

City Commission Meeting Minutes
September 7, 2017
(APPROVED)

9/7/2017 - Minutes

1. INVOCATION

Mayor Fultz gave the invocation.

2. PLEDGE OF ALLEGIANCE

3. CALL TO ORDER

The Mayor called the meeting to order at approximately 6:00 p.m. after the invocation and pledge of allegiance.

4. ROLL CALL

Commission Members Present: Eugene Fultz - Mayor, Curtis Gibson, Robin Gibson - Deputy Mayor, Flora "Tonya" Stewart, Terrye Howell

Staff Present: Kenneth Fields, City Manager; Albert C. Galloway, Jr., City Attorney; Jennifer Nanek, City Clerk

5. PROCLAMATIONS AND AWARDS

5.I. PROCLAMATION - Boys And Girls Club Day For Kids

Bryson Macchione, Board Member for the Citrus Center Boys & Girls Club, accepted the proclamation.

6. PRESENTATION/REPORT

7. COMMUNICATIONS AND PETITIONS

Don Brown, non-resident, but a property owner and had an issue with electrical wiring. He could have done the work himself but was required to get a licensed contractor, a permit and an inspection. The inspector still has not come out. He is not happy with how he is being treated. Mr. Fields, City Manager, said he will follow up on this issue and get back with him.

John Turley, resident, a volunteer at the Depot Museum. He commended the recent changes at the museum and the director Monica Drake-Pierce and the work that has been done lately. He invited the Commissioners to check out the museum and expressed hopes that the caboose can be completed soon. Mayor Fultz said that he agreed with him and said thanks!

Rusty Ingley, Board member of Main Street, asked about the status of the Main Street contract and requested part or all of \$100,000 budgeted for Main Street. He reviewed the contract concerning stimulus funds and specifically requested that the CRA meet, approve the contract and award \$37,500 for this fiscal year. Mr. Fields explained that this was planned last September but it has taken this long to get a contract worked out and they still don't have a director. The same \$100,000 is in the budget for next fiscal year. He is concerned about giving money to the Main Street without a director in place. Mr. Ingley asked about the three year commitment. Mr. Fields confirmed that its the plan for a three year commitment of \$100,000 each year and explained that the schedule for interviewing candidates has been delayed. Mayor Fultz asked if they were serious about getting a director? Mr. Ingley confirmed that they were very serious. Mr. Fields explained further that the funding is subject to approval by the CRA each year. Deputy Mayor Robin

Gibson said that the money is lost this year but this contract encourages fundraising by Main Street.

8. BUDGET HEARINGS

Budget hearings began at approximately 6:33 p.m.

Mayor Fultz read into the record for TRIM compliance "The City of Lake Wales is the taxing authority and the proposed millage rate to be levied for Fiscal Year 2017-2018 is 7.0438 mills, which is equal to the rolled back rate."

8.1. Ordinance 2017-15, Adoption Of FY 2017-18 Millage Rate, 1st Reading & Public Hearing

[Begin Agenda Memo]

SYNOPSIS:

The Commissioners will consider adopting a millage rate of 7.0438 mills for Fiscal Year 2017-2018. The Commissioners will also

consider adopting the proposed operating budget.

RECOMMENDATION

After first reading and separate public hearings, it is recommended that the City Commission take the following actions:

1. Approve Ordinance 2017-15, adopting a millage rate of 7.0438 mills for FY2017-2018;
2. Approve Ordinance 2017-16, adopting an operating budget for FY2017-2018.

BACKGROUND

In accordance with Florida Statutes and the City Charter, Ordinances 2017-15 and 2017-16 are presented for first reading and public hearing. Ordinance 2017-15 establishes the millage rate for FY17'18, and Ordinance 2017-16 adopts the proposed FY17'18 budget. These ordinances must have separate public hearings and must be voted upon individually.

The proposed FY17'18 budget document includes the revenue and expenditure details for the General Fund, CRA Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, Utility System Fund and Airport Fund.

This budget has been prepared in accordance with Article VI, Section 6.04 of the City Charter, which requires that the budget provide a complete financial plan of municipal funds and activities. Estimated current year ending fund balances have been considered and are included in the budget.

PROPERTY TAX

On July 18, 2017, the City Commission adopted an Interim Millage Rate of 7.3273. The proposed budget was balanced on a Millage Rate equal to the roll-back rate of 7.0438 millage rate per \$1,000 of taxable valuation.

BUDGETARY CHANGES IN GENERAL FUND "REVENUE SOURCES & TRANSFERS IN" FOR FY17'18 COMPARED TO FY16'17:

General Fund revenues in FY17'18 (\$12,655,276 + 1,195,000 – 810,308 vehicle leases = 13,039,968) are projected to be \$849,044 greater than budgeted in FY16'17 (\$11,500,691 + 1,168,500 – 478,267

vehicle leases = 12,190,924)

An expected increase of \$352,429 is mainly due to the following items:

