

The regular meeting of the Lake Wales City Commission was held on April 21, 2009 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. Mayor Lee A. Wheeler, III, called the meeting to order.

INVOCATION

The invocation was given by Dr. Jim Moyer, Warner University.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Jack Van Sickle; Terrye Y. Howell; Kathy Manry; John Paul Rogers; Lee A. Wheeler, III, Mayor.

COMMISSIONERS ABSENT: None.

CITY REPRESENTATIVES PRESENT: Anthony G. Otte, City Manager; Albert C. Galloway, Jr., City Attorney; Judith H. Delmar, Asst. City Manager; Clara VanBlargan, City Clerk.

AGENDA ITEM 4. APPROVAL OF MINUTES

Commissioner Howell made a motion to approve the minutes of the April 9, 2009 regular meeting. The motion was seconded by Commissioner Rogers.

All "AYE"; None "NAY"
The motion carried 5-0.

MAYOR

AGENDA ITEM 5. PROCLAMATION: Municipal Clerks Week, May 3 through May 9, 2009

Mayor Wheeler read a proclamation proclaiming May 3 through May 9, 2009 as "Municipal Clerks Week." The proclamation was accepted by Clara VanBlargan, City Clerk.

CITY MANAGER

AGENDA ITEM 6. Ordinance 2009-09, Budget Amendment #2, 2nd Reading & Public Hearing

Mayor Wheeler read the synopsis for Agenda Item 6. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Judith Delmar, Asst. City Manager]

SYNOPSIS

Second amendment of the FY08'09 Budget adopted on September 16, 2008.

RECOMMENDATION

It is recommended that the City Commission adopt 2009-09 after second reading and public hearing.

BACKGROUND

Ordinance 2008-34 estimating revenues and appropriating funds for Fiscal Year 2008-09 was adopted by the City Commission on September 16, 2008 and amended by Ordinance 2009-07. We are presenting for first reading a second amendment of Ordinance 2008-34 to modify the estimates of revenues and

appropriations budgeted in various funds. Exhibits A and B and supporting attachments provide the detail for the proposed amendment. This budget amendment is based on financial reports for the accounting period ending on 2/28/09. The following is a summary of changes included in the proposed amendment:

Revenues & Balances Fwd	Increase(Reduction)
General Fund	(287,850)
Special Revenue Funds	27,737
Debt Service Fund	0
Capital Projects Fund	0
Airport Fund	0
Utility System Fund	61,431
Total Increase(Reduction) of Revenues & Balances Fwd	(198,682)
Appropriated Expenditures & Reserves	
General Fund	(443,635)
Special Revenue Funds	64,875
Debt Service Fund	0
Capital Projects Fund	0
Airport Fund	(1,961)
Utility System Fund	(33,283)
Reserves	215,322
Total Increase(Reduction) of Appropriated Expenditures & Reserves	(198,682)

The proposed budget amendment reduces the City's total budgeted expenditures by \$414,004 and increases reserves by \$215,322, for a net reduction in appropriated expenditures and reserves of \$198,682 (from \$57,878,187 to \$57,679,505).

Reasons for this amendment include:

- revenue projections in the General Fund must be adjusted to reflect the drop-off in building and development permit fees:

General Fund	Budgeted	Revised	Change	% change
Building Permits	299,250	165,000	-134,250	-44.9%
Development & Inspection Fees	152,250	35,000	-117,250	-77.0%
P& Z Board Fees	26,250	7,000	-19,250	-73.3%
Comp Plan Amendment Fees	15,750	8,500	-7,250	-46.0%
Reimburse Bldg Dept Costs	9,450	2,000	-7,450	-78.8%

Reimburse Public Notice Costs	10,500	1,500	-9,000	-85.7%
Total Building & Development Fees	513,450	219,000	-294,450	-57.3%

These revenues will be watched carefully to determine if further amendments, up or down, are necessary.

- expenditures for property, liability and workers' compensation insurance will be \$611,880 less than budgeted because of two factors:
 - in the transition from an October 1 policy renewal date to an April 1 policy renewal date, an 18-month premium was inadvertently budgeted instead of a 12-month premium
 - the insurance provider is granting a 20% rate reduction for the period April 1, 2009 through March 31, 2010; half of that rate reduction will be experienced in FY08'09

	PROPERTY & LIABILITY			WORKERS' COMP			TOTAL CHANGE
	Budget Adopted	Budget Amended	change	Budget Adopted	Budget Amended	change	
General Fund	558,411	365,408	(193,003)	562,286	274,689	(287,597)	(480,600)
Special Revenue Funds	71,212	76,656	5,444	52,773	25,788	(26,985)	(21,541)
Utility System Fund	200,705	148,689	(52,016)	88,097	43,047	(45,050)	(97,066)
Airport Fund	33,829	21,156	(12,673)	-	-	-	(12,673)
TOTAL	864,157	611,909	(252,248)	703,156	343,524	(359,632)	(611,880)

- payroll expenditures in the Utility System Fund must be adjusted to cover the transfer of two positions between departments
- payroll expenditures are increased in the Parks Division (+3,736) and the Streets Division (+\$6,341) to adjust salaries of maintenance workers for parity with comparable positions in other local cities
- expenditures in the Police Department must be adjusted for the purchase of a MOTOMESH camera (\$3,800); revenues are adjusted to reflect the donation of funds by General Growth Properties (Eagle Ridge Mall) to purchase the camera
- the line item M&R Historic Structures must be increased in Recreation Facilities to cover termite protection for Hardman Hall (+\$3,525), in the Deport budget to cover termite protection for the Children's Museum and Stuart House (+\$869) and in Recreation Services to cover special bi-annual maintenance required on the Kirkland Gym floor (+\$3,650); these items were inadvertently omitted from the adopted budget
- the General Fund transfer to the Transportation Fund must be increased (+\$8,806) to cover the fence constructed as a buffer between the Grove Avenue extension and the adjacent private property; the fence was the result of negotiations with the property owner for the land swap that created sufficient right-of-way to construct the Grove Avenue extension
- expenditures are increased in the Police Forfeiture Fund for equipment funded by forfeiture fun revenues received in excess of budget (+18,931)
- the Airport Operations budget must be adjusted to include funds for M&R on the fuel tank (+\$7,000) and the AWOS (+\$4,000); these increases are covered by reduction in Airport Property & Liability insurance costs (-\$12,673)

- excess budgets for completed CRA bond-funded projects are reallocated to other bond projects needing additional funds: Transportation Fund, \$300,000 unused on the PCC/Old City Hall parking project is reallocated to drainage projects; Utilities Fund, excess budget for the elevated storage tank, lift station and line extension projects are reallocated to asbestos pipe removal (+\$265,853) and sliplining projects (+119,300); the amendment also adjusts the interfund transfer from the CRA (+\$61,431) to correspond to the total cost of bond projects budgeted in the Utilities Fund

OTHER OPTIONS

Most of the budget amendment is not optional.

