

The regular meeting of the Lake Wales City Commission was held on December 7, 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 Fire Chief Jerry Brown.

PLEDGE OF ALLEGIANCE

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

Agenda Item 5 was pulled.

CONSENT AGENDA

Commissioner Carter pulled Agenda Items 7, 8, and 9 for further discussion.

Agenda Item 6. APPROVAL OF MINUTES:
November 9, 2010, Workshop Meeting
November 16, 2010, Regular Meeting

Agenda Item 10. Donation of Surplus City Equipment: Exmark Mower

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Teresa Allen, Public Services Administrator]

SNYOPSIS

The City Commission will consider authorizing the donation of a 2000 Exmark mower to the Avon Park Correctional facility for spare parts.

RECOMMENDATION

Staff recommends that the City Commission take the following actions:

1. Declare as surplus and authorize the disposal of the 2000 Exmark mower previously used by the Parks Division.
2. Approve the donation of the 2000 Exmark Mower to the Avon Park Correctional facility.

BACKGROUND

In accordance with Sec. 2-476 of the City Code, the City Commission may classify as surplus any of its property that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function or purpose.

Authority for the disposal of surplus property for which the initial purchase price equals or exceeds \$750.00 shall be recorded in the official minutes of the City Commission. Such authority shall include approval of the method of disposal and the estimated value of the property. Authority for the disposal of the surplus property for which the initial purchase price does not equal or exceed \$750.00 shall be granted to the City Manager.

Property, the value of which the City estimates to be less than five thousand dollars may be disposed of in the most efficient and cost-effective means as determined by the City Commission. The City Code also authorizes the disposal of surplus property to any governmental unit in the state for the value of the property without the need for bids.

The Fleet Department has determined that a 2000 Exmark mower that was a part of the Park's Department inventory is beyond repair and has a residual value of \$-0-, serves no useful purpose and has been set aside for disposal.

The Avon Park Correctional facility has requested that the City donate the mower to them to be used for spare parts.

FISCAL IMPACT

None.

OTHER OPTIONS

The Commission may choose not to donate the mower and, instead, attempt to sell it at auction or sell it for scrap.

[End agenda memo]

Commissioner Carter asked, in regards to Agenda Item 10, Donation of Surplus City Equipment: Exmark Mower, if the Parks Department could use the mower for spare parts on another mower. Ms. Delmar said the City did not have another Exmark mower and so none of the parts were recyclable.

Agenda Item 11. Lake Wales Mardi Gras Celebration for 2011 - Parade and Temporary Street Closings

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Katie Kinloch, City Manager's Administrative Assistant]

SYNOPSIS

Approval of the Special Event Permit will allow the Lake Wales Mardi Gras Parade and activities to be held on Saturday, March 5, 2011 in the downtown area and allow the temporary closing of several streets.

RECOMMENDATION

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

1. Approve the Special Event Permit application for the Lake Wales Mardi Gras Parade and

activities to be held Saturday, March 5, 2011

2. Approve the temporary closing of the following streets for the parade between the hours of 2:00 p.m. and 5:00 p.m.: Martin Luther King Jr. Blvd. to Central, Central Avenue to SR17, SR17 to Stuart Avenue, Stuart Avenue to First Street, First Street north to Park Avenue, Park Avenue east to Third Street crossing SR 17
3. Approve the temporary street closings for the activities in the downtown area as follows: Park Avenue between First Street and SR17, Stuart Avenue between First Street and SR17 and Market Street from Central to Orange Avenue. Approval is requested between the hours of 6:00 a.m. and 10:00p.m. which includes set up time beginning at 6:00 a.m.
4. Approve the request for the beer tent which is to be located in the private parking lot on Park Avenue belonging to Wachovia between the hours of 10:00 a.m. and 10:00 p.m.

BACKGROUND

Bill Ouelette, President of the Lake Wales Mardi Gras submitted a Special Event Permit Application for the Annual Lake Wales Mardi Gras Parade and activities to be held Saturday, March 5, 2011. The day's activities will kick off at 10:00 a.m. in the Marketplace and on Park Avenue with food vendors, craft vendors, music and entertainment. A beer tent will be located on the private parking lot belonging to Wachovia. The main event will begin at 3:00 p.m. with the Mardi Gras Parade which will start on the east side of the City Administration Building and make it's way through the downtown area concluding at Park Avenue and Third Street at approximately 5:00 p.m. After the parade the activities will continue with food vendors, craft vendors, music and entertainment in downtown Lake Wales until 10:00 p.m.

The parade route involves the following streets:

Central Avenue from Dr. Martin Luther King Jr. Blvd. to SR17 (Scenic Hwy), SR17 from Central Avenue to Stuart Avenue, East Stuart Avenue from SR17 to North First Street, North First Street to Park Avenue, East on Park Avenue from North First Street to Third Street.

The Police Department, VOICE and the Streets Department will coordinate control of vehicular and pedestrian traffic. Keep Polk County Beautiful is providing trash boxes to the Mardi Gras Committee and these will be placed throughout the parade route. Trash bin placement, sanitary facilities, site set up and clean up will be the responsibility of the Mardi Gras Committee.

All Departments have reviewed the permit application and grant approval with the following conditions:

1. The Florida Department of Transportation (FDOT) issues a road closing permit for the closing of SR 17 (Scenic Highway) between Park Avenue and Central Avenue. The FDOT permit was applied for on September 9, 2010 and is forthcoming.
2. The event sponsor obtains tent permits from the Building Department for tents 10 X 10 or larger.
3. The event sponsor obtains an alcoholic beverage permit from the Division of Alcoholic Beverages & Tobacco.
4. The City is provided with proof of liability insurance with the City listed as co-insured for the event.

OTHER OPTIONS

Do not approve this event

FISCAL IMPACT

In-kind services provided by the City were budgeted for FY10/11 in the amount of \$8,142.00. The Mardi Gras Committee is responsible for 25% or \$2,714.00 of the cost of in-kind services.

[End agenda memo]

END CONSENT AGENDA

Commissioner Thornhill made a motion to approve the Consent Agenda excluding Agenda Items 7, 8, & 9. The motion was seconded by Commissioner Rogers.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 7. Engineering Services with Kimley-Horn and Associates, Inc for the Reuse Water Main Extension to the Golf Course at the Lake Wales Country Club

The full staff memo is incorporated into the minutes.

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

SYNOPSIS

Staff requests commission approval to authorize Kimley-Horn and Associates, Inc to provide engineering services for the extension of the Reuse Water Main to the Golf Course at the Lake Wales Country Club.

STAFF RECOMMENDATION

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

1. Approve the amendment to the Kimley-Horn and Associates, Inc master engineering agreement to provide engineering services for the Reuse Water Main Extension to the golf course at the Lake Wales Country Club in the amount of \$81,000.
2. Authorize the City Manager to execute the appropriate documents, on the City's behalf.