- Increase in ad valorem tax of \$18,868 due to new construction
- Increase in sales and use taxes of \$296,821 due to increased economy.
- Increase in licenses and permits of \$222,000 due to the reduction in allocation of electric franchise fees to the debt service fund. The final debt service payment for Series 2015 was paid off during FY 2016'17.
- Decrease in special assessments of \$143,361 due to prior year having expectations of fire assessment collections from FY 2015'16 and FY 2016'17.
- Increase in intergovernmental revenues of \$309,677 due to fire insurance premiums \$135,000 and casualty insurance premiums \$110,000, which are direct flow-through to the police pension plan and the fire pension plan. These insurance premiums in FY 2016'17 were taken directly to the pensions plans in but in the current fiscal year (and all future years) are required to flow-through the General Fund before being directed to the pension funds. The remaining increase of \$65,677 due to local government ½-cent sales tax.
- Increase in charges for services of \$108,339 mainly due to \$69,139 management fees for water/sewer, \$28,200 garbage fees.
- Increase in miscellaneous revenue of \$10,200 mainly due to \$4,700 interest income and \$5,000 donations to depot museum.
- Increases in transfers in of \$26,500 due to transfer from Utility Fund to the General Fund

BUDGETARY CHANGES IN GENERAL FUND "OPERATING EXPENDITURES" FOR FY17'18 COMPARED TO FY16'17:

General Fund "operating" expenditures in FY17'18 are projected to be \$12,918,722, which is \$902,116 greater than budgeted in FY16'17 \$12,016,606.

Significant changes in "operating" expenditures include the following items:

- Net increase in personnel costs of \$814,224, which included the addition of five new positions (\$260,078) within the General Fund (Appendix-20), a 2% COLA (\$240,306), increased pension contributions (\$118,389) and increase health insurance costs (\$195,451).
- Net increases in operating cost of \$87,892, mainly due to \$36,000 YMCA pool contract, \$39,962 supplies and maintenance costs for parks and recreation, \$13,400 contract services for payroll processing.

GOVERNMENTAL FUND BALANCE

As of September 30, 2016, the City's governmental funds reported combined ending fund balances of \$5,614,411. Approximately 52% of this amount (\$2,892,676) constitutes unassigned fund balance, which was available to spend at the City's discretion. The remaining fund balance (\$2,721,735) was classified as non-spendable (\$130,986), restricted (\$2,495,170) and committed (\$95,579).

In 2011, the City established a reserve policy for the General Fund equal to 15% - 20% of total operating costs. As of September 30, 2016, the general fund's unassigned fund balance represented 24% of total general fund expenditures, while total fund balance represents 25% of the same amount. Keeping a higher Fund Balance at this time is prudent in anticipation of a possible reduction in future Ad Valorem revenue if an additional Homestead Exemption is approved.

SUMMARY OF ALL FUNDS

General Fund	\$16,010,276
CRA Fund	2,859,701
Special Revenue Funds	2,675,344
Debt Service Fund	1,747,893
Capital Projects Fund	772,000
Cemetery (LWMG)	249,300
Utility System Fund	24,297,748
Airport Fund	6,309,633
TOTAL	54,921,895

The expenditure total of \$40,493,888 is comprised of operating costs in the amount of \$22,725,020 and capital outlay in the amount of \$17,768,868. Transfers in the amount of \$2,190,948 bring total expenditures plus transfers to \$42,684,836.

Capital expenditures include utility system improvements are budgeted as follows:

General Fund	\$1,147,608
CRA Fund	880,354
Special Revenue Funds	516,000
Capital Projects Fund	260,963
Utility System Fund	9,782,948
Airport Fund	5,180,995
TOTAL	\$17,768,868

Note: Capital expenditures proposed for FY17'18 are itemized in "Schedule C" within the budget document.

CONCLUSION

As the local economy has been improving over the last three years, the City's has been able to provide a higher level of service to the community. There is no question that the City's financial resources were severely strained during the recession (2007 through 2014). The City continues to deal with the lingering impact of delayed infrastructure maintenance and economic growth within our City. However, recent trends in both new commercial and residential development, including the reuse of formerly vacant existing buildings indicates that the City's tax base is once again beginning to grow and that recent economic development efforts are paying off. It is expected that the 2018'19 Fiscal Year the City will see even greater growth in the ad valorem tax base and the expansion of city services will lead to additional voluntary annexations into the city.

As our community continues to realize growth and expansion, an opportunity for some or all of the following will be possible 1) capital investment to improve quality of life, 2) funding for capital items that require immediate replacement, 3) funding available for economic growth opportunities and 4) a possible reduction in the millage rate.

[End Agenda Memo]

Jennifer Nanek, City Clerk, read **ORDINANCE 2017-15** by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, FOR FISCAL YEAR 2017-18; PROVIDING FOR AN EFFECTIVE DATE.

Kenneth Fields, City Manager, reviewed this item.

OPENED PUBLIC HEARING

None

CLOSED PUBLIC HEARING

Commissioner Howell made a motion to approve **ORDINANCE 2017-15** after 1st reading and public hearing. Commissioner Stewart seconded the motion.

Roll Call Vote:

Commissioner Howell "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES"

Deputy Mayor Robin Gibson "YES"

Mayor Fultz "YES"

Motion passed 5-0.

[Begin Agenda Memo]

SYNOPSIS:

The Commissioners will consider adopting a millage rate of 7.0438 mills for Fiscal Year 2017-2018. The Commissioners will also consider adopting the proposed operating budget.