We are required by Charter to reduce budgeted appropriations when it appears that revenues will be insufficient to meet the amount appropriated; this is the case with building permits and development fees. An amendment is necessary to reduce department insurance budgets; in the General Fund, this reduction in insurance expense offsets the building permit and development fee revenue loss. It is also necessary to adjust capital expenditures to true up budgets with bond proceeds remaining and appropriate funds that have been received since the first of the year.

FISCAL IMPACT

See Exhibit A and Exhibit B attached to Ordinance 2009-09.

[End agenda memo]

Ms. Delmar read Ordinance 2009-09 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2008-34 AS AMENDED BY ORDINANCE 2009-07 TO FURTHER MODIFY THE ESTIMATES OF EXPENDITURES FOR THE OPERATION OF THE SEVERAL DEPARTMENTS OF SAID CITY FOR THE 2008-2009 FISCAL YEAR AND TO FURTHER MODIFY THE APPROPRIATION OF FUNDS RAISED AND COLLECTED FROM ALL SOURCES SET FORTH IN THE ESTIMATE OF REVENUES FOR SAID FISCAL YEAR; REPEALING ALL ORDINANCES IN CONFLICT WITH THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE.

OPENED PUBLIC HEARING

There were no comments made by the public.

CLOSED PUBLIC HEARING

Commissioner Howell made a motion to adopt Ordinance 2009-09 after second reading and public hearing. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Howell	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Commissioner Manry	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

AGENDA ITEM 7. Ordinance 2009-11, Correcting a Scriveners Error in Chapter 2, Waiver of Term Limit Requirements for Regulatory Boards – 1st Reading

A revision of Ordinance 2009-11 was provided to the City Commission before the meeting.

Mayor Wheeler read the synopsis for Agenda Item 7. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Clara VanBlargan, City Clerk]

SYNOPSIS

Correcting scrivener's error in Ordinance 2008-09 restores the waiver of term limit requirements for members of regulatory boards when special circumstances exist as set forth by Ordinance 2005-16.

RECOMMENDATION

It is recommended that the City Commission approve Ordinance 2009-11 after first reading.

BACKGROUND

At its meeting on May 3, 2005, the City Commission adopted Ordinance 2005-16, waiving the term limit requirements for regulatory boards when special circumstances exist. However, when the City Commission adopted Ordinance 2008-09 this waiver of term limit requirement was eliminated due to an error in the ordinance prepared by city staff.

Members of regulatory boards such as the Planning & Zoning Board and Zoning Board of Appeals are required to make critical and objective development decisions based on knowledge of the city's land development regulations and an understanding of the goals and objectives contained in the city's comprehensive plan; in addition, a certain amount of technical skill is required to read and analyze development site plans effectively. Members of the Code Enforcement Board are required to make difficult decisions affecting property owners who have failed to comply with city codes.

The knowledge required of members appointed to regulatory boards can, in some cases, take years of experience on the board to acquire and the investment of a considerable amount of personal time in preparation for board meetings and workshops. Members are often required to make difficult and controversial decisions, which affect the property of their friends and neighbors. As a result, it is sometimes difficult to recruit citizens to serve on these particular boards. Adhering to the term limit requirement can, in some cases, be dysfunctional in that the board's effectiveness may be impaired by the lack of sufficiently experienced members or by vacant positions which cause delays in the conduct of official business due to inability to obtain a quorum. This can be a particular problem where special circumstances exist.

Proposed Ordinance 2009-11 corrects the scrivener's error made by Ordinance 2008-09 and restores the waiver of term limit requirements for members of regulatory boards when special circumstances exist as set forth in Ordinance 2005-16.

FISCAL IMPACT

None.

OTHER OPTIONS

Do not approve Ordinance 2009-11.

[End agenda memo]

Ms. Delmar read Ordinance 2009-11 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING SECTION 2-26 (3)(a) OF THE LAKE WALES CODE OF ORDINANCES BY CORRECTING A SCRIVENER'S ERROR IN ORDINANCE 2008-09 TO RESTORE THE WAIVER OF TERM LIMIT REQUIREMENTS FOR MEMBERS OF REGULATORY BOARDS WHEN SPECIAL CIRCUMSTANCES EXIST AS SET FORTH BY ORDINANCE 2005-16; AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Howell said that some time ago she asked about changing the term limit to some of the boards. She asked if anyone had looked into that. Mr. Otte said that this ordinance allows a waiver of the term limit requirement for members of certain regulatory boards when special circumstances exist. Ms. Delmar explained that for the other boards, members are allowed to serve three consecutive terms. The term limit to most the boards is three years, some are two, the Housing Authority Board is four, and the Library Board is five years. Commissioner Howell asked about changing the term limit to the Housing Authority Board. Ms. Delmar explained that although the City Commission appoints the members to that board it cannot regulate the board because it is regulated by Florida law. Commissioner Howell said that three consecutive terms is a long time for someone to serve a board. She said she understands that it is hard to get people to serve on boards but it is probably because some of the people serve on a board for fifteen years. Ms. Delmar explained that those members who serve fifteen-years are on the Library Board. That board was originally set up by a referendum, a special act of the Legislature. We can't really amend the length of that term but we could probably change the term limit. Commissioner Howell asked if the term limit to the City Commission could be changed. Ms. Delmar explained that would require a Charter amendment through a referendum.

Commissioner Manry made a motion to approve Ordinance 2009-11 after first reading. The motion was seconded by Commissioner Howell.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Howell	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

AGENDA ITEM 8. Ordinance 2009-12, Amending Certain Threshold Requirements for Procurement of Services – 1st Reading

Mayor Wheeler read the synopsis for Agenda Item 8. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Judith Delmar, Asst. City Manager]

SYNOPSIS

This housekeeping ordinance is proposed for the purpose of adjusting thresholds (project cost limits) that trigger certain advertising requirements for public works projects. The ordinance also adjusts thresholds in the definition of "continuing contract" as the term relates to professional services. Adjusting these thresholds keeps the City's purchasing ordinance current with changes in Florida law relating to procurement of property and services.

