

The regular meeting of the Lake Wales City Commission was held on March 19, 2013 at 6:09 p.m. following the invocation and the Pledge of Allegiance in Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Michael S. Carter.

#### **INVOCATION**

The invocation was given by Dr. Jim Moyer.

#### **PLEDGE OF ALLEGIANCE**

**COMMISSIONERS PRESENT:** Christopher Lutton; Betty Wojcik; Terrye 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]

#### **MAYOR**

#### **Agenda Item 5. Proclamation: Water Conservation Month; April 2013**

Mayor Carter announced that the proclamation was given to Public Works Director Tom Moran before the meeting.

#### **Agenda Item 6. Legoland Presentation by Andrian Jones, General Manager**

Mayor Carter said he and Economic Development Director Harold Gallup met with Adrian Jones, General Manager of Legoland, to find out how Lake Wales can take advantage of Legoland's presence. He said they found out that a lot of people are coming from south Florida to get to Legoland and have to drive right by Lake Wales. He introduced Mr. Jones and said he was here to let them know how we could work together toward economic development.

Mr. Jones gave a PowerPoint presentation about Legoland, showing the result of their extensive research, and tying it into economic development opportunities for Polk County.

#### **PUBLIC COMMENT**

Mimi Hardman, Lakeshore Blvd., thanked Mr. Jones for their policy of working with schools, allowing Polk County school class trips to enter Legoland free of charge or at a reduced rate.

Mayor Carter said it was no accident that Legoland has a good business model because they do a lot of research to know its customers, and they ask questions to determine what works and what doesn't. He said he is hoping Lake Wales can take advantage of some of those tourist dollars.

Someone in the audience requested a copy of the PowerPoint presentation.

#### **CONSENT AGENDA**

**Agenda Item 7. Approval of Minutes:  
March 5, 2013, Workshop Meeting  
March 5, 2013, Regular Meeting**

**Agenda Item 8. Special Event Permit Application: Lake Wales Main Street "Bike Florida,"  
March 27, 2013**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

**SYNOPSIS**

Approval of the Special Event Permit application will allow Lake Wales Main Street to hold an event on March 27, 2013 in the downtown area for the participants of Bike Florida and the general public; allow the temporary closing of several streets and areas in the downtown.

**RECOMMENDATION**

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

1. Approve the Special Event Permit application from Lake Wales Main Street to hold an event for the 2013 Bike Florida participants on March 27, 2013 between the hours of 5:00 p.m. and 9:00 p.m. in the downtown area and to allow for a beer garden and a live band in the Marketplace
2. Approve the temporary closing of the following streets and areas;
  - a. Close the Marketplace between Park and Stuart Avenues on Tuesday, March 26, 2013 beginning at 5:00 p.m. This area will be used on March 27 for the purpose of a beer garden and for staging of a live band. This area will be enclosed with the City's lattice fencing.
  - b. Close the alley between Park Avenue and Stuart Avenue at the Marketplace on March 26, 2013 at 5:00 p.m.
  - c. Close the Marketplace parking lot on Tuesday, March 26 at 5:00 p.m. This lot will be used for craft vendors, food vendors, trash receptacles and sanitary facilities on event day
  - d. Close South Market Street between Central Avenue and Stuart Avenue on March 27 between the hours of 4:00 p.m. and 9:00 p.m. for food vendors
  - e. Close Park Avenue between First Street and Scenic Highway and N. Market Street between Orange Avenue and Park Avenue between the hours of 4:00 p.m. and 9:00 p.m. on March 27
  - f. Close Stuart Avenue between First Street and Scenic Highway to allow for classic cars to park in the spots along this area between the hours of 4:00 p.m. and 9:00 p.m.

**BACKGROUND**

Kevin Respress, President of the Lake Wales Main Street has submitted a special event permit application to hold an event on March 27, 2013 in the downtown area for the participants of the "2013 Bike Florida's Spring Tour" and the general public. This event is being co-hosted by Lake Wales Main Street, Chamber of Commerce and the City of Lake Wales. This is the first time in its 19 year history that Bike Florida will hold this tour in Polk County. Bike Florida's 2013 Spring Tour begins on March 23 in Lakeland with stops in Clermont and Lake Wales during this seven day tour and ending on March 29 in Lakeland. This year's tour is expecting approximately 600 participants. While in Lake Wales they will be staying at the Lake Wales High School. With the joint efforts of Main Street, the Chamber and the City this event will provide the bicyclists a relaxing evening with great food and spirits while enjoying the 50's and 60's music of the "Repeatles" from Orlando. Arcade Coffee and Sandwich Shop will be the beer vendor for this event and will be permitted for a temporary extension of their serving area into the

Marketplace by the Division of Alcoholic Beverages and Tobacco, Tampa Office. Bike Florida participants will be able to visit the shops and businesses in the downtown area while seeing our local attractions.

