

The regular meeting of the Lake Wales City Commission was held on December 21, 2010 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor L. Jack Van Sickle.

### **INVOCATION**

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

### **PLEDGE OF ALLEGIANCE**

**COMMISSIONERS PRESENT:** Terrye Y. Howell; 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**

### **CONSENT AGENDA**

Commissioner Thornhill pulled Agenda Item 6 for further discussion.

**Agenda Item 5.            Approval of Minutes:**  
December 7, 2010, Regular Meeting  
December 9, 2010, Special Meeting

**Agenda Item 7.            Special Event Permit: "Lake Wales Car Show" – Temporary Road Closings**

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Katie Kinloch, Administrative Assistant to the City Manager]

### **SYNOPSIS**

Approval of the Special Event Permit Application will allow the "Lake Wales Car Show" to be held on the fourth Saturday of each month in the downtown area, temporary closing of Stuart Avenue from First Street to Scenic Highway, partial closure of S. Market Street from Stuart Avenue to the alley directly north of Central, temporary closing of the parking lot at the intersection of Stuart Avenue and SR17 between the hours of 3:00 p.m. and 8:30 p.m. for a period not to exceed six months.

### **RECOMMENDATION**

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

1. Approve the Special Event Permit application for the "Lake Wales Car Show" to take place the fourth Saturday of each month between the hours of 3:30 p.m. and 8:30 p.m. for a period not to exceed six months beginning January 1, 2011 and ending July 31, 2011
2. Approve the temporary closing of Stuart Avenue from First Street to Scenic Highway, the partial closure of S. Market Street from Stuart Avenue to the alley directly north of Central Avenue, and the parking lot at the intersection of Scenic Highway and Stuart Avenue (west side of SR17)

## **BACKGROUND**

Mr. Larry Bossarte and Mr. Mathew Schreier, Managing Member of Keller Williams Realty submitted a Special Event Permit Application to present the "Lake Wales Car Show" again in 2011. The "Lake Wales Car Show" would be held in the downtown area the fourth Saturday of each month beginning in January 2011. The event hours would be from 3:00 p.m. to 8:30 p.m. which includes set up and take down. They are requesting the temporary closing of the parking lot at the intersection of Scenic Highway and Stuart Avenue, closing of Stuart Avenue from First Street to Scenic Highway and a portion of Market Street north of Central Avenue.

This event will showcase custom, classic and antique cars which will be located along Stuart Avenue. Musical entertainment and food vendors will be set up on a portion of S. Market Street at Stuart Avenue and directly adjacent to the alley north of Central Avenue.

In order to prevent the sponsor from having to submit an application each month they have requested approval for a twelve-month period of time. Staff however is recommending a six-month permit be approved so that the City is not giving exclusive control to one event for the use of a public parking lot for an entire year. The new permit would be granted a start date of January 1, 2011 and an ending date of July 31, 2011.

City departments have reviewed the Special Permit Application and have approved the event providing that all requirements for site preparation, site cleanup, food vendor and licensing, sanitary facilities, proof of liability insurance to cover all activities are met and pending the City Commission approval of the event and the closing of Stuart Avenue, a portion of Market Street and the parking lot located at the intersection of Scenic Highway and Stuart Avenue.

## **OTHER OPTION**

Do not approve this special event permit application.

## **FISCAL IMPACT**

There will be no cost to the city associated with this event.

[End agenda memo]

## **Agenda Item 8. Special Event Permit: First Assembly of God " Kids Zone"**

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Katie Kinloch, Administrative Assistant to the City Manager]

## **SYNOPSIS**

Approval of the Special Event Permit application will allow the First Assembly of God to set up the Kidz Zone and other activities on the fourth Saturday of each month between the hours of 3:00 p.m. and 9:00 p.m. for a period not to exceed six months

## **RECOMMENDATION**

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

1. Approve the Special Event Permit application from the First Assembly of God for their "Kidz Zone" and other family activities on the fourth Saturday of every month between the hours of 3:00 p.m. and 9:00 p.m.

2. Approve the permit for the Kidz Zone for a time period not to exceed six months beginning on January 1, 2011 and ending on July 31, 2011

## **BACKGROUND**

Pastor Shawn Rudy of the First Assembly of God submitted a Special Event Permit application to continue presenting the Kidz Zone and other family activities on the fourth Saturday of each month between the hours of 3:00 p.m. and 9:00 p.m. The Kidz Zone includes a bounce house, face painting, balloons, stories and games. They originally requested the parking lot on the west side of SR17 at Stuart Avenue but have agreed to move their activities to the parking lot on the east side of SR17 at Stuart Avenue which belongs to the First Presbyterian Church located at 16 N. Third Street. This parking lot is the subject of a long-term agreement between the First Presbyterian Church and the City wherein the lot may be used for public parking in exchange for maintenance by the City. Approval has been given by First Presbyterian for the activities that will take place in the Kidz Zone.

In order to prevent the sponsor from having to submit an application each month, the First Assembly of God is requesting a permit for a twelve-month period. Staff however is recommending a six-month permit be granted so that the City is not giving exclusive control to one event for the use of a public parking lot for an entire year. The new permit would be granted with a start date of January 1, 2011 and ending on July 31, 2011. Prior to the expiration of the permit the church would reapply.

The First Assembly of God would be responsible for meeting all requirements for site set-up, site clean-up, sanitary facilities and insurance, proof of which they have provided to the City. They are required to notify the City at any time the event would be canceled during a given month. If at any time during the six month period changes or modifications are made to the event activities, a new special event permit application will be required.

## **OTHER OPTION**

Do not approve this Special Event Permit application.

## **FISCAL IMPACT**

There will be no cost to the City associated with the Kidz Zone event.

[End agenda memo]

## **END CONSENT AGENDA**

Commissioner Carter made a motion to approve the Consent Agenda excluding Agenda Item 6. The motion was seconded by Commissioner Howell.

By Voice Vote:

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

The motion carried 5-0

**Agenda Item 6. Special Event Permit: Dr. Martin Luther King Jr. Celebration and Parade – Temporary Road Closings**

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Katie Kinloch, Administrative Assistant to the City Manager]

## **SYNOPSIS**

Approval of the special event street closing request will allow the Dr. Martin Luther King Jr. Celebration to be held on January 17, 2011

## **RECOMMENDATION**

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

1. Approve the temporary street closings for the Dr. Martin Luther King Jr. Celebration and Parade to be held Monday, January 17, 2011. The time frame requested for the street closings for the parade is from 2:30 p.m. to 5:00 p.m. and for after-parade activities on Lincoln Avenue from approximately 4:30 p.m. to 8:00 p.m.
2. Approve the City's participation as a co-sponsor of the event so that we can waive the requirement that the MLK Committee reimburse the City for 25% of the cost of in-kind services.

## **BACKGROUND:**

Mr. Narvell Peterson, President of the Dr. Martin Luther King Jr. Celebration Committee submitted a Special Event Permit application for the Annual Dr. Martin Luther King Jr. Day Celebration and Parade to take place on Monday, January 17, 2011. The parade will start at approximately 3:30 p.m. at the James P. Austin Community Center, 315 Dr. Martin Luther King Boulevard and end at approximately 4:30 p.m. The day's celebration will continue after the parade along Lincoln Avenue with food and craft vendors, music and entertainment until 8:00 pm. The Celebration Committee will be responsible for getting the vendors to close promptly at 8:00 p.m. As part of the celebration the J. A. Wilshire Foundation is sponsoring a Community Health Fair at the B Street Center beginning at 10:00 a.m. and ending around 5:00 p.m.