RECOMMENDATION

It is recommended that the City Commission approve Ordinance 2009-12 after first reading.

BACKGROUND

On February 21, 1995, the City Commission adopted Ordinance 95-01 establishing rules and procedures for the procurement of property and services, bringing the City into compliance with statutory requirements governing municipal procurement. This ordinance was subsequently amended by Ordinance 2000-16 to incorporate revisions in Florida Statutes primarily relating to threshold amounts for the various purchasing categories.

Proposed Ordinance 2009-12 is a housekeeping ordinance that further amends Ordinance 95-01 as follows:

- increases the threshold amounts in the definition of "continuing contract" as it relates to procurement of professional services (engineering, architectural, surveying and mapping, or landscape architectural services).

The City's current ordinance allows entering into a continuing contract for projects in which construction costs do not exceed \$500,000 or for study activity when the fee for such service does not exceed \$25,000. Ordinance 2009-12 conforms the definition in the City's ordinance with Florida Statute §287.055 which allows a continuing contract for projects in which construction costs do not exceed \$1,000,000 or for study activity when the fee for such service does not exceed \$50,000.

- reduces the threshold amount that triggers the requirement for notice in the legal section of a newspaper for the purchase, lease or renting of materials or equipment relating to a municipal public works project.

The current City ordinance sets the threshold at \$25,000. Ordinance 2009-12 conforms the threshold with Florida Statute §180.24 which requires a 10 day notice or advertisement of bids for the purchase, lease or renting of materials or equipment to be used in the accomplishment of any public works project municipal works projects valued at \$10,000 or greater.

- adds the provisions of Florida Statute §255.025 relating to advertising requirements for solicitation of competitive bids for municipal public works construction projects costing more than \$200,000 (21 days) and more than \$500,000 (30 days).

This provision is currently absent from the City's ordinance, however, staff complies with statutory requirements when advertising bids for public works projects.

OTHER OPTIONS

The City is subject to all the requirements of Florida Statutes whether or not Ordinance 2009-12 is adopted.

Although it is not required that a local government adopt its own purchasing ordinance, it does simplify compliance with Florida purchasing laws by incorporating all of the relevant rules governing municipal procurement of property and services into a single document that is included in the local code of ordinances. Nearly 15 years ago, Lake Wales adopted a local purchasing ordinance that incorporates provisions of Florida Statutes as minimum requirements. Proposed Ordinance 2009-12 is a housekeeping ordinance that is necessary to keep our ordinance in sync with changes in Florida law.

FISCAL IMPACT

There is no cost involved in implementing this ordinance.

[End agenda memo]

Ms. Delmar read Ordinance 2009- 12 by title only.

AN ORDINANCE AMENDING CHAPTER 2, ADMINISTRATION, LAKE WALES CODE OF ORDINANCES, AMENDING RULES AND PROCEDURES FOR THE PROCUREMENT OF PROFESSIONAL SERVICES TO CONFORM TO THRESHOLD AMOUNTS ESTABLISHED BY FLORIDA STATUTES §287.055 FOR CONTINUING CONTRACTS FOR PROFESSIONAL SERVICES; TO CONFORM TO ADVERTISING REQUIREMENTS ESTABLISHED BY FLORIDA STATUTE §255.0525 FOR MUNICIPAL PUBLIC WORKS; PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Manry made a motion to approve Ordinance 2009-12 after first reading. The motion was seconded by Commissioner Howell.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Van Sickle	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

AGENDA ITEM 13. Ordinance 2009-13, Amending Ordinance 2001-08 Personnel Administration Policies – 1st Reading

Mayor Wheeler read the synopsis for Agenda Item 13. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Sandra Davis, Human Resources Director]

SYNOPSIS

Ordinance 2009-13 will resolve the conflict that exist with Sec. 2-223.03 of Ordinance 2001-08 Personnel Administration Policies and Chapter 112 of Florida Statutes which requires that any government agency providing group insurance for active employees also make it available to retirees and their dependents.

RECOMMENDATION

It is recommended that the City Commission approve Ordinance 2009-13 upon First Reading.

BACKGROUND

Ordinance 2001-08 was adopted in July 2001 establishing personnel administration policies and procedures. Section 2-223.03 of that Ordinance states that any employees who are hired on or after July 1, 2001 will not be entitled to participate in any city insurance plan upon retirement. Any employees hired prior to July 1, 2001 are entitled to participate in the group medical insurance plan up to age sixty-five (65) and after age sixty-five (65) in the city-approved Medicare supplement, if the city has approved one, at their own expense.

It has come to our attention that Sec. 2-223.03 is in conflict with Chapter 112 of Florida Statutes, which requires that any government agency providing group insurance for active employees also make it available to retirees and their dependents. Florida Law does not require government agencies to pay

premiums on behalf of retirees; it only requires that retirees be given the option of coverage at their own expense.

Ordinance 2009-13 is presented to resolve any conflicts with Chapter 112 of Florida Statutes.

FISCAL IMPACT

There is no direct cost to the City to make the proposed change. Section 2-223.03 of Ordinance 2001-08 has affected no current employee.

OTHER OPTIONS

None.

[End agenda memo]

Ms. Delmar read Ordinance 2009-13 by title only.

AN ORDINANCE AMENDING CHAPTER 2, ADMINISTRATION, LAKE WALES CODE OF ORDINANCES; REPEALING SECTION 2-223.03 OF ORDINANCE 2001-08 AND REINSTATING RETIREE MEDICAL INSURANCE IN COMPLIANCE WITH CHAPTER 112, FLORIDA STATUTES; PROVIDING FOR SEVERALBILITY; PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Howell made a motion to approve Ordinance 2009-13 after first reading. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Howell	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Commissioner Manry	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

AGENDA ITEM 10. Lake Wales YMCA Tri-athlon Special Event Application

Mr. Otte reported that staff was asked to withdraw Agenda Item 10 because the event is being rescheduled.

AGENDA ITEM 11. State Revolving Loan Funds for Improvements at the Wastewater Treatment Plant; Declaration of an Emergency Purchase

Mayor Wheeler read the synopsis for Agenda Item 11. The full staff memo is incorporated into the minutes.