This event will require the closing of several streets, a parking lot and the Marketplace. The requested closings are as follows:

- Close the Marketplace beginning on March 26 at 5:00 p.m. and continuing until the event ends on March 27 at 9:00 p.m. This area will be the location of a beer garden along with a 50's and 60's group "The Repeatles" of Orlando. This area will be enclosed with the City's new lattice fencing.
- Close the alley between Park Avenue and Stuart Avenue at the Marketplace
- Close the Marketplace parking lot on Tuesday, March 26 at 5:00 p.m. to allow for the food vendors, craft vendors, trash receptacles be used for the craft vendors, trash receptacles and sanitary facilities
- Close South Market Street between Central Avenue and Stuart Avenue for food vendors
- Close Park Avenue between First Street and Scenic Highway and N. Market Street between Orange Avenue and Park Avenue
- Close Stuart Avenue between First Street and Scenic Highway to allow for classic cars to park in the spots along this area

Volunteers will be made available from the Lake Wales Main Street and the Chamber of Commerce. The City will provide assistance with security and for street closings. Bike Florida has provided funding of \$1,000 to help defray the cost of the band and for in-kind services.

#### **OTHER OPTION**

Do not approve this special event permit application or hold an event for Bike Florida

#### **FISCAL IMPACT**

Bike Florida has provided funding for the event in the amount of \$1,000 to help defray the cost for the band and in-kind services provided by the City.

[End agenda memo]

City Manager Terry Leary invited everyone to come to the Bike Florida event and said it was an opportunity to show off their city. She said the Chamber of Commerce and City Staff have been working hard with Bike Florida to make the event successful. She invited citizens to come have dinner and listen to great music.

#### **Agenda Item 9. Copier Machine Lease with Ricoh Americas Corporation**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

#### **SYNOPSIS**

The City Commission will consider entering into a lease agreement with Ricoh USA, Inc. to replace digital multifunction copiers currently utilized by the City under an expiring lease.

#### **RECOMMENDATION**

Staff recommends the Commission approval of a forty-eight (48) month lease agreement of ten digital multifunction copiers from Ricoh USA, Inc. and authorize the City Manager to execute the lease.

## **BACKGROUND**

The lease with Konica-Minolta Corporation, our current copier provider, has reached expiration. Staff advertised a Request for Proposal (RFP 12-357) on February 1, 2013 to acquire a new digital multifunction copier provider. Machines for which a proposal was requested are as follows:

- 8 black and white Multifunction copiers with a minimum of 32 pages-per-minute output
- 1 black and white Multifunction copier with a minimum of 72 pages-per-minute output
- 1 color Multifunction copier with a minimum of 30 pages-per-minute output

Three companies responded to the RFP with proposals: Ricoh USA, Inc., Zeno Office Solutions and Toshiba Business Solutions.

City staff reviewed each of the three proposals and ranked them based on the following criteria:

1. Quality and performance of the equipment and network security
2. Maintenance, supply and repair services
3. Experience of the bidder and demonstrated ability to provide the equipment
4. References
5. Additional benefits to customer

After reviewing the proposals, Toshiba Business Solutions did not meet the minimum requirements outlined in the RFP and were excluded from consideration. Of the two qualified vendors, Ricoh USA, Inc. was ranked highest based on the given criteria and Zeno Office Solutions was ranked second.

Staff is requesting one additional copier to be placed in the Human Resources office which would allow employees to print/scan personal payroll information such as pay stubs, W2 forms, etc. As part of a green initiative, the Finance Department will be providing payroll documents in electronic form. Additionally, Human Resources staff has a need to keep sensitive personnel records confidential when copying/printing. The cost of the additional copier will be partially offset by discontinuing the printing and delivery services of pay stubs by our current payroll vendor.

## **OTHER OPTIONS**

The Commission may not approve the lease with Ricoh USA, Inc. and staff will advertise a new Request for Proposal for a copier machine provider.

## **FISCAL IMPACT**

The annual lease cost of the Ricoh USA, Inc. equipment is \$15,615.00, which is \$2,741.00 less than our current annual lease payment of \$18,356.00. We will realize an additional estimated annual savings of \$800.00 for discontinuing payroll print and delivery services for a total annual savings of \$3,541.00 on the lease payments.

The Cost-per-Click charges on the 75 ppm copier will be reduced from .0056 to .0034, the Cost-per-Click charges on the 32 ppm copiers will be reduced from .0075 to .00665 and the Cost-per-Click charges on the color copier will be reduced from .0727 to .04. Given our average print/copy volume this reduction in Cost-per-Click charges will result in an estimated annual savings of \$1,000.00 in addition to the \$3,541.00 annual savings on the lease payments for a total estimated annual savings of \$4,541.00.

[End agenda memo]

## **Agenda Item 10. Law Enforcement Mutual Aid Agreement**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

## **SYNOPSIS**

The City Commission will consider approving the Mutual Aid Agreement between the Lake Wales Police Department and the Sebring Police Department.

## **RECOMMENDATION**

Staff recommends that the City Commission authorize the Mayor to execute the Voluntary Cooperation Agreement between the Lake Wales Police Department and the Sebring Police Department.

