

A meeting of the Lake Wales City Commission was held on July 16, 2013 at approximately 6:00 p.m. following the Invocation and the Pledge of Allegiance in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Eugene Fultz.

INVOCATION

The invocation was given by Fire Chief Jerry Brown.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Michael S. Carter; Betty Wojcik; Jonathan Thornhill; Christopher Lutton; Mayor Eugene Fultz

COMMISSIONERS ABSENT: None

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

[Meetings are recorded but not transcribed verbatim]

MAYOR

PRESENTATIONS

Agenda Item 5. Tom Phillips, Executive Director of Citrus Connection & Polk Transit, to give a presentation on the state of public transit for Polk County

Mr. Phillips gave a PowerPoint presentation concerning plans to consolidate and merge the three transportation systems (Citrus Connection, Polk Transit, and W.H.A.T.) into one organization.

Commissioner Lutton said it was an innovative idea.

Commissioner Wojcik asked if there was transportation to the major airports and Mr. Phillips said you would have to transfer from Winter Haven.

Commissioner Carter asked if there were stops at Warner University and Webber [International] University and Mr. Phillips said not yet.

Commissioner Carter asked for confirmation that the City would be involved in designing the route. Mr. Phillips said there would not be a designated route, rather a service area so customers can call in and book a trip. Commissioner Carter asked if it would then be door-to-door service and Mr. Phillips said it would be curb-to-curb service and explained the difference.

Commissioner Wojcik asked if transportation would be available for community events and Mr. Phillips said they do not have chartered services though people can call in and be scheduled for pickup to local events just as they would for any other trip.

Agenda Item 6. James Slaton, Support Services Director – City’s New Mobile Application

Mr. Slaton gave a PowerPoint presentation, going through all the options on the mobile application, and ended by saying they can easily add other functions in the future.

Commissioner Carter asked if it was presently on-line. Mr. Slaton said no but it was close and that a press release was sent out earlier in the day.

Commissioner Lutton asked if the system provided a way for staff to respond back to citizens to update them on the progress of their request. Mr. Slaton said that before Judy Delmar [former city manager] left a tracking system was implemented whereby an employee follows up on the request.

PUBLIC COMMENT

Jason [last name?], 832 Chamberlain Loop, said he works in the City of Haines City IT Department and he would send Mr. Slaton some information about things they are doing there.

CLOSED PUBLIC COMMENT

Commissioner Wojcik asked if Mr. Slaton would add a Chamber of Commerce and EDC link so prospective businesses wanting to relocate to Lake Wales could have access to information and contacts. Mr. Slaton said he would.

Mayor Fultz moved up Agenda Item 15.

Agenda Item 15. City Manager Selection

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The City Commission will select a City Manager.

STAFF RECOMMENDATION

Staff recommends that the City Commission select a City Manager from the following list of candidates:

Elizabeth Ann Toney-Deal
Kenneth Fields
Robert Bartolotta

BACKGROUND

At the June 28th Special Meeting, the City Commission selected three candidates to move to the second round of interviews. Those interviews were held on July 9th, 10th and 11th in the Commission Chambers.

OTHER OPTIONS

None

FISCAL IMPACT

None

[End agenda memo]

HR Director Sandra Davis distributed a ranking sheet to each Commissioner for them to record their first, second and third choice for City Manager. The ballots were given to the City Clerk to be tallied. The ranking was as follows:

First Choice

Commissioner Thornhill	Fields
Commissioner Wojcik	Fields
Commissioner Carter	Fields
Commissioner Lutton	Fields
Mayor Fultz	Fields

Second Choice

Commissioner Thornhill	Bartolatta
Commissioner Wojcik	Toney-Deal
Commissioner Carter	Toney-Deal
Commissioner Lutton	Bartolatta
Mayor Fultz	Bartolatta

Third Choice

Commissioner Thornhill	Toney-Deal
Commissioner Wojcik	Bartolatta
Commissioner Carter	Bartolatta
Commissioner Lutton	Toney-Deal
Mayor Fultz	Toney-Deal

Commissioner Lutton made a motion to offer the job to Kenneth Fields to be the City Manager. The motion was seconded by Commissioner Carter.

By Roll Call Vote:

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

The motion carried 5-0.

Commissioner Carter said he was very impressed with Mr. Fields. He thought Mr. Fields' strength would fill a void and he liked that Mr. Fields has an engineering background and a sense of humor.

Commissioner Lutton recommended guaranteeing Mr. Fields a two-year contract to be reviewed annually rather than an open contract.

City Attorney Chuck Galloway said that would be negotiated, but the Commission would have to come to a consensus before offering that. He said the only limitation is from recent legislation limiting severance to 120 days whereas in the past you might see a six months' severance. He recommended starting from where we've been before and then negotiating with Mr. Fields.

Commissioner Lutton said that in order to entice someone you'd have to give a sense of stability, such as they gave for the new EDC position.

Commissioner Thornhill said he was not in favor of doing so because the Commission may not want him to stay two years. He said if the city manager knows he is guaranteed two years there would be no incentive to do his best. Mr. Galloway reminded him that they would have to build in a termination for cause.

