by the City shall be charged to the owner or occupant and subject to collection as provided in section 9-54.

(f) **Extensions.** In the case of violation of this chapter, the party cited may be granted an extension up to thirty (30) days to comply with the provisions of this chapter upon the written request from the interested party stating the reasons for the inability to comply and showing reasonable grounds for such failure to complete compliance. Any such extension must be approved by the City ~~Clerk~~**Manager**. The City ~~Clerk~~**Manager** may, upon showing of good cause, grant additional extensions.

Section 2. **REPEALER.**

All ordinances in conflict or parts of ordinances in conflict herewith are repealed to the extent of such conflict.

Section 3. **SEVERABILITY.**

In the event that any portion of this Ordinance shall be determined to be unconstitutional or invalid for any reason, the remaining provision shall remain in full force and effect.

Section 4. **EFFECTIVE DATE.**

This Ordinance shall take effect upon passage.

PASSED, APPROVED AND ADOPTED this day of _____, 20.

CITY OF CALLAWAY, FLORIDA

Thomas W. Abbott, Mayor

ATTEST:

Sandra B. Hirth, City Clerk

**City of Callaway Board of Commissioners
Agenda Item Summary**

February 10, 2015

Ordinance No. 954, First Reading – Mortgage Foreclosure Registration

<p>1. PLACED ON AGENDA BY: J. Michael Fuller, City Manager</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input type="checkbox"/></p> <p>OLD BUSINESS <input type="checkbox"/></p> <p>REGULAR <input checked="" type="checkbox"/></p>
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3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

The economic recession and real estate downturn has created a growing number of vacant and neglected properties in all stages of foreclosure. As a result, these properties are subject to code violations, unsafe conditions, and weakening property values. A mortgage foreclosure registry will help the City track ownership and property management information by requiring responsible parties to register any property which is in default, foreclosure, or has been vacated.

Benefits of a mortgage foreclosure registry include the following:

- 1) Provides essential information for municipal and emergency personnel
- 2) Discourages criminal activity
- 3) Stabilizes declining property values
- 4) Reduces nuisances and code violations
- 5) Imposed no new burdens on homeowners in foreclosure

The attached Ordinance will amend Chapter 9.7 of the Callaway Code of Ordinances creating Article II entitled "Mortgage Foreclosure Registration". This Article requires the registration of any defaulted mortgage with City Code Enforcement. The property shall be maintained in accordance with city regulations and kept secure for the duration of the foreclosure or defaulted status. The proposed Ordinance requires an annual registration fee ranging from \$50 to \$250 to defray the costs of maintaining the registry and enforcement of municipal and state building codes.

ATTACHMENT:

- Ordinance No. 954

5. REQUESTED MOTION/ACTION:

Staff recommends the City Commission approve the first reading of Ordinance No. 954 and authorize the advertisement of the final reading/hearing.

ORDINANCE NO. 954

AN ORDINANCE OF THE CITY OF CALLAWAY, FLORIDA, RELATING TO MORTGAGED REAL PROPERTY; AMENDING CHAPTER 9.7 ENTITLED "NUISANCES" OF THE CALLAWAY CODE OF ORDINANCES, AND IN PARTICULAR, CREATING ARTICLE II ENTITLED "MORTGAGE FORECLOSURE REGISTRATION"; PROVIDING FOR THE PURPOSE AND INTENT; PROVIDING FOR DEFINITIONS; PROVIDING FOR APPLICABILITY OF THIS ORDINANCE; REQUIRING INSPECTION AND REGISTRATION OF REAL PROPERTY MORTGAGES IN DEFAULT; PROVIDING FOR ANNUAL REGISTRATION FEES; PROVIDING FOR ENFORCEMENT; REQUIRING MAINTENANCE OF CERTAIN REAL PROPERTY BY MORTGAGEES; ESTABLISHING SECURITY REQUIREMENTS; PROVIDING FOR ADDITIONAL AUTHORITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION IN THE CODE OF ORDINANCES; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the recent mortgage foreclosure crisis resulted in a rising number of vacant and abandoned properties with serious negative implications for all communities trying to manage the resulting property vacancies, such as decreases in property values, lack of maintenance, and other problems that stem from financial crisis; and

