

**GULF BREEZE CITY COUNCIL
REGULAR MEETING**

OCTOBER 3, 2011
MONDAY, 6:30 P.M.
COUNCIL CHAMBERS

1. Roll Call
2. Invocation and Pledge of Allegiance
3. Approval of Minutes of September 20, 2011 (Regular Meeting)
Approval of Minutes of September 20, 2011 (Special CRA Meeting)
4. Resolution No. 15-11: Approving Fund Balance Policy and Compliance with GASB 54
5. **CONSENT AGENDA ITEMS:***
 - A. Discussion and Action Regarding Housekeeping Services for Public Restrooms in Shoreline Park
 - B. Discussion and Action Regarding Tornado Warning System
 - C. Discussion and Action Regarding Paving - Shoreline Park
 - D. Discussion and Action Regarding Natural Gas Rebates
 - E. Discussion and Action Regarding Natural Gas Pipeline to Pensacola Beach
 - F. Discussion and Action Regarding Letter of Support - TEAM Santa Rosa
 - G. Discussion and Action Regarding Property Maintenance/Upkeep
 - H. Discussion and Action Regarding Employment Contract, City Manager

***These are items considered routine in nature and will be considered by one motion. If any citizen wishes to voice an opinion on one of the items, you should advise the Council immediately.**

ACTION AGENDA ITEMS:

NONE

- 6. New Business**
- 7. Open Forum**
- 8. Adjournment**

If any person decides to appeal any decisions made with respect to any matter considered at this meeting or public hearing, such person may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based.

The public is invited to comment on matters before the City Council upon seeking and receiving the recognition from the Chair.

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA**

The 1,184th regular meeting of the Gulf Breeze City Council, Gulf Breeze, Florida was held at the Gulf Breeze City Hall on Tuesday, September 20, 2011, at 6:30 p.m.

Upon call of the roll the following Councilmen were present: Dana Morris, J. B. Schluter, David G.Landfair, Joseph Henderson and Mayor Zimmern.

APPROVAL OF MINUTES FOR - SEPTEMBER 6, 2011:

Councilman Schluter moved for approval of the minutes for the regular meeting held on Tuesday, September 6, 2011. Councilman Morris seconded. The vote for approval was 5 - 0.

**APPROVAL OF MINUTES - COMMUNITY REDEVELOPMENT AGENCY
SEPTEMBER 6, 2011**

Councilman Schluter moved for approval of the minutes for the Gulf Breeze Financial Services meeting held on Tuesday, September 6, 2011. Councilman Morris seconded. The vote for approval was 5 - 0.

APPROVAL OF MINUTES FOR SPECIAL MEETING - SEPTEMBER 14, 2011:

Councilman Landfair moved for approval of the minutes for the Special meeting held on Wednesday, September 14, 2011. Councilman Henderson seconded. The vote for approval was 5 - 0.

**ORDINANCE NO. 11-11: ADOPTING A NEW LOCAL COMMUNICATION TAX
RATE PROVIDING FOR THE ADOPTION OF A NEW
LOCAL COMMUNICATION SERVICE TAX RATE
SECOND READING AND PUBLIC HEARING.**

The Ordinance was read by title only by the Deputy City Clerk. The Mayor opened the floor for public comments. There were no comments made and the Public Hearing was closed.

Councilman Morris moved for approval of the Ordinance on second reading. Councilman Schluter seconded. The vote for approval was 4 - 1, with Councilman Henderson dissenting.

**ORDINANCE NO. 12-11: ADOPTING A NEW MUNICIPAL PUBLIC SERVICE TAX
PROVIDING FOR THE ADOPTION OF A MUNICIPAL
PUBLIC SERVICE TAX RATE - SECOND READING AND
PUBLIC HEARING.**

The Ordinance was read by title only by the Deputy City Clerk. The Mayor opened the floor for public comments. There were no comments made and the Public Hearing was closed.

Councilman Schluter moved for approval of the Ordinance on second reading. Councilman Morris seconded. The vote for approval was 4 - 1 with Councilman Henderson dissenting.

ORDINANCE NO. 13-11: ELIMINATING READER BOARD SIGNS, AMENDING SECTION 23-3, SECTION 23-5 AND SECTION 23-16 OF THE CODE OF ORDINANCES - SECOND READING AND PUBLIC HEARING.

