

A workshop meeting of the City Commission was held on February 5, 2013 at 5:00 p.m. in the Commission Chamber at the Municipal Administration Building. The meeting was called to order by Mayor Michael S. Carter.

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

COMMISSIONERS ABSENT: None

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

[Meetings are recorded but not transcribed verbatim]

Agenda Item 1. ROLL CALL

Agenda Item 2. Lake Wales Cemetery

[Begin agenda memo]

At the April 2, 2012 Commission workshop staff presented information to the commission on the land to be utilized as a proposed new cemetery for Lake Wales.

At that time the decision to begin work on a proposed new cemetery for Lake Wales was delayed. Staff feels that we must revisit this proposal and determine if the city will utilize the land for a new cemetery due to the number of remaining burial spaces at the Lake Wales cemetery. These numbers indicate that the decision must be made now to allow time for engineering and platting of the property. We are currently selling burial spaces at an "at need" basis only. Lake Wales Cemetery 2nd Addition has ten (10) adult lots remaining and Lake Wales Cemetery 8th Addition has seventy six (76) adult lots, sixty eight (68) child lots, fourteen (14) infant lots and fifty eight (58) cremation lots.

The city must consider the effect this decision will have on its citizens that want their families to be interred in a hometown cemetery, the local funeral home businesses that service our citizens and the local vault company that service the local funeral homes.

Local funeral home representatives are expected to be at this work shop.

[End agenda memo]

Public Services Administrator Teresa Allen reviewed Agenda Item 2. She asked that the Commission, while making their decision about whether to build a new cemetery or go private, to take into consideration the following:

- The affects it will have on Lake Wales Citizens who want their families buried in Lake Wales
- The local funeral home directors who serve the citizens
- The local vault companies that serve our funeral home Directors.

The options before the Commission were to:

- Construct a new cemetery on City land purchased for that purpose
- Sell at least thirty contiguous acres to a private company to build the cemetery that would have to follow State Statute guidelines and would have to develop the full thirty acres, whereas municipalities are exempt and can develop as much as it chooses.
- Possibly forming a partnership with a private entity.
City Attorney Chuck Galloway said that was not a viable option. Article 7 Section 10 of the Florida Constitution says, "Neither a state or municipality shall become a joint owner with or a stock

holder of any corporation, association or person.” He added that though there are instances where municipalities entered into lease agreements, a lease would be precluded in this case because we would have to convey in fee the plot, after the fact.

- Get out of the cemetery business

There was a discussion with the following comments made:

Comments in Favor of a Private Cemetery

- We can't afford to keep losing money because current charges don't cover the cost and maintenance, or sustain another cemetery without raising taxes.
- Even if we get out of the cemetery business now we still will have to maintain the existing cemeteries into perpetuity.

Comments in Favor of a New City Cemetery

- Lake Wales' residents should be able to be buried in Lake Wales, not in another city.
- We shouldn't give up on having a cemetery because residents pay city taxes.
- If the property is turned over to a private company the city will have no control over what they charge or what it will look like, though they will have to follow state guidelines. If a resident has an issue with poor maintenance or vandalism done to a monument, they will no longer be able to come to the city to complain.
- Those type issues could be addressed in a contract. City Attorney Chuck Galloway said anything the commission wants can be put into the contract, but the question will be how much of the associated expense will the purchaser agree to during negotiations. They will have to go by a different model than a municipality because a city has general fund revenues to fall back on for continued maintenance.
- It's a quality of life issue

Suggestions for Solving Some of the Problems to Stay in the Business:

- Limit the existing available plots to families of members already buried in Lake Wales, people who live here, or have roots in Lake Wales and continue selling them on an 'as-needed' basis, no more installment plans.
- Raise fees to a break-even price, first for out-of-town people.
- Host tournaments to raise money for the cemetery

PUBLIC COMMENT

Barrett Nelson from Nelson's Funeral Home said a private company did not have to build on all 45 acres. The state regulation says they have to own 45 unencumbered acres but only two acres have to be developed before they can sell any lots. He said the present cemetery is about 20 acres and has served the city for many years. He made the following suggestions:

- He suggested developing five to ten acres at a time because that would service the area for a very long time.
- He said out-of-town people are not coming to Lake Wales because we charge less. Frostproof, Winter Haven and Auburndale charge the same or less than what we charge.
- He spoke against having higher rates for people living outside the area because they still shop here.
- He suggested having an annual city sponsored fundraising event to raise money for cemetery maintenance.

Lawrence Epps from Epps Funeral Home suggested having a section of the cemetery dedicated to just cremations because there is less maintenance involved.

Jean Scott, Townsend Avenue, said she was opposed to the city getting out of the cemetery business.

Utilities Director Tom Moran said there is no way to insure they would break even in twenty years so it would be hard to come up with a self-sustaining plan. Commissioner Wojcik said they could raise prices every year like they do with utility rates.

There was a commission discussion on what part of the 45 acres they should plot.

- The 19 acres on the northern portion was suggested but it has the south-side elevated storage tank and will have a ground storage tank, leaving about 15 acres, and Ray Martin Road would probably have to be paved.
- The 9.2 acres of property along Hunt Brother's Road was suggested

Finance Director Dorothy Ecklund said if it takes two years before construction can begin, the money will be there. When it gets closer to construction, the Commission can decide if they want to "pay-as-you-go", take out a loan, or raise the millage rate. She explained the rates for various lengths of a loan and how much the millage rate would have to increase to pay for it.

Mayor Carter said that we some type of sustainable maintenance plan. The City Manager said the money would have to come out of reserves. Commission Lutton said we cannot take money out of reserves, we've done it twice this year, and we cannot do it anymore. The Commission agreed to use the money from the Billy Allen lease to pay for the design. Ms. Ecklund said that we know what the actual is for the existing cemetery and we will look at models from other cities and see what type of fees etc they are charge.

Commissioner Lutton warned that this needs to look good. You just can't whip out a PO to an engineering firm without some affirmative discussion from interested parties and some conceptual estimates of what stuff are going to cost. Commissioner Lutton said he is a stickler about planning. We just don't throw it to an engineer and say, "build me this." We have to provide specific information. He said he keeps running into a lot of people who just would like to take the short step and go right to the final design. Mr. Moran explained the City's engineering process.

There was consensus from the Commission not to go with a private company if they can find a way to build a new one and still break even.

Staff Direction

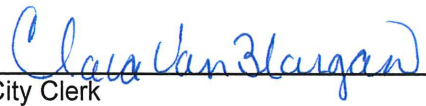
- Evaluate the proposal for developing the piece of land
- Evaluate how it can be structured as an enterprise with no city subsidy.
- Come up with a model for how to make the existing cemeteries sustainable.
- List all the options the city has for staying in the cemetery business like how much they would have to charge per plot in order to break even, including maintaining it forever.
- Limit the existing available plots to families of members already buried in Lake Wales, people who live here, or have roots in Lake Wales and continue selling them on an as-needed basis, no more installment plans.
- Find some successful business models for successful privately owned cemeteries so the Commission can see what is working and what is not working
- Instead of developing all 45 acres, staff is instructed to show how the operating costs can be sustainable if the approximate twenty acres on the two parcels between Hunt Brothers Road and Ray Martin road are plotted but designing and constructing done only on 5 acres at a time, to be added to next fiscal year's budget.

There being no further business, the meeting was adjourned at 5:55 p.m.



Mayor/Commissioner

ATTEST:



City Clerk