RECOMMENDATION: After first reading and separate public hearings, it is recommended that the City Commission take the following actions:

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SUMMARY OF ALL FUNDS

General Fund \$16,010,276 CRA Fund 2,859,701 Special Revenue Funds 2,675,344 Debt Service Fund 1,747,893 Capital Projects Fund 772,000 Cemetery (LWMG) 249,300 Utility System Fund 24,297,748 Airport Fund 6,309,633 TOTAL 54,921,895 The expenditure total of \$40,493,888 is comprised of operating costs in the amount of \$22,725,020 and capital outlay in the amount of \$17,768,868. Transfers in the amount of \$2,190,948 bring total expenditures plus transfers to \$42,684,836. Capital expenditures include utility system improvements are budgeted as follows: General Fund \$1,147,608 CRA Fund 880,354 Special Revenue Funds 516,000 Capital Projects Fund 260,963 Utility System Fund 9,782,948 Airport Fund 5,180,995 TOTAL \$17,768,868 Note: Capital expenditures proposed for FY17'18 are itemized in "Schedule C" within the budget document.

CONCLUSION

As the local economy has been improving over the last three years, the City's has been able to provide a higher level of service to the community. There is no question that the City's financial resources were severely strained during the recession (2007 through 2014). The City continues to deal with the lingering impact of delayed infrastructure maintenance and economic growth within our City. However, recent trends in both new commercial and residential development, including the reuse of formerly vacant existing buildings indicates that the City's tax base is once again beginning to grow and that recent economic development efforts are paying off. It is expected that the 2018'19 Fiscal Year the City will see even greater growth in the ad valorem tax base and the expansion of city services will lead to additional voluntary annexations into the city. As our community continues to realize growth and expansion, an opportunity for some or all of the following will be possible 1) capital investment to improve quality of life, 2) funding for capital items that require immediate replacement, 3) funding available for economic growth opportunities and 4) a possible reduction in the millage rate.

[End Agenda Memo]

Jennifer Nanek, City Clerk, read **ORDINANCE 2017 - 16** by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, RATIFYING, APPROVING, ACCEPTING AND ADOPTING THE ESTIMATES OF EXPENDITURES FOR THE OPERATION OF THE SEVERAL DEPARTMENTS OF SAID CITY, AND ALL NECESSARY AND ORDINARY EXPENSES OF SAID CITY FOR THE 2017-18 FISCAL YEAR, APPROPRIATING ALL FUNDS TO BE RAISED AND COLLECTED FROM ALL SOURCES SET FORTH IN THE ESTIMATE OF REVENUES & BALANCES FOR SAID FISCAL YEAR, AND THE REPEALING OF ALL ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING FOR AN EFFECTIVE DATE.

Kenneth Fields, City Manager, reviewed this item.

OPENED PUBLIC HEARING

Narvelle Petersen, resident and Board Member of the Green & Gold Foundation, reported on the activities of the B Street Community Center. As of right now it is only open 4 hours a day. It does good things in the community and they need the City of Lake Wales to partner with them to run the City. He requested funding to help them run their programs. He and other leaders try to be involved in the community. Our community needs leaders and servants to help. Mr. Petersen said that with additional funding they can be open 7-8 hours a day.

The Mayor asked about fundraising efforts and what the amount is they are asking for. Mr. Petersen said new fundraising efforts are being planned.

Commissioner Curtis Gibson reviewed some of the history of the B Street Community Center and its past partnership with the City. He commented on all the ways they help those in need. He said they are asking for \$30,000 and we have \$15,000 in the budget. He said he would support \$30,000 in the budget for them. They need some help. He encouraged the other Commissioners to visit there.

Mayor Fultz agreed with all the good things the leaders of Green and Gold Foundation and would like to hear what the other Commissioners think.

Commissioner Howell asked Mr. Fields if she can talk about this topic as she is a board member of the Green and Gold Foundation. Mr. Fields said yes as this was about the budget and not the agreement that would be voted on at a later date. Commissioner Howell said a lot of people use the computers and get help. The B Street Community helps everyone that needs help. There's not enough resources at the Library or Care Center. People from various communities not just black people use the center.

Deputy Mayor Robin Gibson said that this is not a black and white matter. He said that Clinton Horne is well respected in this community. He and other leaders of the Green & Gold Foundation were very involved with the Charter School effort to improve education for everyone. This is a good example for everyone to follow. The outreach they do in the community is worthy of our support.

Commissioner Stewart said that B Street Community Center is an important resource in our community and everyone there is nice and try to help others.

Mayor Fultz said we have a consensus and asked Mr. Fields if we can do this. Mr. Fields said that we can do this we just need to put it in the budget and put together a new contract for the Commission to vote on. Mr. Petersen said thank you to the Commission as the community needs a place like this.

CLOSED PUBLIC HEARING

Commissioner Curtis Gibson made a motion to increase the \$15,000 in the budget for the Green & Gold Foundation to \$30,000. Deputy Mayor Robin Gibson seconded the motion.

By Voice Vote:

Commissioner Curtis Gibson "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Stewart "YES"

Commissioner Howell "YES"

Mayor Fultz "YES"

Motion passed 5-0

Commissioner Howell made a motion to approve **ORDINANCE 2017-16** as amended after first reading and public hearing. Commissioner Stewart seconded the motion.

Roll Call Vote

Commissioner Howell "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES"

Deputy Mayor Robin Gibson "YES"

Mayor Fultz "YES"

Motion passed 5 - 0.

