

A workshop meeting of the City Commission was held on November 9, 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.

COMMISSIONERS PRESENT: Michael S. Carter; Terrye Y. Howell; John Paul Rogers; Jonathan Thornhill; 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

Agenda Item 1. Roll Call

Agenda Item 2. Discussion: Amending Franchise Agreement for Provision of Solid Waste Services with Republic Services of Florida, L.P. dba Florida Refuse

The full staff memo is incorporated into the minutes.

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

The attached Ordinance 2010-23 is tentatively scheduled for consideration by the City Commission at the meeting on October 19. We are forwarding it to you at this time so that you will have a little extra time to review the contents. If you have any questions about the ordinance, please do not hesitate to contact me.

BACKGROUND

The solid waste franchise agreement in effect with Florida Refuse is due to expire September 30, 2011. This agreement provides for (2) additional three (3) additional three-year terms if Contractor and City mutually agree to such renewal and to any modification of the terms herein.

In May of 2010, city staff and representative from Florida Refuse met to discuss amendments to the current contract. Mutually agreed upon amendments included:

1. Early renewal of Florida Refuse contract. The existing contract is set to renew in September of 2011. The proposed amendment shall provide for renewal upon second reading of Ordinance 2010-23. The renewal period in both the existing and proposed ordinance provide for a termination on September 30, 2017.(Section 1-2(A))
2. The proposed ordinance provides for a fuel adjustment under certain instances. (Section 2-3)
3. Since roll-off container service is exclusive, the proposed ordinance requires that Contractor will negotiate in good faith with residents to provide competitive rates. Should roll-off customer be unable to reach a satisfactory price agreement, the customer shall have the right to an appeal before the City Commission. All decisions by the City Commission shall be final. (Section 2-4)
4. The proposed ordinance provides that if for some reason, yard waste cannot be picked up, the yard waste will be tagged by Contractor notifying the resident to contact Florida Refuse. Contractor will coordinate with Code Enforcement to resolve the issue. (Section 2 – Yard Waste (a))
5. The proposed ordinance provides the Contractor shall provide disposal of tree trim waste at no additional cost to residents who met the eligibility requirements of the City's Lifeline Program and who obtain a physician's note. (Section 2 – Yard Waste (c))

6. The proposed ordinance provides for annual clean-ups in addition to the two city-wide annual clean-ups. The Contractor will work with the City when certain areas need to be cleaned up. Dumpsters will be provided at no charge at the request of the City Manager or his/her designee. (Section 2 – Yard Waste (g))
7. The proposed ordinance removes the “Big Bin Caught You Promotion” and provides the Recycle Bank Program for the City of Lake Wales. Recycle Bank is a corporation that has agreed to offer their program exclusively to Republic Services in Polk County. In return for advertising on their website, companies provide goods and services in return for points earned by residents for recycling. Recycle Bank also works with local establishments to honor coupons provided to residents for redeeming points. Nationwide, points earned by weekly recycling provide an average of \$20 per month per household in free goods and services. Points can be redeemed on-line or by phone. Usually, Recycle Bank provides this program for a nominal charge to the municipality. Charges for this service will be waived for Lake Wales. (Section 3 Recycling (e))
8. The proposed ordinance provides for composting assistance from the Contractor. The Contractor will assist the City in promoting composting by providing composting containers at a wholesale rate. (Section 4 Composting)
9. The proposed ordinance provides the Contractor shall provide plastic commercial dumpsters in certain areas which will decrease the noise caused by dumping of metal dumpsters. Locations shall be designated at the sole discretion of the City Manager. (Section 1 Garbage and Trash (e)(3))
10. The proposed ordinance provides that the Contractor shall utilize a compressed natural gas truck in Lake Wales. This would provide a fuel cost savings for residents while reducing the carbon footprint of the community.

FISCAL IMPACT

The ten proposed amendments will cause no additional cost increase compared to the existing ordinance.

