

The regular meeting of the Lake Wales City Commission was held on August 17, 2010 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor L. Jack Van Sickle.

INVOCATION

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

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Terrye Y. Howell; Jonathan Thornhill; John Paul Rogers; Michael S. Carter; Mayor L. Jack Van Sickle.

COMMISSIONERS ABSENT: None.

CITY REPRESENTATIVES PRESENT: Judith H. Delmar, City Manager; Albert C. Galloway, Jr., City Attorney; Clara VanBlargan, City Clerk; Jacquie Hawkins, Deputy City Clerk.

MAYOR

Agenda Item 5. COMMENDATIONS: Sergeant Timothy Harrell – Commendation for his leadership in improving the code enforcement process; Officer Joseph VanBlarcom – Commendation for coordinating the National Night Out in Lake Wales

Police Chief Gillis presented a Commendation to Sergeant Timothy Harrell for his leadership in improving the code enforcement process.

Police Chief Gillis presented a Commendation to Officer Joseph VanBlarcom for coordinating the National Night Out in Lake Wales.

CONSENT AGENDA

Commissioner Carter asked for discussion on Agenda Items 7 and 8.

Agenda Item 6. APPROVAL OF MINUTES: August 3, 2010, Regular Meeting

Agenda Item 7. Approval of ITB for Utility Bill Payment Services

The full staff memo is incorporated into the minutes.

[Begin agenda memo, Dorothy Pendergrass, Finance Director]

SYNOPSIS

Staff is seeking approval of a bid document to solicit proposals for qualified firms to accept utility bill payments from City of Lake Wales utility account customers.

RECOMMENDATION

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

1. Approve the Bid Document #10-205, Invitation to Bid – Utility Bill Payment Services.

BACKGROUND

The City currently provides for utility bill payment at its Municipal Complex located at 201 Central Avenue, Lake Wales. The Complex currently is the only location for customers to make their utility bill payments. The City's goal is to provide additional customer convenience by contracting with a firm that has multiple locations and extended hours, that can accept utility bill payments.

There are several methods by which customers can make payments for utility accounts including automatic bank withdrawal, via the Internet, by mail, or walk-in payments. There are currently 7,630 City customers of which approximately 4% pay via on-line services, 16% pay by bank draft, 39% pay by mail, and 41% are walk-up payment customers each month.

The addition of a qualified firm with multiple locations and extended hours would be an additional convenience for City of Lake Wales utility customers as a payment method. City staff recommends this convenience service be paid by the customers utilizing the service. Within the bid document is the requirement that services to customers be provided at no cost to the City and at a low cost to customers.

[End agenda memo]

Commissioner Howell asked if those payment sites would be charging the customer for processing services and if so how much. Ms. Pendergrass, Director of Finance, said she knew that AMSCOT, who had contacted them about their interest in providing this service and who gave them a presentation, would be charging a one dollar service fee per customer. She said she did not know what the other entities would charge for that would be disclosed in the bid document. In the bid document, they ask that the customers absorb the fiscal impact instead of the City because it is considered a convenience for the customer to be able to go to different locations at different times, possibly when City Hall is not open, to pay their bill. Commissioner Howell asked if there would be one location or many. Ms. Pendergrass said she did not know what bids would be turned in, but as far as AMSCOT, it would be at any of their locations in any town. She said that the tax collector had contacted her on another issue and said he would be interested in providing the service, though she would not know the hours of operation or what would be charged until the bid came in, and also Center State Bank. Ms. Pendergrass said she was sure there were other vendors interested in providing the service, but she would not know how many until the bids came in.

Commissioner Carter asked if anything like this was done before. Ms. Delmar said that, up until about ten years ago, there were several locations where bills could be paid, but there had been several issues. Because the technology at the time was not as advanced as today, the money had not been turned over to the City in a timely manner. Payments that were paid just before the deadline were registered as past due because they were received here three days later. Because it became problematical, it was stopped. There are technological advances available now. Commissioner Carter asked if they were looking for bids with multiple establishments rather than with just one. Ms. Pendergrass said it depended on several factors:

- The qualification of the firm, and how well established they are
- If they have the technology needed to transmit the information to the City in such a way that it can be directly imported into our software system. AMSCOT and the tax collector both have this technology, and she said she was pretty sure that Center State Bank did.

Ms. Pendergrass explained that the system has to be very accurate because each month over 8,000 utility payments come in. Ms. Delmar said that customers have to depend on the fact that their payments at these sites will be credited to their account immediately.