The parade route involves the following streets;

The parade will begin on Dr. Martin Luther King Jr. Boulevard at the James P. Austin Community Center and will head north to Dr. J.A. Wilshire Avenue, turning left and continuing to E Street, turning right and continuing to Lincoln Avenue, then turning right on A Street and continuing on A Street until reaching Dr. J.A. Wilshire Avenue at which point the parade will turn left and continue to First Street, when reaching First Street the parade will turn right and continue until Park Avenue, at Park Avenue the parade will turn right and continue until Dr. Martin Luther King Jr. Boulevard, at this point the parade will turn right on Dr. Martin Luther King Jr. Boulevard and continue to the Austin Center where the parade ends.

The MLK Committee is responsible for site set-up, sanitary facilities and clean-up after the event concludes. All departments have reviewed the application and have approved the event. Lake Wales Police Department and VOICE will be assisting with pedestrian traffic and vehicular traffic control. The Streets Division will be assisting with the street closings, setting out trash containers and the normal trash clean-up on Tuesday.

The MLK Committee has requested that the City waive the reimbursement required for 25% of in-kind services provided by the City. This would be possible if the City Commission wishes that the City participate as a co-sponsor of the Annual Dr. Martin Luther King Jr. Day Celebration and Parade. This has been done in the past in order to waive fees associated with the rental of the James P. Austin Community Center for several of the events planned during the Celebration.

## **FISCAL IMPACT**

In-kind services for the City were budgeted for FY10/11 in the amount of \$5,642.00. The MLK Committee is responsible for 25% (\$1,881.00) of in-kind services unless the City Commission agrees that the City will co-sponsor this event, in which case there will be no reimbursement required from the MLK Committee.

## **OTHER OPTIONS**

Do not approve this event and road closings. Do not approve the City's co-sponsorship of the celebration and parade.

[End agenda memo]

Commissioner Thornhill said they had approved an ordinance on September 21<sup>st</sup> requiring special event sponsors to pay 25% of the in-kind services, so he was disappointed that they were falling away from that already. He said invoices for that 25% had been sent to the two organizations whose functions took place since it was passed and he feared that other organizations would be asking for a waiver if this one is waived. He said the Commissioners had a chart available to them at that September meeting showing the in-kind numbers, so they were aware of this event. He said he was not against having the special event, just the waiving of the fee. He said he would pledge \$100 towards that 25% fee if the MLK Committee started a fundraiser.

Commissioner Carter said he saw this event as a co-sponsored one with the City and that was why the fees could be waived, which he was in favor of.

Commissioner Howell said she thought this had already been a co-sponsored event and she was in favor of waiving the fees.

Commissioner Rogers said he received calls from other organizations who also wanted a waiver and they gave good reasons for wanting one. He said that if the Commission waives one fee, then it should waive them all because everyone should be treated fairly and equally.

Mayor Van Sickle said that when the Commission reviewed the list of events at the September meeting, none of the Commissioners had an issue with it. He said the annual MLK event draws many people but there are a lot of in-kind services associated with it. He did not believe they should make exceptions to an ordinance they just created and that only one of the three special events on the present agenda was being considered for an exception. He said that if the MLK event is waived he was sure there would be problems because every event from the Mardi Gras parade to the VFW will be asking for a waiver. He said he did not think the City should partner this event because the in-kind services of \$1800 would have to be found in the budget.

Commissioner Howell said that the MLK event was not a fundraiser but a community event and asked if the other events were fundraisers. She was told the others were not fundraisers either.

## **PUBLIC INPUT**

Mayor Van Sickle said they normally do not have public input on this but he would open it for public comment.

Linda Kimbrough, 301 Florida Avenue, said that Mr. Peterson, President of the MLK Committee, told her he had talked with someone from the City who told him the fees would be waived. Mayor Van Sickle said he would like to know who that person was because no one can speak for the Commission. Ms. Kimbrough said she did not know who it was but that Officer Tim Harrell told them they would use VOICE people as much as possible to reduce the in-kind services. City Manager Judith H. Delmar said that the in-kind service figures were based on prior year figures but all sponsors were given the opportunity to do more of the work themselves thereby reducing the in-kind cost. The fact that VOICE workers will be used instead of police officers for this event means that the in-kind service fee will be less, thereby reducing their 25%.

David Smith said the MLK celebration was started twenty-five years ago by the Recreation Director as a Community and City of Lake Wales partnership but at some point the City pulled out. Ms. Delmar corrected him by saying that it was not the Recreation Department that started it. She said that when the City Commission declared Martin Luther King Day as a Lake Wales holiday, the City Manager and the Commission appointed a committee to liaison with the northwest community to put on a Martin Luther King celebration. The City's designee from the City was the Recreation Director but could have been any employee. The event had been sanctioned by the City Commission but it was not a Recreation Department event. Over the years it became more of a Roosevelt, Green and Gold, and NAACP event rather than a City organized event. She added that the in-kind services are more now than they were then because of the length of the parade and the number of intersections that have to be covered. The event is not exactly like it was in those early days when the City was more involved as a co-sponsor. In the more recent past, the City said it would co-sponsor the part of the event taking place in the Community Center thereby waiving the rental fees. She said the City sponsors the 4<sup>th</sup> of July event 100% so she did not think it would be a stretch to call this event a cosponsored one seeing that there is a history of that. Mr. Smith said they still consider it a citywide co-sponsored event.

Mayor Van Sickle said that if we were to identify with this event it should have been done at the September 21<sup>st</sup> City Commission meeting and personally he thought they should not change it now.

Commissioner Thornhill asked if the \$1800 figure included the rental of the Community Center and Ms. Delmar said it did not. The fee was only the cost of the parade and the celebration afterwards.

Commissioner Thornhill made a motion to approve the temporary street closings for the Dr. Martin Luther King Jr. Celebration and Parade and the after-parade activities on Lincoln Avenue but NOT approve the City's participation as a co-sponsor or the waiving of the 25% reimbursement requirement. The motion was seconded by Mayor Van Sickle.

By Roll Call Vote:

Commissioner Thornhill	"YES"
Mayor Van Sickle	"YES"
Commissioner Howell	"NO"
Commissioner Carter	"NO"
Commissioner Rogers	"YES"

The motion carried 3-2

## **OLD BUSINESS**

### **Agenda Item 9. Ordinance 2010-32, FY2010/2011 Budget Amendment #1 – 2<sup>nd</sup> Reading & Public Hearing**

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 expenditures for cemetery improvements and gymnasium renovations as approved by the City Commission.

## **RECOMMENDATION**

It is recommended that the City Commission adopt Ordinance 2010-32 after second reading and public hearing.

## **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 second reading and public hearing 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. Hawkins 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 9.

**OPENED PUBLIC HEARING**

There were no comments made by the public.

**CLOSED PUBLIC HEARING**

Commissioner Rogers made a motion to adopt Ordinance 2010-32. 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

**NEW BUSINESS**

**Agenda Item 10. Resolution 2010-26, Approving Updated 2010 Polk County Local Mitigation Plan**

The full staff memo is incorporated into the minutes.

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



## **SYNOPSIS**

Resolution 2010-26 approves the updated 2010 Polk County Local Mitigation Plan. This plan is required to be updated every five years and approved by all local jurisdictions in order for Polk County to qualify for mitigation funding.

## **RECOMMENDATION**

Staff recommends approval of Resolution 2010-26 accepting the Lake Wales portion of updated 2010 Polk County Local Mitigation Plan adopted by the Polk County Board of County Commissioners on August 4, 2010.

This Resolution also authorizes city staff to pursue funding to implement the goals identified in the plan and pledges that Lake Wales will continue to participate with the County in mitigation planning including updating the project list as necessary.