BACKGROUND

In March 1995, the City Commission approved the Lake Wales Reuse Project, which included the following components:

- Phase 1 A Rapid-Rate Land Application System (RIBs) for disposal of 100% of the plant's treated effluent to meet the requirements of the DEP for issuance of the treatment plant's operating permit
- Phase 2 Development of public access irrigation, with the RIBs being used to dispose of excess water during periods of low irrigation demands
- Phase 3 Extension of reuse transmission lines to existing large users in the area, such as groves and golf courses, in order to substantially reduce the use of potable water for irrigation purposes

Because Phase 3 furthers SWFWMD's goal for "beneficial reuse", the City's reuse project was and is of great interest to that agency. As a result of this beneficial reuse component, SWFWMD agreed to provide 50% of the funding for the Reuse Project through a Cooperative Funding Agreement.

In May 2004, the City Commission approved an agreement with Ben Hill Griffin, Inc. (BHG) to use reuse water to irrigate the Lake Wales Country Club Golf Course. The agreement called for the City and BHG to share equally in the cost of building the lines which would run from the RIBs site at Scenic Highway and Hunt Brothers Road to the golf course. BHG would be reimbursed for its share of the construction costs via monthly charges, third-party impact fees and any grant monies awarded by SWFWMD. In the event that construction costs exceeded \$500,000 and modification of pro-rata funding could not be mutually agreed upon, the parties would be released from the agreement.

As the deadline for completion of the Reuse Project approached in 2007, it became clear that construction costs to provide reuse water to the golf course would significantly exceed \$500,000, and neither the City nor BHG were in a position to fund the excess cost. In the meantime, other potential customers for the City's reuse water were identified: i.e., the Whispering Ridge Subdivision, Longleaf Business Park, the City's Soccer/Multi-purpose Complex, the Lake Wales Cemetery, groves purchased by the City north of Hunt Brothers Road and the future Mayfair development.

An amendment to the SWFWMD Cooperative Funding Agreement was requested and approved by SWFWMD in December of 2007. This amendment substituted the provision of reuse water to these newly identified customers for the original project extending lines to the Country Club Golf Course. The revised project was completed in accordance with the amended agreement in 2009 and is considered "closed out" by SWFWMD.

Although SWFWMD's governing board approved the amendment of the Cooperative Funding Agreement and the revised project, SWFWMD did not abandon its desire that the City extend a reuse line to the Country Club Golf Course. The golf course project would have met SWFWMD's goals of "beneficial reuse" by eliminating or significantly replacing an existing instance of large-scale groundwater withdrawal for irrigation of a golf course. The revised project fell short of this goal because it did not replace an existing large-scale withdrawal.

During 2009, both the City and BHG began the process of water use permit renewal. SWFWMD strongly urged both parties to enter an agreement to extend reuse lines to the County Club Golf Course. In the case of the City, SWFWMD indicated it would consider issuance of a 20-year water use permit instead of a 10-year permit if we demonstrate that we are making significant progress in meeting the goals of "beneficial reuse."

Staff and BHG representatives subsequently came together to create an amended agreement that would meet everyone's needs, and the City Commission approved the agreement at its May 17, 2010 meeting. At its November 16, 2010 meeting, the City Commission authorized staff to submit an application to SWFWMD requesting grant funds to complete the extension of the reuse water main to the Lake Wales Country Club. The grant request is to cover the cost of the construction only, with the City being responsible for all costs associated with the engineering phase of the project.

Staff is seeking commission approval to enter into an agreement with Kimley-Horn and Associates, Inc in the amount of \$81,000 to provide the engineering services for the extension of the reuse transmission line from its current terminus at the Whispering Ridge Subdivision to the golf course at the Lake Wales Country Club.

OTHER OPTIONS

Chose not to go forward with the reuse main extension leaving the City with one less alternative for reuse disposal and putting the long-term renewal of the water use permit at risk.

FISCAL IMPACT

\$85,000 has been allocated in the FY 2010-2011 budget for engineering services related to for this project. The funding source for these funds is Wastewater Impact Fees.

[End agenda memo]

Commissioner Carter wanted to know why the City was paying the total cost of \$81,000 for the Engineering when he thought it was supposed to be a joint effort. Ms. Delmar said that the engineering and design of the project was in the agreement for the City to pay and the Country Club would pay one third of the cost of construction. Sarah Kirkland, Utilities Project Administrator, added that the Country Club is also responsible for monitoring wells and the lining of the pond. Ms. Delmar said the City has the upfront cost and the County Club has the rear-end cost.

Commissioner Rogers made a motion to approve the amendment to the Kimley-Horn and Associates, Inc. Master Engineering Agreement to provide engineering services for the reuse water main extension to the golf course at the Lake Wales Country Club in the amount of \$81,000 and authorize the City Manager to execute the appropriate documents on the City's behalf. The motion was seconded by Commissioner Thornhill.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 8. Engineering Services with Kimley-Horn and Associates, Inc for the Orange Avenue Parking Lot Improvements

The full staff memo is incorporated into the minutes.

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

SYNOPSIS

Staff requests commission approval to authorize Kimley-Horn and Associates, Inc. to provide engineering services for the repair of the Orange Avenue Parking Lot.

STAFF RECOMMENDATION

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

1. Approve the amendment to the Kimley Horn and Associates, Inc master engineering agreement to provide engineering services for the repair of the Orange Avenue Parking Lot in the amount of \$18,700.
2. Authorize the City Manager to execute the appropriate documents, on the City's behalf.

BACKGROUND

The City owns an existing parking lot off of Orange Avenue that is in need of repair. Staff is seeking commission approval to enter into a contract with Kimley-Horn and Associates, Inc to provide engineering services that will include design, bidding and construction documents to improve the parking lot.

OTHER OPTION

Choose not to make any repairs to the Orange Avenue parking lot at this time.

FISCAL IMPACT

\$75,000 has been allocated in the FY 2010-2011 budget for this project. These monies are funded from the CRA bond.

[End agenda memo]

Commissioner Carter said that \$18,700 was an excessive amount of money to spend on engineering for a 24-car parking lot and asked if they could get the construction company to include the engineering. Ms. Kirkland said an engineering study was required in order to find out what exactly needed to be done to the sub base, and the grading and stabilization needed to make it correct. Ms. Delmar added that they will also prepare the bid documents. Ms. Kirkland added that they could quick-fix the parking lot without using engineering services, but it would only last a few years. Commissioner Carter asked if the servicing company could provide all that in a bid package, or if staff could do some of it to save the City money.

Mark Wilson, Kimley-Horn & Associates, Inc., said they will also be doing the surveying, site and landscape planning, and the preparation of bidding; they will be preparing the contract and construction documents, meetings and public notifications; and they will be obtaining the SWFWMD permit. He explained that the current parking lot is not up to standards so changes like adding handicap access and meeting the right grade and slope will have to be made. If restriping and repaving was all that was needed, a contractor would not be needed. Ms. Delmar added that this parking lot would be in the category of rebuilding rather than resurfacing. She added that the present Commission had indicated that it wants to do things right instead of patching over problems. Commissioner Carter said he was not suggesting that they not do the job right, but just that they do it in such a way as to save the City money, like having staff do what they are qualified to do. Ms. Delmar said that staff could possibly do some of the construction preparatory work. Commissioner Carter asked if staff could do the bid work and Ms. Delmar said they could not do this type of bid.

Commissioner Thornhill said that the job may only come to the actual proposed cost of \$13,300. The additional money is just there if needed.