The amendment to the calculation of a fuel adjustment (#2), the appeal process for roll-off customers (#3), the disposal of tree trim waste for residence with medical/physical conditions and economic needs (#4), the Recycle Bank Program (#7), the compost assistance (#8), and the use of a compressed natural gas truck all have the potential of reducing costs to the residents.

[End memo agenda]

Finance Director Dorothy Pendergrass reviewed Agenda Item 2.

Mayor Van Sickle asked why, instead of modifying an existing contract that does not fit the City's needs, we don't get proposals for bids as we might get a better price, which would benefit the City. Ms. Pendergrass said that going out for an RFP was an option the Commission could pursue. The process would have to take place per the existing contract as follows:

- If there is not a voluntary agreement for an extension, the existing agreement will be in place until September 30 of 2011.
- Florida Refuse must give notice before January 31, 2011 if it wants the 60 day negotiation period for a contract agreeable to both parties.
- If after the 60 days no satisfactory negotiation is reached, the city can go out with an RFP for services, not only from Florida Refuse but anyone else who wants to apply, to give the city time for a contract to be in place by September 30, 2011. The earliest that the RFP could therefore go out would be April of 2011.

The following comments were made regarding the proposed ordinance change relating to the ten amendments to the Florida Refuse contract:

1. Early Renewal

Because so many changes would be made to the contract, Florida Refuse was requesting an early renewal.

2. Fuel Adjustments

The proposed contract allows for the ability of the City to ask for a fuel adjustment.

3. Roll-off Container Service

- Staff recommended that they not be involved with negotiating prices for customers dissatisfied with Florida Refuse commercial dumpster rates.
- The Commissioners did not think they should be involved with making final judgments with dissatisfied customers for the following reasons:
 - The City Commission's role is not to execute policy but to set policy for staff to execute.
 - Commissioners do not have the time to contact other companies to determine fair prices.
 - It would be costly for staff to do this as there is no present department set up to handle such complaints.
 - City staff already negotiated with Florida Refuse for fair, competitive prices.
- It was suggested that, if a dissatisfied customer found a lower rate elsewhere, Florida Refuse could agree to match it, or the customer could take the lower bid from the other company. This would not work for the following reasons:
 - Florida Refuse is paying a franchise fee to the City in the amount of \$140,000 a year for that exclusivity.
 - A competitor, who does not pay that franchise fee, can certainly undercut them.
 - The alternative would be to open it up to competition with no franchise agreement, but the City would lose this source of revenue.
- The Commission's consensus was to remove this amendment from the proposed contract.

4. Yard Waste Pickup

- The tagging would inform residents why their yard waste was not picked up; for example it could be the wrong truck or equipment and they would return later to pick it up, the pile could be too large or limbs were not cut at the proper length for pickup, or it could be on a vacant lot. The tag would include a contact number for questions.
- If there is no tag, a resident or code enforcement officer will know it had been overlooked.
- If, after being tagged for later pickup, no one comes back to pick it up, the resident will know to call.
- Yard waste pickup does not include cutting down a whole tree for pickup.
- It was noted that when Code Enforcement gets involved there is a window of ten days for which the resident has to get it cleaned up or be fined, and there were instances when no one from Florida Refuse would return a call.
- If the yard waste is in a vacant lot, the resident is responsible for disposal either through Florida Refuse or by other means because no one is paying for that service. But, knowing that non-owners often dump their yard waste on vacant lots, and neighbors often pile theirs on an adjacent vacant lot, Florida Refuse often will pick it up. Ultimately, it is up to the City Manager to approve picking up on vacant lots.

5. Tree Trimming Provision for Residents on the Lifeline Program

- It happens rarely that an elderly person hires a tree trimming crew that cuts down a tree but takes advantage of the person by not removing it, which is their responsibility to do. In those rare cases Florida Refuse has removed the waste at no cost to the person because it benefits the company as well.
- The Commission requested this item to be removed from the contract for the following reasons:
 - If residents know Florida Refuse will pick up the tree waste, they may negotiate with the tree company for a lower price without the removal.
 - This is assuming that all elderly are on the Lifeline Program when low income and the elderly are not synonymous.
 - Residents on the Lifeline program are on it because they are on very limited income and therefore they would not be able to afford paying for a doctor's visit to get the required physician's note.
- It was the Commission's consensus to remove this from the proposed contract and instead:
 - Tag tree trimmings and let Code Enforcement get involved.
 - Have it stated in the contract that, under extenuating circumstances, the City Manager has the authority to approve the removal.