[Begin agenda memo, Tony Otte, City Manager]

SYNOPSIS

Commission approval is requested to apply for state revolving loan (SRF)/federal stimulus funds in an amount presently estimated at \$8.9 million for necessary improvements at the wastewater treatment plant and associated costs. Approvals are requested for several items including the submission of the

application, and three contracts brought forward in an emergency purchase format for the preparation of the application: two for engineers, and one for a grant writer.

RECOMMENDATION

Staff recommends that the City Commission authorize City Staff:

1. to submit an application for construction loan funds from the state revolving loan fund in an amount currently estimated at \$8.9 million; and
2. to execute a contract for engineering services provided by Bill Murchie in an amount not to exceed \$25,000; and
3. to execute a contract for engineering services provided by AM Engineering; and
4. to execute a contract for grant writing services to be provided by Andy Easton; and
5. to give conceptual approval for SRF pre-construction funds in an amount not to exceed \$482,000. This item will be brought back to the Commission for final approval in May when the amount is determined; and
6. to approve any items necessary for making emergency purchases in this matter.

BACKGROUND

The state revolving loan fund provides loans for local government utility projects. The fund had been expended and has recently been replenished with federal stimulus dollars. Applications for loan funds must be "shovel ready" with engineered plans.

City staff learned that the City has an opportunity to apply for a low-interest loan through the SRF for making necessary improvements at the wastewater treatment plant. The extremely short deadline for the application has necessitated swift action by the City staff to bring this matter forward. The background information for the actions recommended above are divided into five sections as presented below:

1. The Need for Improvements at the City's Wastewater Treatment Plant

The City's wastewater treatment plant takes in raw sewage, provides treatment, and produces two products:

- a. effluent water, which we have historically disposed of at our rapid infiltration basin (RIB) sites near the corner of Scenic Highway and Hunt Brothers Road. We are now using a portion of the effluent water as "re-use" water for irrigation at several sites; and
- b. sludge, a de-watered, solidified product that is land-applied for fertilization at approved sites.

Over the past few years it has come to light that there are a number of problems in the operation of our wastewater treatment plant:

1. City staff brought in GAI engineers to study a problem with the sludge being produced at our plant. It was discovered that the plant was constructed with a lower than expected capability for the treatment of sewage. One measure of the strength of sewage is Biological Oxygen Demand (BOD), and our code of ordinances allows us to accept sewage at a level that is typically not greater than 250 BOD. This is a common level in the staff's experience. However, GAI engineers concluded that the plant was constructed to treat sewage at a level not greater than 170 BOD. This lowered capability has several serious negative impacts:

- a. It is difficult for the plant to produce the effluent that meets the quality requirements. Producing quality effluent is now a higher priority than ever, as the City is signing up customers who will pay for the effluent as re-use water. The utilization of re-use water is a key criterion in the renewal of our water use permit with the Southwest Florida Water Management District (SWFWMD) next year. Staff is already working on that renewal with SWFWMD staff. The utilization of re-use water is also a key element in the renewal of the wastewater disposal permit;
 - b. Our consistent inability to meet the quality requirement for sludge has forced us to pay for an extra process provided by a contractor in the disposal of our sludge. The cost of this extra process is on the order of \$125,000 per year in on-going costs;
 - c. The plant is now 20 years old and in need of extensive renovation;
 - d. The plant needs some additional capacity. Plans have been completed for a major plant expansion (see 2.b below), but growth is not here to support the level of expansion originally planned. The improvement that is proposed with these SRF applications would increase the plant capacity from 1.9 million gallons per day to 2.19 million gallons per day. At present the plant is treating about 1.3 million gallons per day, with capacity reserved for approved developments under construction at about 268,000 gallons per day. This leaves 331,890 gallons available for reservation at present. There are additional developments lined up to make reservations at some point. The queue list and prior agreements represent future service of over 600,000 gallons for developments who have not yet reserved capacity. (Note: the reservation process involves the pre-payment of a significant portion of utility impact fees.)
2. Action taken to date and analysis
- a. The City has been allocated \$482,000 in pre-construction funds for an SRF low interest loan (money for engineering). The formal approval for these funds is not required until mid-May. City staff is requesting "conceptual" approval at this time, since a portion of this money – about \$75,000 – is required to prepare the application for construction loan funding that is due on April 29.
 - b. The pre-construction low interest loan referred to above is the second such loan for the City. The first pre-construction loan, in the amount of \$1.1 million, prepared the original expansion plans for the wastewater plant. Those plans would expand the plant to the largest capacity possible on the present site, and make some of the necessary repairs. The present project uses the appropriate elements of those original expansion plans, with additional engineering costs for the following tasks:
 - i. To correct the BOD treatment level problem, which now must be phased in rather than build a second large (and expensive) oxidation ditch as called for in the original expansion plan; and
 - ii. Design a new sewer force main (pressure pipe) and lift station to add the additional sewer customers on south US 27 as recommended by staff at FDEP. The acceptance of these new customers provides the best chance of our application being funded.
 - c. As City staff was exploring this low cost loan opportunity the City's utilities attorney, Jerry Buhr, was consulted. Jerry first checked to ensure that our contract for engineering services was proper, and found that the City's contract with GAI engineers was null and void. That contract was a result of a "piggy-backing" of a Haines City contract, and our City ordinance does not authorize piggy-backing for professional service contracts. City staff then prepared to use the emergency purchase procedures and found two engineers who could do the work at a reasonable cost within the existing timeframes for the loan application.
3. Loan Terms and Comparisons
- a. The current terms of the state revolving loan fund are as follows:

Term: 20 years

Interest Rate: 2.3% for pre-construction;

Interest Rate: 2.3% for construction.

These terms apply to both the pre-construction and the construction loans.

By contrast, a market rate we could expect if we don't utilize the SRF is 4.97%, which over the life of the loan would result in an additional \$3 million expense.

Another benefit of SRF funding is that construction loan payments are not scheduled to begin until six months after the construction. Therefore, any money that we save in operational costs (such as the sludge cost of \$125,000 per year) as a result of the construction project can be applied to our debt service to help offset that cost.