## **BACKGROUND**

A multi-jurisdictional response to unlawful activity is a vital part of the justice system because of the increasing number of criminal activities that extend through more than one jurisdiction. Florida Statutes recognize the need for and authorizes mutual aid agreements between law enforcement agencies throughout the state. Since 2001, the City has entered into a mutual aid agreement with the city of Sebring which provided for cooperative assistance. This agreement defines the responsibilities of each party with respect to the provision/receipt of mutual aid assistance. The primary need for an agreement with the city of Sebring is related to various types of undercover investigations where there is a need for sworn personnel to serve in a short-term undercover capacity in the other's jurisdiction. If executed, the proposed renewal agreement will expire at 11:59 p.m. on the first January of 2015 unless terminated sooner upon 30 days written notice by either party.

## **OTHER OPTIONS**

The Commission may choose not authorize the Mayor to execute this agreement.

## **FISCAL IMPACTS**

None

[End agenda memo]

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

By Voice Vote:

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

The motion carried 5-0.

## **OLD BUSINESS**

## **NEW BUSINESS**

Mayor Carter moved Agenda Item 14 to the beginning of the 'New Business' section.

**Agenda Item 14. Economic Development Agreement Between the Chamber of Commerce and the City of Lake Wales.**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

**SYNOPSIS**

The City Commission is being asked to consider adoption of the proposed Economic Development Agreement with the Lake Wales Chamber of Commerce in order to enhance economic development endeavors.

**RECOMMENDATION**

Staff is not recommending this venture at this time. Although the EDC concept is a good tool, the City will spend as much if not more than is presently budgeted but will lose all control over the ED function. It will be extremely important to emphasize strong communication since creating businesses outside the City Limits will require understanding of our utility capability and growth with annexation being a goal. City has strained for many years with a tight budget and overload on many department heads and staff. Outsourcing the ED position will impact many departments since they have come to rely on direct interaction and advice, guidance and development experience from the present position which will no longer be available to them when it comes to City projects and interests.

If the City Commission approves this contract, staff recommends that the \$100,000 be allocated from the General Fund (economic development) Operating expenses will be reallocated and a lower level position will be created in the CRA budget to handle various projects that are now under economic development such as: The Airport Authority; CDBG projects; downtown redevelopment; Longleaf Business Park; CRA northwest area projects; assistance with infrastructure projects; bonds, etc. Several Department Heads including the City Manager will need to take on additional duties.

**BACKGROUND**

On February 19, 2013 the City Commission held a workshop in order to discuss a proposal by the Lake Wales Chamber of Commerce to join forces with the City in order to enhance economic development endeavors. This would result in the formation of an "EDC" (Economic Development Council). Many members of the Chamber of Commerce and the public were present to give input to the Commission.

The Commission decided to submit comments to the City Manager and City Attorney for inclusion in the proposal.

On March 5, 2013, a second workshop was held and 2 drafts were submitted for review (one from the City with Commissioner Comments, and one from the Chamber). At the end of the workshop, the City Attorney was instructed to merge the two agreements into one and resubmit.

The agreement before you tonight basically mirror images the March 5<sup>th</sup> Chamber version with the inclusion of language in Article 10 that states that the effective date of the agreement is when "The Executive Director begins his/her employment with the Chamber/EDC. In order to avoid sunshine law requirements, as stated previously, the EDC will have no involvement with the CRA, CRA projects, or any other City function or projects. In addition, the agreement still calls for a minimum of 2 years before the City can cancel the agreement with 180 days notice.

**FISCAL IMPACT**

Fiscal impact if the Chamber/EDC contract is not approved, the City annual economic development appropriates:

- General Fund appropriates roughly \$81,200 for Economic Development
- CRA Fund appropriates roughly \$343,000 for Economic Development
- CRA Fund appropriates roughly \$175,000 for Community Redevelopment

Fiscal impact if the Chamber/EDC contract is approved, the City annual economic development appropriates:

- Chamber/EDC contract would require annual appropriations of \$100,000. Staff would seek City Commission direction on if these funds were to come from the General Fund or a split between the General Fund and the CRA Fund.
- General Fund appropriates roughly \$81,200 for Economic Development. If the Economic Development position was eliminated, the General Fund would realize a savings of \$81,200 but would eliminate all in-house City funding towards economic development.
- CRA Fund appropriates roughly \$343,000 for Economic Development. If the economic development position was eliminated, the CRA Fund would realize a savings in appropriations of \$51,200 currently spent but would eliminate City funding available towards economic development.
- The City Manager recommends creating a new position within the CRA that will focus on CRA related activities. Estimated Cost: \$65,000 with benefits.
- CRA Fund appropriates roughly \$175,000 for Community Redevelopment

Summary: The EDC contract would require \$100,000 (\$81,200 currently spent plus an additional \$18,800 from the General Fund). Additional funding would be needed from the CRA for a new staff position of \$13,800 (\$65,000 – 51,200 currently spent).

[End agenda memo]

Commissioner Wojcik recused herself and explained that being employed by the Chamber of Commerce causes a conflict of interest and as per City ordinance she must not participate in the discussion.