6. Annual Cleanups

- Besides annual citywide cleanups, Florida Refuse will provide dumpsters or extra containers free of charge for things like the monthly Police Neighborhood Cleanups, church or special group cleanup events, and special city events as part of their effort to give back to the community.
- This can be added to the contract if requested but Florida Refuse has been doing this anyway on a routine basis.

7. New Recycle Program: Recycle Bank

- The reason Florida Refuse is requesting early renewal is so they can offer the City this program. The grant for the program will no longer be available in about four weeks. Approving it now would allow the City to start the program on January 1st.
- There is a cost to Florida Refuse for this program. They have to pay Recycle Bank a fee per home and for the special equipment to be installed.
- Florida Refuse received a grant from Coca-Cola so communities would be encouraged to "go green."
- The benefits to City residents are as follows:
 - It pays citizens directly an equivalent of up to \$200 a year.
 - Coupons earned will generate revenue for City of Lake Wales businesses.
 - The types of things acceptable for recycling will be increased which will reduce solid waste pickup and increase points earned by citizens.
 - The City gets \$25 a ton for recycled material which will increase because of the increased recycling options.
 - The new carts with computer ID chips will keep track of recycling usage.

8. Composting Assistance

The Commission's consensus was to remove this from the contract for the following reasons:

- It would be a cost to Florida Refuse to purchase the containers and store them when residents may ask for them.
- Those interested in composting can purchase the containers from various businesses.
- The "Recycle at Polk County" website can provide information, sources and directions for interested residents.

9. Plastic Commercial Dumpsters

- Florida placed half a dozen plastic dumpsters at various locations adjacent to neighborhoods to see if it decreased the noise level when being dumped and it did.
- The dumpsters downtown have to be dumped early before businesses open to be able to get to them before parked cars are blocking their way or traffic begins on the alleyways.
- Residential pickup is after 6 a.m. so as not to disturb sleeping residents.
- Commissioners were asked to give the City Manager a list of problem areas where they would like to try plastic containers or replace the dumpsters with large totes.
- Florida Refuse said they are committed to providing good service and will work to solve any problems that arise.
- The Commission's consensus was not to include this item in the proposed ordinance. The City will work with the contractor to solve issues.

10. Compressed Natural Gas Truck

- This was a Florida Refuse request and did not originate from staff.
- New trucks have been purchased with government tax incentives and the new infrastructure has been set up.
- The fuel is compressed natural gas that comes directly from wells owned by them.
- This will eliminate the threat of a fuel increase to the City by lowering the threshold. It will lower Florida Refuse costs which will then lower the City's cost thereby eventually lowering the cost to residents.
- This will help Lake Wales be in the forefront of using clean energy.
- It was decided that the contract should be more generic, saying that the contractor will utilize equipment that will optimize cost savings for the City.

Ms. Pendergrass said that Florida Refuse always negotiated fairly with her over the two years she has worked with them; they do not make it difficult to get information from them; they have always tried to meet them halfway when dealing with issues that arise; and communication and understanding between them has been good. She explained that the City was given a \$16,000 rebate in 2009 and another \$22,000 this year that should have gone to Florida Refuse, but they allowed the rebates to go back to the City. She asked the Commission if they wanted to go through the process for this contract now or wait until January.

The consensus of the Commission was to go forward and put this on the next agenda for a vote.

OPENED TO PUBLIC COMMENT

There were no comments made by the public.

CLOSED TO PUBLIC COMMENT

Agenda Item 3. CRA Discussion

Robin Gibson gave a brief summary and history of the CRA in Lake Wales.