Commissioner Carter said these payments would be for only monthly bills and customers would have to come to City Hall for anything else and Ms. Pendergrass confirmed. Commissioner Carter asked if all the

locations were within the City limits and Ms. Pendergrass said it could be anywhere, for example, payments at AMSCOT could be paid in any City that has one. Commissioner Carter asked if an interested business owner would be considered for the service even though it had only one location. Ms. Pendergrass said they would want to see the bids before deciding that but it was her hope to go with a firm that had multiple locations. The hours they were open would also be a consideration, say they were open in the evenings when City Hall was closed, and having multiple locations would be even more of an advantage because the program is for the convenience of customers. Commissioner Carter asked if we cared how many businesses were involved. Ms. Pendergrass said they would want to limit the number because the electronic files coming in daily would have to be downloaded into the City's system along with the electronic file going to the bank. She said she would not want ten vendors because the more components put into the system, the more complex it will become.

Agenda Item 8. Approval of ITB for Force Main Cleaning (Pigging)

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared Sarah Kirkland, Utilities Projects Administrator]

SYNOPSIS

Staff is seeking approval of the ITB to perform cleaning and restoration of force mains to maximum flow capacity along the Us Hwy 27 N corridor.

STAFF RECOMMENDATION

It is recommended that the City Commission approve Invitation to Bid Document #10-209 Force main Cleaning (Pigging) for the US Hwy 27 N corridor.

BACKGROUND

The Eagle Ridge Mall Force main requires annual cleaning due to the distance this line has to travel to reach the wastewater treatment plant and the low flow conditions that currently exist for this force main. The low flow problem primarily exists due to the fact that development in this area has been slower than initially expected. Sediment such as sand, plastics and paper tend to settle to the bottom of the pipe due to the low velocities of the liquid pushing the sediment. The method proposed for the cleaning of the force main is called the progressive poly pig procedure, hence the name pigging.

FISCAL IMPACT

\$62,553 is included for maintenance and repair of lines and mains in the Wastewater Division's FY 09'10 Operating Budget. The funding source is utilities operating revenue.

OTHER OPTIONS

None. Without this required annual cleaning, the force main will become plugged and inoperable. This in turn will cut off sewer service for the developments that are being serviced by the U.S. Hwy. 27 N. force main.

[End agenda memo]

Commissioner Carter asked how restrictive the flow was presently and if it would ever get back to 100%. Sarah Kirkland, Utilities Project Administrator, said that pigging was basically the annual cleaning of the force main that is needed because the flow in the north side of the City is not up to what it should be. To keep it operating as it should, maintenance is required. Commissioner Carter asked if they knew how

constrictive the lines were at the moment and Ms. Kirkland said they did not. She explained that a certain amount of pressure on the line is needed and once it gets above 25 psi, it is time to clean it. Commissioner Carter asked if there was anything in the contract requiring the work to be done within a certain time after the bid was awarded. Ms. Kirkland said it would be done by the end of the fiscal year on September 30th. Commissioner Carter said he did not see that specified in the document and asked if it should be included so it would be in writing. Ms. Kirkland said that would be conveyed to them when the bid was awarded.

Agenda Item 9. Approval of ITB for Laboratory Services

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Sarah Kirkland, Utilities Projects Administrator]

SYNOPSIS

Staff is seeking approval of the bid document to solicit bids for a qualified vendor to provide laboratory analysis services for both the Water and Water Reclamation systems.

STAFF RECOMMENDATION

It is recommended that the City Commission approve Bid Document #10-210 Lab Analysis Services for the Water and Wastewater Divisions.

BACKGROUND

The City of Lake Wales' Water and Wastewater Divisions are required by the Environmental Protection Agency and the Florida Department of Environmental Regulation to routinely monitor and sample the water and solid residuals throughout the various stages of their respective treatment processes. The majority of these samples must be submitted to a laboratory certified by the State of Florida for analysis and reporting purposes to ensure that proper treatment is taking place and that compliance parameters are being met.

Staff is requesting for commission approval of this bid document in preparation for the 2010-2011 budget year. City is exercising its option not to renew the current lab services contract, which expires on September 30, 2010. Because of this choice, it becomes necessary to solicit for a new provider to provide the lab analysis services.

FISCAL IMPACT

\$8,000.00 and \$23,000.00 were placed in the FY '10-'11 Operating Budgets for Water and Wastewater Contract Services – Laboratory.

OTHER OPTIONS

None.

[End agenda memo]

Commissioner Rogers made a motion to approve the Consent Agenda. The motion was seconded by Commissioner Howell.

By Voice Vote:

Commissioner Rogers	"YES"
Commissioner Howell	"YES"
Commissioner Carter	"YES"
Commissioner Thornhill	"YES"
Mayor Van Sickle	"YES"

The motion carried 5-0.

OLD BUSINESS

Agenda Item 10. Ordinance 2010-13, Annexation, Greater St. Thomas Holiness Church – Lewis Griffin Road – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Kathy Bangley, Asst. Planning & Development Director]

SYNOPSIS

Proposed is the annexation of approximately 9.9 acres of property located west of Lewis Griffin Road and south of SR 60.