**CRA Citizens Advisory Memo:**

Commissioner Lutton asked for an explanation of the bottom paragraph in the CRA Citizens Advisory recommendation memo they received before the meeting. City Manager Terry Leary said she attended the Board meeting and there was quite a long discussion about CRA money being used to fund a private contract between the City and the Chamber of Commerce. The Board was not in favor of the agreement because CRA Funds are scarce, bonds need to be paid off, and there are projects to do that will not be addressed by the Partnership. The City will still have to do those projects and that was why she recommended obtaining a Community Development Director, possibly by moving present city staff to that position. The CRA Board wanted CRA funds to be used for only those things absolutely needed and they wanted to ask the Commission the question: Should CRA Funds be used to help finance a private/public contract?

**Breakdown of CRA Funds:**

Mayor Carter, referring to the memo on this item in the agenda packet, asked for an explanation of the CRA breakdown of funds under fiscal impact. Finance Director Dorothy Ecklund explained that there are two different departments within the CRA: Economic Development and Community Redevelopment. City Attorney Chuck Galloway noted that \$343,000 would be coming from Economic Development and \$175,000 would be from Community Redevelopment.

Commissioner Lutton explained that the \$343,000 coming from Economic Development would cover things like salaries and capital improvement items. Ms. Ecklund said capital improvement items are actually a third division within the CRA. She said \$63,000 of the \$343,000 is for operations, \$15,000 is for

professional services and environmental issues, \$25,000 is for advertising, and \$63,000 is for other expenses. Ms. Ecklund explained that all of those are non-recurring expenses. She said \$171,000 of the \$343,000 is for allocations from other departments for time spent by staff and the City Commission. She said if CRA funds run out, those expenses would have to be covered by the following options:

- Changing the level of service the city provides
- Moving those expenses into the General Fund
- Through a loan from the General Fund to the CRA to be paid back when funds are available.

**Bonds:**

Commissioner Lutton asked if some of the bonds were coming to term soon. Ms. Ecklund explained that the debt service for the next three years is \$950,000, then it drops off to \$800,000 the next year, and then to \$690,000 the year after that. It will be about four years before we see a drop.

**Term of Partnership:**

Mayor Carter said the contract is a two-year agreement with 180 days to cancel, but asked the City Attorney if it really was an annual contract because if the funds are not included in the annual budget, it wouldn't get funded. Mr. Galloway said the paragraph saying 'if it is not budgeted it becomes void' is included in the agreement.

Commissioner Lutton said if it is a two-year agreement but has a way 'out' by not funding it, then it is counter-productive and the Chamber will have trouble finding the exceptional director needed for the job. Mayor Carter said they don't know who will be on the Commission next year and this Commission can't commit for a future Commission. But, he said if the Chamber of Commerce and EDC Partnership is working the way they envision, it won't be an issue. It will only be an issue if it is not working and they are not getting the job done.

Mayor Carter said the business people who are pushing for this partnership want it to move at the speed of business, but it has to move along at the speed of government.

**Only two Votes:** Mayor Carter said the concern that the Commission, staff, and citizens have expressed seems to be to make sure that things like the airport and Longleaf Business Park are covered with the assets that are available because once the partnership is in effect, the City will not have the votes to push those type projects through. But he added that he thought the EDC Board would listen to what the Commission has to say because the City is providing the majority of the money to fund the Partnership.

Commissioner Howell made the following comments:

- She doesn't know if this will work, but she believes it will work if everyone leaves behind whatever happened years ago that makes them think a partnership with the Chamber of Commerce won't work, and is willing to move forward. She feels that they have to try something new for the betterment of Lake Wales because we keep doing the same thing over and over, getting the same results.
- She realizes they will be giving money to a group of people in the hopes that they can boost the City economically, educationally, and every other way.
- Maybe the City Commission was partly at fault by not setting specific plans years ago.
- The Chamber needs to communicate with the Commission so they don't feel left out of the process because the City "possesses the majority of the marbles," referring to funding the project. She said we will know in two years or sooner if they drop the ball.
- Both the City Commission and the Chamber have to do their part in bringing new businesses to Lake Wales.

Commissioner Thornhill made the following comments:

- He was still concerned about the controls.
- He was still concerned about the city's finances because we don't know what the future holds, but we do know of the \$400,000 shortfall for next year and the City has already tapped out the Sinking Fund. The Commission will have to make some hard budget decisions and now they will



have to fund a new position. He asked which employees the city would then have to let go, and what services will have to be stopped if the money is not there.

- Commissioner Thornhill said a Strategic Plan was put in place in 2008 but the Commission let us down. He said he would prefer having the opportunity to fix what is not working with the present economic development system but he would support 100% whichever way the vote goes because he wants the community to thrive.

Commissioner Lutton made the following comments:

- The EDC is a successful model used throughout the country.
- Making a decision on the issue in such a short time has caused him concern.
- He compared the enthusiasm shown for the EDC to that shown by volunteers in grassroots organizations with a mission to make Lake Wales a better place. People that are excited about an issue get others excited about it. They stick with it and make it successful. Mayor Carter agreed and compared it to organizing the Charter School System by a small group of concerned citizens who wanted better educational opportunities for Lake Wales' children.
- Lake Wales has good people and we need to concentrate on doing what is best for the whole community long-term.