4. Competition for Loan Funds

- a. These loan funds are very competitive, and there is no guarantee that we will be awarded the construction loan funding. On the other hand, it is City staff's understanding that the pre-construction loan funding will be awarded to us if the acceptance paperwork is forwarded to FDEP by the mid-May deadline.
- b. The applications received are rated with a scale that requires a minimum number of points to even be considered. It appears that our loan application will not be fundable unless the City agrees to accept the sewage from the subdivision east of US 27 and south of Fat Boys restaurant, which is presently served by a small wastewater "package" plant that has had a number of problems in complying with state regulations. FDEP has been urging the City to take these customers onto the City wastewater system for at least the last 5 years! This service of customers outside the City is allowed by a recent ordinance which gives the City Commission the option to provide service outside the City in special cases as requested by FDEP. This will give our application higher points which City staff believes are necessary to be considered for the loan award. However, accepting these customers also uses up 60,000 gallons per day of the additional capacity gained by this project. The cost of engineering and the constructing of a lift station and force main to serve these customers are included in this project. If the loan is awarded, there will be further negotiations with the owner of that system.

5. The Plan

As noted above, the City's wastewater plant must be renovated regardless of the outcome of our SRF loan application. If we are not successful in the April 29 round of applications, we will try again in the August round (applications are due June 1). If we are unsuccessful in these rounds, we will look to other financing options. It is anticipated that any other option for loans, other than the state revolving loan funds, will be more expensive.

The City already has an allocation for pre-construction funds in the amount of \$482,000. This money was slated for engineering for the plant improvement project, but City staff has identified less costly engineering options. At a City Commission meeting in May, City staff will bring forward a proposal for the use of all or a portion of the \$482,000 loan. This proposal will include the \$75,000 cost for this project and may include the engineering for construction water and sewer lines on SR 60 west. That project may then be a future loan project to serve the expected industrial customers in that area.

OPTION

There are several other options here:

1. Wait until the next meeting of the SRF, in August, which has a June 1 deadline. This option is not recommended as it is highly likely that these loans will be even more competitive at that time. The funds available in August are intended to fund projects already on the project waiting list that totals over \$500 million.
2. Do nothing at this time. This option has drastic negative consequences:

- i. The plant may not be able to meet the requirements for re-use water in the future. Re-use quality is critical to the operation of the wastewater function, future wastewater permitting, and the renewal of our water use permit when it expires next year.
- ii. The additional cost of sludge processing, as referenced above, will continue on an on-going basis.
- iii. We will likely miss the opportunity to take advantage of the low interest rate from SRF. At that point the correction of these problems will force the City to go to the bond market where the costs over the life of the loan are significantly higher – an additional \$3 million over the life of the construction loan.

FISCAL IMPACT

Paying back these two SRF loans being considered will require an increase in our sewer rates. If the SRF loan applications are funded, City staff recommends that the rate increase be approved in the near future and become effective on October 1. In this way the increase can be phased in over three years... rather than having one larger rate increase. The preliminary figures indicate that if the increase is made effective October 1 and phased in over three years, there will be a 7.7% which includes the normal 2.5% increase for 8,000 gallon customers. For the total bill this increase is 5.8% for 8,000-gallon customers (these figures are for inside City customers). This is a \$3.39 increase to the overall water and sewer bill per month for 8,000-gallon customer. There would be an additional increase in the second and third year.

The breakdown of the \$8.9 million loan is as follows:

In addition to the costs specified below, City staff has hired an survey firm to do work needed for the design of the sewer line and lift station in #2 below, in an amount not to exceed \$10,000.

Note: This project was discussed at a meeting of the City's Finance Committee on April 2. At that time the engineering costs exceeded \$500,000, and the projected interest rate was slightly higher.

[End agenda memo]

Commissioner Van Sickle asked if we apply for the funds and are approved, do we have to accept the money if we find out 60 days from now that we really can't afford it. Mr. Otte said he does know that on the pre-construction loan, as mentioned in the memo, the SRF allocates the loan funds and then comes back with an agreement to actually lock in the loan.

Commissioner Van Sickle said that we are proposing to run a line from down beyond Fat Boy's Bar-B-Q up to Oakley, hooking it into our existing lines, and then come forward. He asked if we would be taking over the treatment plant that is located in that area or would we be bypassing it. Mr. Otte said if this loan application is accepted, we would have to clear up those details as to what our relationship would be with that other plant and bring that matter back to the Commission. He said it would be his preference to take over the ownership of the system, which is what FDEP would like for us to do. We would either take it over or just have them as a customer. Commissioner Van Sickle asked what the liability of the City would be, if we take over the system and find that it is in bad shape. Mr. Otte said he went through this once before in another city where he took over a private system. He said he hired an engineer to do an appraisal and an assessment of the system, which listed all of the necessary repairs, and the city took over the system at no cost with a check from the owner to pay for the repairs. Mr. Otte said that would be his model for this action.

Commissioner Van Sickle said we are requesting \$482,000 for an engineer to do the engineering drawings for the line and for other engineering that would need to be done. Current bids that came back a couple of weeks ago on the engineering were \$52,500 versus \$482,000. He said that if we request the \$482,000, he would like to see in the recommendation that the engineering services would not exceed the \$52,500, and anything over that would come back to the Commission for approval. In other words, if we need \$52,500 that is great. But, if we have to go for the whole \$482,000 then he wants to make sure that we use it only for engineering services if we have to. If not, give it back so we don't create a larger amount of debt. Mr. Otte said that the way these pre-construction loans are structured, we only use what we need and give back what we don't need. Ms. Delmar added that we have to turn in receipts to draw it down.

Mr. Otte said that he worded this as conceptual approval and he is not asking for approval of the \$482,000 tonight. We have until May 13, so we have another Commission meeting before then. He said that as he mentioned in the memo, it would be good for us to explore and get proposals for engineering of lines on State Road 60 and use the remaining pre-construction money for that purpose. City staff called the State and they said that they didn't mind us changing the focus of the engineering project from a use solely for the plant to some other project as long as it was a utility project. Commissioner Van Sickle said that may be a smart use for some of it.

Commissioner Van Sickle said he knows we are going after this as an emergency contracting issue. He said that the agreements that are included in the packet are only draft and not completely filled in. We have to start doing better job instead of trying to come up with real rough drafts to be approved. Commissioner Van Sickle said he wants to start seeing the real contracts that we are approving and are going forward with. Mr. Otte said that is our normal procedure. This is a different situation. Because of the time constraints, we didn't have much time when we learned of the opportunity. But, beyond that, he said he has been waiting to bring this forward to the Commission until he found an engineer that he was comfortable with doing this work.