The Ordinance was read by title only by the Deputy City Clerk. The Mayor opened the floor for public comments.

Mr. Steve Salter of 3629 Trailer Trail, Pace, Florida spoke against the ordinance.

The Mayor closed the public hearing.

Councilman Henderson moved for approval of the Ordinance on second reading. Councilman Landfair seconded. The vote for approval was 3 - 2, with Councilman Morris and Councilman Schluter dissenting.

RESOLUTION NO. 13-11: APPROVING A MILLAGE RATE OF 1.90 MILLS

The Resolution was read by title only by the Deputy City Clerk. The Mayor opened the floor for public comments. There were no comments made and the Public Hearing was closed.

Councilman Henderson moved for approval. Councilman Morris seconded. The vote for approval was 5-0.

RESOLUTION NO. 14-11: ADOPTING THE BUDGET FOR FISCAL YEAR 2012.

The Resolution was read by title only by the Deputy City Clerk. The Mayor opened the floor for public comments. There were no comments made and the Public Hearing was closed.

Councilman Morris moved for approval. Councilman Schluter seconded. The vote for approval was 5-0.

PRESENTATION OF UPDATE ON COMMUNITY CENTER CONSTRUCTION:

Steve Jernigan of Bay Design addressed the Council and gave an update on the Community Center Construction. Mr. Jernigan stated that as of the 15th of September they are 30 days into the project. Currently, the estimated completion date for the tennis courts is November 15th. Mr. Jernigan stated that the contractor is required to submit a project timeline report with their monthly pay request.

CONSENT AGENDA ITEMS:

RECOMMENDATION:

**That City Council approve the following Consent Agenda Items:
A, B, C, D, E, and F,:**

**A. SUBJECT: DISCUSSION AND ACTION REGARDING DEVELOPMENT
REVIEW BOARD REFERRAL OF SEPTEMBER 7, 2011.**

Rick Richardson-103 Beach Drive Request to Construct an Upland Vinyl Retaining Wall.

Reference: Development Order Approval

RECOMMENDATION:

That the City Council approve the project as submitted.

**B. SUBJECT: DISCUSSION AND ACTION REGARDING RENEWAL OF
VICTIM OF CRIME GRANT (VOCA)**

Reference: City Manager memo dated September 9, 2011

RECOMMENDATION:

That the City Council accept the 2012 VOCA funding and authorize the Mayor to sign the agreement.

**C. SUBJECT: DISCUSSION AND ACTION REGARDING POLICE CAR
REPLACEMENT.**

Reference: City Manager memo dated September 9, 2011

RECOMMENDATION:

That the City Council authorize the purchase of two (2) fully equipped crown victoria police cruisers from Hub City Ford in Crestview..

- D. SUBJECT: DISCUSSION AND ACTION REGARDING REQUEST FOR QUALIFICATIONS FOR STANDBY DISASTER ADMINISTRATION ASSISTANCE.**

Reference: Finance Director memo dated September 9, 2011

RECOMMENDATION:

That the City Council instruct staff to begin discussions with Adjusters International to establish and mutually satisfactory standby agreement for Disaster Administration Assistance.

- E. SUBJECT: DISCUSSION AND ACTION REGARDING CITY OF GULF BREEZE MASTER PLANNING CONSULTANT.**

Reference: Assistant City Manager memo dated September 9, 2011

RECOMMENDATION:

That the City Council accept the committee recommendation of VHB Miller Sellen for the Master Plan Project. That the City Council direct staff to negotiate a contract and price to be brought back to the Council for approval.

- F. SUBJECT: DISCUSSION AND ACTION REGARDING BONUS FOR CITY EMPLOYEES.**

Reference: Finance Director memo dated September 9, 2011

RECOMMENDATION:

That the City Council approve a 3% bonus to city staff and fund the costs of the bonus through a special transfer of funds from Gulf Breeze Financial Services prior to the 2011 fiscal year end.

Councilman Henderson moved for approval for the following Consent Agenda Items:
A, B, C, D, E and F. Councilman Morris seconded. The vote for approval was 5 - 0.

