

A Special Meeting of the City Commission of the City of Apalachicola was held on Wednesday, May 28, 2008 at 12:00 PM at the Apalachicola Community Center, #1 Bay Avenue, Apalachicola, Florida.

Present: Mayor Pro-Tem Jimmy Elliott, Commissioner Frank Cook, Commissioner Val Webb, City Administrator Betty Webb, City Clerk Lee Mathes

Visitors: None

Special meeting called to order by Mayor Pro-Tem Elliott.

Mayor Pro-Tem Elliott stated this special meeting has been called to make a decision on whether to apply the \$500,000 DEP appropriation to the Capital City Escrow Account, or to use the funds to make capital improvements to the wastewater treatment plant.

Commissioner Cook outlined meeting with DEP. Commissioner Cook stated the City has not received State appropriations as anticipated to repay the loan at Capital City. As of this date, the City has only received \$500,000 from DEP which currently sits with DEP. The City must make a decision fairly quickly on what the City wants to do with the funds. The City can either apply the appropriation to the Capital City loan, or use the funds to make capital improvements at wastewater plant. Commissioner Cook stated he recommends the City use the funds to make the needed improvements to the wastewater plant, and if there are any leftover funds, then apply the remainder to the loan.

Ms. Webb stated the City is not receiving the anticipated State funds to apply to the loan, and therefore the City is going to have to start making payments on the shortfall. The City can go 25 years to reduce the amount of the payment, and delay payment until December 2009.

Commissioner Cook stated extending the loan to 25 years and delaying payment until December 2009 will give the City more time to try to obtain more funds from the State, and the increase in water and sewer rates should give the City the extra income to make the payment. Commissioner Cook stated this is the most affordable route for the City at this time.

Motion to use \$500,000 DEP appropriation to make capital improvement to wastewater plant, start repaying loan in December 2009, and extend payment s out to 25 years made by Commissioner Cook, second by Commissioner Webb.

Motion carried 3 to 0.

Voting Aye: Cook, Webb, Mayor Pro-Tem Elliott

Voting Nay: None

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There being no further business, meeting adjourned.

James L. Elliott, Mayor Pro-Tem

Lee H. Mathes, City Clerk