Commissioner Thornhill made a motion to approve the amendment to the Kimley-Horn and Associates, Inc. Master Engineering Agreement to provide engineering services for the repair of the Orange Avenue Parking Lot in the amount of \$18,700 and authorize the City Manager to execute the appropriate documents on the City's behalf. The motion was seconded by Commissioner Rogers.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 9. RFQ#10-218 Wastewater Collection System Master Plan

The full staff memo is incorporated into the minutes.

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

SYNOPSIS

Staff is seeking commission approval to advertise a Request for Qualifications from consulting firms interested in providing engineering services in relation to preparing a Wastewater Collection System Master Plan.

RECOMMENDATION

It is recommended that the City Commission authorize staff to advertise RFQ#10-218 to secure engineering services related to preparation of a Wastewater Collection System Master Plan.

BACKGROUND

Among the first public works efforts completed by the City of Lake Wales was the installation of a central sewer system, constructed as a special assessment project during the period 1926 to 1928. This was a large-scale project that provided sanitary sewer service to the downtown area and the residential neighborhoods which were growing up along Scenic Highway and around Lake Wailes to the hospital. In the 84 years since construction began on the original system, commercial and residential development throughout the city has added nearly two hundred miles of gravity sewer lines and 39 lift stations to the wastewater collection system.

While lift stations have been upgraded over time and have been well-maintained in recent years, comparatively little work has been done on manholes and lines except in response to problems such as line breaks or blockages. As the system continues to age, we can expect problems to occur on an increasingly frequent basis, particularly in those areas where old clay lines still exist; i.e, the areas served by the original sewer system.

Every ten years or so and as recently as 2008, a Master Wastewater Facility Plan is completed that provides guidelines for expansion of the system in response to the needs of current and future growth in the area. However, no master plan has ever been formulated for the upgrade or rehabilitation of the existing collection system. City staff has been forced to react to problems as they occur because we lack the knowledge that we need to plan for and acquire the resources to fund the rehabilitation and routine maintenance that will prevent problems before they occur.

We have discussed this concern with the City Commission at various workshops, and it has seemed to be the consensus that we need to find a way to determine the scope of work and the amount of money that will be required in the short-term and the long-term to rehab our existing system and maintain it at an acceptable standard in the future.

Accordingly, we are proposing to issue a Request for Qualifications (RFQ) to develop a Wastewater Collection System Master Plan for the rehabilitation of the existing mains and manholes. Additional utility work beyond this scope may be undertaken during the life of the contract. The overall tasks of the master plan have been identified below.

The Consultant will prepare a wastewater collection system master plan of the existing sanitary gravity sewer system for the rehabilitation, repair and/or replacement of the gravity sewer mains and manholes. This work effort shall include but not be limited to the following tasks:

- Survey of the collection system to provide the following:
 - a. Manholes locations
 - b. Rim and invert elevations and adjacent ground elevation
 - c. Pipe type and size
 - d. Direction of flow
- Wastewater Collection System Master Plan to present the following:
 - a. Evaluation of the condition of the mains and manholes
 - b. Recommendations for rehabilitation or replacement
 - c. Cost estimates for rehabilitation or replacement
 - d. Financial analysis for the collection system improvements

- e. Public communication and awareness program during construction activities

Cleaning, televising and smoke testing the existing mains is an essential component to determining existing conditions, but will be performed under a separate bid packet. Staff intends to seek an annual contract for these services specifically.

FISCAL IMPACT

Cost to develop the master plan is not known at this time but cannot be a part of the decision-making process in selecting a consultant to do the work. Engineering services are covered by the Competitive Consultants Negotiation Act (CCNA) and must be negotiated after selection of the consultant.

Cost of the most recent Wastewater Facility Master Plan was close to \$135,000; however, developing a collection system master plan may potentially be more costly because of the fact that so much surveying work will be necessary to identify the scope of rehabilitation required.

OTHER OPTIONS

Do not develop a Wastewater Collection System Master Plan.

[End agenda memo]

Commissioner Carter said a lot of money had already been spent in July for engineering work and asked if the professional engineer on staff could put together a strategic maintenance plan and a collection system master plan. Ms. Kirkland said that the old infrastructure has to be surveyed and the size of pipes has to be identified for directional flow, which is what the master plan will do. Commissioner Carter said that Envisors did that in July on Lift Station 16. Ms. Delmar said that was for a specific geographical area and this is to address concerns for the 86 year old infrastructure on Lake Shore Blvd. and the historic neighborhoods. She said they were not going to redo the master plan work that had been done but just do the work in the areas of our greatest concern, the Greenbrier and some of the downtown areas. We need to find out the condition of that infrastructure and how much longer we have before we have to make significant renovations or replacements so we can prepare for the funding. If the line breaks, costing a million or million-and-a-half dollars, and we have not been setting the money aside to do the repairs, we would either have to borrow the money or reduce services to such an extent that we could no longer function. Instead, we can plan. But to do that we need to know how much we will need over the next 5-10 years, and how much money we would need to set aside each year to cover those planned improvements. Commissioner Carter asked if anyone on staff would be qualified to do that and Ms. Delmar said no and that very few cities the size of Lake Wales would have the resources to do that either. Commissioner Carter said that there has been about \$100,000 of engineering services that we were sending outside, which is done over and over. He said he thought staff should be able to handle some of this.

Commissioner Thornhill said he understood that staff could not do the survey work. He said that for too long the City has not made maintenance and repairs a priority, which needs to be done in order to keep what we have in good working order so we won't have to spend a lot of money in the future. He said the engineering will be for 39 different lift stations instead of just one. He said, though he was concerned with the amount of money being spent, the engineering is needed. We need to take care of it and do it right so we don't have the issue five years from now. Ms. Delmar added that this was an RFQ for qualifications. If, after we go through the process, we find the cost of the Master Plan is more than we want to spend, we don't have to do it. But, in order to get a proposal, we have to go through the process. This agenda item is for authorization for the RFQ. The financial analysis for the collection system improvements will be done by our Finance Director, who is fully capable of doing that. There may be elements we exclude when we get to the end of the process but for now that is how the RFQ is structured. Commissioner Carter said he had no problem with the importance of the maintenance and the Master Plan. He just wanted to make sure it was necessary to send the work outside. Ms. Delmar said it was.

Mayor Van Sickle said you cannot know how much work you have until it is identified, so this is the first step. He said we might guess, for example, that we have 1,000 feet of pipes but find out we have 2,000 feet. Ms. Delmar said we would be running here and there responding to blockages, cave-ins and line breaks so we need a more methodical approach to maintenance.

Commissioner Rogers said that the City's engineering staff consists of one person and there is no way one person can do all the engineering studies plus the survey. He said that though he wants to save money as much as the other Commissioners, they all need to realize the limitations of what staff can do.

Commissioner Rogers made a motion to authorize staff to advertise RFQ#10-218 to secure engineering services related to preparation of a Wastewater Collection System Master Plan. 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.

OLD BUSINESS

Agenda Item 12. Ordinance 2010-23, Amending Franchise Agreement for Provision of Solid Waste Services with Republic Services of Florida, L.P., dba Florida Refuse – 1st Reading

Ms. Delmar reported that Agenda Item 12 was withdrawn by Florida Refuse.