## **BACKGROUND**

The Polk County Local Mitigation Strategy (LMS) is a document that FEMA requires before the County and all its jurisdictions can receive federal funding for mitigation projects. The purpose of the plan is to provide opportunities for the County and its jurisdictions to mitigate against natural hazards, especially hurricanes, in an effort to make them less vulnerable to their negative effects. By attempting to reduce the effects of these natural hazards, the County is protecting the citizens and its economy from potentially devastating events.

The Polk County LMS was first created in 1999. The 2010 LMS update was written in accordance with all FEMA and State of Florida guidelines. The updated plan includes documentation on the planning process, those involved in preparing it and how the public participated. It includes a risk assessment for every hazard affecting the county and its jurisdictions, as well as the mitigation actions that have been completed since the last plan, those that are in progress, or those that are proposed.

The purpose of the LMS is to create a plan to reduce the effects of hazards prior to the event. There are many types of hazards that local governments can face. Most of them are natural hazards such as severe storms, drought, earthquakes, volcanoes, floods, and high winds. Often, combinations of these result in adverse weather systems such as hurricanes and tornadoes. Some hazards are manmade, such as terrorism or chemical spills. Numerous mitigation actions can be taken to reduce the vulnerability of the county and its jurisdictions to these hazards. Only natural hazards will be addressed in this LMS.

The Polk County LMS is a multi-jurisdictional plan that assesses the vulnerability of the county and its jurisdictions to hazards and elaborates on the risk associated with each type of hazard. It evaluates local mitigation efforts that should be taken and their usefulness, as well as providing guidance for implementation at the jurisdictional level. Through adoption of this plan, the county and its jurisdictions will be eligible for federal funds to carry out their mitigation actions from HMGP and PDM grants.

The Lake Wales portion of the LMS contains projects to retrofit public buildings (City Hall, the Police station, Fire station, etc) with storm shutters and other improvements to harden the buildings against hurricanes and other storm events. These projects were included in the previously adopted LMS and were completed a few years ago. The Lake Wales project list requires updating and staff will work with the County to do so during the few months. It is essential, however, that the City approves the updated LMS now so that the county-wide plan may be approved.

Until the City adopts the updated LMS, the Lake Wales is not eligible for any FEMA mitigation funding. This includes several Federal grant programs for mitigation. The biggest potential funding source occurs following a Presidentially-declared disaster. The State of Florida has an enhanced mitigation state plan which makes 20% of all Federal money spent in the state eligible for mitigation projects. This could be

anywhere in the state not just here in Polk County. From Hurricane Charley alone in 2004, \$369 million in Federal mitigation funding was available in the state. The state plan at that time was not enhanced, so the percentage was only 7.5% of Federal money spent.

In order for the LMS to be approved, it must be adopted by resolution by every participating jurisdiction. Failure by any of the participant cities to accept and approve the plan will affect the eligibility of Polk County and all its cities to receive FEMA mitigation funding.

The projects list is continually updated, so completed projects can be removed and new ones added as needs are identified.

#### **OTHER OPTIONS**

Do not approve Resolution 2010-26.

#### **FISCAL IMPACT**

None

Ms. Hawkins read Resolution 2010-26 by title only.

#### **RESOLUTION 2010-26 Concerning the City of Lake Wales' Local Mitigation Strategy**

[End agenda memo]

Ms. Nanek reviewed Agenda Item 10.

Commissioner Thornhill asked for confirmation that they would be able to tweak the strategy later if needed. It was confirmed.

Commissioner Howell said she was happy that this was done because the City had not been prepared for the hurricanes in 2004 and only got \$500,000, which was much less than surrounding cities.

Commissioner Thornhill made a motion to approve Resolution 2010-26. 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 11. "B" Street Community Service Center: Lease Agreement and Conveyance**

The full staff memo is incorporated into the minutes.

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

#### **SYNOPSIS**

The Commission will consider renewal of lease to operate "B" Street Community Service Center through September 30, 2011 and conveyance of property effective October 1, 2011.

## RECOMMENDATION

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

1. Authorize the Mayor to execute the lease agreement with the Roosevelt Recreation & Social Club, Inc. for a term beginning January 1, 2011 and expiring September 30, 2011.
2. Authorize the conveyance of the "B" Street Community Service Center property to the Green & Gold Foundation, the not-for-profit arm of the managing tenant, Roosevelt Recreation & Social Club, effective October 1, 2011 and upon payment of \$1 in accordance with the intent of 1996 interlocal agreement between the City and Polk County.
3. Approve a grant in the amount of \$50,000 to be included in the FY11'12 budget request for the purpose of operating the "B" Street Community Service Center.

## BACKGROUND

In November 1993, the Northwest Community & Business Council (NWCBC) applied to Polk County for Community Development Block Grant funding for the acquisition and renovation of a 4,200 sq. ft. structure at 156 "B" Street. The building was to house a community service center and business incubator. The cost estimate was \$65,000.

Due to title problems and other matters, the project was reevaluated in 1995, and the estimated cost of the project was increased to \$140,000 by the County's Facilities Management Division. To move the project forward, the City agreed to contribute \$91,122 of its FY95'96 CDBG allocation.

In August 1996, the City and Polk County entered into an interlocal agreement that described the manner in which CDBG funds would be utilized and delineated the responsibilities and obligations of the respective parties. The Agreement provided that the property would be purchased by the County and that the County would provide for the rehabilitation of the structure. Upon completion of the project, the property would be conveyed to the City which would then enter into a long-term lease with the NWCBC as managing tenant. The NWCBC, during the term of the lease, would be responsible for insurance, maintenance, utility services, and other expense related to operation of the building. At the expiration of the lease term, the property would be conveyed to the NWCBC upon payment of \$1.

In June of 1997 Polk County Facilities Management engaged a local engineering firm to evaluate and prepare a report assessing the actual cost to renovate the building. At the conclusion of the evaluation, the cost was estimated at \$384,000, and, because neither the County nor City had the necessary funds, the project could not proceed as envisioned.

In a letter dated January 16, 1998, Mr. Loyce Harpe of the Polk County Housing & Neighborhood Development Division indicated that Polk County had allocated \$131,348.22 for the acquisition and demolition of the existing structure at 156 "B" Street. He also advised that Polk County had set aside \$140,000 for the construction of a new building at the site. In March 1998, the City and County executed a CDBG agreement for the funds to acquire and demolish the existing structure at 156 "B" Street. In April 1999, meetings were held between representatives of the NWCBC, the Roosevelt Recreation & Social Club, the City, and the County's Facilities Management and Housing & Neighborhood Development divisions. The purpose of these meetings was to finalize plans regarding construction of a new building at 156 "B" Street.

By this time, the scope of the project had evolved to include the construction of a 3,000 sq. ft. service center and associated parking lot at 156 "B" Street (blk 1, lot 22-2). As the size of the lot was viewed as problematic (5,586 sq. ft.), the City suggested the possibility of shifting the project to nearby lots (blk 4,

lots 2 through 4) that had been acquired by the City on January 20, 1999, through a Summary Final Judgment Quieting Tax Title action. To facilitate the project, the NWCBC executed a Quit Claim deed on adjacent lots 1, 5 and 6, and the north 10 feet of lot 7. This assemblage of lots (blk 4, lot 1 through the north 10 feet of lot 7) would allow for future expansion and for proper parking facilities.

Polk County demolished the structures located on lots 2 through 4 using funds from its county-wide demolition pool. In return, the City of Lake Wales conducted a Phase I Environmental Audit on the parcels and established there was no contamination.

