

REGULAR COMMISSION MEETING HELD AUGUST 6, 2007

Regular Town Commission Meeting of the Town of Ocean Ridge held on Monday, August 6th, 2007 at 6:00 PM in the Town Hall Meeting Chambers.

The meeting was called to order by Mayor Kaleel and roll call was answered by the following:

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| Commissioner Bingham | Commissioner Pugh |
| Commissioner Allison | Commissioner Hogan |
| Mayor Kaleel | |

Pledge of Allegiance

ADDITIONS, DELETIONS, MODIFICATIONS, AND APPROVAL OF AGENDA

Manager Schenck requested to add Harbour Drive South Improvements as Item #13.

CONSENT AGENDA

1. Minutes of the Regular Town Commission Meeting of July 09, 2007
2. Minutes of the Continued Town Commission Meeting of July 16, 2007
3. Minutes of the Continued Town Commission Meeting and Special Meeting for Budget Review/Proposed Millage of July 26, 2007

Comm. Pugh motioned to approve the Agenda and Consent Agenda as amended. Seconded by Comm. Allison.

ANNOUNCEMENTS AND PROCLAMATIONS

4. The Tentative Budget Adoption and Regular Town Commission Meeting will be held on Monday, Sept. 10, 2007 at 5:01 PM and Regular Meeting Immediately to Follow
5. The Administrative Office will be closed Monday, Sept. 3, 2007 for the Official Holiday
6. Proclamation Declaring August 6-10, 2007 as "Florida Water, Wastewater, and Systems Operators Week"

Mayor Kaleel also announced that the demolition of the old Town Hall and Police Department was scheduled to be demolished on August 16th, 2007 at 9am. It would take approximately 2 days to complete.

PUBLIC COMMENT

Elizabeth Ackerly, 31 Coconut Lane, claimed that her neighbor at 5 Coconut Lane had installed a permanent generator 4ft 4in from her lot line. According to code, generators are to be placed 10ft from the property line. It was her understanding that he had claimed a hardship and had been allowed to place it 5ft from the property line. This house was under new construction, and she felt that the contractor should have allowed for the generator in designing the property. She claimed a hardship for not being able to sleep during hurricanes or power outages.

It was discussed that the zoning ordinance does allow for equipment to be placed 10ft from property line. Last year however, the commission passed Ordinance #568 that allowed a generator to be placed 5ft from the property line if it was determined that there was no other place available. The owner was cited for a code violation for installing the generator without a permit. It was determined that a permit was needed, and the contractor paid a double fee. At that time it was requested that Manny Palacios, Zoning Official of Hy-Byrd, Inc. go to the jobsite to locate any other possible locations for the generator. It was determined that there was no other location that would allow for the generator to be placed. The contractor produced a sealed survey showing the generator 5ft from the property line. There was a concern that with the size of the lot that no other location could be found for the generator. A consensus was made to request the Zoning Official to meet with Ms. Ackerly on Tuesday, August 07, 2007 and re-measure the

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distance of the generator from the property line to make sure it is in compliance. Atty. Spillias stated that he would verify if the commission or the building official had the final say in the location of a generator.

REPORTS

7. Town Manager

Manager Schenck reported that the Stormwater Drainage Project – South Phase was almost complete, it still needed one pump though. The generator is 90% ready, but was portable and would have to be transported to Tropical Drive during hurricanes or heavy storms. The landscaping for the Woolbright Detention Area was complete, along with the plantings at the bottom of the detention area. Once the plantings take hold and grow the detention area would be complete. The South Florida Water Management District will be contacted to sign off on the project.

Town Hall staff and the Police Department have been relocated to two portable buildings for the duration of the construction of the new building. The asbestos has been removed from the Town Hall, and the demolition is scheduled for August 16th, at 9am. In addition, we are evaluating ways to alleviate the flooding at the west end of coconut lane and on Harbour Drive North and South. The Island Drive bridge is also being evaluated to see if it needs to be replaced or if it can be repaired. He will keep them informed of these final assessments.

Manager Schenck had spoken with FDOT, and was informed that they should return to Ocean Ridge within the next few weeks to continue paving. They had been busy with other projects, but they were still on schedule for completion.

8. Town Attorney

Atty. Spillias had nothing to report. He noted that he would not be available for the September commission meeting but would have his colleague attend in his place.

9. Director of Public Safety

Chief Hillery had nothing to report.

10. Town Engineer (SFRN, Inc.) – Drainage Update

Engineer Tropepe reported that the GIS System had a maintenance component system added to it. It would help to manage and monitor the storm water system and catch basins. If possible she would like to schedule a time to show each of the commissioners individually the system and how it works.