RECOMMENDATION

Adopt after second reading and public hearing Ordinance 2010-13 providing for the annexation of approximately 9.9 acres of property located west of Lewis Griffin Road.

A first reading of the ordinance was approved on August 3, 2010. Public Notice requirements have been met.

BACKGROUND

Jeff Lazenby, Alpha Engineering, authorized agent of the owner Greater St. Thomas Holiness church, has requested annexation of the property. A church sanctuary is proposed.

An ordinance assigning Zoning and Future Land Use Map designations for the property is being brought concurrently to City Commission.

"Attachment A" to the ordinance shows the property's location. It is contiguous to the City limits to the north east and west.

Surrounding uses:

North: City CAC Community Activity Center – grove
South: County RS Residential Suburban
East: City CAC Community Activity Center – grove
West: City BPC Business Park Center – Rat Pac Self Storage

OTHER OPTIONS: Decline to annex the property.

FISCAL IMPACT: There are no anticipated costs to the City. Church property is tax exempt, but the church will be a water customer.

Ms. VanBlargan read ordinance 2010-13 by title only.

AN ORDINANCE PROVIDING FOR THE ANNEXATION OF APPROXIMATELY 9.9 ACRES OF TERRITORY, CONTIGUOUS TO THE INCORPORATED TERRITORY OF THE CITY OF LAKE WALES, SHOWN ON "ATTACHMENT A" AND SPECIFICALLY DESCRIBED HEREIN; GIVING THE CITY OF LAKE WALES JURISDICTION OVER THE LAND ANNEXED; PROVIDING FOR TAXATION OF THE TERRITORY ANNEXED; AND PROVIDING FOR AN EFFECTIVE DATE.

[End agenda memo}

OPENED PUBLIC HEARING

There were no comments made by the public.

CLOSED PUBLIC HEARING

Commissioner Carter asked who owns the property and Ms. Bangley said the church owns it.

Commissioner Thornhill made a motion to adopt Ordinance 2010-13 after second reading and public hearing. The motion was seconded by Commissioner Howell.

By Roll Call Vote:

Commissioner Thornhill	"YES"
Commissioner Howell	"YES"
Commissioner Carter	"YES"
Commissioner Rogers	"YES"
Mayor Van Sickle	"YES"

The motion carried 5-0.

Agenda Item 11. Ordinance D2010-02, CPA/Zoning, Greater St. Thomas Holiness Church – Lewis Griffin Road – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Kathy Bangley, Asst. Planning & Development Director]

SYNOPSIS

The ordinance will change the future land use map designation on 9.9 acres of property located west of Lewis Griffin Road and south of SR 60 from Polk County RS-Residential Suburban to Lake Wales MDR-Medium Density Residential and will assign a zoning map classification of R-1C single-family residential. A church is proposed on the property.

RECOMMENDATION

Adopt after second reading and public hearing Ordinance D2010-02 providing for land use designations for approximately 9.9 acres of property located west of Lewis Griffin Road.

The ordinance was approved on first reading on August 3, 2010. Notice requirements for a public hearing have been met.

The Planning and Zoning Board held a public hearing on June 22, 2010 and voted unanimously to recommend a change in the land use designation on the subject property from Polk County Future Land

Use designation R/S Residential Suburban to City of Lake Wales Future Land Use designation MDR Medium Density Residential and to assign a zoning map classification of R-1C single-family residential.

BACKGROUND

The property is located on the west side of Lewis Griffin Road south of SR 60 and property owned by Hunt Brothers Inc. The adjacent property along SR 60 is designated for commercial development. See Attachment A to the ordinance for location and land use designations.

Ordinance 2010-13, being proposed concurrently, provides for annexation of the property.

Since the property is under 10 acres in size, the amendment for a Future Land Use Map designation can be approved by the City as a "small scale" comprehensive plan amendment without review by the state's Department of Community Development. As a small-scale amendment, it will not be counted as one of the two amendments allowed per year.

Proposed development:

A 500-seat church sanctuary is proposed for the site. There is a city potable water main located directly in front of the property to which they plan to connect. Sewer is not currently available in the area so a request will be made to have an on-site septic system.

The MDR Medium Density Residential designation for this property is based on its proximity to commercial development and an arterial highway. The city allows religious establishments as a permitted use in all residential zoning districts.

The MDR designation allows for up to 6 dwelling units per acre. The R-1C zoning designation requires a minimum lot size of 8,000 square feet.

Surrounding use and land use designations:

North: City CAC Community Activity Center – unimproved
South: County RS Residential Suburban
East: City CAC Community Activity Center – unimproved
West: City BPC Business Park Center – Rat Pac Self Storage

Site access:

Access to the site is from Lewis Griffin Road.

OTHER OPTIONS

Religious establishments are allowed in most zoning districts. A non-residential designation would not be appropriate for a property this far from SR 60.