Mr. Otte introduced the City's utilities attorney, Jerry Buhr; Utilities Project Supervisor Sarah Kirkland; and wastewater utility staff members Holly Britt and Randall Britt. He said that they could answer questions regarding the condition of the plant and why the repairs are necessary. If the Commission doesn't choose to do this now, then at some point, we would be looking at doing these same repairs, but at a much higher interest rate.

Mayor Wheeler asked the definition of declaring an emergency and when can the Commission declare it. Mr. Otte said the declaration of an emergency is not made by the Commission, but by the City Manager. Mr. Buhr said there is no definition in the Statutes or in the City's ordinance stating exactly the definition of an emergency in regards to the procurement of engineering services. The City's procurement ordinance quotes what is in the Statutes as to an emergency situation. There are other provisions in the ordinance and in the Statutes that discuss at great length what is required as to the severity for an emergency for procurements involving the actual construction of a facility. Mr. Buhr said in the case of engineering services, they didn't include that because there was not a case law on it or anything to interpret it, and in the case of procurement engineering services, what you are really looking at are the qualifications. Their rate is based on how qualified they are, and it has nothing to do with what they are going to charge you for the project. As far as the financial emergency, we felt that with the circumstance there is no way we can predict that these funds would become available all of a sudden and be shovel ready by the 29th. Mr. Buhr said under that particular statute he would think that engineering services qualify with regard to other types of procurements, commodities or services for construction etc.

Commissioner Van Sickle read the terms of the State Revolving Loan Fund. Dorothy Pendergrass, Finance Director, said that those fees came directly from the State Revolving Loan Fund. The loan fee is a fee that goes directly back to the State Revolving Loan Fund, which is money that is used for other loans. The capitalized interest is during the construction period when they have loaned the money there would be interest due but you are not being asked to make a payment. At the time the loan closes, the construction has completed etc. they figure out the capitalized interest that you would have paid and roll it into the note, which is paid over the life of the loan.

Commissioner Van Sickle said he understands that the treatment plant has been in need of work for a long period of time. However, we have 10% unemployment rate in Polk County and there are a lot of people living on social security. This loan will be very hard on our people.

Mr. Otte asked Ms. Pendergrass to explain the hardship and paying the loan back. Ms. Pendergrass said there would be a \$6.75 increase in the monthly rate implemented over a three-year phase. If we don't go with this funding with the low interest rate and we do have to go out to market with the rates where they are right now it would be an additional \$2.40 to pay for the additional \$3 million over the life of the loan.

Mayor Wheeler asked if the increase would be in addition to the normal increase, which is built into our ordinance. Mr. Otte said yes. It would be in addition to the 2.5% increase. Commissioner Van Sickle said the number doesn't sound big but that is a large increase. Ms. Pendergrass said that the increase includes the automatic 2.5% increase. Together with sewer and water, it will be a 10% increase.

Mr. Otte said about two years ago when we first started working with GAI to study the plant to see what the problem is they found that the plant design was lacking which resulted in a lesser processing capability. This design will do a number of different things but the basic thing we need is to have a plant produce the proper quality of sludge and treated wastewater at the rate our ordinance allows. According to the study that GAI did, our plant was not built 20 years ago to do that. That is not a maintenance problem, but a problem with the original design of the plant. The way the plant was designed and built, it did not have a true digester that would give us the capability to provide sludge consistently within the proper requirements. This has forced us to pay the extra \$120,000 a year to have this other process done by a contractor. Mr. Buhr explained that if you increase the flow and the loading stays the same it would not help it any. The concentration of the sewage is higher than what was anticipated, which is what the problem is.

Commissioner Howell said this is not an emergency situation where something is about to close down. She asked if we are trying to expand our wastewater plant because of our growth now and in the future. Mr. Otte said we need to fix a problem at the wastewater plant.

Commissioner Howell asked for clarification, that we are just trying to apply for a loan. Mayor Wheeler said that is correct and that is what constitutes the emergency. Commissioner Howell said she wants to make sure that the citizens would only be paying a 10% rate increase, which includes the automatic annual increase, and not a 29% rate increase. Mr. Otte explained that this is a low interest loan that we estimated would save us about \$3 million over the life of the loan in interest cost.

Commissioner Manry said that Commissioner Van Sickle well presented the concerns of the Commission. She said she understands that the City is strapped, as are all cities, and that we have too much debt, but we know that we have to do this work. Commissioner Van Sickle said he does not know if there is anything operational we can do to possibly prolong it.

Mr. Otte asked the utilities staff if there is anything we can do other than this that would prolong the life of the plant. Randall Britt said we are looking at equipment that is 22 years old, the people that built the equipment are gone, and equipment repair parts would cost us double to replace. Commissioner Van Sickle said he is not denying that the plant is in poor shape, but it does concern him when adding debt to the City in the near future. This loan is going to be for a period of time and the current citizens will have to pay it back. Money should have been put away for repairs over the years and that didn't happen. If the City wants to grow in the future, the plant would have to be increased. He said he understands about two years ago we had an engineer draw a new plan that would increase the capabilities of the City at about a \$24 million effort. This \$8.5 million effort brings us up to a plant that basically is taking care of our current needs with a limited amount of reserves for a very limited growth. So, we are going to have to get another loan in the not too near future and this loan will still be on the books when we have to go after another one.

Mr. Otte said the reason we set up the queue system is because there is a lot of potential out there for growth that would have to come through the queue system to make reservations for utilities. Mr. Buhr said

Mr. Otte is correct with regard to the cost for fixing the existing capacity borne by the existing customers now. However, anything that provides additional capacity should not be incurred by your existing rate payers. That should be incurred in your impact fees, capacity fees for the wastewater plant. Those fees would have to be reset periodically. There should not be another note, as those costs should be covered by capacity fees as they come in. Commissioner Van Sickle said he hopes that we will get some commercial growth from the CSX project in the not too distant future. But, he does want to make sure that the City can place people here. He does not want to be in a situation where our sewer rates have increased to a point where people in Winter Haven will want to stay there because the rates are cheaper there. Mr. Buhr said anything to do with growth should be based on a reasonable impact fee, which is based on current cost. Commissioner Manry said providing that the Legislature doesn't change the way we collect impact fees.

