

**GULF BREEZE CITY COUNCIL  
REGULAR MEETING AGENDA**

**JULY 20, 2015  
MONDAY, 6:30 P.M.  
COUNCIL CHAMBERS**

A. **ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE**

B. **APPROVAL OF MINUTES**

1. July 6, 2015, Regular Meeting
2. July 6, 2015, Community Redevelopment Agency

C. **PRESENTATIONS**

Gulf Breeze Financial Services Annual Investment Report Year Ended 06/30/2015

D. **RESOLUTION AND ORDINANCES**

RESOLUTION NO. 17-15                      \$3,000,000 BORROWING FOR STORMWATER  
IMPROVEMENTS

RESOLUTION NO. 18-15                      \$6,750,000 BORROWING FOR TIGER POINT GOLF  
CLUB) INCLUDING PAYOFF OF EXISTING LINE OF  
CREDIT AND FUTURE CAPITAL EXPENDITURES

E. **CONSENT AGENDA ITEMS\***

1. Development Review Board Recommendation:
  - (a) Randy & Kim Hepworth, 426 Surrey Drive  
Project Location: 131 Eufaula St.  
New single family residence within 50' of the Mean High Water Line
  - (b) Rob Babcock, 10 Portofino Drive, Pensacola Beach,  
Project Location: 300 Pensacola Beach Rd.–SRYC  
New Topless Boat Lift
2. Approval of a contract with Roads, Inc. for resurfacing of Plantation Hill, Middle Plantation Lane, Circle Drive, and Beach Drive in the amount of \$173,891.00
3. Approval of a proposal in the amount of \$28,708 from Kenneth Horne & Associates for design of resurfacing and drainage improvements to Driftwood Lane, Navy Cove Boulevard, Montrose Boulevard and Berry Avenue

4. Approval to include in utility bills a flyer from REBUILD Northwest Florida regarding the availability of FEMA Grants
5. Approval of proposals from (i) Baskerville Donovan, Inc., in the amount of \$9,600 to conduct a feasibility study of stormwater improvements in the area near the Gulf Breeze Community Center, and (ii) Hatch Mott McDonald in the amount of \$8,870 to conduct a feasibility study of stormwater improvements in the area of Navarre Street and Shoreline Drive
6. Acceptance of a bid from J. Miller Construction, Inc., in the amount of \$55,121 for stormwater drainage repairs in Shoreline Park North
7. Authorization for staff to seek proposals for and retain professional accounting services to assist with the year-end closeout processing
8. Approval of an invoice from Galloway/Johnson/Tompkins/Burr and Smith in the amount of \$1,669.48 in connection with the Peters/Reese lawsuit

**\*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.**

F. **ACTION AGENDA ITEMS:**

1. Approval of a Collective Bargaining Agreement with Fraternal Order of Police
2. Private attorney-client session confined to settlement negotiations or strategy sessions related to litigation expenditures in connection with a worker's compensation litigation brought against the City by Christopher Lanzetta

G. **NEW ITEMS**

H. **INFORMATION ITEMS**

I. **PUBLIC FORUM**

J. **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 recognition from the Chair. If you are a person with a disability who needs accommodation in order to participate in a public hearing you are entitled to the provision of certain assistance. Please contact the City Clerk's office at (850) 934-5115 or at 1070 Shoreline Drive, Gulf Breeze at least one (1) week prior to the date of the public hearing.*

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

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The 1,275<sup>th</sup> Regular Meeting of the Gulf Breeze City Council, Gulf Breeze, Florida, was held at Gulf Breeze City Hall on Monday, July 6, 2015, at 6:30 p.m.

Upon call of the roll the following Councilmembers were present: Councilwoman Renee Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph Henderson, Councilman David G. Landfair, and Mayor Matt Dannheisser.

**APPROVAL OF MINUTES:**

Councilwoman Fitch moved for approval of the minutes for the Tiger Point Workshop held on June 15, 2015. Mayor Pro Tem Henderson seconded. The vote for approval was unanimous.

Councilman Landfair moved for approval of the minutes for the Regular Meeting held on June 15, 2015. Councilwoman Fitch seconded. The vote for approval was unanimous.