ACTION AGENDA ITEMS:

**A. SUBJECT: DISCUSSION AND ACTION REGARDING SCHEDULING THE
NEXT EXECUTIVE CITY COUNCIL MEETING**

Reference: Verbal report from the City Manager

RECOMMENDATION:

**That the City Council hold the next executive session Tuesday, September 27, 2011
at 5:30 p.m.**

NEW BUSINESS: No New Business.

OPEN FORUM:

Mr. Jim Doyle 308 Plantation Hill Road, Gulf Breeze, spoke on the following items:
Ordinance 12-11 cost to customers. Requested that the subject listings on consent agenda
be more detailed.

ADJOURNMENT: at 7:05 p.m.

The City Council meeting recovered at 7:08 p.m. for closing comments following the
Community Redevelopment Agency Board of Directors Meeting.

Mayor Zimmern closed the meeting at 7:12 p.m.

DEPUTY CITY CLERK

MAYOR

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS
FOR THE COMMUNITY REDEVELOPMENT AGENCY**

A meeting of the Board of Directors for the Community Redevelopment Agency, Gulf Breeze, Florida, was convened at the Gulf Breeze City Hall on Tuesday, September 20, 2011, at 7:05 p.m.

Upon call of the roll for the Community Redevelopment Agency the following members were present: Dana Morris, Mayor Pro Tem J. B. Schluter, David G. Landfair, Joseph Henderson and Mayor Beverly Zimmern..

The purpose of the meeting was for the Board of directors for the Community Redevelopment Agency to consider the following items:

A. SUBJECT: DISCUSSION AND ACTION REGARDING MAINTENANCE OF LANDSCAPING ON HWY 98, ANDREW JACKSON TRAIL TO DANIEL DRIVE, FDOT GRANT.

Reference: Assistant City Manager memo dated September 9, 2011

RECOMMENDATION:

That the City Council accept staff recommendation of awarding the maintenance contract for Highway 98 from Andrew Jackson to Daniel Drive to Designsapes for \$25,050. (The City's contract with Hepworth Landscaping will be reduced by \$4,500) That the City Council meet as the Community Redevelopment Board and approve the contract and authorize the City Manager to sign.

Councilman Schluter moved for approval. Councilman Henderson seconded. The vote for approval was 5 - 0.

B. SUBJECT: DISCUSSION AND ACTION REGARDING PAYMENT TO QUALITY INVESTMENTS & BROKERAGE INC.FOR CONSULTING SERVICES ON THE LIVE OAK CENTER..

Reference: City Manager verbal report

RECOMMENDATION:

That the City Council approve payment to Quality Investments and Brokerage Inc. in the amount of \$3,240.00 for consulting services on the Live Oak Center.

Councilman Schluter moved for approval. Councilman Morris seconded. The vote for approval was 5-0.

ADJOURNMENT:

The Mayor adjourned this meeting at 7:07 p.m.

DEPUTY CITY CLERK

MAYOR

CITY OF GULF BREEZE, FLORIDA
RESOLUTION 15-11

**A RESOLUTION OF THE CITY OF GULF BREEZE, FLORIDA
ESTABLISHING A FUND BALANCE POLICY FOR THE CITY OF GULF
BREEZE; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER;
PROVIDING FOR EFFECTIVE DATE.**

WHEREAS, the City desires to establish a Fund Balance Policy consistent with Governmental Accounting Standards Board Statement Number 54, Fund Balance Reporting and Governmental Fund Type Definitions; and

WHEREAS, such a policy has been prepared and a copy thereof is attached hereto;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Gulf Breeze, Florida:

SECTION 1. The City Council hereby adopts the "City of Gulf Breeze Fund Balance Policy", attached hereto as Exhibit A and hereby directs the City Manager to implement said policy.

SECTION 2. If any section, subsection, clause or provision of this resolution is held invalid, the remainder shall not be affected by such invalidity.

SECTION 3. All resolutions or parts of resolutions in conflict herewith shall be and hereby are repealed.

SECTION 4. Effective date. This resolution shall take effect immediately upon adoption but no later than September 30, 2011.