In February 2000, Crossroads Construction of Winter Haven began construction of the building, designed by Terry Hunter of Pickett/Hunter Architects in Bartow. The building, located at 130 "B" Street, consists of two administrative offices, a multi-purpose room, and a computer training room. It is 3,432 sq. ft. in size and, at completion, was valued at \$508,689 including architect design fees. On December 1, 2000, Polk County officially transferred the "B" Street Community Service Center building to the City. During fiscal year 2000-2001, landscaping and parking improvements were completed by the City at a cost of \$66,905.

Although the NWCBC had been designated as managing tenant by the original CDBG agreement in 1996, both City and County representatives were expressing various concerns by early 1999 as to the ability of that organization to manage the facility. The status of the NWCBC was declared to be inactive in the database of the Florida Department of State, Division of Corporations with an administrative dissolution indicated on September 24, 1999 for failure to provide an annual report.

In a series of public meetings held in the latter part of 2000, and with considerable input from neighborhood leaders, the Roosevelt Recreation & Social Club was identified as the most appropriate organization to serve as the managing tenant of the facility. Inasmuch as NWCBC was now defunct and no longer a viable entity, Roosevelt was considered to be the "heir" to the original 1996 agreement between County CDBG and the City and was, as a result, substituted for NWCBC in all applicable provisions of the 1996 agreement.

Accordingly, a lease agreement was approved by the City Commission on December 19, 2000 which made the Roosevelt Recreation & Social Club responsible for managing the facility as well as providing community services in compliance with Housing and Urban Development/CDBG program rules and regulations. The initial term of the lease was from January 1, 2001 to September 30, 2001 with the option of up to 10 additional one-year terms. Roosevelt Recreation & Social Club is under contract with its not-for-profit arm, Green & Gold Foundation, to manage programs operated from the "B" Street Community Services Center.

It was the initial intent that the term of the lease renewal options coincide with the city's fiscal year, but in 2003 the lease renewal cycle was modified to coincide with a calendar year; i.e. expiring on December 30. There is nothing in the record to explain why this occurred. At this time, however, we are recommending a lease term that begins on January 1, 2011 and expires on September 30, 2011; i.e., the last day of the current fiscal year.

We are recommending a lease expiration date of September 30, 2011 because this date corresponds with the expiration of the eleventh year of the lease agreement as it was originally envisioned; i.e., an initial term with options to renew for 10 additional one-year terms. In keeping with the intent of the 1996 interlocal agreement between the City and the County, we are recommending that the "B" Street Community Service Center building, adjacent parking lot and the property upon which they were constructed (blk 4, lots 3 through 6) be conveyed to Green & Gold Foundation, the not-for-profit arm of the managing tenant at the expiration of the lease term.

Discussions about the conveyance of the "B" Street property have been held between city staff and representatives of the Green & Gold Foundation. These representatives appear to be very much in favor of accepting this conveyance; however, they have indicated a need for financial assistance to maintain current operating levels, at least for the first few years until they can generate the necessary financial

support from sources available to them (grants or other federal/state assistance, community contributions, etc.).

**FISCAL IMPACT**

City costs related to operating the “B” Street Community Service Center are shown in the following chart:

	Actual FY06'07	Actual FY07'08	Actual FY08'09	Actual FY09'10	Budget FY10'11
Maintenance & Repair	1,187	2,249	2,530	1,955	5,663
Utilities	4,813	8,228	6,763	6,460	6,500
Operating Supplies	108	33	6	44	100
Contract Services	214	214	214	214	214
Property & Casualty Insurance	1,699	1,865	2,383	2,317	2,887
Grant to B St for Admin Services	35,000	35,000	35,000	35,000	31,500
<b>Total</b>	<b>43,021</b>	<b>47,589</b>	<b>46,896</b>	<b>45,990</b>	<b>46,864</b>

(items included in each category are shown in the chart following this memo)

Cost of telephone service, office supplies, janitorial, repairs caused by damage or neglect of the managing tenant or its clients, workers' comp insurance and general liability insurance have been paid by the managing tenant throughout the term of the lease agreement.

The Green & Gold Foundation is requesting that Commissioners commit to a grant of \$50,000 in the FY11'12 Budget to operate the “B” Street Center at its current levels. Understanding that this commission cannot bind future commissions, they are also requesting a commitment from the Commissioners to attempt to budget financial assistance at close to this level for the next few years, providing funds are available to do so. Staff believes that this is a reasonable request and, because the “B” Street Center provides much needed services to the community that would not otherwise be provided, staff recommends that the City Commission make this commitment.

**OTHER OPTIONS**

Do not convey the “B” Street Center property to the Green & Gold Foundation. Retain City ownership of the property or seek proposals from other organizations in the city; however, neither of these options would satisfy the intent of the 1996 City-County interlocal agreement entered into as a condition for receiving CDBG grant funds to construct a community service center on “B” Street.

[End agenda memo]

City Manager Judith Delmar read the Agenda Item 11 memo in full for the record.

Commissioner Howell disclosed that she was a member of the Green and Gold Foundation, the Roosevelt Recreational Social Club, the American Legion, the Elks Club, The Roosevelt Alumni Association, plus others she may have forgotten, and said if there was a problem with her voting on this item she would leave. City Attorney Chuck Galloway said at present there was no impediment to her voting but if a stricter ethics policy is adopted by the Commission in the future, that scenario might change.

Mayor Van Sickle asked if it was somewhat nebulous to ask the present Commission to support the B Street Community Center for FY2011/2012 when it may not be the same Commission that approves that budget. Ms. Delmar said there will be only one possible Commission seat change in April. The Mayor said that one Commissioner could change the outcome of the vote. He said he agreed that the City should support the B Street Community Center but the Commission couldn't say for how long. Mr. Galloway said it was appropriate for the Commission to suggest for future Commissions what it would like to see happen, but it would not be binding unless it was something done contractually, which was not the case in this instance. So the Commission would simply be expressing a desire to future members of its body of what it thought should happen. The Mayor said he wanted that stated in the record so there would be no misunderstanding. Ms. Delmar gave a similar example that happened about this time last year when the Housing Authority came to the City Commission requesting a grant of maybe \$15,000 for landscaping. The Commission approved that and this year it was added to the budget and was approved. The Commission would be committing only to the intent.

Commissioner Thornhill said he was in favor of the support and knew that the Green and Gold Foundation had future plans to enlarge the facility. He said that turning it over to the Foundation would make it easier for them to get grants because it would no longer be a city facility.

Commissioner Carter said he thought this was simply bringing to a conclusion what was started ten years earlier and he was glad because the B Street Center houses many significant programs. He said he saw nothing wrong with the Commission voting its intent for the \$50,000. Ms. Delmar said that the \$50,000 was close to the amount the City had been making for many years so it would not be an additional expenditure.

Commissioner Rogers said this was basically the same deal that was done with the Depot Museum by turning it over to the Historic Society. He asked the City Attorney if the property had been conveyed yet and Mr. Galloway said it hadn't but he had just picked up what should be the complete inventory of all the items. The Historic Society will get a bill of sales for those and a deed for the property. Commissioner Rogers said he was in favor of turning the property over to the Green and Gold Foundation because they can do a much better job than the City can and the City needs to get out from under the responsibility. But he thought the amount should be \$30,000 instead of \$50,000 because that was in line with what the Depot Museum gets and he did not want any problems with the Historical Society. Ms. Delmar said \$30,000 would be less than what the B Street Center has been getting and so they would have to assume that additional cost. Mayor Van Sickle said the City had been funding the Depot Museum at a certain level but had to stop that funding when we turned it over to the Historic Society, which surely had to have had an impact on them also.