NEW BUSINESS

Agenda Item 13. Ordinance 2010-32, FY2010/2011 Budget Amendment #1 – 1st Reading

The full staff memo is incorporated into the minutes.

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

SYNOPSIS

First amendment of the FY10'11 Budget adopted on September 21, 2010 to add expenditure appropriations for cemetery improvements and gymnasium renovations as approved by the City Commission.

RECOMMENDATION

It is recommended that the City Commission approve Ordinance 2010-32 after first reading.

BACKGROUND

Ordinance 2010-19 estimating revenues and appropriating funds for Fiscal Year 2010-11 was adopted by the City Commission on September 21, 2010. We are presenting for first reading an amendment of Ordinance 2010-19 to modify the estimate of funds carried forward in the General Fund from FY09'10 to FY10'11. Exhibits A and B and supporting attachments provide the detail for the proposed amendment.

This budget amendment is based on unaudited financial reports for the accounting period ending on 9/30/10. The following is a summary of changes included in the proposed amendment:

Revenues & Balances Fwd	Increase(Reduction)
General Fund	200,000
Special Revenue Funds	
Debt Service Fund	
Capital Projects Fund	
Airport Fund	
Utility System Fund	
Total Increase(Reduction) of Revenues & Balances Fwd	200,000
Appropriated Expenditures & Reserves	
General Fund	200,000
Special Revenue Funds	
Debt Service Fund	
Capital Projects Fund	
Airport Fund	
Utility System Fund	
Reserves	0
Total Increase(Reduction) of Appropriated Expenditures & Reserves	200,000

The proposed budget amendment increases the City's total budgeted expenditures by \$200,000 from \$31,655,306 to \$31,855,306.

This amendment deals solely with the appropriation of \$200,000 in additional funds carried forward from FY09'10 to FY10'11 as approved by consensus of the City Commission at the November 3 meeting. The additional funds to be carried forward result from greater than expected excess revenues over expenditures during FY09'10.

\$150,000 is allocated for improvements at the Lake Wales Cemetery that were not completed in FY09'10; i.e., \$10,000 for the installation of additional security lighting that was begun in July but not completed until the end of October and \$140,000 for upgrade of the cemetery irrigation system utilizing reuse water.

The City Commission also designated an additional \$50,000 allocation to cover unexpected problems as we proceed with the gymnasium renovation project.

Budget Amendment #1 incorporates these items.

OTHER OPTIONS

Do not appropriate \$200,000 in excess FY10'11 revenues over expenditures for these purposes.

FISCAL IMPACT

See Exhibit A and Exhibit B attached to Ordinance 2010-32.

[End agenda memo]

Ms. VanBlargan read Ordinance 2010-32 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2010-19 TO MODIFY THE ESTIMATES OF EXPENDITURES FOR THE OPERATION OF THE SEVERAL DEPARTMENTS OF SAID CITY FOR THE 2010-2011 FISCAL YEAR AND TO 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.

Ms. Delmar reviewed Agenda Item 13.

Mayor Van Sickle said his concern was that when they actually get into the gym renovations they may find there is not enough money to do the work. Ms. Delmar said they would have to discuss the possibility of doing a budget amendment or stopping the work. Mayor Van Sickle said there may not be money to pull for a budget amendment.

Commissioner Thornhill made a motion to adopt Ordinance 2010-32. The motion was seconded by Commissioner Carter.

By Roll Call Vote:

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

The motion carried 5-0.

Agenda Item 14. Resolution 2010-27, Department of Transportation Resolution and Subordination of City Utility Interest

The full staff memo is incorporated into the minutes.

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

SYNOPSIS

Staff requests commission to give approval for the signing of the Resolution and Subordination of City Utility Interest from the Department of Transportation relating to the Mountain Lake Cut-off Road and Scenic Highway intersection improvements.

STAFF RECOMMENDATION

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

1. Approve Resolution 2010-27 authorizing the subordination of city utility interest or interests in favor of the Department of Transportation for the Mountain Lake Cut-Off Road and Scenic Highway intersection improvements.

2. Authorize the Mayor to execute the appropriate documents on the City's behalf.

BACKGROUND

The State of Florida Department of Transportation (FDOT) is proposing to install a traffic signal and widen the road at the Mountain Lake Cut-Off Road and Scenic Highway intersection. As a result of this construction, city staff will be faced with the task of relocating its water main further to the rear of the right-of-way.

When staff reviewed the phase one set of plans, FDOT was notified of the location of the City's water main in the area and the potential conflicts that may occur during construction. FDOT has recognized that the City may encounter some cost due to the relocation of the water main and has requested that the City approve the attached Resolution and Subordination of City Utility Interest agreement. This agreement sets forth that if the City does in fact have to incur cost to relocate the existing water main due to possible conflicts with construction, the City may be eligible for reimbursement.

The attached documents were sent to the city attorney for review. He has approved the document with one noted change. Staff is seeking commission approval for the signing of the Resolution and Subordination of City Utility Interest in favor of the Florida Department of Transportation for the Mountain Lake Cut-Off Road and Scenic Highway intersection improvements project.

OTHER OPTIONS

Choose not to approve the Resolution and Subordination of City Utility Interests in favor of the FDOT relating to the Mountain Lake Cut-Off Road and Scenic Highway intersection improvements, and the City would lose any chance of reimbursement resulting from the relocation of the water main.

FISCAL IMPACT

\$150,000 has been included in Year 2 (2011-2012) of the adopted 5-YR CIP for the relocation of the water main. The project will be funded from Operating Revenues.

[End agenda memo]

Ms. VanBlargan read Resolution 2010-27 by title only.

RESOLUTION [CITY OF LAKE WALES RESOLUTION #2010-27]

Ms. Kirkland reviewed Agenda Item 14.

Mayor Van Sickle said he received his TPO package and the funds were still there so it looked like we would get the money.

Commissioner Howell said she was very happy because they have worked on this for a long time.

Commissioner Rogers said he was glad we would be getting a traffic light at that very dangerous intersection. Ms. Kirkland added that there would also be some road widening done.

Commissioner Thornhill said that any time we get money back we are doing great.

Commissioner Thornhill made a motion to adopt Resolution 2010-27. The motion was seconded by Commissioner Rogers.

By Roll Call Vote:

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

The motion carried 5-0.

Agenda Item 15. Edward Byrne Memorial State and Local Law Enforcement Assistance Grant – JAG Direct

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Chris Velasquez, Assistant Police Chief]

SYNOPSIS

Approval will allow for the submittal of an Edward Byrne Memorial Justice Assistance Grant Application.
Recommendation:

Staff recommends the Honorable Mayor and City Commission authorize the Police Department to apply for and accept funding through the Edward Byrne Memorial Justice Assistance Grant Program – Florida JAG Direct

BACKGROUND

The Florida Department of Law Enforcement has received an award from the United States Department of Justice for Justice Assistance Grant funds. These grant funds are distributed to units of local government based on local crime statistics. Since 1999, the Police Department has utilized these funds to create community programs and purchase needed equipment to enhance public safety.