**CONSENT AGENDA ITEM(S):**

**A. SUBJECT: DISCUSSION AND ACTION REGARDING REPLACEMENT OF K-9 OFFICER.**

Reference: Chief of Police memo dated June 18, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL AUTHORIZE THE PURCHASE OF A K-9 OFFICER FROM ADVANCE CANINE ACADEMY IN SCOTTSVILLE, KENTUCKY FOR A TOTAL COST OF \$7,500 FUNDED BY DRUG FORFEITURE FUNDS.**

**B. DISCUSSION AND ACTION REGARDING UTILIZING RED LIGHT CAMERA PROGRAM TO FUND SPECIAL TRAFFIC ENFORCEMENT EFFORTS.**

Reference: Chief of Police memo dated June 18, 2015

**RECOMMENDATION:**

**THE CITY COUNCIL AUTHORIZE \$20,000 FROM THE RED LIGHT CAMERA PROGRAM TO FUND SPECIAL TRAFFIC ENFORCEMENT ACTIVITIES FOR THE REMAINDER OF FY15.**

**C. SUBJECT: DISCUSSION AND ACTION REGARDING SOUTH SANTA ROSA UTILITY SYSTEM RECOMMENDATIONS:**

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

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Reference: Assistant Director of Public Services memo dated June 24, 2015

**1. Purchase of Sewer Bypass Pump**

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE PURCHASE OF A SOLIDS HANDLING PUMP FROM THOMPSON PUMP & MANUFACTURING AT A COST OF \$53,896 WHICH INCLUDES \$2,330 FOR THE OPTIONAL CONTROL PANEL.**

**2. Purchase of Water Crew Equipment**

**RECOMMENDATION:**

**THAT THE CITY COUNCIL AUTHORIZE THE PURCHASE OF EQUIPMENT WITH FUNDING FROM THE SSRUS F/Y2014 BUDGET FOR THE FOLLOWING:**

- **1-55P GRUNDOMAT UNDERGROUND PIERCING TOOL FROM TT TECHNOLOGIES FOR \$3,657;**
- **1-GRUNDOAIR 70 CFM COMPRESSOR FROM TT TECHNOLOGIES FOR \$7,500;**
- **1-APT 160 AIR PAVING BREAKER FROM THE TOOL SHACK FOR \$899; AND**
- **1-FREEDOM 6' X 12' ENCLOSED TRAILER FROM A-1 ACCESSORIES FOR \$2,469.**

**D. SUBJECT: DISCUSSION AND ACTION REGARDING APPOINTMENT OF ROBERT DAVIES TO SOUTH SANTA ROSA UTILITY SYSTEM ADVISORY BOARD.**

Reference: Director of Public Services memo dated June 19, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPOINT MR. ROBERT DAVIES TO THE SOUTH SANTA ROSA UTILITY SYSTEM ADVISORY BOARD.**

**E. SUBJECT: DISCUSSION AND ACTION REGARDING REPLACEMENT OF COLLAPSED CULVERT ON GOLF COURSE.**

Reference: Director of Public Services memo dated June 25, 2015

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

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**RECOMMENDATION:**

THAT THE CITY COUNCIL AUTHORIZE UTILITY SERVICE CO. TO REMOVE THE EXISTING DAMAGED CMP AND CONTROL STRUCTURE AND CONSTRUCT A REPLACEMENT STRUCTURE WITH 36" ADS HDPE N-12 FOR A LUMP SUM COST OF \$10,719.40.

**F. SUBJECT: DISCUSSION AND ACTION REGARDING PAYMENT OF BAY DESIGN INVOICE FOR PROGRAMMING AND SCHEMATIC DESIGN SERVICES AT TIGER POINT GOLF CLUB.**

Reference: Deputy City Manager memo dated June 25, 2015

**RECOMMENDATION:**

THE CITY COUNCIL APPROVE PAYMENT TO BAY DESIGN IN THE AMOUNT OF \$19,247.00 FOR PROGRAMMING AND SCHEMATIC DESIGN SERVICES.