FISCAL IMPACT

Costs to provide services to the property will be borne by the applicant. The church will be tax exempt, but will be a municipal water customer.

[End agenda memo]

Ms. VanBlargan read Ordinance D2010-02 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, FLORIDA, AMENDING THE FUTURE LAND USE MAP OF THE COMPREHENSIVE PLAN AND THE ZONING MAP TO CHANGE LAND USE DESIGNATIONS ON 9.95 ACRES OF LAND, LOCATED ON WEST SIDE OF LEWIS GRIFFIN ROAD, FROM POLK COUNTY FUTURE LAND USE DESIGNATION RS RESIDENTIAL SUBURBAN TO LAKE

WALES FUTURE LAND USE DESIGNATION MDR MEDIUM DENSITY RESIDENTIAL AND ZONING DESIGNATION R-1C SINGLE FAMILY RESIDENTIAL; PROVIDING FOR AN EFFECTIVE DATE.

Mayor Van Sickle said he wanted to clarify that in the ordinance it says 9.95 acres and the letter says 9.9 acres. Ms. Bangley said it was an approximate number, which is fine to use as long as the difference is less than 10 acres.

OPENED PUBLIC HEARING

There were no comments made by the public.

CLOSED PUBLIC HEARING

There were no comments made by the commission.

Commissioner Howell made a motion to adopt Ordinance D2010-02 after second reading and public hearing. The motion was seconded by Commissioner Rogers.

By Roll Call Vote:

Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Carter	"YES"
Commissioner Thornhill	"YES"
Mayor Van Sickle	"YES"

The motion carried 5-0.

NEW BUSINESS

Agenda Item 12. Resolution 2010-17, Adopting a Revised Transition Plan for Removing Obstacles to Accessibility of Public Buildings

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Jennifer Nanek, Special Projects Manager]

SYNOPSIS

Approval of Resolution 2010-17 will adopt a revised Transition Plan for Removing Obstacles to Accessibility of Public Buildings.

RECOMMENDATION

It is recommended that the City Commission approve Resolution 2010-17 adopting a Revised Transition Plan for Removing Obstacles to Accessibility of Public Buildings.

BACKGROUND

On April 16, 2002, the City Commission approved withdrawal from participation in Polk County's CDBG program in order to make individual application in the Small Cities CDBG program, and on December 19, 2002 the City submitted its application. As part of the pre-application process, it was necessary for the City to adopt certain policies and procedures to enhance the success of our application.

One of the policies adopted with Resolution 2002-18 on November 5, 2002 was the City of Lake Wales Section 504 Compliance Policy, Evaluation Plan, Transition Plan, and Grievance/Complaint Procedures for Community Development Block Grant Programs and Projects which relates to the City's commitment to ensure access to public buildings by all members of the community. Also in November 2002, the City Commission appointed five community volunteers with physical impairments to serve on a review committee for the City's Section 504 Handicapped Accessibility Transition Plan.

An evaluation of city-owned facilities was performed by our Fire Marshal and Building Inspector using the *Florida Accessibility Code for Building Construction* (1997 edition). During this evaluation, obstacles to access by individuals with physical impairments were identified. A list of these obstacles was compiled for each city-owned facility and forwarded to the committee for review. The committee members individually indicated their priorities for taking corrective actions necessary to remove these obstacles. The priorities of the individual members were averaged to establish the priorities of the committee as a whole.

Taking into consideration the priorities of the committee, a transition plan was developed to schedule the budgeting of financial resources necessary to remove the accessibility obstacles identified over the period FY02'03 through FY05'06.

Many of the accessibility obstacles were eliminated in accordance with the adopted transition plan. Major repairs to those facilities that suffered damage during the hurricane season of 2004 provided for the correction of many of the accessibility problems listed in the 2002 plan.

In order to comply with the terms of acceptance of the CDBG Neighborhood Revitalization Grant for the Minnesota-Grove Avenue area, the City Commission with Resolution 2006-05 adopted a revised version of the plan that included many of the corrections made after the hurricanes.

This Transition Plan needs to be updated again as a requirement of the current CDBG Commercial Revitalization Grant. Staff has reviewed the list as well as the facilities themselves and has updated it for 2010. The list includes a schedule of when the remaining items will most likely be addressed. Resolution 2010-17 adopts this new list.

OTHER OPTIONS

None.

FISCAL IMPACT

Most of the work scheduled for the current fiscal year consists of providing handicapped parking spaces that comply with the Florida Accessibility Code, moving fixtures in restrooms, improving safety of ramps, etc. This work is not costly and can be completed within the budget allocated for M&R Buildings, although budgets for individual departments may require reallocation with a budget amendment. The cost of work scheduled for FY10'11 is not known at this time.

[End agenda memo]

Ms. VanBlargan read Resolution 2010-17 by title only.