This year the Edward Byrne Memorial Justice Assistance Grant award amount is \$9055.00 and if approved would be included in the 2010/2011 budget. Match is not required with this program.

The Police Department proposes to use these funds to purchase Automated External Defibrillators (AED's). An AED delivers a shock to stop ventricular fibrillation in the heart of an individual experiencing a sudden cardiac arrest. Sudden Cardiac arrest is the leading cause of death in America today. Furthermore, a victim's chance of survival is reduced by 7 to 10 percent every minute that passes without CPR and defibrillation. Emergency medical personnel frequently respond to these incidents and administer defibrillation with specialized equipment. However, law enforcement may at times be able to respond faster since they are generally in the field when a call is received. Several law enforcement agencies throughout Polk County are currently equipped with AED's and respond when available to sudden cardiac arrest incidents. To date, this equipment has been directly attributed to saving a number of lives within our county.

OTHER OPTIONS

The Commission may choose not to authorize application for and acceptance of the Edward Byrne Memorial Justice Assistance Grant.

FISCAL IMPACT

The Finance Department has completed a review of this grant and outlined the fiscal impacts in the attached statement.

Briefly, the City would need to buy replacement pads if the machines are used since the pads are disposable (one time use). The pads have a shelf life of two years and would need to be replaced every two years with an estimated replacement cost of \$624.00 (\$32.00 for adults and \$72.00 for pediatrics each). The batteries would need to be replaced every four years, with an estimated replacement cost of \$1,440.00

[End agenda memo]

Assistant Police Chief Chris Velasquez reviewed Agenda Item 15.

Commissioner Howell asked if the money was in the budget for replacement pads and Ms. Delmar said it was.

Commissioner Rogers made a motion to approve Agenda Item 15. The motion was seconded by Commissioner Thornhill.

By voice vote:

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

The motion carried 5-0.

Agenda Item 16. Purchase of Two undercover vehicles from Weikert Ford, Incorporated

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Patrick Quinn, Captain, Support Services]

SYNOPSIS

The City Commission will consider purchasing two vehicles to be used for undercover operations by the Lake Wales Police Department.

RECOMMENDATION

It is recommended the City Commission:

1. Approve the purchase of two used vehicles from Weikert Ford, Incorporated in the amount of \$27,749.00
2. Amend the 2010/2011 Operating Budget to reflect the unbudgeted expenditure.

BACKGROUND

The Anti-Crime Team (ACT) was created to remove crime and disorder from our beautiful and historic community. The principal objective of the ACT is the eradication of flagrant street drug markets and the apprehension of career and violent offenders. To accomplish this goal, the ACT conducts both tactical patrol and undercover operations.

With the holidays, the ACT has been responsible for protecting our commercial activity centers located along the US Highway 27 and State Road 60 roadways. The holidays are a wonderful time of the year; however, it is also a time for crime. During the holidays, offenses begin to increase in November, peak in December and decrease in January. Retail theft, vehicle burglary and robbery are the offenses that occur in our commercial activity centers during the holidays.

The City of Lake Wales is leading an effort to improve the local economy. To achieve this goal, residents are encouraged to purchase locally produced goods and services and to shop in Lake Wales. Accordingly, it is the responsibility of the Lake Wales Police Department to remove crime and disorder within our commercial activity centers during the holidays to provide a safe shopping environment for our residents. The ACT is working determinedly to achieve this goal by conducting tactical patrol and undercover operations at our commercial activity centers.

The foundation of the tactical patrol and undercover operations conducted by the ACT is the use of undercover police vehicles in the commercial activity centers. Undercover vehicles provide an effective platform for preventative patrol and surveillance operations. The ACT, however, does not have access to undercover police vehicles. Rather, they have had to use unmarked police vehicles, which are easily identifiable by offenders.

The last undercover police vehicles were purchased by the Lake Wales Police Department in 2002 using grant funds. Over time, these vehicles have become known by offenders and in recent years have been transferred to other departments. Occasionally, the Police Department can trade seized vehicles with local dealerships to obtain undercover vehicles. Currently, the Police Department does not have any seized vehicles in inventory for this purpose. Accordingly, the Police Department proposes using funds from the Police Services Impact Fee Trust Account.

FISCAL IMPACTS

The Police Department proposes to use \$28,800.00 deposited in the Police Services Impact Fee Trust Account to purchase the two used vehicles from Weikert Ford, Incorporated. The current fund balance of the Police Services Impact Fee Trust Account is \$93,063.40.

In accordance with Section 2-418, Code of Ordinances of the City of Lake Wales, purchases may be excepted from the requirement of competitive sealed bids or competitive sealed proposals if emergency conditions exist. Without the presence of the ACT in the commercial activity centers, two robberies and an aggravated assault have occurred since November. Accordingly, the duty schedule of the ACT has been increased. Violent crime is an immediate danger to the public health, safety or welfare and requires emergency action from the Police Department. The ACT requires undercover vehicles now to be effective. The competitive bid process would greatly delay the procurement of these vehicles.

In preparation for this commission item, staff contacted local car dealers to obtain pricing on similar vehicles utilizing two methods, purchasing new vehicles and purchasing used vehicles.

New Vehicle.

Weikert Ford provided a bid utilizing the Polk County Government Purchasing Contract for two new vehicles at a cost of \$45,114.57.

Used Vehicle

Sorensen and Schade Chrysler, Dodge and Jeep - 2 used vehicles \$29,997.90
Fields Huston Cadillac, Buick, Pontiac and GMC - 2 used vehicles \$30,000.00
Weikert Ford - 2 used vehicles \$28,749.00

Based on the comparison of the vehicles and cost-effectiveness of the purchases, staff recommends purchasing two used vehicles from Weikert Ford in the amount of \$28,749.00.

As the vehicles from Weikert Ford, Incorporated will be used in undercover investigations and operations, identifying information is exempt from release in accordance with Chapter 119, Florida Statutes.

Section 23-427, Code of Ordinances of the City of Lake Wales, provides the monies deposited into the Police Services Impact Fee Trust Account shall be used solely for the purpose of constructing or improving the City's police services. Specifically, monies are authorized for the acquisition of vehicles utilized in providing police service and the apparatus or equipment necessary to provide such service.

OPTIONS

The City Commission may choose not to approve the purchase of the undercover vehicles from Weikert Ford, Incorporated.

[End agenda memo]

Police Chief Herb Gillis reviewed Agenda Item 16.

Commissioner Carter asked that Agenda Item 16 be tabled to give staff time to look at other options such as swapping cars with the Sheriff's office or other agencies. Mayor Van Sickle said when you swap old cars that have been brought in under foreclosure you end up with cars that have problems. Commissioner Carter said that one of the proposed cars has 44,000 miles on it so the warranty would be running out.

Commissioner Howell asked if they could get a forfeiture car cheaper in a large city like Miami or Orlando. Chief Gillis said that, because of budget cuts, agencies like the Lake Wales Police Department, and Sheriff's Department are selling their valuable vehicles instead of trading them so they can recover some money for operational cash. Commissioner Carter asked if buying them at auction was an option and Chief Gillis said they had checked out both old and new cars at local dealerships to see what best fit the Police Department's needs so the best option before them was to go with local dealerships. He added that he would not have brought this to the Commission if there had not been an urgent need to make it a safe environment for the officers and he believed they were doing a good job. Not having the cars would make it a lot harder and having them would make the efficiency of an operation a lot better.