**G. SUBJECT: DISCUSSION AND ACTION REGARDING ACCEPTANCE OF LOW PRESSURE SANITARY MAIN – HIGHPOINT DRIVE.**

Reference: Assistant Director of Public Services memo dated June 24, 2015

**RECOMMENDATION:**

THAT THE CITY COUNCIL ACCEPT THE PRIVATE LOW PRESSURE SEWER MAIN ON HIGHPOINT DRIVE FOR OWNERSHIP, OPERATION, AND MAINTENANCE IN EXCHANGE FOR ONE SEWER IMPACT FEE CREDIT TO THE CURRENT OWNER.

Councilman Landfair moved for approval of Consent Agenda Items A through G. Mayor Pro Tem Henderson seconded. The vote for approval was unanimous.

*\*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.*

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

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**ACTION AGENDA ITEMS:**

**A. SUBJECT: DISCUSSION AND ACTION REGARDING MANAGEMENT AGREEMENT WITH PRIVATE CLUB ASSOCIATES.**

Reference: Deputy City Manager memo dated June 24, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL CONSIDER A MANAGEMENT AGREEMENT WITH PRIVATE CLUB ASSOCIATES AT THE EXECUTIVE COMMITTEE MEETING ON JULY 1, 2015.**

Mayor Pro Tem Henderson moved for approval of staff's recommendation with changes discussed by staff. Councilwoman Fitch seconded. The vote for approval was unanimous.

**B. SUBJECT: DISCUSSION AND ACTION REGARDING BUDGET SCHEDULE FOR FISCAL YEAR 2016**

Reference: Deputy City Manager memo dated June 24, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE BUDGET REVIEW SCHEDULE OUTLINED IN THE DEPUTY CITY MANAGER MEMO DATED JUNE 24, 2015.**

The Mayor and City Council accepted the schedule as presented by staff. No action was taken on this item.

**C. SUBJECT: DISCUSSION AND ACTION REGARDING THE COUNCIL HOLDING A PRIVATE ATTORNEY-CLIENT SESSION PURSUANT TO SECTION 447.605 FLORIDA STATUTES, REGARDING THE FRATERNAL ORDER OF POLICE COLLECTIVE BARGAINING CONTRACT.**

The City Attorney made a verbal request to hold an attorney-client session regarding the Collective Bargaining Contract at the end of the July 20, 2015, Regular Meeting.

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

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**NEW BUSINESS:** None

**OPEN FORUM:**

- Tom Naile, 112 Windsor Place, spoke regarding his distrust in management companies and budget concerns with South Santa Rosa Utility System maintaining the west course.
- Bill Graves, 1181 Gulf Breeze Parkway, spoke about the City's CNG station not being part of the Master Plan.

**COUNCIL COMMENTS:**

- Councilwoman Renee Bookout asked the City Manager for an update on the Traffic Calming Task Force meeting held on July 2, 2015.
- Mayor Dannheisser engaged in discussion with the City Council regarding the upcoming meeting with Santa Rosa County regarding the conditional use permit.

**ADJOURNMENT:** Mayor Dannheisser adjourned the meeting at 7:24 p.m.

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Stephanie D. Lucas, City Clerk

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Matt E. Dannheisser, Mayor

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

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A meeting of the Board of Directors for the Community Redevelopment Agency, Gulf Breeze, Florida, was convened at the Gulf Breeze City Hall Council Chambers on Monday, July 6, 2015, at 6:51 p.m.

The following members were present: Councilwoman Renee Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph Henderson, Councilman David G. Landfair, and Mayor Matt Dannheisser.

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

**CONSENT AGENDA ITEM\*:**

**A. SUBJECT: DISCUSSION AND ACTION REGARDING ASBESTOS SURVEY FOR PEYTON OFFICE BUILDING.**

Reference: Deputy City Manager memo dated June 25, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL ACCEPT THE PROPOSAL FROM BARKSDALE ASSOCIATES OF PENSACOLA, FLORIDA, TO CONDUCT AN ASBESTOS SURVEY OF THE PEYTON OFFICE BUILDING AT A COST OF \$1,260.00 ALL IN ACCORDANCE WITH THEIR PROPOSAL DATED JUNE 10, 2015, AND TO FUND SAID EXPENSE FROM THE CRA.**

Councilman Landfair moved for approval of Consent Agenda Item A. Councilwoman Bookout seconded. The vote for approval was unanimous.