Commissioner Howell said she was happy with the City's support because no other agencies in Lake Wales serve the people daily in those capacities. She asked if Jennifer Nanek was the city contact person if an organization was seeking a state grant in Lake Wales and Ms. Delmar said the City acts as a conduit for some grants, like the CDBG grant for things like "Playgrounds Without Boundaries", that have to come through the City and cannot go directly to the organization. Those type applications have to come to the City Commission for approval but that would be the City's only involvement.

Commissioner Carter said the \$50,000 was for the continuation of existing programs and so to lesson that amount would seriously affect the services it provides for the community.

Commissioner Rogers made a motion to authorize the Mayor to execute the lease agreement with the Roosevelt Recreation & Social Club, Inc. for a term from January 1, 2011 to September 30, 2011; to authorize the conveyance of the "B" Street Community Service Center property to the Green & Gold Foundation effective October 1, 2011 upon payment of \$1 in accordance with the intent of 1996 interlocal agreement between the City and Polk County; and approve a grant in the amount of \$50,000 to be included in the FY11'12 budget request for the purpose of operating the "B" Street Community Service Center. 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 12. Sunrise Park Apartments – Impact Fee Agreement**

The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Margaret Swanson, Planning & Development Director]

**SYNOPSIS**

Approval is requested for an impact fee agreement with Norstar, developer of Sunrise Park Apartments, a 196-unit complex located on the south side of Burns Ave. at the Old Scenic Highway. The agreement authorizes water impact fee credits for construction by the developer of a water main connecting the development with the City's Burns Avenue water plant. The water line will provide required fire flow (water pressure) for the 5-story senior apartment building proposed in Phase 2 of the development and will improve the City's water distribution system in the neighborhoods on the south side of Burns Avenue. Reimbursement to the developer is capped at 50% of project costs, not to exceed \$50,000.

**RECOMMENDATION**

Staff recommends approval of the Impact Fee Agreement with Norstar Development for Phase 1 of Sunrise Park Apartments (72 multi-family units).

**BACKGROUND**

Impact fee credits for construction of public facilities can be granted by City Commission through a development agreement per sec. 23-770 of the City Code. Staff estimates that the construction of the proposed water main from the Burns Avenue water plant and Sunrise Park Apartments will benefit the City and the developer equally. Improving service south of Burns Ave. is desirable to the City, but the project is not programmed in the near future because of higher priorities for City funds.

Exhibit C of the agreement sets forth the details of utility impact fees and proposed credits. Under the agreement, Norstar will construct the improvement and will be reimbursed for 50% (not to exceed \$50,000) of the cost of the project. Final construction cost for reimbursement is subject to approval by the City per Code requirements.

An alternative formula for utility impact fees was authorized by the City Manager to allow a discount for affordable housing. The formula for a 6-inch meter for commercial development was used in lieu of the residential unit fee, resulting in a reduction of \$28,679. Per the alternative formula, the City's capital cost per gallon of water and wastewater flow is multiplied by the projected gallons of usage. Estimates of usage were provided by the applicant.

Credit for the water main construction is limited to the distribution portion of the water impact fee, which is 68% of the fee. For phase 1, water impact fees will total \$113,665 (\$1,568.78 per unit); all credits can be covered in this phase.

Plans for the main are included in construction plans for phase 1 of the project (72 multi-family units). The main will run from the plant southward across and under Burns Ave. to the apartment complex. The

project is necessary for adequate fire flow for phase 2, the 5-story senior apartment building. The applicant has been notified that the site development permit, to commence construction, is ready to be issued. Current activity on the site is limited to grading and tree removal.

The three phases of the project are:

- Phase 1 – West side of site – Old Scenic Highway  
72 multi-family units (in 11 buildings), the leasing office/community center, tennis courts (2 townhouse buildings with 6 units each, 3 townhouse buildings with 4 units each, and 6 buildings with 8 flats each.)
- Phase 2 – East side of site – 5<sup>th</sup> Street  
72-unit senior apartment building
- Phase 3 – Center of site  
52 multi-family units in 8 buildings (5 townhouses with 4 units each, 3 buildings with 8 flats each)

### **FISCAL IMPACT**

The agreement will authorize up to \$50,000 of water impact fees from the apartment project to be used for the proposed water main rather than for other projects on the capital improvements program. The benefit to the City is that the project cost will be shared by the developer.

### **OTHER OPTIONS**

The City Commission could turn down the agreement. The developer would then not receive credit for 50% of the water main construction and would have to pay 100% of the cost. The developer's other option would be to modify the plan for the 5-story building to meet requirements for fire flow.

[End agenda memo]

Ms. Swanson reviewed Agenda Item 12.

Commissioner Rogers said the Sunrise Park Apartment project was worthwhile because Lake Wales needs low rental housing. He said the Commission should work with the construction company and the Housing Authority so we can get this project underway.

Commissioners Howell, Thornhill and Carter agreed.

Rick Cavalieri, Development Manager for Norstar Development, talked about the overall impact fees, making the following points.

- Four or five years ago when development was high there was an exuberant expansion of the impact fees in Florida.
- The City's ordinance has a very limited scope for the definition of affordable housing; and the ordinance allows an extension of impact fees only if demolished units are replaced within three years, which requires them to pay impact fees for all 196 units.
- Their cost for state fees; city impact fees for sewer, water, library, parks, building permits, fire and police; and county school impact fees, for just the first phase of 72 units, is \$627,804.
- Because of budget cuts there are no funds available from the State.
- Though they built in the impact fees for the first phase, they were requesting the waiving of some fees for the other two phases.

Ms. Delmar said the five-year study for impact fees was expiring in January and the City needs to do another 5-year study. She agreed that the impact fees were based on development when at full swing



and expansion of facilities was proposed. The costs to serve new development should not be assumed by the existing residents through taxes but should be assumed by the developer through impact fees. With the new study the fees would most likely decrease so she suggested that further discussion on impact fees wait until the analysis is complete, though the Commission could still approve, in at least concept, the 50% impact fee credit. Ms. Swanson said the impact fee agreement concerns only the water and sewer fees and credits against the water impact fee. Norstar is getting a \$28,700 reduction in impact fees for sewer and water because of the alternative calculation that Ms. Delmar approved. There are arguments on Norstar's side that favor the possibility of further reductions, but the developer has to pay its share of the capital cost the City incurs in order to provide services.

Mayor Van Sickle said his concern was that Lake Wales has the appearance of being high priced for those services and developers are taking note. He asked if the studies would be done before Norstar goes into phase two and three and Ms. Swanson said that once they get started the studies will probably take five to six months.

Mayor Van Sickle asked if the city could do something about the window of opportunity they missed to get fee waivers because of the length of time it took to get the project going. Ms. Delmar said that was something that could be modified by the Commission. The Mayor said that needed to be done because the Housing Authority has been working hard to get more low cost housing here and this project will be a big asset for Lake Wales. She added that in this case there is somewhat of an argument for an extension because of the length of time it took to get started. Because it is federal property, they have had to go through a lot of paperwork and many hurdles to get where they are.

Commissioner Rogers said the county's exemption is for five-years whereas ours is three, so we may want to extend ours to five years to be compatible with the county and other cities. Ms. Delmar said that, in a period of high growth with lots of development, we would need to shorten that time because that's capacity you can't sell until that period is up. She said it may be very reasonable to say that during a period of slow growth, when we don't have a shortage of capacity, it could be shortened. It is a hardship for a project of this nature, with all the delays, and even if we don't amend it across the board, the Commission could make an exception by ordinance. Commissioner Howell said she was the City's liaison to the Housing Authority and she vouched that they have been trying to get this project going. She did not want them to miss that window because of our ordinance. Ms. Delmar asked Mr. Cavalieri if there were any time constraints for having the issue resolved and he said that they already prepared to pay for the first phase, but that would be an issue for the next two phases starting in probably 2012. He said that many cities have an ordinance with different impact fees written specifically for affordable housing. The Mayor said it looks like we have at least six months, so suggested tying it in with the review of our ordinances.