8.III. Ordinance 2017-17, Five-Year Capital Improvement Plan FY 2017/18 - FY 2021/22

[Begin Agenda Memo]

SYNOPSIS:

The Commissioners will consider adopting the Five-Year Capital Improvement Plan for fiscal years 2017/18 through 2021/22.

RECOMMENDATION

It is recommended that the City Commission approve after first reading Ordinance 2017-17 adopting the Five-Year Capital Improvement Plan for fiscal years 2017/18 through 2021/22.

BACKGROUND

In accordance with section 6.05 of the City Charter, Ordinance 2017-17 adopts the proposed 5-year Capital Improvement Plan (CIP) for the period FY2017/18 through FY2021/22. Capital improvements and capital acquisitions proposed for Year 1 of the 5-Year plan are incorporated into the FY17'18 operating budget, as are appropriation of funding sources necessary to implement Year 1 of the plan.

The 5-Year CIP document includes all capital facility and infrastructure improvements which staff believes should be undertaken during the next five years and supporting information to explain the necessity for the improvements. In addition, the CIP includes all capital equipment proposed for acquisition during this period. Cost estimates, method of funding and time schedule for the proposed improvements and equipment acquisitions are identified in the document.

The proposed 5-Year CIP totals \$53,729,757 and includes \$180,000 in land acquisition, \$4,519,065 in building improvements/acquisitions, \$40,593,730 in infrastructure and recreation improvements, \$7,416,988 in equipment acquisition, and \$1,019,974 in other capital outlay. Schedule "C", within the 5-year CIP, provides a detail listing of each asset type.

Improvements and equipment needs for the next 5 years were submitted by department heads with a justification of necessity and a recommended time schedule for completion or acquisition. These requests were prioritized by the City Manager in view of the available funding resources and urgency of need.

FISCAL IMPACT

Funding of the CIP will be accomplished through utilization of existing cash surpluses and current year operating revenues, future grants, private contributions, leases es/debt service issuances, and impact fees.

Growth related improvements will be funded by impact fees.

Costs of all capital improvements and equipment acquisitions are distributed over 5 years as follows:

Year 1 - FY2017/18	17,768,868
Year 2 - FY2018/19	14,434,958
Year 3 - FY2019/20	7,811,071
Year 4 - FY2020/21	6,601,688
Year 5 - FY2021/22	7,113,172
5 Year Total	53,729,757

All items scheduled for Year 1 are included in the proposed FY17'18 operating budget presented to the City Commission for consideration.

[End Agenda Memo]

Jennifer Nanek, City Clerk, read **ORDINANCE 2017-17** by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, RATIFYING, APPROVING, ACCEPTING AND ADOPTING A 5-YEAR CAPITAL IMPROVEMENT PLAN 21/22; ALL ORDINANCES IN CONFLICT WITH THIS ORDINANCE AND PROVIDING FOR AN EFFECTIVE DATE.

Kenneth Fields, City Manager, reviewed this item as well as efforts to find funding for some of these projects.

OPENED PUBLIC HEARING

None

CLOSED PUBLIC HEARING

Deputy Mayor Robin Gibson asked if any of these projects were funded by the CRA. Mr. Fields confirmed that some items were funded by the CRA. Deputy Mayor Robin Gibson expressed caution that these projects and the funding are handled the right way so as not to bring negative attention. Mr. Fields said that we are carefully modifying the CRA plan so that the projects in the budget will comply. Mr. Fields said that each item will be voted on by the CRA board. Deputy Mayor Robin Gibson

said that the CRA budget should be voted on by the CRA Board separately. Mr. Fields explained that the CRA is a subordinate entity to the City and good budgeting practices include budgeting at the higher level to include City and the CRA together. We are in compliance and we will be sure money is spent in compliance with state guidelines and they are audited every year. Mr. Fields said some projects are funded by both the CRA and City Commission. Dorothy Ecklund, Finance Director, explained that the CRA is clearly identified in the Budget. Deputy Mayor Robin Gibson said that while the CRA items may be identified he would like a separate budget.

Commissioner Curtis Gibson said he had a list of concerns. He said that the CIP should be prioritized and we should get more City input. He asked about the Design for the North Library in the 2018-19 fiscal year. He doesn't think this is a need. We should expand the current library and encourage those residents in the northern parts of Lake Wales to come into town more often. Mr. Fields said that we have a building up there already and library services are in high demand. not just books, but online services. This would be convenient for those communities up there. This would create a City presence up there. Commissioner Curtis Gibson said that people can use the internet at the Mall and this should not be a priority of the City Administration but the people should decide. Mayor Fultz said people in Lake Ashton and Carlsberg would very much like to have this. Commissioner Stewart said that she has heard from people in northern communities as well as her neighborhood who do want the library. Mr. Fields said that this amenity would improve the quality of life up there and encourage more people to move here. This would be more convenient for the families up there. Deputy Mayor Robin Gibson said that the Library is a gem and would like to see it expanded to be a central feature of downtown similar to the one in Winter Haven. He would like to see it expanded sometime in the future.

Commissioner Curtis Gibson asked about the maintenance building for \$700,000. He said that he doesn't think this is a need. This money could be spent on other things. Mr. Fields said that the proposed maintenance facility needs to accommodate equipment, supplies and personnel. The current facility doesn't meet the departments needs adequately.