**\*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.**

**INFORMATIONAL ITEMS:** None

**PUBLIC FORUM:** None

**ADJOURNMENT:** Mayor Dannheisser adjourned the meeting at 6:51 p.m.

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Stephanie D. Lucas, City Clerk

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Matt E. Dannheisser, Mayor

Councilmembers Present: Councilwoman Renee Bookout, Councilwoman Cherry Fitch, Councilman David G. Landfair, Mayor Matt Dannheisser and Mayor Pro Tem Joseph Henderson.

**A. SUBJECT: DISCUSSION AND ACTION REGARDING STATUS REPORT ON INVESTMENT EARNINGS – GULF BREEZE FINANCIAL SERVICES.**

Reference: City Manager memo dated July 9, 2015

The City Manager advised that Dan Kopack and Ed Gray will provide the Council with an update on the status of Gulf Breeze Financial Services earnings at the July 20, 2015 Regular Council meeting.

No Action Taken

**B. SUBJECT: DISCUSSION AND ACTION REGARDING DEVELOPMENT REVIEW BOARD RECOMMENDATIONS:**

Reference: DRB July 7, 2015 minutes

1. Randy & Kim Hepworth, 426 Surrey Drive  
Project Location: 131 Eufaula St.  
New single family residence within 50' of the Mean High Water Line
2. Rob Babcock, 10 Portofino Drive, Pensacola Beach,  
Project Location: 300 Pensacola Beach Rd.–SRYC  
New Topless Boat Lift

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE DEVELOPMENT REVIEW BOARD RECOMMENDATION TO APPROVE BOTH PROJECTS AS SUBMITTED.**

Mayor Pro Tem Henderson made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilwoman Fitch seconded the motion. The vote for approval was unanimous.

**C. SUBJECT: DISCUSSION AND ACTION REGARDING RESURFACING BID PLANTATION HILL AND BEACH DRIVE.**

Reference: Assistant Director of Public Services memo dated July 1, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE CONTRACT WITH ROADS, INC., FOR COMPLETION OF THE RESURFACING OF PLANTATION HILL ROAD, MIDDLE PLANTATION LANE, MIDDLE PLANTATION HILL CIRCLE AND BEACH DRIVE FOR THE AMOUNT OF \$173,891.**

Councilwoman Bookout made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilwoman Fitch seconded the motion. The vote for approval was unanimous.

**D. SUBJECT: DISCUSSION AND ACTION REGARDING RESURFACING DESIGN – DRIFWOOD LN, NAVY COVE BLVD, MONTROSE BLVD, AND BERRY AVE.**

Reference: Assistant Director of Public Services memo dated July 1, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE FEE PROPOSAL OF \$28,708 FOR KENNETH HORNE & ASSOCIATES TO COMPLETE THE DESIGN PLANS AND SPECIFICATIONS FOR RESURFACING OF DRIFTWOOD LN, NAVY COVE BLVD, MONTROSE BLVD, AND BERRY AVE.**

Councilwoman Fitch made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Mayor Pro Tem Henderson seconded the motion. The vote for approval was unanimous.

**E. SUBJECT: DISCUSSION AND ACTION REGARDING REBUILD NORTHWEST FLORIDA REQUEST.**

Reference: Assistant Director of Public Services memo dated July 1, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE A ONE TIME MAILING OF A REBUILD NORTHWEST FLORIDA INSERT TO ALL UTILITY CUSTOMERS WITH EACH UTILITY COVERING ITS OWN COST RELATED TO THE INSERT.**

Mayor Pro Tem Henderson made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilman Landfair seconded the motion. The vote for approval was unanimous.