Commissioner Carter asked what the actual cost would be to the City for the water line connection and asked, if it turns out to be less than the \$50,000, if we could only bill them for the actual cost. Ms. Swanson said she would rather have Public Works Director Tom Moran answer that but he told her it would cost much less than \$100,000. Per the ordinance, he will be approving the amount of credit. Ms. Delmar said we would not write them a check for the difference but rather reduce the cost of the project in the form of credits. Mr. Cavalieri said the City would just cover half of whatever it does cost.

Commissioner Carter asked about the apprenticeship program that had been discussed when Norstar made its presentation and asked if that was still a possibility. Mr. Cavalieri said, because they were using stimulus funds on the first phase, there were a lot of deed restrictions, one being that by December 31<sup>st</sup> they have to spend 30% of the total cost of the project. So they have been scrambling to meet the deadline and haven't moved forward with the apprenticeship program yet, though he talked with several Polk County agencies and met with them once about the program. He said Norstar's goal is to use local businesses, minorities, and employees. He mentioned that people are lined up at their gate each morning looking for work. Commissioner Rogers asked who would pay for the apprentice program and Mr. Cavalieri said the agencies who supply the apprentices would pay for it. There would therefore be no cost to the sub-contractor or the City. He said the program was a good one, and though the apprentices don't actually do a lot of the technical labor, they at least are there to learn by observation.

Commissioner Rogers said he believed there already were water and sewer lines that were used by the prior 100 units so there should be no additional cost for the first 100 new units. Mr. Cavaleri said that was correct for the first phase but that the fire flow would not be adequate for future growth. Mayor Van Sickle said the need for the extension may have something to do with the pressure needed for the future high-rise building.

Commissioner Thornhill made a motion to approve the Impact Fee Agreement with Norstar Development for Phase 1 of Sunrise Park Apartments. The motion was seconded by Commissioner Howell.

City Attorney Chuck Galloway said that this motion was to approve just the 50% credit but not the agreement. Ms. Swanson said this amendment was only for the reimbursement against the impact fees of Phase One and the Commission can amend and adjust the impact fees in the future. Mr. Galloway said the motion then could remain the same.

By Voice Vote:

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

The motion carried 5-0.

### **Agenda Item 13. Force Main Cleaning for the Southside Force Main**

The full staff memo is incorporated into the minutes.

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

#### **SYNOPSIS**

Staff is requesting commission approval to piggy back on the City's September 2010 contract for force main cleaning services in order to clean the Southside force main.

#### **RECOMMENDATION**

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

1. Approve piggybacking the City's contract with Professional Piping Services that was awarded on September 21, 2010 for the Eagle Ridge force main cleaning to do the same work on the Southside force main at the same price per linear foot for the 12-inch main (\$1.35 per linear foot) and \$1.43 per linear foot for the 16-inch main.
2. Authorize the City Manager to execute the appropriate documents on the City's behalf to clean the Southside force main.

Alternatively, if the City Commission chooses not to approve piggybacking on the September 21, 2010 contract with Professional Piping Services, it is recommended that the City Commission approve Bid Document #10-221 Force Main Cleaning Services.

#### **BACKGROUND**

The Southside force main requires annual cleaning due to the distance the flows in the line have to travel to reach the wastewater treatment plant and the low flow conditions that currently exist for this force main.

This condition exists primarily due to the low flow resulting from lack of development in the area serviced by this force main. Sediment such as sand, plastics and paper tend to settle to the bottom of the pipe due to the low velocities of the liquid pushing the sediment. The method proposed for the cleaning of the force mains is called the progressive poly pig procedure, hence the name pigging.

Because of revenue shortfalls, the FY09'10 budget appropriated only enough funds to pig the Eagle Ridge Mall force main. Staff issued a request for bid for force main cleaning services with a bid opening date of September 14, 2010. City staff received one responsive bidder (Professional Piping Services, Inc) and made a recommendation to the City Commission to award the bid to that company. On September 21, 2010, the City Commission approved the award of bid and entered into a contract with Professional Piping Services, Inc. for the force main pigging.

When staff bid the pigging of the Eagle Ridge force main, the invitation to bid did not include a request for a price to clean a 16-inch main because there was no 16-inch main in the area to be cleaned. As a result, there was no price submitted by Professional Piping Services for a 16-inch main .

The Southside force main cleaning project requires the pigging of 6,274 feet of 12-inch pipe and 10,386 feet of 16-inch pipe. Staff contacted Professional Piping Services in November and obtained a quote of \$1.35 per linear foot for the cleaning of the 12-inch main (the same price per foot as provided in the September bid response for the Eagle Ridge force main cleaning) and \$1.43 per linear foot for the 16-inch main. Staff is requesting approval to piggyback on the September contract with Professional Piping Services inasmuch as they were the only bidder at that time and because they did a good job on the project.

Another alternative is to issue a new invitation to bid that includes a request for a price to clean the 16-inch pipe. If a new invitation to bid is issued, we would request an annual contract with the company receiving the bid award.

#### **FISCAL IMPACT**

If the Commission approves piggybacking the September contract with Professional Piping Services, the cost to clean the Southside force main will be \$24,572.88.

\$40,000 is budgeted in the Wastewater Division's FY10'11 M&R budget for the purpose of pigging sewer mains. Funding is provided by utility system operating revenues.

#### **OTHER OPTIONS**

There is no option in relation to cleaning the force main. Without this required annual cleaning, the force main could become plugged and become inoperable which, in turn, would cut off the sewer service for the developments that are being serviced by the Southside force main.

Staff is recommending that we piggyback our earlier contract with Professional Piping Services; however, the alternative option is to issue a new invitation to bid.

[End agenda memo]

Ms. Kirkland reviewed Agenda Item 13.

Mayor Van Sickle said he did not like the term "piggyback" and thought that because it was an addition to an existing contract, the term should be "modified". He said he found it hard to believe with the slow economy that only one vendor bid on it, so somehow we were doing something wrong. It may seem like semantics but the term "piggyback" makes it look like we were taking a shortcut instead of going out for another bid. What we want to do is use the same company so we get the same per-foot requirement to clean a 16" pipe that is not currently in the contract.

Commissioner Rogers said he would like to get away from "piggybacking". Due to the economy, there are many companies willing to take contracts a little above cost to keep their companies going and their people working. Going out to bid may be a little bit more work on staff but the Commission has stated before that it wants to use bids rather than piggybacks. Ms. Kirkland said the second option in the memo was to take it back out for bids. Mayor Van Sickle said they were not doing this to create more work for staff but to get a variety of prices.

Commissioner Howell asked for confirmation that only one contractor responded to the bid when it went out and Ms. Kirkland confirmed and said the previous year they got two. Commissioner Howell said she did not have a problem with piggybacks but she didn't care what they called it as long as the work got done. Mr. Galloway said that the Mayor was suggesting changing the wording from "piggyback" to "modifying the contract".

Commissioners Thornhill and Carter said they also preferred the word modification.

Commissioner Carter asked how many force mains there were in the City and Ms. Kirkland said there were many force mains but only two that require pigging; the one on US 27 that runs from Lake Ashton south to Henry Street, and the Southside force main. Mayor Van Sickle said the one on US 27 is getting about 1% of its use, which is not enough to keep the flow going, and the Southside main was the same way so once we have more development there won't be that cost. Ms. Delmar said that originally when they put out the bid about four months ago, it was for both the Eagle Ridge and Southside force mains together but because of shortfalls in wastewater revenue at that time, they had to amend the budget downward and the pigging of the Southside force main was pulled. She added that piggybacking really refers to tagging onto someone else's contract, which would not apply in this case, and it was really a modification of our existing contract.