A RESOLUTION OF THE CITY OF LAKE WALES, FLORIDA, REVISING RESOLUTION 2006-05 ADOPTING A TRANSITION PLAN FOR REMOVING OBSTACLES TO ACCESSIBILITY OF PUBLIC BUILDINGS.

Ms. Nanek reviewed Agenda Item 12.

Commissioner Carter asked why some of the high priority items were scheduled for Fiscal Year 2012 and 2013 and not now. Ms. Nanek explained that some of the items will be costly and are not budgeted. This gives staff a chance to plan and budget them. Commissioner Carter asked if they knew what this will cost and Ms. Delmar said this resolution was just for approving the updated plan. The work will be done on an item-by-item basis and our maintenance department will be able to do those scheduled for next year, things like moving soap dispensers down and moving mirrors in the restrooms. The items that need engineering will eventually have to be done, but we are not approving those projects at this time.

Commissioner Rogers made a motion to adopt Resolution 2010-17. The motion was seconded by Commissioner Thornhill.

By Roll Call Vote:

Commissioner Rogers	"YES"
Commissioner Thornhill	"YES"
Commissioner Carter	"YES"
Commissioner Howell	"YES"
Mayor Van Sickle	"YES"

The motion carried 5-0.

Agenda Item 13. Resolution 2010-18, Acceptance of State Energy Grant

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Jennifer Nanek, Special Projects Manager]

SYNOPSIS

Resolution 2010-18 will accept the State Energy Program Grant for \$200,000 to replace the light poles at Barnes and Barranco Fields. The resolution also authorizes the Mayor to sign the grant award agreement upon final approval.

RECOMMENDATION

Staff recommends approval of Resolution 2010-18 authorizing the acceptance of a State Energy Program Grant Award of \$200,000 to replace the light poles at Barnes and Barranco Fields. This resolution also authorizes the Mayor to approve and execute the Grant Award Agreement upon final approval from the Governor's Office as well as all other appropriate documents. No match is required.

BACKGROUND

On February 2, 2010 the City Commission approved Resolution 2010-05 to apply for an Energy Efficiency Conservation Block Grant (EECBG) to replace the light poles at the Little League fields at a cost of \$200,000. While the grant ranked too low for funding under the EECBG program, the EECBG applications were evaluated again for State Energy Program (SEP) criteria and City of Lake Wales was ranked as a funded project. The SEP Program is funded by the Recovery Act or stimulus bill.

There are currently 10 wooden light poles on Barnes and Barranco Fields that were installed over 20 years ago. This grant will replace these with 8 galvanized steel poles that will provide improved lighting on the fields at a reduced cost. These lights will be controlled remotely eliminating the frequency of lights being left on after the games or other abuse.

Attached is a draft grant award agreement. A resolution from the City Commission is required before the final agreement can be approved by the Governor's Office and signed. This resolution would authorize the mayor to sign the grant award agreement upon approval. Should there be any major revisions the final agreement will be brought back to the City Commission for review and approval.

OTHER OPTIONS

Do not accept the grant.

FISCAL IMPACT

No match is required.

[End agenda memo]

Ms. VanBlargan read Resolution 2010-18 by title only.

A RESOLUTION BY THE CITY OF LAKE WALES, FLORIDA, ACCEPTING A STATE ENERGY PROGRAM GRANT FROM THE STATE OF FLORIDA CLIMATE COMMISSION AND THE EXECUTIVE OFFICE OF THE GOVERNOR AND AUTHORIZING THE MAYOR TO EXECUTE ALL RELATED DOCUMENTS.

Ms. Nanek reviewed Agenda Item 13.

Mayor Van Sickle said the \$200,000 grant was for ten poles. He asked what they would do if the project came in at \$210,000. Ms. Delmar said they would either reduce the number of poles or make up the difference with general funds. The Mayor said, because of the city's tight budget, he would like to have it written in that if the project came in over the \$200,000 amount, the number of poles would be reduced. Ms. Nanek said there was a very small chance of it going over budget because she got the quotes from a lighting company that has worked with Little League before.

Commissioner Rogers made a motion to adopt Resolution 2010-18 with an amendment saying that General Fund money would not be used toward the grant and that the grant would pay for itself. The motion was seconded by Commissioner Thornhill.

By Roll Call Vote:

Commissioner Rogers	"YES"
Commissioner Thornhill	"YES"
Commissioner Carter	"YES"
Commissioner Howell	"YES"
Mayor Van Sickle	"YES"

The motion carried 5-0.

Agenda Item 14. Engineering Services with Envisors for the C Street Vicinity and Lift Station 16 Service Area Sewer Replacement

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Sarah Kirkland, Utilities Manager]

SYNOPSIS

Staff requests commission approval to amend the Envisors master engineering contract to provide services in relation to sewer improvements in the C Street and Lift Station 16 service area.

