

MINUTES OF THE WORKSHOP MEETING OF THE BOARD OF CITY COMMISSIONERS FOR THE CITY OF PORT ST. JOE, FLORIDA, HELD IN THE COMMISSION CHAMBERS AT CITY HALL, JANUARY 12, 2012 AT 5:00 P.M.

The following were present: Mayor Magidson, Commissioners Gingell, Buzzett, Patterson and Kennedy. City Attorney Tom Gibson and City Clerk Jim Anderson were also present. City Manager Charlie Weston was absent.

Water Distribution System:

Phase I:

Jim Anderson noted that the City has been under a Consent Order for the Water Distribution System since February 2011.

The goal tonight is to provide information on the Water Distribution System so a decision can be made on which option to utilize at Tuesday's Commission Meeting for Phase I.

The City has identified 24 miles of Metallic Pipe in our Water Distribution System and has broken them down into replacement phases. Phase I consist of approx. ten miles of pipe, services approx. 650 customers and will take approx. one year to construct.

The City approved awarding the contract to I-C Contractors for Phase I contingent upon Value Engineering with the contractor and approval from the State Revolving Fund on December 20, 2011.

The City currently has a \$440K shortfall for Phase I.

SRF has indicated that extending the loan amount by \$440K is possible to complete all of phase I, which would be Option I.

Option II would be to pull North Port St. Joe out of Phase I and apply for CDBG Grant Funding in June. If awarded, the funds would not be issued until March or April 2013.

Option III would be to reduce the scope of work in other areas of the City.

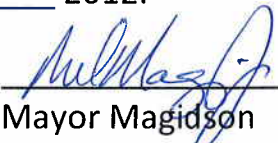
Several of the Board Members were concerned about pulling North Port St. Joe out of Phase I to apply for the CDBG Grant Funding. Staff was requested to meet with County Commissioner Smiley to go over the details of the proposed project.

Phase II:

The cost estimate for Phase II is \$2,634,813. April 15, 2012, is the deadline to apply for funding to SRF. In order to submit to SRF we would need to pay for the Engineering work and the survey at a cost of approx. \$220K. We could possibly get reimbursed from SRF, but we have not secured funding. The money would more than likely have to come out of the City Contingency Fund.

The workshop was adjourned at 5:45 P.M.

Approved this 21st day of February 2012.



Mayor Magidson



Jim Anderson, City Clerk