Commissioner Howell made a motion to approve the modification of the City's existing contract with Professional Piping Services and authorize the City Manager to execute the appropriate documents on the City's behalf. The motion was seconded by Commissioner Thornhill.

By Roll Call Vote:

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

The motion carried 5-0.

**Agenda Item 14. Lease Agreement with Polk County Fleet Maintenance for Additional Utility Vehicles**

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 modify the lease agreement with Polk County Fleet Maintenance for the lease of five additional vehicles with the option to purchase at the conclusion of the eight year lease.

**STAFF RECOMMENDATION**

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

1. Approve the lease of five additional vehicles for both the Waste Water and Water Departments from Polk County Fleet in the amount of \$9,530.10 per year. At the end of eight years the City will have the option to purchase the five vehicles for a total of \$22,000.
2. Authorize the City Manager to execute the appropriate documents, on the City's behalf.

## **BACKGROUND**

The Water and Waste Water Divisions are faced with using equipment that is 11 to 16 years old for everyday operation. Because of the age of this equipment, staff has encountered down time to the tune of 449 hours total for the five vehicles listed within the last two years. The time reported as down time, is the hours in which a mechanic was actually working on these vehicles. This time does not include any time the piece of equipment was parked in the maintenance yard or at one of the other facilities waiting to be worked on. Problems addressed include, but are not limited to, work on the transmission, suspension, cranking system, ignition, steering, fuel system, cooling system, and engine. All these vehicles are essential to the maintenance and repair of the distribution and collection transmission systems and the daily operation of both the water and wastewater treatment plants.

During the last two years, these vehicles have been in constant need of repair. Staff had originally planned for the purchase of replacement vehicles in earlier 5-yr CIP schedules, with \$100,000 budgeted in FY10'11 and \$50,000 in both FY11'12 and FY12'13. Due to the economic state of the city, staff had continually put off the replacement of these vehicles until such time as funds would allow or a better alternative was presented. Purchase of replacement vehicles was deleted from the 5-yr CIP adopted in September 2011, and funds were included in the FY10'11 operating budget for the lease of vehicles instead.

Staff is seeking commission approval to enter into an amended contract with Polk County Board of Commissioners – Fleet Management Division to provide the following five vehicles for a cost of \$9,530.10 per year, providing at the end of eight years the City will have the option to purchase the five vehicles for a total cost of \$22,000.

## **OTHER OPTIONS**

Water Department Vehicle options:

- 1) A full purchase would result in a current year decrease of cash flow of \$38,984.38 for both vehicles (F-250 w/8' Service Body & F-150 Regular Cab 4 x 2 8' bed).
- 2) The lease purchase option with Polk County would result in a yearly decrease in cash flow of \$3,799.39. The City would then have the option in the eighth year to purchase both vehicles for a total price of \$10,000. Net cash flow over the life of the lease would be \$40,395.12.
- 3) Retain the existing two water department vehicles (1997 F-350 w/ 92,741 miles & 1997 F-150 w/ 201,034 miles) and continue to have an estimated cost of up to \$17,685.44 for repairs. This amount represents the cost of repairs for both vehicles within the last two years.

As with all purchases, if the City were able to purchase items without the use of financing this would result in the lowest overall cost but the greatest single annual cash flow decrease. If the City decided to use financing options, the Polk lease purchase option would result in the lowest financing cost over the life of the lease. The interest costs of the Polk lease purchase option is \$1,410.74.

Wastewater Department Vehicle options:

- 1) A full purchase would result in a current year decrease of cash flow of \$57,262.48 for three vehicles (F-250 w/8' Service Body & (2)F-150 Regular Cab 4 x 4 6' bed).

- 2) The lease purchase option with Polk County would result in a yearly decrease in cash flow of \$5,730.71. The City would then have the option in the eighth year to purchase the three vehicles for a total price of \$12,000. Net cash flow over the life of the lease would be \$57,845.68.
- 3) Retain the existing three wastewater department vehicles (1995 F-250 w/ 104,427 miles, 1998 F-150 w/ 66,505 miles, & 2000 F-150 w/61,002 miles) and continue to have an estimated cost of up to \$11,093.95 for repairs. This amount represents the cost of repairs for the three vehicles within the last two years.

As with all purchases, if the City were able to purchase items without the use of financing this would result in the lowest overall cost but the greatest single annual cash flow decrease. If the City decided to use financing options, the Polk lease purchase option would result in the lowest financing cost over the life of the lease. The interest costs of the Polk lease purchase option is \$589.20.

## **FISCAL IMPACT**

The City Commission has appropriated operating revenues in the amount of \$7,000 in the Water Department budget for vehicle leases in FY2010'11. Though FY 2016'17, the Water Department would require annual appropriation of \$6,487.58 (\$2,688.19 existing obligation + \$3,799.39 proposed). FY 2017'18 would require annual appropriation of \$3,799.39.

The City Commission has appropriated operating revenues in the amount of \$8,500 in the Wastewater Department budget for vehicle leases in FY2010'11. Though FY 2016'17, the Wastewater Department would require annual appropriation of \$7,526.37 (\$1,795.66 existing obligation + \$5,730.71 proposed). FY 2017'18 would require annual appropriation of \$5,730.71.

It should be noted that the City Commission approved the lease of a backhoe for the Wastewater Department on July 22, 2010. This piece of equipment was delivered in October and requires an annual appropriation of \$13,876 through FY2014'15. This lease obligation is budgeted separately from the vehicle leases and is also funded by operating revenues.

[End agenda memo]

Ms. Kirkland reviewed agenda item 14.

Mayor Van Sickle said that when Ms. Delmar looked into the leasing agreement, she had been as shocked as he was at the difference in cost on a new vehicle versus an old one. When they started leasing the vehicles there was quite a savings to the budget so it only makes sense, if the money is in the budget, which it apparently was, to get rid of the vehicles that cost the City thousands of dollars for maintenance and get something new that is under warranty.

Commissioner Carter said he had been curious how the unit number prices came about so he scheduled a meeting with Phillip and Bob Weikert at Weikert Ford to explain the process, and he went away very pleased with what the Purchasing Department did. The City buys units at the dealer's invoice price from the Ford manufacturer, less whatever rebates and holdbacks there may be from the manufacturer, plus government discounts. The price the City ends up paying is less than net and it can't get any better than that. He congratulated and commended staff for doing this.

Though Commissioner Carter said the price was right, he said he was concerned because leasing is just another form of debt so he would like them to discuss other options for at least some of the units. Ms. Delmar said the lease prices are less than what was budgeted and the only funding for an outright purchase would be using water and wastewater impact fees, which would reduce the amount of capital the city has. Mayor Van Sickle said debt is a big problem for the City but the biggest problem is cash flow. Finance Director Dorothy Pendergrass said she wanted the Commission to realize that if they chose to use impact fees at this time, which they can do, it will not be available for the 5-year CIP projects that have been identified by the Commission. The only other source available would be utility unrestricted cash, but to take away from retained earnings for an outright purchase would be going in the same

direction that the utility fund and other funds of the City have gone. She said the Finance Department will be coming back to the Commission probably at the end of March with a draft for several options relating to utility fee increases. She said that increases to the water and sewer fees over the eight year period would be about seven cents and she did not think the Commission or the Finance Department were ready at this time to commit operating resources to fund future projects when we don't know what the impact of the rates will be. She said the rate structure in the utility fund cannot sustain the capital projects that are out there. She agreed that a lease is a debt but it is an available option until the Commission is ready to commit to a new rate structure.