ACTION ITEMS

11. Approval of Health Insurance Deductible for both 2007 and 2008 Years for Employees

Manager Schenck reported that the commission had approved paying the deductible for the employees with the new health plan. The \$1500 deductible per employee is per calendar year not fiscal year. We believe there are sufficient funds in this year's health budget to cover the cost. There will be approximately a \$29,000 balance left in the health insurance by year end. The remaining funds from this year's budget could be set aside to use for this calendar year's deductible. He requested a motion approving paying this calendar year's deductible out of this year's budget and setting aside the remaining funds in a reserve to cover the rest of this calendar year's deductible, as needed. The entire amount may not be needed, so whatever is left will be put in the reserve account.

Comm. Pugh motioned to approve to pay this calendar year's deductible out of this year's budget and setting aside the remaining funds in a reserve to cover the rest of this calendar year's deductible, as needed. Seconded by Comm. Allison.

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Motion Carried - yea 5.

RESOLUTIONS (Possibly Requiring Discussion)

12. Resolution No. 2007-12; Authorizing a Line of Credit and an Interest Rate Swap Transaction; Approving the Form of and Authorizing the Execution of a Promissory Note, A Loan Agreement and an ISDA Master Agreement and Schedule with Bank of America, N.A.; and Providing an Effective Date

Manager Schenck informed that Holly Kulman, Senior Vice President of Credit Products of Bank of America was present. Atty. Spillias reported that Mark Raymond from Bank of America had sent the original documents for the loan, but a few items still needed to be discussed before finalization. The drafted documents allow for variable or fixed rates, and we are requesting a no prepayment penalty. Comm. Allison asked why the issue of a prepayment penalty realistically, the upcoming budget issues, there would probably be no prepayment option possible. Atty. Spillias replied that Ocean Ridge had prepaid off loans in the past.

Holly Kulman, from Bank of America stated that our line of credit was \$4million, and that 2 decisions had to be made: 1) The type of note – draw down over a 12 month period or all of it up front. 2) Type of Rate: Fixed or Variable or a mix of the two. Today's fixed rate is 4.45%; or it could be fixed 12 months into the future at 4.8%.

Comm. Bingham asked if a fixed rate was chosen and if all was taken up front; could it be invested into an interest bearing fund to offset the interest charged against the loan. Gary Kozinski, 6000 Old Ocean Blvd, stated that he had spoke to Ms. Kulman, and reviewed the loan agreement per Mayor Kaleel's request. He suggested drawing all of the funds and setting the loan at a fixed amount or a fixed with a swap option, and then investing the funds into a 4.95% interest bearing account to allow it to earn interest until needed.

Comm. Bingham motioned to go with the recommendation to approve a loan of \$4million, drawn down and use the swap option. Seconded by Comm. Pugh.

Motion Carried - yea 5.

Atty. Spillias reported that there were still items to be finalized, and asked for the commission to vote on the resolution, dependent upon his discretion and judgment to resolve any issues. If there were any urgent matters, he would notify the commission immediately.

Comm. Pugh motioned to approve Resolution No. 2007-12; Authorizing a Line of Credit and an Interest Rate Swap Transaction; Approving the Form of and Authorizing the Execution of a Promissory Note, A Loan Agreement and an ISDA Master Agreement and Schedule with Bank of America, N.A.; and Providing an Effective Date. Comm. Bingham seconded.

Comm. Hogan asked that it be understood that this was contingent upon Atty. Spillias' approval.

Motion Carried - yea 5.

TOWN COMMISSION COMMENTS

13. Improvements for Harbour Drive South

Manager Schenck reported that Harbour Drive South had been having drainage problems when heavy rains occurred. The solution would be a new road like Coconut or Hudson, but that would be too costly at this time. He suggested installing 4 new catch basins, to flow into the 12" line down to the intracoastal. This should alleviate most of the drainage problems, and he believed

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there were enough funds left in the current loan to cover it and help to solve their drainage problems. He suggested using Chaz Equipment to perform the job as they had done the other similar projects in town. He thought he should be able to contact them within the next 30 days to perform the work.

Comm. Bingham motioned to approve the drainage repairs for Harbour Drive South in the amount of \$64,450 to be paid out of the Capital Projects Fund. Comm. Allison seconded.

Motion Carried - yea 5.

Mayor Kaleel reported that Ocean Land Development had pulled out of the purchase of Briny Breezes. Contrary to the press, he was not scheduled to meet with Ocean Land Development. He felt that this matter was done at this point in time. He had offered the Town of Briny Breezes his assistance, as Briny Breezes has many pressing problems at this time. He also asked that Briny Breezes and Ocean Ridge should work together in the future as to any new deals that may be presented to them. He did not foresee any immediate action that would be taking place in the next 2-3 months though.

Meeting adjourned at 6:45pm.

Attest By:

Town Clerk

Mayor Kaleel

Commissioner Allison

Commissioner Bingham

Commissioner Hogan

Commissioner Pugh