## **PUBLIC COMMENT**

Jack Neal, 435 E. Central Avenue spoke in opposition to the Partnership.

The following citizens spoke in favor of the Partnership.

- Brian Marbutt 2013 Country Road Circle
- Jesse Jackson, 285 Stuart Avenue
- Angela Poletto. 737 Carlton Avenue

Mayor Carter made a motion to accept the proposal for the Economic Development Agreement. The motion was seconded by Commissioner Howell.

By Roll Call Vote:

|                        |       |
|------------------------|-------|
| Mayor Carter           | "YES" |
| Commissioner Howell    | "YES" |
| Commissioner Thornhill | "NO"  |
| Commissioner Lutton    | "YES" |

The motion carried 3-1.

City Manager Terry Leary asked if it was the Commission's direction for them to use CRA money or did they want her to find another way to fund it. Commissioner Lutton said it was a small amount out of the CRA, approximately \$20,000, and he thought she should use her discretion. City Attorney Chuck Galloway said those dollars would be expended for Professional Services and therefore it would be permissible.

Commissioner Lutton applauded Commissioner Thornhill's comment that no matter what the vote was he would support the group action 100%, which sends a positive message that we as one community need to work together to make this the best place possible by supporting Lake Wales with things like Bike Florida and the Farmer's Market.

## **Agenda Item 11. Ordinance 2013-06, FY12'13 Budget Amendment #2 – 1<sup>st</sup> Reading**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

**SYNOPSIS T**

The City Commission will consider approval of the second Amendment of FY 12'13 Budget that was adopted on September 18, 2012.

**RECOMMENDATION**

It is recommended that the City Commission approve Ordinance 2013-06 after first reading.

**BACKGROUND**

Ordinance 2012-15 estimating revenues and appropriating funds for Fiscal Year 2012-13 was adopted by the City Commission September 18, 2012, modified February 5, 2013 by ordinance 2013-02.

We are presenting for first reading Ordinance 2013-06 to modify the estimates of revenues and appropriations budgeted in various funds. Exhibits A and B and supporting attachments provide the detail for the proposed amendment.

The following is a summary of changes included in the proposed amendment:

| Revenues & Balances Fwd   | Increase(Reduction) |
|---|---------------------|
| General Fund  | 28,863              |
| Transportation Fund   | -                   |
| Street Lighting Fund  | -                   |
| CRA Fund  | -                   |
| Police Forfeitures  | -                   |
| Library Fund  | 16,770              |
| Debt Service Fund   | -                   |
| Capital Projects  | -                   |
| Utility System Fund   | 745,000             |
| <b>Total Increase(Reduction) of Revenues &amp; Balances Fwd</b>               | <b>790,633</b>      |
| <b>Appropriated Expenditures &amp; Reserves</b>                               |                     |
| General Fund  | 38,163              |
| Transportation Fund   | (10,000)            |
| Street Lighting Fund  | -                   |
| CRA Fund  | 25,000              |
| Library Fund  | 2,500               |
| Capital Projects  | -                   |
| Utility System Fund   | -                   |
| Airport Fund  | -                   |
| Reserves  | 734,970             |
| <b>Total Increase(Reductions) of Appropriated Expenditures &amp; Reserves</b> | <b>790,633</b>      |

The proposed budget amendment increases the City's total budgeted expenditures by \$55,663 and increased reserves by \$734,970 for a net increase in appropriated expenditures and reserves of \$790,633 (from \$34,712,752 to \$35,503,385).

Reasons for this amendment include:

**General Fund (001):**

The Fire Department is requesting \$2,800 for four (4) air cards. These air cards will be used on the fire engines to gain access to the county-wide computer aided dispatching system. This data base provides the firemen with emergency call information when they are responding to an incident. The funding source

for this request will be a reduction in appropriations allocated towards police department vehicle leases for \$2,800, as the actual cost for vehicle leases came in under original budget expectations.

The IT Department is requesting \$950 to add an additional internet circuit to the City's computer network for the following reasons:

- Our current internet circuit has been operating at max capacity for the last couple of years and has become inadequate for our current usage, which has resulted in gradually slower performance for our network users.
- An additional circuit from a separate provider will also provide a layer of redundancy should our primary internet circuit fail. A failure of our primary internet circuit would result in a loss of e-mail communications, a loss of connectivity from our remote facilities and mobile users, a loss of access to our Web sites (including online bill payments), and a loss of payment receipts from Amscot.

The funding source for this request will be a reduction in appropriations allocated towards police department vehicle leases for \$950, as the actual cost for vehicle leases came in under original budget expectations.

The Cemetery Department is requesting replacement of irrigation equipment totaling \$3,863. The current cemetery irrigation system has been struck by lightning three times in the past year. The new equipment has a one-year extended warranty. The funding source will be from the cemetery's deferred revenue for capital improvements.