RECOMMENDATION

It is recommended that the City Commission consider taking the following action:

1. Approve the amendment to the Envisors master engineering agreement to provide engineering services for the replacement and upgrade of sewer mains in the C Street and Lift station 16 service area in the amount of \$269,200.00.
2. Authorize the City Manager to execute the appropriate documents, on the City's behalf.

BACKGROUND

A complaint voiced at a City Commission meeting regarding above-ground sewer lines and sewer odors in the vicinity of "C" Street and Washington Avenue prompted the City staff to visit the site and investigate the situation. The site visit indicated that the gravity sanitary sewer system did not appear to be in compliance with the existing Department of Environmental Protection guidelines. These findings led staff to engage in a contract with Envisors Engineering to conduct a survey of the gravity system approximately bounded by CSX railroad to the east, Harding Avenue to the north, "G" Street to the west and North Avenue to the south. This area entailed a majority of the gravity system that feeds into lift station # 16.

An evaluation of the survey indicates that a majority of the system is not in compliance with the Ten State Standards. The Ten State Standards are guidelines adopted by the Department of Environmental Protection for the design of gravity sewer systems. The City entered into a contract with Envisors to complete a survey of the entire gravity system that feeds into lift station #16. Upon completion of the survey Envisors evaluated the existing conditions and provided various solutions to the problem. Now that the survey has been completed, staff is seeking commission approval to enter into another contract with Envisors to provide engineering services to produce construction plans for the replacement of the substandard sanitary sewer network. It is staff's intent to replace the existing clay pipe gravity sanitary sewer system with a new gravity sewer system. The system upgrades will be designed in accordance with current City of Lake Wales and industry standards to improve the level of service in this area.

OTHER OPTION

By choosing not to enter into an agreement for these services, the residents in this area will continue to have sanitary sewer problems.

FISCAL IMPACT

\$250,000.00 has been allocated in the FY09'10 budgets for the engineering services for this project. The amount of funds allocated was an estimated figure. Now that staff has hard numbers, a budget amendment of \$19,200 will be required to complete the engineering phase for this project. These monies are funded from the CRA bond.

[End agenda memo]

Tom Moran, Public Works Director, reviewed Agenda Item 14.

Commissioner Rogers said this was a much needed project because of the water and sewer problems there.

Mayor Van Sickle said he was concerned because \$250,000 had been budgeted for this project and yet it came in at \$269,000. He said he would think the City would be trying to get lower bids versus higher bids. His concern was with the estimates on the project, which were \$2.6 million with a 15% management reserve in that number, because we may be looking at more than \$2.6 million. He said that he figured Envisors knew that we had \$250,000 and so didn't sharpen their pencils. He did not see how Envisors evaluated or came up with the estimate of cost for each line item. There is nothing in this document that gave some idea of how they came up with that number. Mr. Moran said he could not answer for Envisors, but only speculate. In the original engineering agreement, it stated that Envisors, Kimley-Horne, and GAI would be the City engineering consultants. In their packets, they stated how much they would charge an hour for each item, but not how many hours it was expected to take to do each one. He said he could go back to Envisors and renegotiate if it was the wish of the Commission. Mayor Van Sickle said that was not the intent. He suggested that staff encourage Envisors to sharpen their pencils because they might provide a lower estimate.

Commissioner Howell asked why the City couldn't state on the bid that we have \$250,000 and see how much of our list of things we want done could be done with that amount. Ms. Delmar said we would need an engineer to answer that question. Mr. Moran said that if you tell an engineer you have \$300,000 for engineering project, it will cost you \$300,000 even if it really only cost \$150,000. Mayor Van Sickle said to state an exact amount in these types of bids you would have to be very precise and detailed. The City does not have those details and so they are just guessing what they think it will cost. The engineers would like to get a higher number but sometimes they can bring the number down a little more. It is a concern when we have one number and we get bids a little higher than that number.

Ms. Delmar explained that Florida Law forbids bidding a project out based on price only. You have to go by qualifications and then negotiate a price, which was what Mr. Moran suggested. Mayor Van Sickle said that the cost to us may seem high but when you add benefits, it is not that high.

Mayor Van Sickle said he would like to have included in the bid how many hours it will take for each item.

Commissioner Thornhill made a motion to approve the amendment to the Envisors master engineering agreement to provide engineering services for the replacement and upgrade of sewer mains in the C Street and Lift station 16 service area in the amount of \$269,200.00 and authorize the City Manager to execute the appropriate documents, on the City's behalf. The motion was seconded by Commissioner Howell.

By Voice Vote:

Commissioner Thornhill	"YES"
Commissioner Howell	"YES"
Commissioner Carter	"YES"
Commissioner Rogers	"YES"
Mayor Van Sickle	"YES"

The motion carried 5-0.