Mayor Wheeler asked if anything about this is dependent upon future growth. Ms. Delmar said we projected zero growth with the exception of the Crooked Lake Park. Mayor Wheeler said we do have a slight capacity increase of 230,000 gallons per day. Mr. Otte said it is 290,000 gallons per day minus about 60,000 gallons per day for the additional customers. Ms. Delmar said that in the rate study we projected zero growth from development for the next five years. Ms. Pendergrass said that was another reason for part of the phase in. If there is growth in that three year period this would change along with any changes in construction costs etc. Commissioner Howell asked if the people who are already on the queue have already reserved spots for the 2.19 million gallons per day. Mr. Otte said there are a lot of people in line. Some of the people that have a position that is in the queue have paid to get in line but they have not paid to reserve. There are other people that were in line before the queue and they are just in line. There are other people who have told us that they plan to develop some day in the future. They are in line, but they haven't paid anything etc. We have a lot of capacity to attract people. There are people in line but they are not saying when they are going to come in to use their capacity. Mr. Otte said we need the repairs done no matter what and we need it as a foundation to move ahead. Commissioner Manry asked where the money would come from for the engineering services. Mr. Otte said it is projected to be in the neighborhood of \$50,000 and he would rather make that decision at the next meeting. The money is likely to come out of this \$482,000 that we already have waiting for us in Tallahassee.

Mayor Wheeler asked if the developers who paid to be in line paid with impact fees. Mr. Otte said they paid 10% of their projected impact fee and there are relatively few of them. Mayor Wheeler said if the House gets rid of impact fees we would be in a potential position of having to refund. Mr. Buhr said he wouldn't think that City would have to refund it. The first thing they would do is freeze it. The bill that they are trying to get passed is that they are trying to make cities carry the burden of proof. This would create a problem with a lot of developers who would want to contest the impact fees. The cities would have to prove that their fees are appropriate through impact studies etc.

Commissioner Manry said one of the first things the Commission did when she and Commissioner Howell came on Board was approve the report on the new impact fee structure. Mr. Buhr said he believed that the bill is going to require a super majority vote because it would appear to be a form of unfunded mandate. This would be good for attorneys because you would have to get an attorney every time somebody contested it to show that it is valid. Commissioner Manry said she remembers thinking at the time how expensive the study was. Then we talked about the fact that some cities had done theirs on the back of a cocktail napkin and we spent all this money to have it professionally done. She said her biggest concern in this whole process is that time is of the essence if we want to take advantage of the funds that are becoming available if we even want to be in line and how quickly we have to make a decision about taking on the customers of that package plant unless we've had enough time to study that as well as we should have studied it. Commissioner Manry said what we are really saying is that we need to do this because we need the engineering plan. If it turns out when we study the engineering plan that this is a bad decision at this time we can say to the state that we no longer feel we are eligible for this State Revolving Loan fund. Mr. Otte said we are voting to get in line. Commissioner Van Sickle said the reason for his questioning is because he does not want to accept \$8.9 million if we don't need to. He said the only reason we are going after the package plant is because of the loan eligibility points that are available as it is an identified health hazard by DEP.

Mr. Otte said he is not declaring an emergency in constructing anything. He is declaring an emergency just to be able to hire the two engineering firms to go forward and that he is also going to hire our grant writer. Mr. Buhr said that in abundance of caution, if it turns out to be less than \$25,000 we really wouldn't have to declare an emergency. Once the engineering drawings are done it would give you a pretty good estimate of what it would cost to have that job done because they do this all the time.

Commissioner Manry said the package plant is probably wrong for us, but if we do want to score high enough our chances of getting this are probably not huge anyway. Mayor Wheeler said all we are doing right now is committing to the engineering fees. Mr. Otte said that and to submit the application. Mayor Wheeler said if 5,000 citizens show up at the next meeting with buckets of tar and bags full of feathers we could always say no we really don't want it. Mr. Otte said that is correct.

Mr. Buhr said we should be acquiring the lift station at no cost. The repairs shouldn't be that substantial. A lift station is between \$50,000, \$80,000 and \$100,000 total if you build it from ground up. The cost of pipe would be the biggest issue. Those customers would pay the cost over a period of time. Commissioner Manry said they would be paying out of city rates. Mr. Otte said the rate would have to be determined because surcharges could be added. He said that he would bring that back to the Commission as a separate item.

Mayor Wheeler said the motion that we are looking for is the approval to apply for the \$8.9 million, approval for submission of the application, and the approval of three contracts brought forward on an emergency basis. Commissioner Manry made the first motion. The motion was seconded by Commissioner Howell.

All "AYE"; None "NAY"
The motion carried 5-0.

Mr. Otte thanked everyone that participated in putting this package together. He said it was somewhat convoluted but we're on our way to submitting it.

AGENDA ITEM 12. Discussion of Financial Statements for March 31, 2009, Fiscal Year to Date

Mayor Wheeler read the synopsis for Agenda Item 12. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Judith Delmar, Asst. City Manager]

SYNOPSIS

The financial statements report revenues received and expenditures made since 10/1/2008. At the end of March we have completed 50% of the fiscal year; revenues are running slightly ahead of target in most cases, and expenditures are running behind.

The unaudited financial statements for the City of Lake Wales for the Period Ending March 31, 2009 are presented to the City Commission for review. At the end of March, the City is 50% into the fiscal year. Thirteen of twenty-six payrolls (50%) have been expensed through March 31. Revenue and expenditure budgets have been adjusted to reflect both Budget Amendment #1 and #2.

SUMMARY

The following chart gives a brief summary of overall operating revenue and expenditure performance as of March 31, 2009. Capital expense funded by CRA bond or loan proceeds is excluded from the analysis: The general, operating revenues in relation to budget are about where we would expect them to be at the end of six months. There are a few potential problem areas that we are watching.