The following comments were made about the CRA:

- CRA funds are declining so quickly that in a few years, if the trend continues, the City may not be able to meet the debt funds it is obligated to pay.
- Over the past 25 years, the City has not made any progress toward putting the CRA to its best and intended use.
- The City Commission is the CRA and its members are responsible for the appropriation of the CRA funds. If they see the funds going for things that do not increase the property value, their

obligation is to act accordingly. They decide what constitutes an intended use of CRA funds and not the City. City staff recommends but the CRA Board votes.

- The CRA Board needs to read the CRA Plan, which is the current policy. If the Board thinks certain parts are no longer acceptable and it wants to modify the way in which the funds are used, the Board needs to work on modifying the CRA Plan. This will have to go through the City Commission with a public hearing and a notice to the county.
- The CRA Trust Fund is not something that can accumulate. By the last day of the fiscal year money left must be returned to the county unless:
 - It is used to reduce indebtedness or put into an escrow account for reducing later indebtedness
 - It is appropriated for a specific redevelopment project
- The following are ways the increment should be used according to Mr. Gibson:
 - The purchase of bonds, but only if the borrowed money is used to increase property value in the CRA. The increased value will then be used to retire the bond.
 - A pay-as-you-go process, which is a slower more careful way, by putting the increments back into the CRA area. As that increases the value, the increase is used again, thus saving the carrying cost of borrowing.
 - As a match incentive for private investment; they get the increased benefit from the increased property value.
- The following are intended uses for CRA funds according to the current CRA Plan:
 - Community Policing according to the Florida Statute is a tool for community redevelopment. It made the downtown area safer for shoppers and business owners and made Lincoln Avenue safer for redevelopment.
 - CRA money spent to find a buyer (like for the Grand Hotel) the buyer improves the property which increases the value, and the property is put back on the tax rolls.
 - The City contributes land or match money to attract private investment. The buyer matches the funds, get title to the property, becomes a tax payer, and the property value increases.
 - Repairing and revitalizing failing infrastructure throughout the CRA area of the City
- Reducing the CRA area could be done but would be a big project and would cost the City money for attorney fees.
- The Commission needs to:
 - Look at the boundaries to see if they should be reduced because of the ceiling restrictions on the City
 - Address what it will take to make those changes
 - Decide if it will be worth the expense in reducing those boundaries
 - Decide what the money should be used for and change the Plan accordingly
- Examples that the Commission may decide the CRA Funds can be used for:
 - Rehab buildings
 - Matching funds to attract private investment
 - Payment on the debt service

Agenda Item 4. Update on Utility Projects

Full staff memo is incorporated into the minutes.

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

“C” Street sewer redesign

This project entails the redesign of an existing gravity sanitary sewer system. The current system does not meet the requirements of the Department of Environmental Protection (DEP) nor the Department of Health (DOH).

Envisors engineering has conducted a topographical survey of the existing system; this proved extremely beneficial in determining the best method to correct the problems (approximately 85% of the system was out of compliance).

A workshop was conducted on September 14, 2010; alternatives were presented to the commission in order to determine the most cost effective and viable route. It was decided that the route between the alley ways would be used.

Envisors engineering has prepared a rough (50%) drawing depicting the proposed route.

Envisors engineering is conducting a right-of-way improvements survey of the affected area.

A conference between; Envisors, City Attorney, Public Works and assistants is scheduled for November 5th 2010 to discuss easement requirements for placing the proposed system.

The City has provided Envisors with the pump curve data and the motor electrical info regarding Lift Station #16 (lift station 16 is the main station that receives the effluent from the surrounding area and transfers it to the Waste Water Treatment Facility).

Envisors engineering is “fine-tuning” the design and should have 60% drawings by 25 February, 2011.

It is estimated that 90% drawings and construction specifications, would be completed by April 29th and the project could go “out-to-bid” June 6th 2011 start construction August 1st 2011 substantial completion May 2012. [Provided funding is available]

There are numerous variables associated with project; the current estimated cost for the project is \$3.6 million.