On January 7, 2013, the City Commission approved the Depot Museum Complex to be transferred backed to the City of Lake Wales from the Lake Wales Historic Society. The new management agreement relating to the Depot Complex includes cost which the City will be responsible for. Staff recommends the following appropriations relating to the Depot Complex:

|                             |              |
|-----------------------------|--------------|
| M&R – Facilities            | \$ 6,000     |
| Alloc of Field Operations   | 800          |
| Cont Svc – Termite Services | <u>2,500</u> |
|                             | \$ 9,300     |

The Depot Museum's current septic system is inadequate. Staff has proposed the Depot be connected to the City's sewer system. Estimated preliminary costs are \$25,000. The City Manager has recommended CRA funds be used for this purpose.

**CRA Fund (105):**

A transfer from the CRA Fund to the General Fund for \$25,000 has been included within this budget amendment for connecting the Depot Museum to the City's sewer system.

**Transportation Fund (106):**

Beginning budgetary cash expectations had a slight deficit of \$9,861. In anticipation of budgetary short-falls within this fund, staff has recommended decreases in the following accounts:

|                        |          |                          |
|------------------------|----------|--------------------------|
| M&R – Traffic Controls | decrease | -\$ 2,500                |
| M&R – Street Lights    | decrease | - 2,500                  |
| M&R – Road Repairs     | decrease | <u>- 5,000</u>           |
|                        |          | -\$10,000 (Streets Dept) |

The "Stormwater Division" requires additional appropriations of \$5,600 for repair costs relating to the Greensborough/Greenfield Terrace inlet and curbing. Damage was caused by large trucks and normal wear and tear. Staff recommends the following budget amendment:

|                        |          |                               |
|------------------------|----------|-------------------------------|
| M&R – Stormwater       | increase | \$5,600 (Storewater Division) |
| M&R – Traffic Controls | decrease | - 1,500 (Streets Dept)        |
| M&R - Street Lights    | decrease | - 2,000 (Streets Dept)        |
| M&R – Road Repairs     | decrease | <u>- 2,100</u> (Streets Dept) |
| Net Change             |          | \$ 0                          |

**Library Fund (110):**

Polk County Library Cooperative has notified the City that the City's portion of county funding will be \$192,270 for FY 2012'13. The original budget has \$178,000, so staff is recommending a budget increase of \$14,270 from this revenue source.

The Library is requesting additional salary expenditures of \$2,500 to fund an intern. The funding source to cover the cost of the intern will be provided in the form of a donation of \$2,500 from Lake Wales Library Association/Friends of the Library.

**Utility System Fund (403):**

Increase in revenue of \$745,000 for CDBG grant funding needed to be added to the budget.

For compliance with CDBG reporting requirements, staff is recommending the following re-appropriation of C Street costs which will be reimbursed through the grant:

|                                     |          |                                  |
|-------------------------------------|----------|----------------------------------|
| Admin – C Street Project            | increase | \$ 45,554 (CDBG Capital)         |
| Engineering – C Street Project      | increase | 41,646 (CDBG Capital)            |
| Sewer Line Replc – C Street Project | increase | 657,800 (CDBG Capital)           |
| C Street System Improvements        | decrease | <u>(745,000)</u> (Sewer Capital) |
| Net Change                          |          | \$ 0                             |

**OTHER OPTIONS**

This is primarily a housekeeping ordinance to conform the adopted budget to realized or expected changes within the current fiscal year.

**FISCAL IMPACT**

See Exhibit A and Exhibit B attached to Ordinance 2013-06

[End agenda memo]

Ms. VanBlargan read Ordinance 2013-06 by title only.

**AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2012-15 AS AMENDED BY ORDINANCE 2013-02 TO MODIFY THE ESTIMATES OF EXPENDITURES FOR THE OPERATION OF THE SEVERAL DEPARTMENTS OF SAID CITY FOR THE 2012-2013 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.**

Finance Director Dorothy Ecklund reviewed Agenda Item 11.

Commissioner Thornhill asked why revenues in the Library Fund were increased. Ms. Ecklund explained that Library Director Tina Peak has to estimate the revenues on the budget until the actual figures from the County came in. The actual figures were higher than the estimate so she did a budget amendment.

Mayor Carter asked for confirmation that there is an increase of \$55,000 in the reserve fund and Ms. Ecklund explained that the increase was caused by the inclusion of a CDBG grant.

Commissioner Howell made a motion to approve Ordinance 2013-06 after first reading. The motion was seconded by Commissioner Wojcik.

By Roll Call Vote:

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

The motion carried 5-0.

**Agenda Item 12. Transmittal of Comprehensive Annual Financial Report, For Fiscal Year Ended September 30, 2012**

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

**SYNOPSIS**

Transmittal of Comprehensive Annual Financial Report for fiscal year ended September 30, 2012

**STAFF RECOMMENDATION**

Accept the City's Comprehensive Annual Financial Report for fiscal year ended September 30, 2012 and independent auditors' report as presented.

Purvis, Gray and Company representative: Joseph J. Welch, C.P.A.

**BACKGROUND**

In the independent auditors' report for the fiscal year ending September 30, 2012, the auditors stated that, in their opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2012, and the respective changes in financial position, and cash flows where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

This is the fourth year that the City has prepared a comprehensive annual financial report (CAFR). A CAFR is a financial report that contains, at a minimum, three sections: 1) introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund and component unit.