**F. SUBJECT: DISCUSSION AND ACTION REGARDING STORMWATER GRAVITY DISCHARGE FESIBILITY STUDY.**

Reference: Assistant Director of Public Services memo dated June 24, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE ENGINEERING PROPOSALS REGARDING A FEASIBILITY STUDY FOR THE TWO POTENTIAL STORMWATER GRAVITY MAIN DISCHARGES AS FOLLOWS: BASKERVILLE-DONOVAN, INC., FOR THE COMMUNITY CENTER CROSSING FOR \$9,600 AND HATCH MOTT MCDONALD FOR THE NAVARRE STREET CROSSING FOR \$8,870.**

Councilwoman Fitch made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilman Landfair seconded the motion. The vote for approval was unanimous.

**G. SUBJECT: DISCUSSION AND ACTION REGARDING SHORELINE PARK STORMWATER REPAIR.**

Reference: Assistant Director of Public Services memo dated July 1, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE J. MILLER CONSTRUCTION, INC. TO COMPLETE THE SHORELINE PARK NORTH DRAINAGE REPAIR FOR \$55,121.**

Councilwoman Fitch made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilman Landfair seconded the motion. The vote for approval was unanimous.

**H. SUBJECT: DISCUSSION AND ACTION REGARDING FINANCIAL REPORTING.**

Reference: Deputy City Manager memo dated July 9, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL AUTHORIZE STAFF TO SOLICIT PROPOSALS FOR PROFESSIONAL ACCOUNTING SERVICES TO ASSIST WITH ANNUAL CLOSEOUT PROCESSING.**

Councilwoman Fitch made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilwoman Bookout seconded the motion. The vote for approval was unanimous.

**I. SUBJECT: DISCUSSION AND ACTION REGARDING FRATERNAL ORDER OF POLICE (FOP) LABOR AGREEMENT.**

Reference: Deputy City Manager memo dated July 9, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE PROPOSED COLLECTIVE BARGAINING AGREEMENT WITH THE FLORIDA STATE LODGE OF THE FOP AS PRESENTED.**

Mayor Pro Tem Henderson made a motion to place these items on the July 20, 2015, Regular Council meeting agenda. Councilwoman Fitch seconded the motion. The vote for approval was unanimous.

**J. SUBJECT: DISCUSSION AND ACTION REGARDING INVOICE PAYMENT OF GALLOWAY/JOHNSON/TOMPKINS/BURR AND SMITH (GJTBS).**

Reference: City Clerk memo dated July 9, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE PAYMENT OF INVOICE NO. 312951 IN THE AMOUNT OF \$1,669.48 TO GJTBS.**

Councilwoman Fitch made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Mayor Pro Tem Henderson seconded the motion. The vote for approval was unanimous.

**K. SUBJECT: DISCUSSION AND ACTION REGARDING THE COUNCIL HOLDING A PRIVATE ATTORNEY – CLIENT SESSION CONFINED TO SETTLEMENT NEGOTIATIONS OR STRATEGY SESSIONS RELATED TO LITIGATION EXPENDITURES IN CONNECTION WITH A LAWSUIT BROUGHT AGAINST THE CITY BY CHRISTOPHER LANZETTA.**

Reference: City Manager memo dated July 7, 2015

The Attorney – Client meeting will be held at the end of the July 20, 2015 Regular Council meeting. No formal action taken.

**L. SUBJECT: DISCUSSION AND ACTION REGARDING INDUCEMENT RESOLUTIONS FOR STORMWATER LOAN AND TIGER POINT LOAN.**

Reference: City Manager memo dated July 10, 2015

**RECOMMENDATION:**

**THAT THE CITY COUNCIL CONSIDER ADOPTION OF INDUCEMENT RESOLUTIONS TO BORROW MONEY FROM THE GULF BREEZE 1985 LOAN PROGRAM.**

Mayor Pro Tem Henderson made a motion to place the item on the July 20, 2015, Regular Council meeting agenda. Councilwoman Bookout seconded the motion. The vote for approval was unanimous.

**NEW ITEMS:** None

**INFORMATION ITEMS:** Tuesday, August 18<sup>th</sup> is “Gulf Breeze” night at the Blue Wahoos game. The Mayor has been invited to throw the first pitch. Councilmembers are all invited to attend and participate.

**PUBLIC FORUM:** None

**COUNCIL COMMENTS:**

Mayor Dannheisser and the City Manager updated the Council on the status of Tiger Point following the fire on Tuesday night.