Commissioner Gibson asked about the Stuart House and the \$175,000. Tina Peak, Library Director, said they are exploring different uses for that building but major work needs to be done before that building can be used for anything. James Slaton, Public/Support Services, said that a lot of work needs to be done such as the roof and other things. If we don't do something with it we might as well knock it down. James Slaton also described detailed plans for the north library with recreation facilities.

Commissioner Curtis Gibson asked how the estimates in the CIP are determined. Ms. Ecklund explained that each director researches this information with vendors. Commissioner Howell said that these projects might not happen as things get pushed back frequently.

Commissioner Howell made a motion to approve **ORDINANCE 2017-17** after first reading and public hearing. Commissioner Stewart seconded the motion.

Roll Call Vote

Commissioner Howell "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES"

Deputy Mayor Robin Gibson "YES"

Mayor Fultz "YES"

Motion passed 5 - 0.

[Begin Agenda Memo]

SYNOPSIS:

The adoption of Resolution 2017-11 established the methodology used to calculate the fire assessment rates. Adoption of Resolution 2017-16 will set the final assessment rates.

RECOMMENDATION

It is recommended that the City Commission set the final Fire Protection Assessment rates and adopt Final Assessment Resolution 2017-16 providing for Fire Protection Assessments for fiscal year beginning October 1, 2017.

BACKGROUND

On June 7, 2017, the City Commission adopted Resolution 2017-11 which set the initial Fire Protection Assessment rates. Resolution 2017-11 established the Fire Protection Assessment rates as follows:

45.25% funding \$1,024,904 estimated net revenue
Property Category Assessment Rate
Single-Family Per dwelling unit \$146
Multi-Family Per dwelling unit \$72
Mobile Home Per dwelling unit \$129
Property Category Assessment Rate
Commercial Per Sq Ft \$.06
Industrial/Warehouse Per Sq Ft \$.01
Institutional Per Sq Ft \$.08

OTHER OPTIONS

Rely solely on ad valorem taxes to fund fire protection services, equipment and programs. Failure in adopting Resolution 2017-16 will result in a loss of \$1,024,904 in estimated net revenue dedicated to the fire department budget. This money would then have to come from the general fund.

FISCAL IMPACT

The Fire Protection Assessment will create a dedicated funding source for fire protection services. While the Fire Protection Assessment will not completely fund fire protection services, it will fund 45.25% of the fire department's assessable budget.

[End Agenda Memo]

Jennifer Nanek, City Clerk, read **RESOLUTION 2017-16** by title only

A RESOLUTION OF THE CITY OF LAKE WALES, FLORIDA, RELATING TO THE PROVISION OF FIRE PROTECTION SERVICES, FACILITIES AND PROGRAMS IN THE CITY OF LAKE WALES, FLORIDA; ESTABLISHING THE RATE OF ASSESSMENT; CONFIRMING THE PRELIMINARY ASSESSMENT RESOLUTION; REIMPOSING FIRE PROTECTION ASSESSMENTS AGAINST ASSESSED PROPERTY LOCATED WITHIN THE CITY OF LAKE WALES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017; APPROVING THE ASSESSMENT ROLL; AND PROVIDING FOR AN EFFECTIVE DATE.

Joe Jenkins, Fire Chief, reviewed this item.

OPENED PUBLIC HEARING

none

CLOSED PUBLIC HEARING

Commissioner Howell made a motion to approve **RESOLUTION 2017-16**. Commissioner Stewart seconded the motion.

Roll Call Vote

Commissioner Howell "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES"

Deputy Mayor Robin Gibson "YES"

Mayor Fultz "YES"

Motion passed 5 - 0.

The Budget Hearings ended at 8:02 p.m.

9. CONSENT AGENDA

Commissioner Howell made a motion to approve the consent agenda. Deputy Mayor Robin Gibson seconded the motion.

Voice Vote

Commissioner Howell "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES"

Mayor Fultz "YES"

Motion passed 5 - 0.

9.I. Minutes - August 15, 2017 And August 23, 2017

9.II. Agreement Renewal With The BoCC Fleet Management Division For City Vehicle And Equipment Maintenance Services.

[Begin Agenda Memo]

SYNOPSIS:

Staff is requesting Commission approval to renew our existing maintenance agreement with the BoCC for an additional twelve-month period.

RECOMMENDATION

It is recommended that the City Commission take the following actions:

1. Approve the agreement to extend the existing contract for an additional twelve-month period.
2. Authorize the City Manager to execute the agreement on behalf of the City.

BACKGROUND

In August of 2009, the City entered into an agreement with the Polk County Board of County Commissioners for fleet maintenance services. Per the agreement, the BoCC's Fleet Management Division provides maintenance services on all City-owned vehicles and equipment at the City's fleet facility located on Crystal Avenue. The initial term of the agreement was for a twelve month period with the option to renew annually upon mutual agreement between the City and the BoCC. The agreement has been renewed each consecutive fiscal year since the initial agreement in 2009.

