

The regular meeting of the Lake Wales City Commission was held on July 3, 2012 at 6:00 p.m. in Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Michael S. Carter following the Invocation and Pledge of Allegiance at 6:04 p.m.

INVOCATION

The invocation was given by Fire Chief James Brown.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Michael S. Carter; Christopher Lutton; Betty Wojcik, Terrye Y. Howell; Jonathan Thornhill

COMMISSIONERS ABSENT: None

CITY REPRESENTATIVES PRESENT: Terry Leary, City Manager; Albert C. Galloway, Jr., City Attorney; Clara VanBlargan, City Clerk; Jacque Hawkins, Deputy City Clerk;

[Meetings are recorded but not transcribed verbatim]

MAYOR

Agenda Item 5. PROCLAMATION: Florida Water Professionals Week; August 12-18, 2012

CONSENT AGENDA

**Agenda Item 6. APPROVAL OF MINUTES: June 19 2012, Workshop Meeting
June 19, 2012, Regular Meeting**

**Agenda Item 7. Lease Agreement Extension for Polk Workforce Development Board, Inc
d/b/a Polk Works at the James P. Austin Jr. Community Center**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The extension of the lease agreement will allow Polk Works to continue the Young Leaders program at the James P. Austin, Jr. Community Center until June 30, 2013.

RECOMMENDATION

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

1. Approve an extension of the lease agreement with Polk Workforce Development Board, Inc. d/b/a Polk Works to operate the Young Leaders program at the James P. Austin, Jr. Community Center for a term expiring June 30, 2013.
2. Authorize the City Manager to execute the agreement.

BACKGROUND

Removing obstacles to employment will take a community effort, with representatives from many sectors including churches, government, businesses, education, and job training agencies. The Young Leaders

program provides academic support and employment training to adults between the ages 16 and 21 who reside in Polk County. The program is free to those who qualify and assists youth in gaining the necessary academic and workplace skills needed to become successful as they move into adulthood.

The tenant agrees to use the property for the sole purpose of operating the employment and training program for adults and children. It will operate Monday through Friday. Designated office space shall be utilized from 8:00 a.m. until 5:00 p.m. There is no usage fee required of this tenant. There may be additional fees charged at the regular inside-city rate for any special events sponsored by Polk Works that take place at the center outside of the regular operating hours.

The City Commission approved an annual lease with Polk Works since June 2007.

FISCAL IMPACT

There is no cost to the City if this lease is approved.

OTHER OPTIONS

Deny approval of the lease agreement; however, by not approving the agreement, this organization will need to find another facility to run this program.

[End agenda memo]

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

By Voice Vote:

Commissioner Thornhill	"YES"
Commissioner Howell	"YES"
Commissioner Lutton	"YES"
Commissioner Wojcik	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

OLD BUSINESS

Agenda Item 8. Ordinance 2012-09, International Property Maintenance Code and Related Code Enforcement Procedures – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The City Commission will consider adopting the International Property Maintenance Code and related Code Enforcement procedures that will prescribe standards for maintaining residential structures in the City as well as create new, revised and updated standards for commercial properties.

RECOMMENDATION

City staff requests that the City Commission adopt Ordinance 2012-09, on second reading and public hearing, the International Property Maintenance Code 2009 as a part of the Code of Ordinances of the City of Lake Wales.

BACKGROUND

On February 7, 2012 the City Commission held a workshop in order to discuss Code Enforcement. At that workshop, staff presented several examples of ordinances and procedures that are being implemented by surrounding cities and towns in order to eliminate blighted properties within their jurisdictions and provide a safe, clean appearance.

Many properties within the City are blighted, unkempt, abandoned and in many cases are a health and safety threat. The appearance of some of these properties does nothing to further the economic development of the City. The existing codes do not adequately address the standards necessary to accomplish our goals. If the Commission would adopt the IPMC (International Property Maintenance Code) it would, for the first time prescribe standards for maintaining residential structures in the City as well as create new, revised and updated standards for commercial properties.

Notable highlights of the IPMC (with local amendments) include:

- Increased enforcement of "living standards" regulations (light, ventilation, living space, heating and sanitation) in housing quarters, improving overall quality of rental units;
- Increased focus on the commercial sector, requiring that commercial structures be maintained to minimum standards similar to residential buildings;
- Legislative authorization for officers to use any available method of code enforcement to bring an IPMC violation into compliance, including citations, need for correction/removal before the City's Code Enforcement Board.
- Creation of an enhanced ability for City officials to "close" or secure dangerous or abandoned structures (commercial or residential) in an effort to protect the health, safety and welfare of the general public should the situation require; and
- Allowance for modification to IPMC requirements as determined by the City, should such modifications be necessary.

The Building Official is now in charge of Code Enforcement. His knowledge and training will ensure our ability to interpret the Code and work with the community to achieve compliance and to be as flexible as possible. Our current Code Officer has received adequate training and certifications to begin implementation. We have added another Code Officer and he will be required to attain "ICC Property Maintenance and Housing Inspector" certification.