Commissioner Thornhill noted that the money was coming from impact fees and not from the General Fund, and that multiple bids had been secured from various dealerships.

Commissioner Thornhill made a motion to approve the purchase of two used vehicles from Weikert Ford for the amount of \$27,749.00 and amend the 2010/2011 Operating Budget to reflect the unbudgeted expenditure. The motion was seconded by Commissioner Rogers.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 17. CBDG-ED Grant Application for infrastructure development to service Energy One of Lake Wales, LLC

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Harold Gallup, Economic Development Director]

SYNOPSIS

The Commission will consider a request to prepare and submit a Grant Application for a CBDG-ED Funding in the amount of \$750,000 for infrastructure to support development of the "Old Sealy Building" and surplus property for the Energy One Lake Wales, LLC, and related alternative energy projects and training facility. The Project is an Ethanol Plant that also produces bi-products of carbon dioxide and Wet Cakes also known as DDG (animal feed).

RECOMMENDATION

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

1. Authorize the Department of Economic Development in conjunction with Andy Easton and Associates, advisor to the City and Energy One as the grant consultant, to prepare the appropriate CBDG-ED Grant request for a maximum funding amount of \$750,000 solely for the purpose of infrastructure development, inclusive of engineering, design, inspection and permitting costs.
2. Authorize the calling of a meeting of the existing Citizen Advisory Task Force, referred to as CATF, to review the project for appropriateness for grant funding as required by CDBG

The grant application will return to the City Commission for approval prior to submittal.

BACKGROUND

The City's Department of Economic Development (ED) has been working with the principals of Energy One Lake Wales, LLC, for a number of months on the Lake Wales project. ED has also worked closely with Mr. Robert Kelly, Keller-Williams associate and agent for the property owner, Ron LaGrande. Lake Wales Energy One retained the law firm of Peterson and Myers as legal counsel in their negotiations with the existing property owner and the financial institutions and property owner.

ED worked closely with the Central Florida Development Council on obtaining funding for the project from such sources as the Recovery Zone Bond Program, where the project was ranked second, and Industrial Revenue Bond Financing as an inducement for the consideration of the Lake Wales site. A copy of the presentation used at the Polk County Industrial Revenue Bond Authority Project Workshop is also attached for information on the project.

The project will ultimately have \$25,000,000 in capital investment. The collateral development attached to this project will approximate \$15,000,000. This will represent a potential \$40,000,000 in capital investment and create direct and indirect jobs in excess of 40 with payroll impact of approximately \$800,000 to \$1,000,000 in the economy. The company represents a sustainable green technology for energy production that will supply a portion of the 900 million gallons of ethanol that is mandated to be used in the State of Florida.

ED has hosted meetings with USF and PSC regarding the entrepreneurial training institute that the project is working on developing for the alternative energy sector. The project will become a primary facility for hosting national and international interest in this technology application.

The company's business plan is sustainable through the creation of long term contracts with companies such as Perdue, Bosselman, Linde, and others that will be producing products in Lake Wales. The Project

Team as listed in the attachment is substantial in their expertise in finance, legal, construction, operation and other technical expertise.

At this time we are proposing to submit an application for a \$750,000 CDBG Economic Development Grant to provide the infrastructure to support the overall preliminary project and future expansion of alternative energy programs at the project site. A secondary benefit will be the ability to open up the SR 60 W corridor to future economic development. Costs to prepare the grant application will be paid by Energy One Lake Wales LLC.

CURRENT FISCAL IMPACT

The grant application does not require a pledge of matching funds other than the \$25,000,000 being invested by Energy One Lake Wales, LLC.

[End agenda memo]

Mr. Gallup reviewed Agenda Item 17.

Mayor Van Sickle said he thought that they were not allowed to have two CBDG grants at one time and yet we have one for landscaping downtown and one for work on Lincoln Avenue. Mr. Gallup said they were in different classifications. That was a commercial revitalization grant, which has rules attached, and this one is an economic development grant. Ms. Delmar said that until the commercial revitalization grant is closed we can't apply for another neighborhood revitalization grant.

Mr. Gallup added that the next grant would not be an extension of the economic development grant but utilization of another investigated program that he thought the city would qualify for, though the paperwork would be extensive and it would depend on what qualifiers would be placed into the application. It would not be a one-time grant for they plan on extending it as far as possible, based on their ability to justify and meet the criteria. This project will have in the neighborhood of \$25 million worth of capital investment.

Commissioner Rogers thanked Mr. Gallup and realtor Bob Kelly for their work on the project and hoped the estimated 70 new jobs would begin picking up the economy. Mr. Gallup said there would be 20 jobs in the higher tech category in phase-one, but if all goes well, this could lead to 100 jobs. Commissioner Rogers said that Lake Wales has many retired people with expertise in various fields who may want part-time jobs, so Lake Wales was in a good position to offer qualified workers to fill those high technology positions. He also said he hoped more technology would be taught in our schools, for if it is it may encourage more manufacturers to come to Polk County.

Commissioner Howell said that bringing industry to Lake Wales had been on the Commission wish lists and it looked like the door was opening for that. She asked who was on the Citizen's Advisory Task Force and Ms. Delmar listed them as Linda Kimbrough, Clinton Horne, Jerome Mack and Al Hawkins, their jobs being to review applications for appropriate candidates.

Commissioner Thornhill said he was glad of the opportunity for new business and that Commissioners needed to get behind this investment and the future investments it might bring.

Commissioner Carter said this was a good opportunity. He asked if there was anything the city needed to do from an infrastructure standpoint with water or sewer etc. Mr. Gallup said that was what was being addressed with this agenda item. He said there was enough capacity to cover phase-one but this would allow them to expand and cover other industries that may want to move here down the road. He added that without Energy One, we would not have qualified for the grant. Commissioner Carter asked if there were any roadblocks or permitting problems and Mr. Gallup said they were working hand-in-glove with Energy One on everything. But, he added, that does not mean that we might not have roadblocks down the road, but staff was prepared to address those issues.

Commissioner Rogers made a motion to authorize the Department of Economic Development to prepare the appropriate CBDG-ED Grant request for a maximum funding amount of \$750,000 solely for the purpose of infrastructure development and to authorize the calling of a meeting of the existing Citizen Advisory Task Force to review the project for appropriateness for grant funding as required by CDBG. The motion was seconded by Commissioner Howell.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 18. Authorization for Structural Engineering for Repair and Restoration for Kirkland Gym by City Approved Engineer Kimley-Horn

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Harold Gallup, Economic Development Director]

SYNOPSIS

The Commission will consider approval of the contract for engineering design, construction documents, bid document preparation, construction services, and related services to move this project to construction.

RECOMMENDATION

The City Staff recommends that the Commission take the following actions:

1. Authorize Kimley-Horne & Associates to perform consulting services described in Exhibit "A" under Master Consulting Agreement for Engineering Services #09-173 to include engineering design, bid documents preparation, construction services and related services for the repair and restoration of the Kirkland Gym in the amount of \$36,055.
2. Authorize the City Manager to execute the applicable documents.