Elevated Storage Tank

The elevated storage tank, more commonly referred to as the South side elevated Storage tank (SSEST), has a problem with stagnant water. The basic problem is that the water in the tank is not of sufficient pressure to override the pressure in the main transmission line.

City staff developed a Process Action Team (PAT) to evaluate the problem and “brainstorm” corrective measures to alleviate the situation. During this process a solution (possibly not the only solution) was attained that would; remove the stagnant flow problem, provide sufficient potable water for downstream customers and provide a storage for fire flow. This design was presented to the DOH and they accepted the conceptual idea.

Kimley-Horn Associates (KHA) was selected as the design engineer to evaluate the problem, evaluate the solution and provide feedback regarding alternative methods. KHA realized that another method to alleviate the problems was possible and that this method might possibly be less costly.

KHA has petitioned the DOH with a permit inquiry; the DOH as responded that no permit is required.

90 % plans should be prepared by November 5; the consulting engineer and city staff will review these for “fine tuning” and verification of easements. This review should take no longer than 2 weeks. The design specifications will be incorporated on the plans. The bid documents will be separate correspondence. It is anticipated that this project could go out for bid approximately November 30, 2010 with a bid opening of

21 December 2010, award the bid via council approval Jan 4, 2011 start construction January 11, 2011 and anticipate completion February 8, 2011.

Estimated cost for the project \$203,400.00.

Asbestos Pipe Removal

This project entails the bursting of the existing asbestos pipe and replacing it with PVC. Killebrew Inc. is the construction contractor for this project. Killebrew has an Engineer on Staff that is knowledgeable of the pipe bursting process.

After several pre-construction meetings and alternatives, the project should get started the week of November 22nd. The project area is loosely defined by a portion of, Miami Street, Carver Drive, "F" Street, Dr. Wiltshire Avenue and Crescent Circle.

Numerous correspondence and dialogue have been conducted between DOH, City of Lake Wales, Killebrew Inc., DEP and the Environmental Protection Agency (EPA).

Estimated cost for the project \$565,855.00

Crooked Lake Force Main and Lift Station

The intent of this project is for the City to receive the effluent from the Crooked Lake Community. There are approximately 420 residences in the development.

An easement has been obtained from the owner for the placement of the infrastructure. A Utility Agreement is being finalized by the Planning department.

Envisors has been selected as the design engineer for this project; it is anticipated that 90% drawings and specifications will be available November 15th 2010; after review and some "fine tuning" it is anticipated that the project could go "out-to-bid" by December 6th 2010 with an anticipated award date of January 15th 2011. DEP – SRF needs to approve the selection; it is anticipated that approval will be February 15th 2011; the estimated start of construction is March 1st 2011 with an estimated substantial completion of July 1st 2011.

This is a DEP – SRF project and all times are relative to fund availability; the Finance Director (Dorothy Pendergrass) is well on top of this.

Estimated cost for the project \$435,870.00

Waste Water Treatment Plant; Rehabilitation and Modification

This project is actually divided into two (2) separate activities. The first activity is the rehabilitation phase and the second phase is the modification phase. The rehabilitation phase is intended to make improvements to the existing infrastructure and add some additional structures to provide a more efficient plant operations, current plant capacity is 1.9 million gallons per day (MGD) and provide a layer of redundancy to facilitate maintenance and upkeep.

Phase II is the modification phase; this will expand the permitted capacity of the facility to 2.19 MGD.

Kimley-Horne Associates (KHA) is the engineering firm selected to assist the City through this project.

KHA is currently reviewing the drawings with other sub-consultant engineering firms to ensure a viable product will be presented for bid. It is anticipated that 90% drawings and specifications will be available December 7th 2010; after review of the drawings and specifications the project may go "out-to-bid" @ January 11th 2011, the City may be able to award the project by March 1st 2011. After the City awards the

contract, the contract package must be sent to DEP –SRF in Tallahassee for approval; once approved by DEP an estimated start construction date could be May 16th 2011. It is estimated that the rehabilitation phase of this project would take priority and that process would take approximately one-year; anticipate substantial completion date of May 15th 2012.