Agenda Item 15. Discussion of Preliminary Financial Statements for July 31, 2010, Fiscal Year to Date

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Dorothy Pendergrass, Finance Director]

SYNOPSIS

The preliminary financial statements report revenues received and expenditures made through the end of July 2010. Revenues were slightly ahead of target in the General Fund and slightly behind in the Utility Fund. Expenditures in both these major budgets were under budget.

The unaudited financial statements for the City of Lake Wales for the Period Ending July 31, 2010 are presented to the City Commission for review. At the end of July the City was 83% into the fiscal year. Twenty two of Twenty-six Payrolls (84%) have been expensed through July 31. Revenue and expenditure budgets have been adjusted to reflect changes through Budget Amendment #2.

SUMMARY

The following chart gives a brief summary of overall operating revenue and expenditure performance as of July 31, 2010. Capital expense funded by CRA bond or loan proceeds is excluded from the analysis.

Fund	Budgeted	Actual at 7/31	Target at 7/31	Actual at 7/31 Over (Under) Target	Over (Under) as percentage of target
General					
Revenues ¹	\$10,839,648	\$10,018,502	\$9,634,668	\$383,834	+3.5%
Expenditures ₃	\$11,159,394	\$9,130,696	\$9,299,495	(\$168,799)	-1.5%
Special Revenue					
Revenues ¹	\$8,791,292	\$3,813,728	\$8,334,358	(\$4,520,630)	-51.4%
Expenditures ₃	\$3,230,413	\$3,049,480	\$2,692,011	\$357,469	+11.1%
Debt Service					
Revenues ³	\$2,363,120	\$1,985,824	\$1,969,267	\$16,557	+0.7%
Expenditures ₂	\$2,363,650	\$1,882,669	\$1,882,669	\$0	+0.0%
Utilities					
Revenues ¹	\$6,608,450	\$5,479,428	\$5,602,625	(\$123,197)	-1.9%
Expenditures ₃	\$7,018,722	\$4,592,934	\$5,848,935	(\$1,256,001)	-17.9%
Airport					
Revenues ³	\$107,193	\$82,194	\$89,328	(\$7,134)	-6.7%
Expenditures ₃	\$107,193	\$81,442	\$89,328	(\$7,886)	-7.4%

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 July we are 10/12 or 83.3% into the fiscal year. This method assumes a relatively even distribution of expense or revenue from month to month.

In general, most operating revenues are about where we would expect them to be at this point in the fiscal year with the exception of that utility revenues are still lagging.

Revenues from water and sewer charges at the end of July 2010 were \$41,124 ahead of where they were in July, 2009 (water, -\$36,812; sewer, +77,936). If we use 83.3% of the fiscal year as the target level, however, water revenues were \$169,314 under target and sewer revenues were \$33,841 over target. This is a combined shortfall of \$135,473 compared to the budget. Operating expenditures were running behind target at the end of July. Excluding capital outlay and debt service, Utility Fund expenditures were 17.9% or \$1,256,001 below the target level.

Operating expenditures in the General Fund are running 1.5% behind target (\$168,799). Operating expenditures in the other Funds are running behind target levels.

The City has not borrowed any money from the Pool/Tax Anticipation Investment Account. The balance at the end of FY 07'08 when the account was created and the current balance are as follows:

	9/30/2008	07/31/2010	Difference
Pool/Tax Anticipation Account	\$1,037,822	\$1,054,456	\$16,634

The City's overall cash position at the end of July 2010 increased over the cash position at the end of July 2009 (+775,864) In order to make a more accurate comparison, the following adjustments are made:

	prior year	current year	Difference
Total Cash & Investments	5,037,847	5,813,711	+775,864
Due to Other Governments	-77,913	-78,692	
Insurance Proceeds & Other Airport Cash	-27,683	0	
Deferred Revenues*	-445,323	-372,777	
Cash & Investments Net of Adjustments	4,486,928	5,362,242	+875,314

*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 was collected on behalf of other governments and deferred revenues, the City's overall cash position at the end of July 2010 was \$875,314 higher than its July 2009 level.

In comparison to total cash and investments at June 30 of \$5,836,849 the July cash and investments position decreased by \$474,607. A decrease or minor increase is not unusual with the slow-down of ad valorem tax revenues at this time of year. Between December 1 and December 31, the City received \$3,511,706 in ad valorem taxes and \$994,855 in CRA tax increment revenues from the County. In July revenues from ad valorem taxes totaled \$3,391.

[End agenda memo]

Finance Director Dorothy Pendergrass reviewed Agenda Item 15. She said there was a clerical error in the financial statements. The target amount for the Special Revenue Fund stated \$4 million over what it should be.