Commissioner Thornhill made a motion to approve the lease of five additional vehicles from Polk County Fleet in the amount of \$9,530.10 per year and to authorize the City Manager to execute the appropriate documents on the City's behalf. The motion was seconded by Commissioner Howell.

By Roll Call Vote:

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

The motion carried 5-0.

#### **Agenda Item 15. Appointments – CRA Citizen Advisory Committee**

Commissioner Thornhill nominated Robert Bryant and Mayor Van Sickle nominated Murray Zacharia for the CRA Citizen Advisory Committee. The nominations were approved by consent.

#### **CITY MANAGER'S REPORT**

City Commission Tracking Report

City Manager Judith H. Delmar presented a new format for the Tracking Report that Special Projects Manager Jennifer Nanek would be taking over.

Mayor Van Sickle and Commissioner Carter said they liked the new format. Commissioner Carter asked if that same format was available online and Ms. Delmar said that right now it was posted with the agenda but once approved by the Commission she will make a separate link to it.

Mayor Van Sickle reported a change to the Mountain Lake Cut-off Road entry. He said he got a call from the design engineer who was involved with the project two-and-a-half years ago, who had a concern that the City was expecting the light to be turned on after installation, which was not the TPO's current objective. Their objective is to put in the left turn-lanes to alleviate some of the problems and then do a study to determine if there is sufficient traffic to merit a stoplight. If there is merit, the lights will be changed from one blinking to a light at that time. He said there had been months of discussions but in the end, the TPO flatly refused to turn on the light because they think the turn-lanes will increase the safety.

#### **COMMUNICATIONS AND PETITIONS**

Judson Bracewell from the non-profit, Lake Wales Repeater Association, distributed a handout and said that about four years ago they had an agreement with the previous City Manager to have their antennae on the water tower at the high school. Their antennae malfunctioned lately and they were asking for access to it.

Ms. Delmar said the problem is that the agreement with the prior City Manager was made by handshake and a formal agreement approved by the City Commission is needed. She said she had no problem with the request, but it needed to be legitimized.

Mr. Bracewell said that just before the meeting he found out that they have to also be incorporated. City Attorney Chuck Galloway said that they previously were incorporated but it had been administratively dissolved about 15 years ago for failure to keep the corporation going. He said they needed to reinstate that corporation because they can't enter into insurance or any other contract until it is.

Ms. Delmar said utility staff had concerns about the security of the water tower with them having direct access.

Mayor Van Sickle said he did not think the Commission had a problem with the request, but they did have concerns with handshake deals because that has cost the City money in the past. He did not think the Communications and Petitions portion of the meeting was the avenue for which to work this out but it should be through city staff. Ms. Delmar asked Mr. Bracewell to call and set up a meeting and they would talk through the issues. She said they would need a lease agreement to make sure the public is protected from liability and once the issues are worked out and a lease agreement is drafted, it will be brought to the City Commission.

Greg Massey, 1332 Morningside Dr., had an issue with an incident that happened on the past Friday night at his business. Mayor Van Sickle said they could not discuss the issue because there was an ongoing police investigation and City Attorney Chuck Galloway concurred. Police Chief Gillis said that as the investigation continues, Mr. Massey would be contacted.

Mr. Massey expressed his concern that the police were going too far in enforcing the open container law in the northwest district.

Mr. Massey also voiced a complaint with what he perceived as having only one bid for the vehicles leased from Wiekert Ford. Mayor Van Sickle said there were actually three bids.

#### **CITY COMMISSION COMMENTS**

Commissioners Carter, Thornhill, Howell and Rogers wished everyone a merry Christmas and happy New Year.

Mayor Van Sickle said that city staff was very much shorthanded and has been trying to do a lot with less. He said the Commission had discussed and approved the hiring of an Assistant City Manager and he thought it was time to start the process so one could be groomed to fill the City Manager's position when she leaves office. An Assistant would be able to take some of the load off the City Manager so she does not have to work 60-70 hours a week. Commissioner Howell said she didn't think there was money for that in the budget and the Mayor said they would have to do a little creative financing. He said he thought it would take 60-120 days to find an Assistant, which would mean they would only have to come up with the money for no more than six months for this fiscal year, if they could even find one that quickly. He said once they get the final audited budget report sometime in January, the Commission will know more about its finances. Finding the money in the budget will be a struggle but he thought it would be doable.

Commissioner Howell asked if the Assistant City Manager would become the City Manager when Ms. Delmar leaves. Ms. Delmar said they would need to go out for a nationwide search with the understanding that he or she would become the City Manager, subject to an evaluation by the City Commission six months prior to her retirement. If the evaluation was not favorable, the City would go out for another search, this time for a City Manager. Commissioner Howell asked if the search would start after the Commission's evaluation of her and Ms. Delmar said yes and that the evaluation would be sometime this summer. Commissioner Howell asked if the Commission would also evaluate the Asst. City Manager and the Mayor said the City Manager would do that. Ms. Delmar said she wanted the Commission to take part in that evaluation to make sure the person meshes with the Commission.

Commissioner Howell asked if they were already paying someone from the Finance Department and Ms. Delmar said that was to replace the Senior Accountant who will be retiring before she does. Commissioner Howell asked if that person would be evaluated and if so by whom. Ms. Delmar said the Department Head would do that evaluation.



Mayor Van Sickle expressed his concern about security at Commission Meetings after seeing in the news about the shooting at a school board meeting in Panama City and requested tightening the security with an ordinance limiting concealed weapons in the Commission Chamber to only the police. He said he was a proponent of people having a permit to carry weapons, but even by Florida Statutes people are not allowed to carry a weapon into a city business. He said that even police officers are not allowed to enter the Bartow Courthouse with their guns.

Commissioner Howell said if the weapon was concealed you wouldn't know they have one unless you patted them down. The Mayor said he would leave that up to the police department.

Commissioner Carter asked if there was already an ordinance against carrying concealed weapons and there was. He said if someone has a permit to carry a concealed weapon, he did not think Commissioners were the ones to take that right away from them. Chief Gillis said they were not allowed to carry concealed weapons in a public meeting. Commissioner Carter wondered what else could be done. Chief Gillis said they need to review their security policy to make sure it is complied with, and maybe limit weapons to active or on-duty officers. He said he would do some research and then report back. Ms. Delmar asked how they would enforce it. Chief Gillis said that would be part of the review and he would work with the City Attorney to check on the legality of it.

Commissioner Thornhill said the ones who planned on shooting someone would ignore the law anyway. He suggested that using a shield on the podium would be cheaper or using one of the wands you wave for metal detection and Chief Gillis said they had one of those.

Commissioner Howell said she was glad there were police officers at the meeting that could protect them. She said she really did not think something like that shooting would happen here. The Mayor said you never know and that is why he wanted it checked out to see if there was something that could be done to protect them.

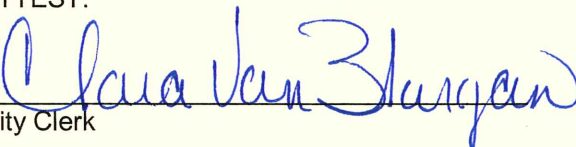
Commissioner Rogers said he was quite comfortable with carrying firearms.

Mayor Van Sickle announced that the construction of the dental clinic on Lincoln Avenue had begun and he hoped that it would bring more businesses to Lincoln Avenue.

There being no further business, the meeting was adjourned.

  
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Mayor/Commissioner

ATTEST:

  
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City Clerk