WHEREAS, foreclosed homes quickly succumb to the forces of nature and the elements, grass and weeds grow, swimming pools become stagnant public health hazards, landscaping dies from lack of attention or grow out of control, windows are broken, exteriors suffer damage from normal wear-and-tear and vandalism, communities suffer, and these consequences have a negative impact first on neighboring residences and then on entire neighborhoods; and

WHEREAS, the conditions identified above negatively impact the City of Callaway and blight neighborhoods; and

WHEREAS, the City of Callaway is challenged to identify and locate owners or foreclosing parties who can correct negative impacts and maintain the properties that are in the foreclosure process or that have been foreclosed; and

WHEREAS, the City of Callaway finds that neighborhoods should be protected from becoming blighted through the lack of adequate maintenance and security of vacant properties or properties that are subject to mortgages that are in default; and

WHEREAS, the City of Callaway has adopted property maintenance codes to regulate standards for the interior and exterior of structures and the condition of property as a whole; and

WHEREAS, a foreclosed property registration process is necessary for the City of Callaway to provide a monitoring mechanism and additional enforcement for defaulted properties; and

WHEREAS, the City of Callaway finds that the registration process would include properties that have already been foreclosed upon, are currently in the foreclosure process, or may be in the foreclosure process in the future; and

WHEREAS, the City Commission of the City of Callaway has determined that the following additions to the City's code will serve and contribute to promoting and protecting the general health, safety and welfare of the residents of the City of Callaway.

NOW THEREFORE, BE IT HEREBY ENACTED BY THE PEOPLE OF THE CITY OF CALLAWAY, FLORIDA THAT:

SECTION ONE. Recitals Incorporated. The above recitals are true and correct and by this reference are incorporated herein and made an integral part hereof.

SECTION TWO. Mortgage Foreclosure Registration enacted. Chapter 9.7 entitled "Nuisances" of the City of Callaway Code of Ordinances is amended to title Article I "Nuisance Abatement", reserve certain sections, and to create a new Article II entitled "Mortgage Foreclosure Registration" to read as follows:

CHAPTER 9.7 – NUISANCES

ARTICLE I – NUISANCE ABATEMENT

* * *

Secs. 9.7-15—9.7-20. Reserved

ARTICLE II - MORTGAGE FORECLOSURE REGISTRATION

Sec. 9.7-21. Purpose and intent.

It is the purpose and intent of this Article to establish a process to limit and reduce the deterioration of property located within the City of Callaway, which property is in mortgage foreclosure, where ownership has been transferred to a lender or mortgagee by any legal method or where property is deemed to be vacant or abandoned. It is further intended to establish a registration program as a mechanism to protect neighborhoods from becoming blighted through the lack of adequate maintenance or through abandoned and/or vacated properties which are subject to mortgages that are in default.

Sec. 9.7-22. Definitions.

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them, except where the context clearly indicates a different meaning. Where the context will permit and no definitions are provided herein, the definitions provided in the Florida Building Code shall apply.

Abandoned real property means any real property that is vacant, or is under notice of default, or is pending a mortgage foreclosure, or notice of mortgagee's sale, or lien sale and/or properties that have been the subject of a mortgage foreclosure sale where title is retained by the mortgagee, and/or any properties transferred under a deed-in-lieu of foreclosure sale, a short sale or any other legal means.

Default means that the mortgagee has filed a foreclosure action or notice of default on the mortgage. A mortgage shall be considered in default at such time as the mortgagee declares said mortgage to be in default either by letter or notice to property owner, by recording a lispendens, by commencing foreclosure

proceedings, or by any other actions demonstrating a breach of a security covenant on a property.

Enforcement officer means any fulltime law enforcement officer, building official, fire inspector or code enforcement officer employed by the City of Callaway.

Evidence of vacancy means any condition that on its own, or combined with other conditions present, would lead a reasonable person to believe that the property is vacant. Such conditions may include, but are not limited to: overgrown and/or dead vegetation; electricity, water or other utilities turned off; stagnant swimming pool; or statements by neighbors, passers-by, delivery agents or government agents.