DULY PASSES AND ENACTED on _____

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF
GULF BREEZE, SANTA ROSA COUNTY, FLORIDA**

ATTEST:

Beverly H. Zimmern, Mayor

Marita Rhodes, City Clerk

CITY OF GULF BREEZE, FLORIDA
FUND BALANCE POLICY
EXHIBIT A

A. DEFINITIONS

Fund Balance - As defined by the *Governmental Accounting, Auditing and Financial Reporting* of the Government Finance Officers Association, fund balance is "The difference between assets and liabilities reported in a governmental fund."

NON-SPENDABLE Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as long-term amount of loans and notes receivable, as well as property acquired for resale. The corpus (or principal) of a permanent fund representing an endowment or trust is an example of an amount that is legally or contractually required to be maintained intact. At this time the City has no permanent funds.

RESTRICTED Fund Balance – Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

COMMITTED Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the City Council, the City's highest level of decision making authority. Commitments may be changed or lifted only by the City Council taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

ASSIGNED Fund Balance – Includes spendable fund balance amounts established by management of the City that are intended to be used for specific purposes that are neither considered restricted or committed.

UNASSIGNED Fund Balance – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

UNRESTRICTED Fund Balance – The total of *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.

RESERVATIONS of Fund Balance – Reserves established by City Council (*committed fund balance*) or City management (*assigned fund balance*).

B. PURPOSE

The City hereby establishes and will maintain Fund Balance, as defined herein, in accordance with Governmental Accounting and Financial Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

A Fund Balance Policy is adopted in order to secure and maintain investment-grade credit ratings, meet seasonal shortfalls in cash flow, and reduce susceptibility to emergency or unanticipated expenditures and/or revenue shortfalls. Fund balance information is used to identify the available resources to repay long-term debt, reduce property taxes, add new governmental programs, expand existing ones, or enhance the financial position of the City, in accordance with policies established by the City Council.

This Fund Balance Policy establishes:

- a) Fund balance policy for the general fund;
- b) Reservations of fund balance for the general fund;
- c) The method of budgeting the amount of estimated unrestricted fund balance (also know as *estimated beginning fund balance*) available for appropriation during the annual budget adoption process (prior to the actual, audited fund balance being known) and what actions may need to be taken if the actual fund balance is significantly different than the budgeted fund balance; and
- d) Establish the spending order of fund balances.

C. FUND BALANCE POLICY (GENERAL FUND)

1. RESTRICTED FUND BALANCE

Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through

constitutional provisions or enabling legislation will be budgeted and reported in general fund, special revenue funds, capital project funds or debt service funds.

2. COMMITTED FUND BALANCE

Commitment of fund balance may be made for such purposes including, but not limited to, a) major maintenance and repair projects; b) meeting specific future obligations resulting from a natural disaster; c) accumulating resources pursuant to stabilization arrangements; d) establishing reserves for disasters; and/or e) for setting aside amounts for specific projects.

Commitment of fund balance may be made from time-to time by resolution of the City Council. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally (resolution). The use (appropriation) of committed fund balances will be considered in conjunction with the annual budget adoption process or by budget amendment approved by resolution of City Council during the fiscal year.

3. ASSIGNED FUND BALANCE

Assignment of fund balance may be a) made for a specific purpose that is narrower than the general purposes of the government itself; and/or b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

Assigned fund balance shall reflect management's intended use of resources as set forth in the annual budget (and any amendments thereto). Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

4. NON-SPENDABLE FUND BALANCE

Non-spendable fund balance is established to report items that are not expected to be converted to cash such as inventory and prepaid items; items not currently in cash form such as the long-term amount of loans and notes receivable as well as property acquired for resale; and, items legally or contractually required to be maintained intact such as the corpus (or principal) of a permanent fund.

5. MINIMUM LEVEL OF UNASSIGNED FUND BALANCE

Unassigned fund balance is the residual classification for the general fund and represents fund balance that has not been restricted, committed or assigned to specific purposes within the general fund.

At this time the City has not established a minimum unassigned fund balance.

In the event that the City shall establish a minimum unassigned fund balance and if, after the annual audit, prior committed or assigned fund balance causes the unassigned fund balance to fall below the minimum unassigned fund balance as a percentage of General Fund operating expenditures, the City Manager will so advise City Council in order for the necessary action to be taken to restore the unassigned fund balance to below the minimum unassigned fund balance as a percentage of General Fund operating expenditures.