CITY MANAGER'S REPORT

City Commission Tracking Report

Kathy Bangley, Asst. Planning & Development Director, provided an update on the intersection improvements at Scenic Hwy. and Mt. Lake Cut-off Road. She said that she and Planning & Development Director Margaret Swanson met with DOT representatives about the pre-design and most of the pedestrian improvements that were asked for are being considered. The TPO has agreed to pay \$300,000 for the sidewalk improvements that the City asked for along Scenic Highway.

Ms. Bangley provided an update on the turn lane for Florida Avenue and Scenic Hwy. She said the turn lane is still under review.

Ms. Delmar reported that over the weekend 26 headstones had been overturned in the older section of Lake Wales Cemetery. She said they were in the process of getting the headstones up-righted and fortunately, there had been no damage to the stones themselves. She said that Teresa Allen, Public Services Administrator, was interviewed by several TV stations and she invited everyone to watch on the various stations when they get home. She said there were still some lighting issues at the Cemetery.

Police Chief Herb Gillis said a police report had been filed and though they tried to get fingerprints from the gravestones, none were recovered. Chief Gillis explained the two possible motives, both of them troubling to him. He asked anyone who had information to call the police department.

Mayor Van Sickle said that at one time when doing upgrades they talked about putting a camera in the cemetery and he asked for an update. Chief Gillis said the cost was prohibitive so it was not an option. Ms. Delmar added that they were still looking at placing some stationary cameras around the entrances. The issue with the other cameras was that trees blocked the view and there were lighting concerns. IS Director James Slaton said there also was the issue of the drop in elevation that made using MOTOMESH cost prohibitive. They are now looking at wired cameras using a buried cable because you can get a lot more cameras for a lot less money.

Ms. Delmar said two tall poles have been put up which lights up a wide area, one by the flagpole and one by the mausoleum, but there are still some areas that need more light.

Commissioner Thornhill asked if the plot owners had been notified and Ms. Delmar said they were in the process of doing that but that some of the families for the older headstones may be difficult to notify.

COMMUNICATIONS AND PETITIONS

David Smith, Babson Park, said that his headstone had been turned over at the Cemetery during the hurricanes and when he asked the City to upright it, he had been told that they could not do that because if the headstone was damaged in the process the City would be responsible.

David Smith, in regards to Agenda Item 7, approval of ITB for Utility Bill Payment Services, asked if the companies that would be providing water payment services would undergo background checks. Ms. Pendergrass said it was a requirement in the bid documents that they be bonded for no less than \$40,000 and have a blanket security bond in the amount of \$300,000. The City will also run a standard background check like those run for prospective employees.

COMMISSION COMMENTS

Commissioner Carter said it would cost about \$5 million to do the wastewater treatment plant project and the C Street project. To do just the C Street project, which is very much needed, it will cost roughly \$2.5 million, paid for through loans. He asked how we would repay the loan on the C Street project, and said that it probably would have to be done through some type of special assessment because ad valorem property taxes would not be going up. Ms. Delmar explained that a special assessment was a particular form of assessment made against benefitted properties, which in this case would be only the people living in the northwest section. To assess the people living there would not be appropriate because they paid for the system when initially put in. She said that raising user fees to pay for debt service has been discussed.

Commissioner Carter requested that staff start working on how much the project would cost and how much the special assessment would be. Ms. Delmar said it would not be a special assessment. She explained that the City had \$970,000 set aside, so that portion would not need to be borrowed and therefore would not require an increase to customers. We would also be applying for grants, but to the extent that we don't have grants awarded, we would need to accomplish the project through a financing mechanism. We do not have enough cash to pay-as-you-go unless we go into fund balance, which is also

a possibility. Commissioner Carter requested that the Commissioners get a heads-up on what it would cost. Mayor Van Sickle said that the C Street project was the subject for the September workshop and Ms. Delmar said they were pulling the information together for that workshop.

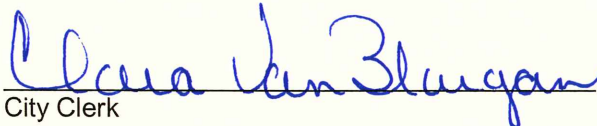
Commissioner Thornhill asked if there would be any further discussion before their vote in September on the budget items that no consensus had been reached in the budget workshop. He said that his concern, along with many who called him, was trying to justify the 1% bonus for employees when money was being taken from Little League and the Depot Museum. Mayor Van Sickle said he would rather have the budget discussion on September 10th as planned. Ms. Delmar said that she would be presenting a proposed budget that will include the changes everyone agreed on. There will be discussion on those where no consensus was reached.

Mayor Van Sickle said the September 10th budget meeting was probably going to be long because there will be a lot of discussion. He suggested that they discuss each individual item and follow each with a vote as to whether to change it, not change it, put it in the budget or not put it in the budget.

There being no further business the meeting was adjourned.



Mayor/Commissioner



City Clerk