Under the terms of the agreement, Polk County Fleet Management provides:

- Preventative and breakdown maintenance on all City-owned vehicles and equipment
- Management of accident and abuse related repairs in conjunction with City management
- Tire maintenance, replacement and repair
- Parts and Lubricants
- 24 hours/day service and breakdown support
- Maintenance reporting
- Access to and service from Polk County Fleet's entire network of maintenance facilities
- City Fire Apparatus maintenance by EVT certified technicians

The Polk County Fleet Management Division provides the City with a fixed-rate fee schedule for maintenance services prior to the beginning of each fiscal year. These fees are based on historical equipment repair costs incurred by Polk County Fleet Management throughout the previous year. Prior to the agreement with Polk County Fleet Management, the City operated its own Fleet Maintenance Department. A fourteen-year summary of the City's total fleet maintenance costs is outlined below:

Fiscal Year	Actual Budget	Salaries	M&R Vehicles	Operating Supplies	M&R Vehicles	Fleet Operating
	Total			Vehicles	Refurbishment	
2004/2005	234,320	137,477	72,127	4,537	0	20,179
2005/2006	4	110,969	155,834	30,848		
	341,292	21,703	319,358			
2006/2007	341,292	100,978	168,051	38,952	5,932	27,379
2007/2008	515,985	131,822	185,353	49,251	5,665	143,894
2008/2009	428,191	152,472	186,492	46,052	7,440	35,735
5 Year Average	367,829	126,744	153,571	33,928	3,808	49,778

Fiscal Year	Actual Budget	M&R Fleet	Operating Supplies	M&R Vehicles	Fleet Operating	
	Total	Contract	Vehicles/M&R Fleet Non-Contract	Refurbishment		
2009/2010	367,998	N/A	308,076	10,860	7,792	41,270
2010/2011	264,113	N/A	210,577	30,974	2,669	19,893
2011/2012	280,329	N/A	250,391	16,255	200	13,393
2012/2013	320,886	N/A	272,083	33,605	0	15,198
2013/2014		N/A	289,656	22,000	0	15,387

329,069					
2014/2015	N/A	283,252	19,900	0	15,941
319,093					
2015/2016	N/A	295,050	22,300	0	14,165
331,515					
2016/2017	N/A	324,851	22,300	0	
17,083		364,234			
2017/2018	N/A	303,895	25,900	0	
21,583		351,378			
9 Year Average	N/A	281,981	22,277	1,185	20,139
325,001					

Staff solicited a proposal from Vector Fleet Management, a private-sector company that provides a similar service to Polk County Fleet Management, for cost comparison purposes. Their proposal was \$554,380 annually.

OTHER OPTIONS

The City Commission may choose not to renew the agreement and 1) direct staff to develop a Request for Proposals for fleet maintenance services or 2) direct staff to assume the responsibility of providing fleet maintenance services in-house.

FISCAL IMPACT

The annual maintenance fee for FY2017/18 is \$303,895.

[End Agenda Memo]

9.III. Grant Agreement - FAA For The Lake Wales Municipal Airport

[Begin Agenda Memo]

Synopsis

The City Commission will consider accepting a grant agreement from the Federal Aviation Administration for the engineering design phase to rehabilitate taxiway alpha east and construct taxiway bravo north at the Lake Wales Municipal Airport in the amount of \$137,043.00.

Recommendation:

Staff recommends that the City Commission approve the following action:

1. Accept the grant from the Federal Aviation Administration (FAA) for the engineering design phase to rehabilitate taxiway alpha east and construct taxiway bravo north at the Lake Wales Municipal Airport in the amount of \$137,043.00.
2. Authorize the Mayor to accept the grant offer on behalf of the city.

Background:

On November 15, 2016 the city commission approved Resolution 2016-13 a Joint Participation Agreement with FDOT for the above mentioned project then on January 23, 2017 the city commission approved Task Order #1, a master agreement with Hoyle, Tanner and Associates, Inc. for professional services pertaining to the engineering design of taxiway alpha east and taxiway bravo north in the amount of \$164,270.00.

On August 14, 2017 the City received notification of an allocation of \$137,043.00 from the Federal Aviation Administration (FAA). This grant is specific for the design phase to rehabilitate taxiway alpha east and construct taxiway bravo north at the Lake Wales Municipal Airport.

Fiscal Impact:

Funding is as follows:

FAA: \$137,043.00

City: 19,013.50

State: 8,213.50

Project total: \$164,270.00

Note: The City requested an allocation of \$150,000.00 from the FAA for this project, but only received \$137,043.00.

The lower allocation increases the City's share of the project by \$12,957.00. Staff will request that FDOT share in the increased cost.

Other Options:

The City has already accepted funding from FDOT for this project.

[End Agenda Memo]

9.IV. Grant Application - Florida's Natural Growers

[Begin Agenda Memo]

SYNOPSIS:

A grant application to the Florida Natural Growers Foundation for \$3,000.00 for the 2018 Museum Summer Camp Program.

STAFF RECOMMENDATION:

Staff recommends that the City Commission approve a grant application to the Florida's Natural Growers Foundation for \$3,000.00 to fund the Digitization Project

BACKGROUND:

The Florida's Natural Growers Foundation provides organizations serving the Central Florida Citrus area an opportunity to apply for funding each year that supports education. If our application is accepted, the grant money will be used to fund the 2018 Museum Summer Camp Program. There is no fiscal impact from this grant; there are no matching funds required.

OTHER OPTIONS:

Do not apply for this grant

[End Agenda Memo]

9.V. Award Of Bid For Medical, Dental And Vision Insurance Coverage

[Begin Agenda Memo]

SYNOPSIS:

Staff is requesting approval to award the bid for health insurance to Aetna, basic life and AD&D (accidental death and dismemberment) to Mutual of Omaha, dental insurance to Renaissance, vision insurance to Advantica Eye Care, voluntary Life Insurance, long and short term disability to Mutual of Omaha, and designate Lassiter-Ware as the Agent of Record.