This is a DEP-SRF funded project and the estimated timeline may be altered accordingly.

Rehabilitation estimate \$2,910,362

Modification estimate \$1,731,360

[End of agenda memo]

The following comments were made regarding the utility projects.

C Street Project:

- Letters will be sent out to all the residents and property owners in the area to let them know that workers may need to enter their yards so Envisors can do a more extensive survey.
- There was a request for a Master Plan with a timeline, but City Attorney Chuck Galloway said the project was not far enough along to have a Master Plan yet and he explained the issues involved as follows:
 - There are no dedicated easements in the area
 - Envisors will have to determine where the lines lie in the ground
 - Envisors will need to get easements for the permanent lines in the ground
 - Envisors will need to get temporary, unrecorded license agreements to allow them access to the properties. This will involve no future right of the City for access or require maintenance by the City.
- There is a master plan and timeline for the whole project for financing purposes, another copy of which will be placed in the Commissioner's mailboxes. But the timeline may vary when they get to the specifics of the project. The Commissioners will be updated on timeline changes as they occur.
- As the City does not have the money to build a pool or maintain one, there is a possibility of using the pool fund for this project.

Asbestos Pipe

- The areas that will need pipe replacement are: Carver Drive, Crescent Circle, F Street, Wiltshire Avenue, part of Washington Ave., then going north, as far as the money will allow.
- A two-week notice of service interruption was sent out to inform residents that water service would be shut off for no longer than 8 a.m. to 4 p.m. When staff realized that would place the service shutoff date on the week of Thanksgiving, they moved it to the following week.
- A two-day notice will be sent out to remind residents.

Crooked Lake Force Main

- There was a judgment entered against Crooked Lake Park Sewage Company because it currently owes DEP in excess of \$309,000.
- It was the opinion of the City Attorney that this project would never be in the best interest of the citizens of Lake Wales.
- This issue will be presented to the Commission for their determination as to whether the City should go forward with this project.

Wastewater Treatment Plant

- The letter requesting SRF funds was submitted and staff should hear something within the next month.
- Except for infrastructure put in by developments and subdivisions outside the core area, infrastructure has not been replaced since the 20's.
- The City's wastewater facility plan has been geared to growth areas and does not address current infrastructure.
- As staff has been reacting to wastewater problems as they occur, and have not been proactive, they need a collection system master plan. A draft proposal will be presented to the Commission soon for consideration.

OPENED TO PUBLIC COMMENT

Ed Bowlin, Circle Drive, agreed that the City should not get involved with the Crooked Lake Park issue and that CRA funds have not been used for the intended purposes.

Economic Development Director Harold Gallup made the following points about CRA fund usage:

- The Downtown area had been troubled with things like breaking and entering, purse snatching, and panhandling. At the request of the downtown merchants, police started patrolling there and since then, merchants are no longer afraid.
- Lincoln Avenue over the past seven years has changed. Old buildings have been demolished, the area has been cleaned up, and the stage has been set for redevelopment.
- Without safe streets and proper infrastructure, businesses will not locate on Lincoln Avenue.
- CRA funds are not free money. It has been administered judiciously, invested and returned to the citizens.
- The CRA money needs to be used to create an environment for positive private investment.
- Things that have been set in motion today will take several years to produce results.

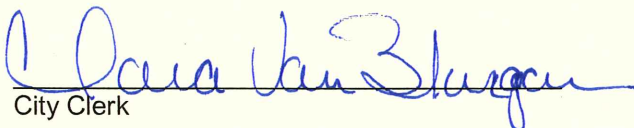
Ms. Delmar made a suggestion to exclude Mayfair and the Long Leaf Business Park from the CRA area because they have not contributed much to the tax base to this point.

There being no further business, the meeting was adjourned.



Mayor/Commissioner

ATTEST:



City Clerk