The City Manager will prepare and submit a plan for committed and/or assigned fund balance reduction, expenditure reductions and/or revenue increases to City Council. The City shall take action necessary to restore the unassigned fund balance to acceptable levels within two years.

D. RESERVATIONS OF FUND BALANCE (GENERAL FUND)

1. COMMITTED FUND BALANCE

The City Council hereby establishes the following committed fund balance reserves in the General Fund:

- a) Park Subdivision Reserve – The park subdivision reserve fund balance is committed by the City Council as set forth in the annual budget (and any amendments thereto) to ensure the availability of funds to enhance or develop public parks in subdivisions of the City that do not currently have public parks.
- b) Beautification Reserve – The beautification fund balance is committed by the City Council as set forth in the annual budget (and any amendments thereto) to ensure services are available to address Council approved expenditures for the beautification and enhancement of the City's environs.
- c) Self-Insurance Reserve – The self insurance reserve fund balance is committed by the City Council as set forth in the annual budget (and any amendments thereto) to ensure coverage of the City's insurance deductible on its insured properties and equipment.
- d) Community Reserve – The community reserve fund balance is committed by the City Council as set forth in the annual budget (and any amendments thereto) to ensure funds are available to assist City residents who are in dire need (subject to Council approval) with payment of utility bills.

2. ASSIGNED FUND BALANCE

The City hereby establishes the following assigned fund balance reserves in the General Fund:

- a) Assignment to Benson bequest – Reflects the residual amount to which police and fire department expenditures have not been allocated against a bequest received by the City whose requested use was for the police and fire department.
- a) Assignment to Disaster Recovery – Reflects a general set aside without specific limitations to ensure that resources are available to fund recovery costs in the event a disaster befalls the City.
- b) Assignment to Subsequent Year's Budget – The subsequent year's budget fund balance reserve is assigned by City management as set forth in the annual budget (and any amendments thereto) to appropriate a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.

E. BUDGETING

1. APPROPRIATION OF UNRESTRICTED FUND BALANCE

The actual amount of unrestricted fund balance (total of *committed fund balance, assigned fund balance and unassigned fund balance*) is not known until the completion of the annual audit which takes place up to six months after the end of the fiscal year being audited. However, an estimate of unrestricted fund balance (also called *estimated beginning fund balance*) must be made during the annual budget adoption process (July through September) which is prior to the end of the fiscal year, September 30th.

2. ESTIMATED BEGINNING FUND BALANCE.

In order to achieve the most accurate estimate possible, the City Manager or designee shall project both Sources of Funds (revenues, prior years unrestricted fund balances carried forward and other financing sources) and Uses of Funds (operating and non-operating expenditures), including accruals, for each department in each governmental fund through September 30th of the then current fiscal year. These projections will be shown in a separate column entitled "Estimated Actual" for each fund in the proposed, tentative and final budget documents. The difference between the estimated actual sources of funds and estimated actual uses of funds is the calculated estimated beginning fund balance for the subsequent fiscal year. If planned for use in the subsequent fiscal year,

committed and assigned fund balance may be included in the estimated beginning fund balance.

3. **ESTIMATED ENDING FUND BALANCE.**

For the year being budgeted, a calculation of estimated ending fund balance shall also be made. This calculation shall be the difference between the budgeted sources of funds and the budgeted uses of funds as described above.

Since the uses of funds are restricted, committed or assigned in all other governmental fund types there is no policy to the amount of ending fund balance unless the project is completed and the fund should be closed. In this situation, a residual equity transfer will be made to zero-out any remaining fund balance.

The City Council has not established an unassigned fund balance maximum. Any unassigned fund balance in excess of a designated minimum unassigned fund balance may be committed, assigned, utilized or left unassigned as the City Council may see fit.

F. SPENDING ORDER OF FUND BALANCES

The City uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

G. ANNUAL REVIEW AND DETERMINATION OF FUND BALANCE POLICY

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process, and the amounts of restricted, committed, assigned, non-spendable and the minimum level of unassigned fund balance shall be determined during this process

H. ADDITIONAL INFORMATION, REQUIREMENTS/RESPONSIBILITIES

It will be the responsibility of the Finance Director to keep this policy current.