The Mayor reported on the informal meeting with SRC officials regarding the golf course.

Councilwoman Bookout reported on the progress of the After School Task Force. The next meeting of the After School Program Task Force will be on Tuesday, July 21, 2015, at 4:00 p.m., at the Community Center. The selection sub-committee is meeting Thursday, July 16<sup>th</sup> to interview applicants to fill the After Scholl Program Director position.

**ADJOURNMENT:** Mayor Dannheisser adjourned the meeting at 7:19 p.m.



# Gulf Breeze Financial Services, Inc.

Ed Gray, III - *Executive Director*

Edwin A. Eddy - *Special Consultant*

## 2015 Annual Report of the Investments of Gulf Breeze Financial Services

Submitted by Ed Gray, III

July 16, 2015

In April of 2011, the City Council adopted by ordinance an Investment Policy setting forth the scope, objectives, and standards that would be the guidance for increasing the investment yields on liquid funds of city deposits. Authorization was given for any monies held within the accounts of the City, including those funds held within Gulf Breeze Financial Services, to be invested under defined parameters.

An investment committee was created to consider proposals from competent investment managers and to select qualified institutions to invest funds as approved by the committee. Once selected, the firms were then directed by the Investments Administrator to create a portfolio in conformance with the Investment Policy. Gulf Breeze Financial Services, during the fiscal year 2012, placed \$8.5 million with investment managers. The firms selected by the committee were Wasmer Schroeder & Co., and Branch Banking and Trust Company (BB&T). At the time of selection, Wasmer was represented by O'Sullivan Creel Wealth Management. Today, the Wasmer representative is FSA Advisors. The selections were based on the manager's investment management qualifications, its representatives being responsive, and the ability to avail the city to lines of credit readily accessible if the need should exist. The Investment Policy as adopted by the City Council was the road map for the managers to utilize in deciding the investment products to purchase. Subsequent to the investment accounts being established, GBFS did access lower cost funding to purchase Tiger Point Country Club at borrowing rates below market and cost effective when compared to liquidating invested funds.

Reports attached reflect the performance of these accounts both year to date and annualized based on June 30, 2015 actual totals. As a total portfolio and using the cost of the securities purchased as the basis, the annualized yield of the blended invested accounts for the most recent 12 months is 1.534%. When computing the annualized yield inclusive of market value fluctuations the yield is .907%. The Wasmer funds have achieved a .979% return. The BB&T account computes to .801%.

The earnings for the city exceed \$440,000 since the implementation of the policy in October of 2011. As compared to qualifying money market accounts or US Treasury securities with the same liquidity and maturities, the program has generated approximately \$400,000 more, net of fees and any other costs, than alternative investments. This is as of June 30, 2015.

The detailed reports as produced by the investment representatives are attached. I will be glad to address any questions you may have either at a meeting or you contacting me at your convenience.

Gulf Breeze Financial Services  
 Combined Portfolio Details  
 As of June 30, 2015

	IPS Investment Limitations (Max limits)	Weight based upon Market Value	Market Value			Adjusted Cost			Unrealized Gain/ (Loss)	
			FSA Portfolio	B, B and T Portfolio	Combined	FSA Portfolio	B, B and T Portfolio	Combined	FSA Portfolio	B, B and T Portfolio
Corporate Bonds	15%	14.45%	883,409.16	408,339.00	1,291,748.16	872,155.69	404,766.29	1,276,921.98	11,253.47	3,572.71
Municipal Bonds	30%	20.12%	1,309,577.01	489,375.00	1,798,952.01	1,248,164.95	488,387.85	1,736,552.80	61,412.06	987.15
Government Bonds	75%	44.29%	1,620,835.16	2,338,764.00	3,959,599.16	1,605,336.95	2,345,448.75	3,950,785.70	15,498.21	- 6,684.75
Mortgage backed Securities	75%	7.57%	676,521.30		676,521.30	679,032.16		679,032.16	- 2,510.86	-
Equity Funds	25%	3.95%	353,014.26		353,014.26	375,005.82		375,005.82	- 21,991.56	-
Cash & equivalents		9.63%	492,211.29	368,604.00	860,815.29	492,211.29	368,604.00	860,815.29	-	-
Totals		100.00%	\$ 5,335,588.18	\$ 3,605,062.00	\$ 8,940,650.18	\$ 5,271,906.86	\$ 3,607,206.89	\$ 8,879,113.75	\$ 63,661.32	\$ 2,124.89