BACKGROUND

This is part of the review analysis and recommendations for curative actions for structural and other related building issues at the Kirkland Gym. There has been a structural review and a set of recommendations previously received and reviewed with the Commission. There are still outstanding requests for participation in the repair costs with the City's insurance carrier. Staff has reviewed the contract and has worked to bring the costs for the services down to meet the "Preliminary Budget" originally projected at \$125,000. The City Commission has since approved an additional allocation of \$50,000 for this project. Based upon the currently known facts, the new budget should cover the construction costs and the professional services costs for the current scope of the project.

CURRENT FISCAL IMPACT

The funding for this Project is included in the 2010-2011 Budget.

[End agenda memo]

Mr. Gallup reviewed Agenda Item 18.

Commissioner Thornhill said we needed to get the job done and do it right the first time, turning this into a beneficial property again. Any insurance proceeds will be like icing on a cake.

Commissioner Carter asked for confirmation that in June or July, \$16,500 was spent on a limited, structural engineering analysis to tell us what the damages were so we could look at the cost to repair that damage, and Mr. Gallup confirmed. He said they are there to do the inspections and certifications and are responsible for the structural analysis and calculations. He said the building official would not sign off on anything without being sure because once he does Kimley-Horn would be relieved of liability. Commissioner Carter said we have spent over \$50,000 for engineering so far and have not much to show for it. He said he was glad to see the project moving forward.

Commissioner Rogers made a motion to authorize Kimley-Horne & Associates for Engineering Services for the repair and restoration of the Kirkland Gym in the amount of \$36,055 and to authorize the City Manager to execute the applicable documents. The motion was seconded by Commissioner Thornhill.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 19. CRA Citizen's Advisory Board Appointments

The full staff memo is incorporated into the minutes.

Mayor Van Sickle asked what the Citizen's Advisory Board would be doing because whatever it advises could not be followed because the CRA Funds have already been planned.

Commissioner Carter said the Advisory Board was needed to help the Commission with the long-range vision and plan. Ms. Delmar said they could be used to review the CRA Plan for possible revisions because there has been a lot of discontent on how CRA funds have and are being used. A roadmap of how the funds should be expended would come back to the City Commission for possible adoption.

Commissioner Howell said the advisory board could also look at what was already voted on and possibly prioritize them. They could help guide the Commission to the needs. Ms. Delmar added that the purpose of the CRA Citizen's Advisory Board is to provide a vehicle for public input, which was the reason the CRA Board was expanded to seven members in the first place. Because that didn't turn out as anticipated, this would be an alternative.

Commissioner Thornhill agreed and said he saw the citizen's board working similarly to the way the Charter Review Committee works. They could go into what has been done already, what the money is planned for, and what the money should be going for, though a good portion of it is going to pay debt service, and they may bring up issues that the Commission had not thought of. They could also work with city staff so when the next budget meetings come up they could provide the Commission with some good informative information. He said he would appreciate having the advisory committee.

Mayor Van Sickle said not all the Commissioners were able to find someone from their district to be on the board. Ms. Delmar said, as the new board would not start until January, there was time to vote on those that did and vote on the rest at the next meeting. Commissioner Carter nominated Narvell

Peterson; Commissioner Thornhill nominated Ed Bowlin, who declined; Commissioner Howell nominated Clinton Horne; and Commissioner Rogers nominated John Adkinson.

Commissioner Thornhill made a motion to appoint the recommended nominees: Narvell Peterson, John Adkinson, and Clinton Horne. The motion was seconded by Commissioner Carter.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 20. Discussion on Grand Hotel

Economic Development Director Harold Gallup reviewed the progress being made on the Grand Hotel making the following points about the parking lot issue:

- The contract being worked on is for a condominium project with commercial requiring 240 parking spaces, which meets all city parking requirements.
- The contract states that the City would work with the developer but the City is not obligated or bound by any legal statement to build a parking garage, nor is it forced to acquisition or buy any property.
- At some point parking will become a problem as it is with any downtown core project, but the City has conceptual visions to address that.
- The referenced parking garage that was shown on the plan was driven by the fact that the project would expand into extensive commercial uses. At that time the developer will have to work with property owners and apply for grants, with the City and the CRA being the beneficiaries.
- The parking spaces in front of businesses do not belong to those business owners. The formula used to determine required commercial parking spaces for urban centers is based on rotational usage.
- Time, development, the turn of the economy, and a number of other factors not within City control will shape the policy created by the City Commission, based on public input and staff recommendations to the City Manager.

Other comments about the Grand Hotel Project are as follows:

- The City and the CRA have no money at risk in the hotel but are the beneficiaries and the recipient of an estimated six million dollar piece of property that has generated absolutely nothing to date in taxes. Right now it generates no additional services, no customers on the streets, and brings no life to the downtown area. This project will change the dynamics of what the Lake Wales' urban core will look like in the next ten years.
- The people who put money into the project have no surety position. They are taking all the risk, are meeting all the requirements, and are moving forward.

Commissioner Rogers said that the RFQ referred to something like a city bond issue to pay for a covered parking garage being done jointly with the CRA. He said he did not object to the parking garage unless the City has to pay for it. He read Section 5.05 and asked the City Attorney if the City should pursue a joint stipulation so as to clarify the city's obligation in order to resolve the issue.

City Attorney Chuck Galloway said there was no reason whatsoever to pursue a joint stipulation. The response to the RFQ is simply a response. It says in its body that these are things they would like to pursue, but the contract does not include them. He said that the full integration clause of the agreement

does not include the specialty matters that are addressed in the response to the request for proposals. The interesting thing about the selective response that the City Commission and CRA approved is that it exceeded what the request for proposal asked for. It exceeds it because it says that they were goals they would like to work toward but they were not adopted as part of the contract between parties, so there is absolutely no reason to stipulate that they are not.

Commissioner Rogers said he just wanted to make sure the City is protected and does not have to build the parking garage. He said the City was giving them the hotel so they can sell it and keep all the money, so he does not think the City should build a parking facility for a private enterprise. Mr. Galloway said no requirement was included in the contract between the CRA, the City of Lake Wales through the City Commission, and Dixie Walesbuilt LLC that the City or the CRA would be required to finance or build a parking garage. He added that the opportunity existed for the future, if the developer buys the additional property, for them to ask for help from the City Commission. It would then be up to the Commission to say yes or no, but there is no obligation in the agreement to do that.

Commissioner Thornhill said he wanted to make it clear that the City Commission was not against the development of the property. They are behind it and want it to flourish, be productive, and be added to the tax rolls. He will be saying positive things about the project and hopefully investors will come and make the Grand Hotel a viable property.