**Financial Highlights**

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$44,594,263 (*net assets*). Of this amount, \$2,751,517 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$549,279. The governmental activities decreased by \$894,531 (4.37%), while business-type activities increased \$1,443,810 (6.13%).
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$5,679,793; a decrease of \$1,169,796 for the year. Approximately 28.22% is *available for spending* at the government's discretion (unassigned).

[End agenda memo]

Mr. Welch said there were no findings, no adjustments had to be made, and Ms. Ecklund did a good job qualifying her for a certificate for transparency in financial reporting.

Mr. Welch said the financial challenges for the City are in the Fund Balance, which had a loss, and in the CRA Fund which is generating enough revenue to cover the debt service but not much else. The good news is in the Utility Fund. He said the financial challenges that the city is facing are nothing new and can be overcome. He felt sure that the Commission and management team are doing what they can, and a lot of good things are being done in the city with everyone giving their best effort.

Mayor Carter asked Ms. Ecklund if she heard anything about the recession leveling off and coming to an end. Ms. Ecklund said she did not hear that but she will have that answer on June 1<sup>st</sup>.

**Agenda Item 13. Preliminary Financial Statements for February 28, 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 February 28, 2013.

The unaudited financial statements for the City of Lake Wales for the period ending February 28, 2013 are presented to the City Commission for review. At the end of February 28, 2013 the City was 42% into the fiscal year.

**General Fund (001), page 1:**

The General Fund appears to be materially on target with revenue and expenditure expectations.

**Transportation Fund (102), page 7:**

The Transportation Fund appears to be materially on target with revenue and expenditure expectations.

Beginning cash expectations had a slight deficit of \$9,861. Included within the second budget amendment is a reduction in appropriations of \$10,000 to cover the expected short-fall in the transportation fund. Teresa Allan, the Public Services Administrator, has recommended the following budgetary adjustments:

|  | <u>Current<br/>Budget</u> | <u>Proposed<br/>Adjustment</u> | <u>Proposed<br/>Budget</u> |
|--|---------------------------|--------------------------------|----------------------------|
| 102-541-100-346-320 M&R – Traffic Controls | 39,000                    | (2,500)                        | 36,500                     |
| 102-541-100-346-330 M&R – Street Lights    | 15,000                    | (2,500)                        | 12,500                     |
| 102-541-100-353-100 M&R - Road Repairs*    | 19,500                    | (5,000)                        | 14,500                     |

The account "M&R – Road Repairs" is NOT used for major road repairs but for fixing pot-holes as needed. Ms. Allen currently feels there are sufficient appropriations for the necessary pot-hole repairs needed at the proposed budgetary level of \$14,500

**CRA Fund (105), page 10:**

The CRA fund appears to be materially on target with revenue and expenditure expectations.

Revenue collections are lower than prior year collections. This is due to the reduction in ad valorem taxes associated with the CRA. Expenditures, excluding transfers, are slightly higher compared to the prior year at this time.

The Finance Department has concerns relating to the CRA's funding ability during FY 2013'14 if capital expenditures scheduled during FY 2013'13 are completed.

The Finance Department also has concerns over the CRA's funding ability during FY 2014'15 and 2015'16, even if capital expenditures scheduled during FY 2013'13 are not completed.

**Library Fund (110), page 17:**

The Library Fund appears to be materially on target with revenue and expenditure expectations.

**Utility System Fund (403), page 27:**

The Utility System Fund appears to be materially on target with revenue and expenditure expectations.

**Airport Authority (404), page 29:**

The Airport Authority appears to be materially on target with revenue and expenditure expectations.

[End agenda memo]

Finance Director Dorothy Ecklund reviewed Agenda Item 13.

Commissioner Thornhill asked about Ms. Ecklund's concern with CRA funding for FY 2013'14 and 2014'15. Ms. Ecklund explained that \$224,000 was budgeted for entranceway signs and if that money is used there will not be operating money in the CRA next fiscal year and about \$300,000 will have to be generated. But even if the money is not used for entranceways, there is only enough money for about 18 more months of operating expenditures. She assured them that there was enough to cover the debt service though.

Commissioner Wojcik asked if that money included the fountain and entryways. City Manager Terry Leary said work was already being done on the entryway sign on US27 and Central Avenue, by raising it three feet and probably it will be repainted. The fountain will cost about \$15,000. She said her goal is to do as few projects as they can, choosing those that won't cost a whole lot of money, and keep what we have. She said the property the City wanted to buy at SR60 and Central Avenue now has a rather rough looking flea market set up but Code Enforcement is shutting it down.

Commissioner Lutton recommended not spending money on gateway enhancement that isn't designed by a master plan. He said having nothing at the entryways is better than it being a crappy job. We need quality gateways that will draw the people in.

Commissioner Thornhill said that the CRA funds will be even tighter and we are expecting problems in 2014, 15, and 16.