**Gulf Breeze Financial Services**  
**Net Investment Earnings Comparison**  
**Year Ended June 30, 2015**

**FSA Investment Group, LLC Portfolio**

Cash and Investments - July 1, 2014 (at market)	\$ <u>55,283,819.76</u>	
Interest and dividends deposited to date	\$ 140,878.59	
Add: Accrued interest receivable - June 30, 2015	\$ 29,072.49	
Less: Accrued interest receivable - June 30, 2014	32,533.87	
Add: Interest sold	11,644.43	
Less: Accrued interest purchased	<u>(1,160.97)</u>	
Less: Amortization of bond premium	7,022.08	
Interest earned	<u>(21,175.80)</u>	
Less: Investment management fees	\$ 126,724.87	
	<u>(17,687.51)</u>	
<b>Net Investment Earnings</b>	<b>\$109,037.36</b>	

Yield for the period based on market value

2.0636%

Yield for the period based upon cost

2.1044%

Comparison to investment in Treasuries at June, 2014

One year Treasury in effect on 7/01/14

0.11%

Earnings based upon investment in one year Treasury

\$5,812.20

Portfolio Value - June 30, 2014

\$ 5,283,819.76

Portfolio Value - June 30, 2015

\$ 5,335,568.18

Increase in value for period

0.979%

Increase in value since inception - October 1, 2011

\$ 7.11%

**B, B and Trust Company Portfolio**

\$ 3,576,443.56	\$ 71,410.97
\$ 17,044.03	
17,023.48	
	\$ 20.55
	<u>(30,261.42)</u>
	\$ 41,170.10
	<u>(15,758.04)</u>
	<b>\$25,412.06</b>

0.7105%

0.7095%

0.11%

\$3,934.09

\$ 3,576,443.56

\$ 3,605,081.49

0.801%

3.002%

**Combined Portfolio**

\$ 8,850,263.32	\$ 212,289.56
\$ 46,116.52	
\$ (49,557.35)	
\$ 11,644.43	
<u>(1,160.97)</u>	\$ 7,042.63
	<u>(51,437.22)</u>
	\$ 167,894.97
	<u>(33,445.55)</u>
	<b>\$134,449.42</b>

1.5174%

1.5342%

0.11%

\$9,746.29

\$ 8,860,263.32

\$ 8,940,649.67

0.907%

5.184%



# City of Gulf Breeze

Office of City Manager

## MEMORANDUM

To: Mayor and City Council

From:  Edwin A. Eddy, City Manager

Date: July 16, 2015

Subject: Resolution 17-15, Establishing The City's Intent To Reimburse Capital Project Costs In An Amount Not To Exceed \$3,000,000 Relative To Stormwater Improvements; And, Resolution 18-15, Establishing The City's Intent To Reimburse Capital Project Costs In An Amount Not To Exceed \$6,750,000 Relative To Purchase Of Utility Sites And Repair And Restoration Thereof

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As noted at the July 15 Executive Session, it is necessary that the City Council adopt the two Resolutions noted above in order to authorize bond counsel and others to prepare the appropriate documents for a loan from the 1985 Local Government Loan Pool Program for long term financing of up to \$3,000,000 in stormwater improvement projects and to ensure that expenditures made sixty (60) days prior to July 20 and in the time before closing can be paid from the proceeds from the loans.

This is approval in concept of borrowing up to \$3,000,000 for stormwater improvements which may include \$900,000 and the City Council committed to the Dracena Way/Russ Drive project, improvements in the Shoreline Park lake and associated infrastructure, and a structure to relieve flooding in the McClure Drive/Shirley area.

In addition, the Council is approving the concept of a loan of not to exceed \$6,750,000 for the acquisition, repair, remodeling, and equipping of Tiger Point Golf Club as a utility site.