I. EFFECTIVE DATE

This Policy shall take effect immediately upon adoption and will be applied beginning with the preparation of the City's September 30, 2011 Comprehensive Annual Financial Report.

Original Issue Date: _____

Approved:

Edwin A. Eddy, City Manager

Date

EXECUTIVE COMMITTEE REPORT

SEPTEMBER 27, 2010

Councilmen Present: Dana Morris, Joseph Henderson, David G. Landfair, Mayor Pro Tem
J. B. Schluter and Mayor Beverly Zimmern

ACTION AGENDA ITEMS:

A. SUBJECT: DISCUSSION AND ACTION REGARDING HOUSEKEEPING FOR PUBLIC RESTROOMS IN SHORELINE PARK

Reference: Parks and Recreation Director memo dated September 23, 2011

RECOMMENDATION:

That the City Council authorize an addition to Gulf Coast Enterprise's current service agreement, to provide housekeeping services for the five public restroom facilities within Shoreline Park, five days per week, for the sum of \$11,626.44 annually, funding to come from Parks and Recreations savings. The Council also agreed that supplemental cleaning services be provided during special events and maximum use days with the cost of these extra services passed to the organization holding the event.

B. SUBJECT: DISCUSSION AND ACTION REGARDING TORNADO WARNING SYSTEM

Reference: City Manager memo dated September 23, 2011

RECOMMENDATION:

That the City Council direct staff to evaluate the issue of weather notification/ alarm systems including audible, outdoor tornado alarms, e-mail notices, texting, and providing pagers for residents.

C. SUBJECT: DISCUSSION AND ACTION REGARDING FUND BALANCE POLICY AND COMPLIANCE WITH GASB 54

Reference: Finance Director memo dated September 22, 2011

RECOMMENDATION:

That the City Council adopt Resolution No. 15-11, approving the fund balance policy as suggested by GASB 54.

D. SUBJECT: DISCUSSION AND ACTION REGARDING PAVING -SHORELINE PARK

Reference: City Manager memo dated September 23, 2011

RECOMMENDATION:

That the City Council direct staff to work with Ken Horne, our paving consultant, to develop a design and prices for added paving in Shoreline Park.

E. SUBJECT: DISCUSSION AND ACTION REGARDING NATURAL GAS REBATES

Reference: Natural Gas Supervisor memo dated August 29, 2011

RECOMMENDATION:

That the City Council approve the increases in the Natural Gas Rebate Program effective October 3, 2011 for conversion/replacements of water heater and home heating systems as follows: (1) Conversion of electric water heater to natural gas - \$400; (2) Replace gas water heater - \$300; (3) Conversion of electric heating system to natural gas - \$500; (4) Replace gas heating system - \$500. (Council suggested adding gas generators to the rebate list.)

F. SUBJECT: DISCUSSION AND ACTION REGARDING NATURAL GAS PIPELINE TO PENSACOLA BEACH

Reference: Assistant Public Service Director memo dated September 23, 2011

RECOMMENDATION:

That the City Council approve the additional \$10,000 fee to Baskerville-Donovan for contract administration of the natural gas pipeline to Pensacola Beach.

G. SUBJECT: DISCUSSION AND ACTION REGARDING LETTER OF SUPPORT TEAM SANTA ROSA

Reference: City Manager memo dated September 23, 2011

RECOMMENDATION:

That the City Council approve a letter of transmittal to the Santa Rosa County Commissioners in support of TEAM Santa Rosa.

H. SUBJECT: DISCUSSION AND ACTION REGARDING PROPERTY MAINTENANCE/UPKEEP

Reference: City Manager memo dated September 23, 2011

RECOMMENDATION:

City Council directed staff to be more vigilant in enforcing current codes regarding property maintenance. Such action will be advertised through the City's newsletter, on the web site and through local media. Depending on the success of increased enforcement, the Council may revisit the issue.

I. SUBJECT: DISCUSSION AND ACTION REGARDING EMPLOYMENT CONTRACT, CITY MANAGER

Reference: City Manager memo dated September 23, 2011

RECOMMENDATION:

That the City Council approve the contract with the City Manager with an effective date of June 27, 2011.

J. INFORMATION ITEMS