Foreclosure means the judicial process by which a property, placed as security for a mortgage loan, after a judicial process, is sold at an auction to satisfy a debt upon which the borrower has defaulted.

Vacant means any building or structure that is not lawfully occupied or inhabited as evidenced by the conditions set forth in the definition of "*Evidence of Vacancy*" above.

Sec. 9.7-23. Applicability.

This Article applies to occupied or abandoned and/or vacant property which is in default located within the City of Callaway, or which property is in or has been in mortgage foreclosure, or where ownership has been transferred to a lender or mortgagee by any legal method.

Sec. 9.7-24. Inspection and registration of real property by mortgagee holding mortgages in default.

(a) Within ten (10) days of the date any mortgagee declares its mortgage to be in default, the mortgagee shall register the real property with the City of Callaway Code Enforcement or its designee, or the City's authorized representative. At the time of registration, a local property manager shall be designated to inspect, maintain and secure the real property subject to the mortgage in default. A registration is required for each property.

(b) Any mortgagee who holds a mortgage on real property located within the City of Callaway shall perform an inspection of the property within five (5) days of the registration pursuant to subsection (a) above.

(c) Property inspected pursuant to subsection (b) above that is occupied while it remains in default, shall be inspected quarterly by the mortgagee or mortgagee's designee.

(d) Property which is found to be vacant, or which shows evidence of vacancy shall be inspected at least every sixty (60) days by the mortgagee or mortgagee's designee.

(e) Registration pursuant to this section shall contain at a minimum the name of the mortgagee, the mailing address of the mortgagee, e-mail address and telephone number of the mortgagee, and the name of the local property manager and said person's address, e-mail address, and telephone number. The local property manager shall be responsible to inspect, secure and maintain the property. The property manager named in the registration shall be located within twenty (20) miles of the City of Callaway and available to be contacted by the City, Monday through Friday between 9:00 a.m. and 5:00 p.m., holidays and lunch hours excluded.

(f) This section shall also apply to properties that have been the subject of a foreclosure sale where title is transferred to the mortgagee as well as any properties transferred to the mortgagee under a deed in lieu of foreclosure.

(g) Properties subject to this section shall remain under the registration requirement, and the inspection, security and maintenance standards of this Article as long as they remain vacant or subject to having been declared by a mortgagee to be in default.

(h) Any person or other legal entity that has registered a property under this Article must report any change of information contained in the registration within ten (10) days of the change.

Sec. 9.7-25. Annual Registration Fee.

An annual registration fee in an amount approved by the City Commission, per property, shall accompany the registration. Fees shall be deposited into a Special Revenue Account, which account shall be for the purpose of enforcement of the

City of Callaway's property maintenance codes, the Florida Building Code and other related property codes.

Sec. 9.7-26. Enforcement.

(a) Failure of the mortgagee and/or property owner of record to properly register or to modify the registration from time to time to reflect a change of circumstance as required by this Article is a violation and shall be subject to enforcement by any of the enforcement means available to the City of Callaway.

(b) Pursuant to a finding and determination, including any administrative proceeding, that any property is in violation of this Article, the City of Callaway may take the necessary action to ensure compliance with the City's codes and place a lien on the property for the cost of the work performed, including an administrative fee, to benefit the property and to bring it into compliance.

(c) Failure of the mortgagee and/or property owner of record to properly inspect and secure a property subject to this Article or post a property, if required, is a violation shall be subject to enforcement by any of the enforcement means available to the City of Callaway. Pursuant to a finding and determination, the City of Callaway may take the necessary action to ensure compliance with the City's codes and recover costs and expenses in support thereof.

Sec. 9.7-27. Maintenance requirements.

Properties subject to this Article shall be maintained in accordance with all relevant City regulations.

Sec. 9.7-28. Security requirements.

(a) Properties subject to this Article shall be maintained in a secure manner so as not to be accessible to unauthorized persons.

(b) A "secure manner" shall include, but not limited to, the closure and locking of all windows, doors, gates and other openings of such size that will not allow a child or adult to access the interior of the structure and pool area, if any. Broken windows or doors shall be secured by replacing or boarding.