Final documents will be prepared by bond counsel and closing should be after December 1, 2015.

**RECOMMENDATION:**

**THAT THE CITY COUNCIL ADOPT RESOLUTION 17-15 AND RESOLUTION 18-15.**

RESOLUTION NO. 17-15

**A RESOLUTION OF THE CITY OF GULF BREEZE, FLORIDA PERTAINING TO FINANCE; ESTABLISHING THE CITY'S INTENT TO REIMBURSE CERTAIN CAPITAL PROJECT COSTS INCURRED WITH PROCEEDS OF FUTURE TAX-EXEMPT FINANCING OR OTHER OBLIGATIONS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City of Gulf Breeze, Florida (the "City") has determined that the need exists to finance the design, permitting, acquisition and construction of stormwater and certain other infrastructure improvements as more fully described in Exhibit "A" attached hereto and made a part hereof (collectively, the "Project").

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA THAT:

SECTION 1. AUTHORITY. This resolution (hereinafter called the "Resolution") is adopted pursuant to the provisions of the Florida Constitution, Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2. DECLARATION OF INTENT. The City hereby expresses its intention to be reimbursed from proceeds of a future tax-exempt financing or other obligations for capital expenditures to be paid by the City in connection with the construction of the Project. Pending reimbursement, the City expects to use funds on deposit in its General Fund and other funds legally available to pay a portion of the cost of the Project. It is not reasonably expected that the total amount of debt to be incurred by the City to reimburse itself for expenditures paid with respect to the Project will exceed \$3,000,000. This Resolution is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations.

SECTION 3. SEVERABILITY. If any one or more of the provisions of this Resolution shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, but this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

[Remainder of page intentionally left blank]

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption this 20<sup>th</sup> day of July, 2015.

GULF BREEZE, FLORIDA  
CITY COUNCIL

(SEAL)

By: \_\_\_\_\_  
MATT E. DANNHEISSER, Mayor

Attest:

By: \_\_\_\_\_  
LESLIE A. GUYER, City Clerk

EXHIBIT A

DESCRIPTION OF PROJECT

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RESOLUTION NO. 18-15

**A RESOLUTION OF THE CITY OF GULF BREEZE, FLORIDA PERTAINING TO FINANCE; ESTABLISHING THE CITY'S INTENT TO REIMBURSE CERTAIN CAPITAL PROJECT COSTS INCURRED WITH PROCEEDS OF FUTURE TAX-EXEMPT FINANCING OR OTHER OBLIGATIONS; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the City of Gulf Breeze, Florida (the "City") has determined that the need exists to finance the design, permitting, acquisition and construction of certain utility system improvements as more fully described in Exhibit "A" attached hereto and made a part hereof (collectively, the "Project").

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA THAT:

SECTION 1. AUTHORITY. This resolution (hereinafter called the "Resolution") is adopted pursuant to the provisions of the Florida Constitution, Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2. DECLARATION OF INTENT. The City hereby expresses its intention to be reimbursed from proceeds of a future tax-exempt financing or other obligations for capital expenditures to be paid by the City in connection with the construction of the Project. Pending reimbursement, the City expects to use funds on deposit in its General Fund and other funds legally available to pay a portion of the cost of the Project. It is not reasonably expected that the total amount of debt to be incurred by the City to reimburse itself for expenditures paid with respect to the Project will exceed \$6,750,000. This Resolution is intended to constitute a "declaration of official intent" within the meaning of Section 1.150-2 of the Income Tax Regulations.

SECTION 3. SEVERABILITY. If any one or more of the provisions of this Resolution shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, but this Resolution shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

[Remainder of page intentionally left blank]

SECTION 4. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption this 20<sup>th</sup> day of July, 2015.

GULF BREEZE, FLORIDA  
CITY COUNCIL

(SEAL)

By: \_\_\_\_\_  
MATT E. DANNHEISSER, Mayor

Attest:

By: \_\_\_\_\_  
LESLIE A. GUYER, City Clerk

EXHIBIT A  
DESCRIPTION OF PROJECT

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