Commissioner Carter said it was a good project and he hoped it would be successful. He asked if there was a reverter clause and Mr. Gallup said if the developer does not meet the terms of the contract by the deadline, the city will take it back. Commissioner Carter said it will take a lot more than the deadline's million-and-a-half to complete the project and asked what would happen if they go no further and it sits there, deteriorating again. City Attorney Chuck Galloway said there is no reverter clause at that point and the city and CRA will convey the property to them. There are no specific milestones or anything else at that point to make them continue but they would not get a return on their investment if they did not. Commissioner Carter said that if they do not continue and decide to walk away, the City would be back to square one with no recourse. Mr. Galloway said the City would have the same recourse it had before. If they abandon the project, it becomes a code enforcement problem and the city can take it back in that fashion, but there is no contractual provision that says that if they do not continue to perform after a certain point we can get it back. After they make that million-and-a-half dollar investment, it seemed logical to him that they would not then walk away. When they finish the outside skin, the windows and the first two floors, which are commercial properties, the assumption and expectation is that they will begin to make money, reinvesting that money with other investors to finish the remainder of the building so they can sell those homes to other investors.

Commissioner Carter asked how the million-and-a-half would be documented. Mr. Gallup said we would have access to bids and all the numbers. Commissioner Carter asked if we would get an audited financial statement and Mr. Gallup said it was not required but that our building official knows the industry standards. Commissioner Carter said the public thinks that nothing is being done. He said they may be doing work inside but in the meantime the building is still open to the elements. He asked if everything was on schedule and Mr. Gallup said there were a couple of elements that were not where he would like to see them and gave some examples of the snags they have come across and the amount of time and hardships it takes to correct them. He said the developer is doing everything methodically, is doing whatever is needed to qualify for tax credits, and is moving forward. He said he is comfortable with the progress.

Commissioner Carter said it was his understanding that Mr. Gallup was writing the reports that in the contract the developer was required to write. Mr. Gallup said when he meets with the developer every other month, he writes up a list of questions he wants answered, and writes the answers as he goes along. It did not seem to be a problem for him to write the report from his notes even though the contract said the developer was to do them. He said that he believed the reports were more detailed because of the questions he asked. He said the intent was to protect the citizens of Lake Wales and he believed that was not compromised by him doing the reports. He said he could make the reports available to the Commission if they desired.

Mayor Van Sickle gave an example of buying a car to explain why he was not as concerned as some of the other commissioners. He said that technically a brief report with not much detail or information could meet the terms of the contract. But meeting with the developer would give much better information and insight. He said the Commission did not need to worry about the progress until June or August. At that time the Commission would have a decision to make. If the terms of the contract are met the Commission will turn over the building. If they are not met the Commission will take the building back. He hoped the citizens would understand that.

CITY MANAGER'S REPORT

CITY COMMISSION TRACKING REPORT

There were no additions to the tracking report.

Police Chief Herb Gillis reported that the City of Lake Wales had been the victim of a significant theft. The City Manager and Finance Director had taken precautions to prevent additional loss and to inform the City Commission. A team of detectives from the Lake Wales Police Department were working with the Florida Department of Law Enforcement and the Office the State Attorney to investigate the theft, to identify the person or persons responsible and to recover the stolen money. He said he would bring updates if possible as the investigation progresses. He asked that all city employees refer all inquiries to the Police Department as they did not want information released that would hinder the investigation.

COMMUNICATIONS AND PETITIONS

Ed Bowlin, Circle Drive, asked that the Commission consider starting the process of developing a code of ethics for the City of Lake Wales and said the Executive Director of the Miami-Dade County, an expert in the field, would be willing to hold a workshop for the Commission. City Attorney Chuck Galloway said the Charter Review Committee finished its work the night before and one of the suggestions being brought to the Commission is that they adopt a code of ethics; and the proposal will also advise that in the event the code of ethics is to be changed or done away with, it would have to be by majority vote. So this is something that needs to be considered from a Charter standpoint.

Mr. Galloway said he received documentation from Mr. Bowlin that he significantly researched with the help of Miami-Dade County who were most cooperative. Miami-Dade had big problems because of the hugeness of the county and the amount of money that was involved, so over the years developed the code of ethics. It started in Lake Wales with the question of if a Commissioner sits on a particular board and comes forward to ask for funds for that board, should that be disclosed or should that Commissioner refuse to vote. The Charter Review Committee recommends that this be done, and it can be done. He said that if the Commission adopts a code of ethics and later decides to change the Charter and it goes before the voters, it would not surprise him in the least if the voters do not approve that.

City Manager Judith H. Delmar said that the Charter Review Committee is recommending that the City Commission have the authority to adopt a code of ethics that is more stringent than that provided in the Florida Statute. In the meantime, everyone on the Commission, as are the employees, is covered by the public employee Chapter 1.12. There is an ethics policy that governs everybody's behavior but the Charter Committee is recommending an ethics policy that is more restrictive.

Mayor Van Sickle said that trying to pass anything as a citywide code, would be iffy at best. He asked, if it doesn't pass, could the Commission institute an ordinance or would the Charter have to be changed before they could do that. Mr. Galloway said he could not answer that question but would look at the provision in Chapter 1.12 that gives authority and he would let them know at the next meeting. He said his gut reaction was that the community would think this was a good thing. Mr. Bowlin said that Miami-Dade Executive Director said that if the Commission wanted to adopt a code of ethics now, they could do it under ordinance, requiring a majority of Commissioners to both pass and repeal it, whereas what the

Charter Review Committee proposed was that it could only be changed by a supermajority. Ms. Delmar concurred and said that once it was put in place it would be harder to repeal.

Mayor Van Sickle said he wanted to start on it now instead of waiting. He asked if in a standard ordinance you could state that it would take a supermajority to repeal. Mr. Galloway said you could not do that with a standard ordinance and said that the only time that the city has had any impediment to Commission action by majority being a repealer was when the rails-to-trails project was rejected by the Commission but an initiative and referendum said they wanted it. Built into the initiative was a provision that the Commission could not change it and it would have to go to the voters again. In this instance there is not statutory authority by ordinance to require that a repealer provision be a supermajority because Chapter 166 requires a majority. The Committee considered that once it was adopted into the Charter, it could only be repealed by going to the electorate, but the balance of the committee thought the middle road would be a better approach.

Bob Kelly, 1149 Cephia Street, thanked the Commission for adopting the ordinance about Energy One and talked about the jobs it would bring to Lake Wales and the reuse water that will be used. He said there were several requests of businesses looking at that area, which will require additional water and facilities.

Harold Gallup, Economic Development Director, made several public announcements.

- December 10th there will be a ground breaking for the Dental Clinic on the corner of Lincoln Avenue and C Street with a completion date the end of February.
- Hampton Inn & Suites and Holiday Inn Express in Lake Wales won slots in the Legoland bed and breakfast program.
- The city is going forward with the runway extension plans to find out how much it will cost to construct.

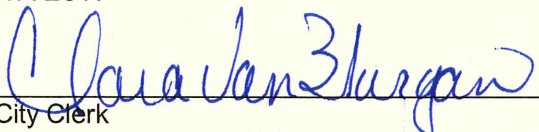
CITY COMMISSION COMMENT

Commissioner Thornhill reported that people are ignoring the Right Turn Only sign on the road between Perkins Restaurant and Race Trac gas station causing his daughter who is a new driver to almost have a collision. He counted at least 30 cars turning left there. Chief Gillis said he will step up enforcement but as soon as FDOT puts the planned median there, no one will be able to turn left.

There being no further business, the meeting was adjourned.


Mayor/Commissioner

ATTEST:


City Clerk