**CITY COMMISSION TRACKING REPORT**

**Cemetery:** Staff is working on the cemetery plans and a draft should be ready in April.

**Little League Bleachers:** Commissioner Thornhill asked if Jim Maggard found a funding source for the new bleachers. Ms. Leary said they are still short of funds and are trying to get more donations. In the meantime, Ms. Pennington had bleachers from another field moved over to the Little League field.

**Sign Ordinance:** The sign ordinance is written and City Attorney Chuck Galloway is reviewing the draft. It will move forward soon.

**Lake Wailes Bike Path:** Commissioner Lutton said we got the grant and they are working on the plan. He explained that a lot of time is spent between having an idea to do something, coming up with a good plan and getting it through all the hurdles. Knowing this, he said we need to get the detailed scope of work, the planning, designing and engineering started for all our capital projects a year before we want to start construction. He said we need to have a design budget and a building budget.

**Vehicle Replacement Schedule:** Mayor Carter said they had talked about having a schedule of all city vehicles of when they will need to be replaced. Support Service Director James Slaton said he was almost finished with the vehicle replacement schedule.

Mayor Carter said he read recently that a city was going to buy electric cars and he thought that should be considered for Lake Wales. But as they would need a place to plug into, if we are thinking about purchasing electric cars in two years, we need to start thinking about things like where they would be plugged in and powered. Commissioner Lutton said if you add in the cost of the cars plus the cost of the power stations, it may drive the cost too far out, especially if electricity goes up every year.

## **CITY COMMISSION COMMENTS**

Mimi Hardman, 300 S. Lakeshore Blvd. requested a historic sign for the Rails-to-Trails trailhead. She invited everyone to view the Student Art Show this weekend at the Depot Museum.

Jackie Williams, 2054 Bel Ombre Cir,

- Ms. Williams asked that the Assisted Living Facility on Buck Moore Rd be added to the Tracking Report.

Ms. Leary said it was on the Tracking Report. She gave an update: The plans have been submitted and they are in the process of doing an environmental study, which is required for CDBG Grant money. The closing and groundbreaking is expected to be within a month.

- Ms. Williams reported trash all over the ground at the Little League field and said it looks awful.

Mayor Carter said he believed that was the sponsor's responsibility. Ms. Leary said she would look into it.

- Leon Weech, 1229 Triangle Drive, thanked Commissioner Howell for volunteering her time as Commissioner for these past years, Mayor Carter for his year as Mayor; and Ms. Pennington and her crew for the great cleanup job they did behind the Tourist Club to greatly diminish the cat population.

## **COMMUNICATIONS AND PETITIONS**

Commissioner Thornhill reminded everyone of the Lake Wales Art Show the coming weekend.

Commissioner Wojcik invited everyone to the ribbon cutting for Polk State Lake Wales Arts Center which will take place on March 21<sup>st</sup> at 3:00 PM. She also invited everyone to come to the Lake Wales High School on March 21<sup>st</sup> for the Mayoral race forum that will take place at 6 PM.



City Commission Meeting  
March 19, 2013

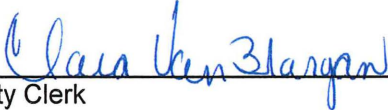
City Clerk Clara VanBlargan said she needed to submit the names of the three City Commissioners that would be attending the Canvassing of the election in Bartow on April 2nd, which is the minimum requirement. The three participating will be: Commissioners Wojcik and Thornhill, and Mayor Carter.

There being no further business the meeting was adjourned at 7:53 PM.



Mike Amteka  
Mayor/Commissioner

ATTEST:

  
Clara VanBlargan  
City Clerk

# FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

|  |  |
|--|--|
| NAME—FIRST NAME—MIDDLE NAME<br><i>ojcik, Betty</i> | NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE<br><i>Lake Wales City Commission</i>                     |
| MAILING ADDRESS<br><i>4005 Dunmore Dr. Polk</i>    | THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:                                |
| CITY<br><i>Lake Wales</i> COUNTY                   | <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY |
| DATE ON WHICH VOTE OCCURRED<br><i>03/19/2013</i>   | NAME OF POLITICAL SUBDIVISION:<br><i>City of Lake Wales</i>  |
|  | MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTEE                      |

## WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

## INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

Any person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which results in a special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

\* \* \* \* \*

### ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

\* \* \* \* \*

### APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made for you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

**APPOINTED OFFICERS (continued)**

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

**DISCLOSURE OF LOCAL OFFICER'S INTEREST**

I, Betty Wojcik, hereby disclose that on March 19, 2013:

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, \_\_\_\_\_;
- inured to the special gain or loss of my relative, \_\_\_\_\_;
- inured to the special gain or loss of The Lake Wales Area Chamber of Commerce, by whom I am retained; or
- inured to the special gain or loss of \_\_\_\_\_, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Agreement with the Lake Wales Area Chamber of Commerce to cooperate in funding for a new Economic Development Council under the Chamber. The New Executive Director/ Economic Development Professional will be hire by the Chamber.

3/25/2013

Date Filed

Betty Wojcik

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR CIVIL PENALTY NOT TO EXCEED \$10,000.