Fund	Budgeted	Actual at 3/31	Target at 3/31	Actual at 3/31 Over (Under) Target	Over (Under) as percentage of target
General					
Revenues ¹	\$10,959,493	\$6,618,388	\$6,536,355	\$82,033	+0.7%
Expenditures ³	\$10,763,769	\$5,443,687	\$5,381,885	\$61,803	+0.6%
Special Revenue					
Revenues ¹	\$6,323,629	\$3,590,994	\$5,022,711	(\$1,431,717)	-22.6%
Expenditures ³	\$4,408,938	\$1,866,557	\$2,204,469	(\$337,912)	-7.7%
Debt Service					
Revenues ³	\$2,392,495	\$1,182,374	\$1,196,248	(\$13,874)	-0.6%
Expenditures ²	\$2,436,478	\$1,582,125	\$1,582,125	\$0	+0.0%
Utilities					
Revenues ¹	\$6,850,140	\$3,256,271	\$3,222,891	\$33,380	+0.5%
Expenditures ³	\$6,913,450	\$2,873,031	\$3,456,725	(\$583,694)	-8.4%
Airport					
Revenues ³	\$101,403	\$40,544	\$50,702	(\$10,158)	-10.0%
Expenditures ³	\$101,403	\$52,337	\$50,702	\$1,636	+1.6%

¹ Revenue target = prior year performance at same point in fiscal year

² Expenditure target for Debt Service Fund = actual YTD expenditure because we are paying off debt in accordance with set schedules

³ Target = 1/12 of budgeted amount multiplied by the number of months since the start of the fiscal year (October 1); i.e. at the end of March we are 6/12 into the fiscal year. This method assumes a relatively even distribution of expense or revenue from month to month.

Revenue estimates in the General Fund and Transportation Fund were revised downwards with Budget Amendment #1 and #2, and analysis of the financials at 3/31/09 is in relation to the amended budgets. These two funds are affected by shortfalls in the state budget which necessitated reduction of revenues shared with the cities (sales taxes and gas taxes). We will be monitoring the State's website for additional reductions in revenue projections as the fiscal year progresses. It is likely that additional downward revisions will be necessary.

Building permits and other development fees are running far behind target. By the end of March 2008, we had received \$196,571 from these sources (\$124,957 for building permits; \$71,504 for development permits). At the end of March 2009, we had received a total of \$88,766 (\$76,112 for building permits; \$12,654 for development permits) This is less than half the revenue from these sources than was received in the prior year.

Water revenues at the end of March 2009 were slightly behind where they were in March 2008 (-\$1,376) and sewer revenues were ahead (+\$37,873). If we use 50% of the fiscal year as the target level, however, water revenues were \$145,703 under target and sewer revenues were \$11,974 under target.

Although operating expenditures in the General Fund are running 0.6% ahead of target (+\$61,803), operating expenditures in the other Funds are running behind target levels with the exception of the Airport Fund which is only slightly ahead of target (+\$1,636). Spending has been limited wherever possible because it is anticipated that expenditure budgets will have to be reduced if revenues continue to fall short of budgeted levels.

The City has not borrowed any money from the Pool/Tax Anticipation Investment Account. The balance at the end of the last fiscal year and the current balance are as follows:

	9/30/08	3/31/09	Difference
Pool/Tax Anticipation Investment Account	\$1,037,852	\$1,039,887	\$2,035

On the face of it, the City's overall cash position at the end of March 2009 has increased from the cash position at the end of March 2008 (+\$447,657). In order to make a valid comparison, however, the following adjustments must be made:

	3/31/08	3/31/09	Difference
Total Cash & Investments	6,301,231	6,748,888	+447,657
Due to Other Governments	(140,668)	(120,660)	
Insurance Proceeds & Other Airport Cash	(629,641)		
Deferred Revenues*	(502,334)	(411,200)	
Cash & Investments Net of Adjustments	5,028,588	6,217,028	+1,188,440

*reflected in cash but restricted to a specific future expenditure (grant project, tree replacement fund, etc), at which time revenue will be recognized

After excluding cash that has been collected on behalf of other governments, unexpended Airport insurance proceeds, and deferred revenues, the City's overall cash position at the end of March 2009 was \$1,188,440 better than at the end of March 2008.

In comparison to the cash position at February 28, 2009 of \$7,422,402, the March position shows a decline of \$1,205,374. This reduction was largely a result of the fact that ad valorem tax receipts have slowed down; i.e., 75.2% of the budgeted receipts (\$3,522,670) had been received through February with only an additional 3.3% (+\$149,435) received in March. Further, payments for large projects were made during March, thereby reducing cash balances.

[End agenda memo]

There were no comments made by the Commission.

COMMUNITICATIONS & PETITIONS

CITY COMMISSION TRACKING REPORT

Moving of the Veteran's Monument: Commissioner Van Sickle provided an update on the monument project. He showed a sample brick. He said that the bricks would run less than \$50, which would include the cost of engraving. There will be monies from that \$50 that would go into a fund that will be used to maintain the memorial. He said the City received a \$100 donation today from the Auxiliary VFW.

Ms. Delmar asked if this would be open to anyone who is in the military or just people who lost their lives in the military. Commissioner Van Sickle said it is a veteran's memorial so it should be anyone who is or was in the military.

Commissioner Manry asked if we've had any word from FDOT since the public meeting. Mr. Otte said a meeting was scheduled for tomorrow but they are now changing that meeting date. The FDOT is in the process of sitting down with us to tell us where they are. He said his experience with them would be that

they are coming back to tell us they've redrawn the plan after taking the input that they had from our Open House.

PUBLIC COMMENT

Jack Neal, 435 E. Central Avenue, thanked the Commission for asking a lot of questions about that SRF loan. He said it scares him a lot because we are already so far in debt that we can barely make ends meet now, so we need to learn to live with what we've got. He said he understands that the wastewater plant is in need of a lot of repairs, but it is going to have to wait because we can't afford it. Mr. Otte said if we get in line for this, we would have an opportunity to save a lot of money on the borrowing cost. It is not to say that this has to be done yesterday, but it is an opportunity. Mr. Neal said he realizes that, but you can't borrow yourself out of debt no matter how you define it.

CITY COMMISSION COMMENT

Commissioner Howell thanked Jerry Torrance, asst. to City Manager, for getting the sign down. She said as she drove down Sharp Street today going to her bank, she noticed some bushes on the corner of Bullard Avenue and Sharp Street that needed to be trimmed because she said it won't be long before they hide the stop sign there. She said that she doesn't know if the City can trim bushes on private property, but the tree needs to be trimmed. Commissioner Howell said she also noticed a huge bush in front of the stop sign on Sharp Street, south of SR60 that is taller than the stop sign. Commissioner Howell said that for safety reasons we need to have the prisoners cut down the bush.


Mayor Wheeler announced that a CRA meeting would be held immediately following this meeting.

There being no further business the meeting was adjourned.



Mayor/Commissioner

ATTEST:



City Clerk