RECOMMENDATION

Staff recommends that the City Commission take the following action:

1. Award the bid for health insurance to Aetna (City paid)
2. Basic Life and AD&D to Mutual of Omaha (City paid)
3. Dental Insurance to Renaissance (employee paid)
4. Vision insurance to Advantica Eye Care (employee paid)
5. Voluntary Life Insurance, long and short term disability to Mutual of Omaha (employee paid)
6. Authorize the City Manager to execute all applicable contract documents.

BACKGROUND

In an effort to control insurance costs and continue to offer City employees competitive insurance benefits, the City posted a Request for Proposals for Health, Dental, Life, Short and Long Term Disability and Vision Insurance coverage. Health insurance premiums have been rapidly increasing over the last few years. Factors fueling the increases are more hospital admissions, Healthcare Reform, a volatile insurance market, higher charges for hospital care, an increased use of prescription drugs, an increase in the number of claims and an increase in expensive claims. In spite of an unstable market we have managed to negotiate a 7.9% over exiting premiums compared to the 22% increase proposed by our current carrier. We will continue to be proactive and take measures to contain costs while providing employee medical coverage. Efforts to assist in this regard will be to continue the employee wellness program, on-site biometric screening and health risk assessment and possibly looking at high deductibles plans with buyup options. However, this type of change will need to be negotiated with both unions prior to implementation.

In accordance with Section 2-417 Procurement of Commodities or Contractual Services of the City Code of Ordinances and Section 112.08 Florida Statutes, staff solicited written proposals from insurance companies. In addition, notices were mailed to insurance providers, posted in local newspapers, posted on the City's Website, and on notice boards at the administration building. The Bid opening was held on Friday, August 18, 2017 at 2:00 p.m. in the Commission Chambers. We received four bids for medical insurance in response to our request for proposals. Bids included levels of insurance coverage, i.e. amount of deductibles, associated out of pocket expenses and physician co-payments, etc. AvMed, Captive Resources, Employers Health Network, Florida Blue, HealtheChoices, Public Risk Management, Trustmark and Florida League of Cities declined to bid on health insurance coverage. We evaluated the proposals received based on health, dental, vision, life and disability benefits providing the most economical costs to the City and its employees.

The results of the health insurance bids tabulated are as follows:

Medical Insurance		
Company	Funding	Bid Amount
Aetna	Fully Funded	\$1,713,896.88
United Healthcare	Fully Funded	\$1,942,299.60
Cigna	Fully Funded	\$1,743,733.92
HealthPlans, Inc.	Self Funded	\$2,088,471.12

The proposed employee rate for medical insurance is \$736.21. This represents a 7.9% increase in

premiums.

LOW DENTAL INSURANCE BIDS

Company	Bid Amount
Renaissance	\$18,814
Humana	\$18,421
United Concordia	\$19,744
Mutual of Omaha	\$19,860
Cigna	\$21,217

Note: Humana is the lowest bidder, however the network does not appear to be sufficient. A request to receive a list of providers have not been answered. Renaissance is the incumbent carrier and proposed no increase over last year's premiums.

HIGH DENTAL INSURANCE BIDS

Company	Bid Amount
Renaissance	\$39,420
Humana	\$35,153
Mutual of Omaha	\$40,572
United Concordia	\$41,367
Cigna	\$44,483

Note: Humana is the lowest bidder, however the network does not appear to be sufficient. A request to receive a list of providers have not been answered. Renaissance is the incumbent carrier and proposed no increase over last year's premiums.

VISION INSURANCE BIDS

Company	Bid Amount
Advantica	\$13,549
Humana	\$8,874
Eye Med	\$13,982
United Healthcare	\$13,982
Cigna	\$12,406

Note: Humana is the lowest bidder, however the network does not appear to be sufficient. A request to receive a list of providers have not been answered. Cigna's bid is also lower than Advantica, however they do not allow for a low and high plan which provides flexibility to employees to buy up for more coverage. Advantica is the incumbent carrier and proposed no increase over last year's premiums.

BASIC LIFE AND AD&D INSURANCE BIDS

Company	Bid Amount
Mutual of Omaha	\$11,464
Lincoln	\$13,909

AGENT OF RECORD

We are recommending the incumbent agent Lassiter-Ware Insurance due to their ongoing commitment to evaluate our benefits program and coordinate with staff to increase productivity by reducing time spent administering the benefit program. A Lassiter-Ware staff person is assigned to alleviate the HR Staff of the day-to-day employee claim and coverage issues that arise. A toll-free Employee Assistance Hotline is available to employees and dependents. As the Agent of Record, Lassiter-Ware Insurance representatives will assist the HR staff in educating employees through our wellness program by hosting an annual health fair, monthly lunch & learns and host of other programs. In addition to the services already mentioned above, we will have access to free Webinars (online training) addressing updates on Federal & State Legislation, Healthcare Reform, Employment Law Consultations and developing benefit materials such as brochures and flyers.

FISCAL IMPACT

Awarding the bid to Aetna will result in a 7.9% increase in cost to the City compared to the adopted 16'17 budget. The costs for City paid medical insurance premiums are in FY 17'18 proposed budget.