In addition to the IPMC, the ordinance would address nuisance abatement liens which would have "special assessment" and "super lien" status (equivalent to the lien of municipal taxes) to prevent their discharge in a foreclosure action. Staff has worked closely with our City Attorney to draft a sound document according to law. Finally, new Section 12-219 of the Code of Ordinances would allow the City Manager the discretion to prepare a non-ad valorem property tax assessment collection resolution for consideration by the City Commission for unpaid abatement and correction liens, should such measures be deemed necessary.

OPTIONS

Do not approve Ordinance 2012-09

FISCAL IMPACT

Redevelopment of the City of Lake Wales and economic expansion will most likely progress at a slower rate if the problem is not addressed.

[End agenda memo]

City Clerk Clara VanBlargan read Ordinance 2012-09 by title only.

AN ORDINANCE RELATING TO PROPERTY STANDARDS AND ENFORCEMENT; REPEALING SECTIONS 7-180 THROUGH 7-188, INCLUSIVE, SECTIONS 12-36 THROUGH 12-41, INCLUSIVE, AND 12-71 THROUGH 12-79, INCLUSIVE OF THE LAKE WALES CODE OF ORDINANCES; ESTABLISHING THE MINIMUM REGULATIONS GOVERNING THE CONDITIONS AND MAINTENANCE OF ALL PROPERTY, BUILDINGS AND STRUCTURES IN THE CITY; PROVIDING THE STANDARDS AND CONDITIONS ESSENTIAL TO ENSURE THAT STRUCTURES ARE SAFE, SANITARY AND FIT FOR OCCUPATION AND USE; PROVIDING FOR THE CONDEMNATION OF BUILDINGS AND STRUCTURES UNFIT FOR HUMAN OCCUPANCY; AUTHORIZING THE CITY'S CODE ENFORCEMENT BOARD TO HEAR APPEALS OF CHAPTER 12 ADMINISTRATIVE ABATEMENT ORDERS; GIVING CHAPTER 12 ABATEMENT LIENS SPECIAL ASSESSMENT STATUS AND SUPER-PRIORITY; AUTHORIZING THE CITY COMMISSION TO COLLECT CODE ENFORCEMENT SPECIAL ASSESSMENT LIENS ON PROPERTY TAX BILLS; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY, CONTINUANCE OF LEGAL ACTIONS, CODIFICATION AND AN EFFECTIVE DATE.

Building Official Cliff Smith reviewed Agenda Item 8.

OPENED PUBLIC HEARING

There were no public comments.

CLOSED PUBLIC HEARING

Commissioner Thornhill made a motion to adopt Ordinance 2012-09 on second reading and public hearing. The motion was seconded by Commissioner Howell.

By Roll Call Vote:

Commissioner Thornhill	"YES"
Commissioner Howell	"YES"
Commissioner Lutton	"YES"
Commissioner Wojcik	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

NEW BUSINESS

Agenda Item 9. Preliminary Financial Statements for May 31, 2012

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The preliminary financial statements report revenues received and expenditures made through the end of May 31, 2012.

The unaudited financial statements for the City of Lake Wales for the Period Ending May 31, 2012 are presented to the City Commission for review. At the end of May 31, 2012 the City was 66.7% into the fiscal year.

General Fund (001), page 2:

The Finance Department has concerns that General Fund revenues on September 30, 2012 will be under budget expectation by \$231,000. The following revenue sources appear under budget expectations by the following amounts:

Ad valorem taxes	\$80,000
Communication svc tax	51,000
Franchise fee - electric	100,000
	<u>\$ 231,000</u>

Coupled with reduction in revenue received from the sources listed above, the City has received the June 1st estimate of taxable value from the Property Appraiser's Office. Like last year, this year's news is not good. The City's taxable value has been reduced by \$36,311,041 or -6.05% from current year. At the current millage rate of 7.9998 this is a reduction of \$315,343 in ad valorem revenue for the FY12'13 budget year (-\$237,339, General Fund; -\$22,050, Library; -\$55,955, CRA). The CRA has taken a 9.91% drop in value, and we can expect an approximate decrease of \$47,599 in the County's tax increment payment to the CRA as well (at the County's current tax rate). So next year's outlook for city revenue based on property values, at the current millage rate of 7.9998 is an overall drop of slightly more than \$362,942.

In order to preserve fund balance and create a surplus during FY 2011'12 to help the City fund next year's operating budget, the City Manager effective June 22, 2012 issued a spending and hiring freeze for the remainder of FY 2011'12. No purchase is to be made unless departments operations cannot continue without the purchase. No vacant position is to be filled unless department operations will cease to function or the safety of the public or other department employees will be placed in jeopardy.

Transportation Fund (102), page 7:

The Finance Department has concerns for various fuel tax revenues, which are slightly below budget expectations (estimated combined amount of \$37,200). Finance has spoken to the appropriate personnel to make them aware of possible funding issues. Staff is mindful to watch costs for the remainder of FY 2011'12 within this fund.