Sec. 9.7-29. Posting of Property.

(a) When a property subject to this Article becomes vacant or abandoned, unless prohibited by recorded covenants and restrictions, it shall be posted with the name and twenty four (24) hour contact telephone number of the local property manager. The posting shall be no less than 18 inches x 24 inches and shall be of a font that is legible from a distance of 45 feet. The posting shall contain the following language, at a minimum, with supporting information:

THIS PROPERTY IS MANAGED BY _____
_____ AND IS INSPECTED ON A REGUALR BASIS.
THE PROPERTY MANAGER CAN BE CONTACTED
BY TELEPHONE AT _____ OR
BY EMAIL AT _____.

(b) The posting required in subsection (a) above shall be placed on the interior of a window facing the street to this front of the property so that it is visible from the street, or secured to the exterior of the building/ structure facing the street to the front of the property so that it is visible from the street or if no such area exists, on a stake of sufficient size to support the posting in a location that is at all times visible from the street to the front of the property buy not readily accessible to vandals. Exterior posting shall be constructed of and printed with weather-resistant materials.

Sec. 9.7-30. Additional authority.

(a) If a City code enforcement officer has reason to believe that a property subject to the provisions of this Article is posing a serious threat to the public health, safety and welfare, the code enforcement officer may bring the violations before the City's code enforcement board or code enforcement special magistrate, or a court of competent jurisdiction as soon as possible to address the conditions of the property.

(b) If there is a finding that the condition of the property is posing a serious threat to the public's health, safety and welfare, then the code enforcement board or code enforcement special magistrate or a court of competent jurisdiction may direct the City to abate the violations and charge the mortgagee with the cost of abatement.

(c) If the mortgagee does not reimburse the City for the cost of abatement within thirty (30) days of the City sending the mortgagee the invoice, then the City may lien the property with the cost of the abatement, along with any and all administrative fees allowed by law to recover the administrative personnel services.

Sec. 9.7-31. Provisions supplemental.

Nothing contained in this Article shall prohibit the City of Callaway from enforcing its codes by any other means, including, but not limited to, injunction, abatement or as otherwise provided by law or ordinance.

Sec. 9.7-31—9.7-40. Reserved.

SECTION 3. Severability. It is hereby declared to be the intention of the City of Callaway that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance.

SECTION 4. Captions. The captions, part headings, and part designation in this ordinance are intended for the convenience of users only and shall have no effect in the interpretation of the provisions of this ordinance.

SECTION 5. Inclusion in the Code of Ordinances. The provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Callaway, Florida. The sections of this ordinance may be re-numbered or re-lettered to accomplish such, and the word "ordinance" may be change to "section" "article" or other appropriate word.

SECTION 6. Effective Date. The provisions of this ordinance shall become effective immediately upon passage.

PASSED, APPROVED AND ADOPTED this _____ day of _____, 2015.

CITY OF CALLAWAY, FLORIDA

Thomas W. Abbott, Mayor

ATTEST:

Sandra B. Hirth, City Clerk

**City of Callaway Board of Commissioners
Agenda Item Summary**

February 10, 2015

New Development Proposed in Callaway & Legal Notice in Paper for Planning Contract

<p>1. PLACED ON AGENDA BY: Melba Covey, Commissioner, Ward 1</p>	<p>2. AGENDA:</p> <p>PRESENTATION <input type="checkbox"/></p> <p>PUBLIC HEARING <input type="checkbox"/></p> <p>CONSENT <input type="checkbox"/></p> <p>OLD BUSINESS <input type="checkbox"/></p> <p>REGULAR <input checked="" type="checkbox"/></p>
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3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: Yes No

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Discussion and clarification on the following newspaper articles:
 (1) Monday, January 26, 2014, Development Proposed For Callaway and
 (2) Legal Notice in paper Sunday, February 1, 2014, Callaway Contract For Planning Professionals and Firms.

ATTACHMENT:

5. REQUESTED MOTION/ACTION:
Commission to discuss this issue.