[End Agenda Memo]

10. OLD BUSINESS

11. NEW BUSINESS

11.I. Grant Award Agreement - U.S. Soccer Foundation

[Begin Agenda Memo]

SYNOPSIS

This is a grant agreement for \$25,000 towards improvements to the Soccer Complex on Hunt Brothers Road. These funds will be for additional lighting on two fields. There is a 50% match requirement which can be spent next fiscal year.

RECOMMENDATION

Staff recommends that City Commission take the following action:

1. Approve the grant award agreement submitted to the US Soccer Foundation for lighting improvements to the Soccer Complex.
2. Authorize the City Manager to execute the agreement on the City's behalf.

BACKGROUND

When the Soccer Complex was completed in 2008 only 37.5% of the necessary field lighting was installed. As a result, the majority of the complex is not usable after daylight hours. The fields that are currently lit require much more maintenance as they are overused due to the unavailability of the lights on the remaining fields. This grant will help light an additional 12.5% of the fields.

This application was originally approved by the City Commission in June of 2015. The city has applied every grant application cycle since then. This fall the City of Lake Wales was finally awarded the grant.

OTHER OPTIONS

Do not approve the agreement.

[End Agenda Memo]

Kenneth Fields, City Manager, reviewed this item.

Mayor Fultz commented that many will be made happy about this. Commissioner Howell said that we still need more parking out there.

Commissioner Howell made a motion to approve the grant agreement. Deputy Mayor Robin Gibson seconded the motion.

Voice Vote

Commissioner Howell "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES"

Mayor Fultz "YES"

Motion passed 5 - 0.

12. CITY MANAGER

Kenneth Fields, City Manager, reviewed plans preparing for Hurricane Irma due to hit over the weekend. City Hall will most likely be closed on Monday. Many City personnel will be working through the storm and after. The shelter, Spook Hill Elementary, is slated to open Saturday morning.

Mr. Fields said they arranged a meeting with the Boys & Girls Club and Lake Wales Charter Schools to work out an agreement.

There will be a CRA Meeting in October to begin the process of transferring that property.

Mr. Fields reported that they advertised internally for the City Clerk position and they had two candidates that they interviewed. Mr. Fields recommended Jennifer Nanek for the position of City Clerk. He said he will then hire someone to take over some of Ms. Nanek's responsibilities. Ms. Suri will continue as Deputy City Clerk. He asked for direction from the Commission. Mayor Fultz said that he agreed with the recommendation. Commissioner Curtis Gibson recommended that we advertise to the public to be fair. Deputy Mayor Robin Gibson said that it is better to hire within. Commissioner Howell said as we have someone right now who can do the job. Commissioner Curtis Gibson asked if this position required certification. Mr. Fields explained that a person does not need to be certified to be hired but Ms. Nanek will need additional training. Deputy Mayor Robin Gibson asked if its ok to vote on it as it is not on the agenda. Mr. Fields said no as this is a personnel matter. Mr. Galloway, City Attorney, said it doesn't have to be on the agenda but they could make a motion to adopt it into the agenda. Commissioner Curtis Gibson asked if this shouldn't be on the next agenda. Mr. Fields explained if this were being advertised to the public and interviews were set up then yes it would be on the agenda. This is a benefit of hiring within as it saves staff time and advertising costs.

Commissioner Howell made a motion to approve the hiring of Jennifer Nanek as City Clerk. Deputy Mayor Robin Gibson seconded the motion.

Roll Call Vote

Commissioner Howell "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Stewart "YES"

Commissioner Curtis Gibson "YES" But said that he still thinks this should have been advertised to the public.

Mayor Fultz "YES"

Motion passed 5 - 0.

12.I. Tracking Report

12.II. Social Media Tracking Report

12.III. Commission Meeting Schedule

Mr. Fields reminded the commission that the next meeting is Tuesday September 19, 2017.

12.IV. Other Meetings & Events Calendar

13. CITY COMMISSION COMMENTS

Deputy Mayor Robin Gibson reported on an incident with a water pipe at his building and commended Jose Perez for handling the situation.

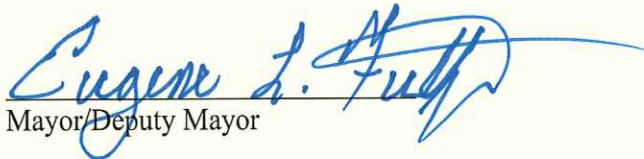
Commissioner Curtis Gibson gave a shout out to Brook (Barnum) at the Airport who he has heard is doing a great job.

14. MAYOR COMMENTS

The Mayor explained about the recently declared state of emergency that was confusing to many and was out of date. No restrictions are put in place as of yet. A revised declaration has been sent out that is a bit more clear.

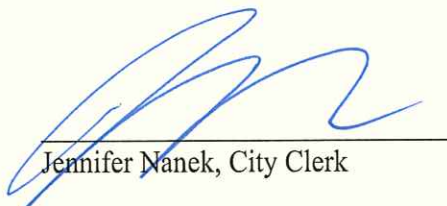
15. ADJOURNMENT

The meeting was adjourned at 8:25 p.m.



Mayor/Deputy Mayor

ATTEST:



Jennifer Nanek, City Clerk