CRA Fund (105), page 11:

CRA tax increment revenues are below budget expectations by \$22,126.

Library Fund (110), page 15:

The Finance Department has concerns the Library Fund ad valorem taxes will be under budget by \$8,000. Polk County- Intergovernmental revenues are under budget by \$24,212.

Utility System Fund (403), page 23:

Utility system revenues appear on target with budget expectations. This summer's weather could affect final revenues actually received. But as of May 2012, budget projections appear reasonable.

[End agenda memo]

Finance Director Dorothy Pendergrass reviewed Agenda Item 9. She said that because the City is eight months into the fiscal year, it was easier for her to project the budget and identify areas that are coming in less than what was budgeted in the General Fund. She explained that she based the revenues for the last four months of this year on what was received the last four months of the three previous years. Her

estimate indicates that revenues will be down \$231,000 from what was budgeted and the following reasons were discussed:

- the decline in property values, bringing in less ad valorem taxes
- people cutting back on their electric usage due to the weather being warmer this past winter and due to the economy, bringing in less Franchise Fees

Ms. Pendergrass said she will be watching the figures carefully over the next four months and will keep the Commission updated. In the meantime, the City Manager implemented a hiring freeze and all spending will be limited to safety, health and emergency needs.

Ms. Pendergrass said shortages are also indicated that the following funds will also decrease:

- The Transportation Fund due to people cutting back on their gas usage
- The Library Fund due to property values going down;
- The CRA Fund due to lower property values in the CRA area.

The directors are planning for these shortfalls.

Ms. Pendergrass said she received the July estimates from the Property Appraiser's Office, which indicates that ad valorem taxes will be even less next year than this year.

Commissioner Wojcik asked if it was possible that residents on tight budgets who have not yet paid their taxes will eventually pay. Ms. Pendergrass said very little comes in the last four months. She said there is no control over when people pay, which makes projections difficult and is why she makes her estimates based on what was taken in the last four months of the past three years. But, she has seen no indication that the city will receive the full budgeted amount.

Agenda Item 10. PROPOSED 2012-13 Budget Workshop

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

- Utilities- 5 year CIP Plan Thursday, May 17th 5pm City Hall Break-room
- CRA Budget Tuesday, June 5th at 5pm 1 hour workshop before Commission Mtg.
- Special Revenue Funds Tuesday, June 19th at 5pm 1hour workshop before Commission Mtg.
- Library, Airport Tuesday, July 3rd at 5pm 1 hour workshop before Commission Mtg.
- General Fund Monday, July 9th at 5pm City Hall Break-room
- General Fund Monday, July 23rd at 5pm City Hall Break room

RECOMMENDATION

The above workshop schedule was given to you some time ago. We have now completed all workshops except the General Fund. It is recommended that we make some changes to the July workshops. Please check your calendars and we will discuss alternate dates at our meeting.

OTHER OPTIONS Commissioners can plan any alternative dates they would like.

[End agenda memo]

City Manager Terry Leary reviewed Agenda Item 9.

Finance Director Dorothy Pendergrass said budget workshops can be scheduled though July and August because the budget hearings are not until September. The consensus was to hold a General Fund Budget Workshop before the City Commission Meeting on July 17th beginning at 4:30 PM, and on August 1st at 5 PM. At that time they can determine if they want to schedule additional workshops. The directors for each department will be present at both workshops to answer questions.

Commissioner Wojcik said there was a decision that had to be made by the 17th and asked what it was. Ms. Pendergrass said it was the interim millage rate. Whatever the Commission decides, they need to remember that the rate can be lowered after the 17th but cannot go higher than what they set by the 17th.

CITY MANAGER'S REPORT

CITY COMMISSION TRACKING REPORT

City Manager Terry Leary reported on the following:

- The hiring and spending freeze
- Donations for the 4th of July fireworks at Lake Wailes park amounted to about \$2,500 and she would like to publicize the names of donors, possibly in the newspaper, to thank them. The Mayor said he would work with Ms. Leary on the article for the newspaper.
- Budget surveys have been coming in on-line, by mail on forms that were sent in water bills, and by those who picked up a form in the lobby to place in the designated box.
- Special Projects Manager Jennifer Nanek went over the events for both the Mall and Lake Wailes Park 4th of July event.

COMMUNICATIONS AND PETITIONS

Jack Van Sickle, 460 Ashton Club Drive, recommended not approving the ten furlough days for city employees because they would still have to complete the same amount of work, with overloaded schedules due to the hiring freeze, which would place a hardship on them to complete their tasks.

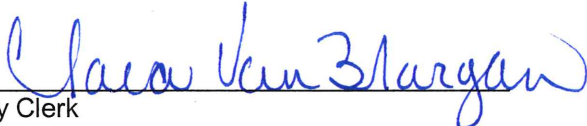
CITY COMMISSION COMMENTS

There being no further business, the meeting was adjourned at 6:35 p.m.



Mayor/Commissioner

ATTEST:



City Clerk