Commissioner Lutton said they could do like the school board does. They hire for only one year and then if they aren't performing they don't have to fire them; they just don't rehire them and there is no severance. The teachers will have to perform well to get the next contract.

Commissioner Wojcik said she thought they were blessed to have had three really well qualified candidates. She said the decision came down to who will work best with the staff, the commission, the community and the new EDC.

Mayor Fultz said Mr. Fields will know he has the Commission's full support as the vote was unanimous.

Commissioner Thornhill said it was a difficult decision but he thought they made a good choice.

Bill Rogers, Lake Wales News, asked when they expected Mr. Fields to start. Human Resource Director Sandra Davis said she would not know that until she talked to him. Mayor Fultz said he told them he could start very quickly so hopefully he can start by August 1st.

CONSENT AGENDA

Commissioner Thornhill made a correction to the July 9th Budget Workshop minutes. He said he was not present at the meeting.

Agenda Item 7. APPROVAL OF MUNUTES:
June 24, 2013, Workshop Meeting – CM Candidate Phone Interviews
June 25, 2013, Workshop Meeting – CM Candidate Phone Interviews
June 26, 2013, Workshop Meeting – CM Candidate Phone Interviews
June 27, 2013, Workshop Meeting – CM Candidate Phone Interviews
June 28, 2013, Workshop Meeting – CM Candidate Phone Interviews
June 28, 2013, Special Meeting – CM Candidate Selection for Round 2
July 2, 2013, Workshop Meeting – Parks Playground Equipment
July 2, 2013, Regular Meeting
July 9, 2013, Workshop Meeting - Budget
July 9, 2013, Workshop Meeting – CM Candidate In-Person Interview
July 10, 2013, Workshop Meeting – CM Candidate In-Person Interview
July 11, 2013, Workshop Meeting – CM Candidate In-Person Interview

Agenda Item 8. Donation of Surplus City Equipment

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The City Commission will consider authorizing the donation of a 1995, F-725 John Deere mower to the Avon Park Correctional facility for spare parts.

RECOMMENDATION

Staff recommends that the City Commission take the following actions:

1. Declare as surplus and authorize the disposal of the 1995, F-725 John Deere mower previously used by the Parks Division
2. Approve the donation of the 1995, F-725 John Deere Mower to the Avon Park Correctional facility

BACKGROUND

In accordance with Sec. 2-476 of the City Code, the City Commission may classify as surplus any of its property that is obsolete or the continued use of which is uneconomical or inefficient.

The Fleet Department has determined that a 1995, F-725 John Deere mower that was a part of the Park's Department inventory is beyond repair and has a residual value of \$-0-, serves no useful purpose and has been set aside for disposal. The Avon Park Correctional facility has requested that the City donate the mower to them to be used for spare parts.

FISCAL IMPACT

None

OTHER OPTIONS

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

[End agenda memo]

Agenda Item 9. Annual Cleaning of the Force Main

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The force main requires annual cleaning to ensure the line continues to function as intended.

STAFF RECOMMENDATION

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

1. Authorize Professional Piping Services, utilizing the annual contract, to perform the force main cleaning services in the amount of \$63,015.00.

BACKGROUND

The US Hwy 27 N Force main requires annual cleaning due to the distance this line has to travel to reach the wastewater treatment plant and the low flow conditions that exist related to the lack of development in the Northern area of the city. Sediment such as sand; plastics and paper tend to settle to the bottom of the pipe due to the low velocities of liquid pushing this sediment. The standard method used for the cleaning of these sections of force main is called the progressive poly pig procedure.

Staff solicited for bids in November of 2011 with the bid opening that followed in December of 2011. An annual contract with Professional Piping Services was approved by the Commission on January 10, 2012. This contract was approved with the option of being able to be renewed for two additional one year periods at the end of the corresponding fiscal years. The City is currently in the first renewal period of the contract. Staff contacted Professional Piping Services and requested a price quote for the cleaning of the US Hwy 27 N force main. A quote was received in the amount of \$63,015.00.

Staff recommends that the commission approve the utilization of the annual contract for Professional Piping Services for the force main cleaning in the amount of \$63,015.00.

OTHER OPTION

None. Without this required annual cleaning, the force main would become plugged and become inoperable. This in turn would cut off the sewer service in the Northern area of the city.

FISCAL IMPACT

\$63,015.00 was budgeted in the Wastewater Division's FY '12-'13 M & R Lines and Mains Operating Budget for this purpose.

[End agenda memo]

Commissioner Carter made a motion to approve the Consent Agenda with the correction to the July 9th budget workshop meeting. The motion was seconded by Commissioner Lutton.

By Voice Vote:

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

The motion carried 5-0.

OLD BUSINESS

Agenda Item 10. Ordinance 2013-10, FY12'13 Budget Amendment #3 – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

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

RECOMMENDATION

It is recommended that the City Commission adopt Ordinance 2013-10 after second reading and public hearing.

The City Commission approved first reading of Ordinance 2013-10 on July 2, 2013. Public Notice for second reading and public hearing was advertised on Saturday, July 6th in the Lake Wales News.

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 and March 19, 2013 by ordinance 2013-06.

We are presenting for second reading Ordinance 2013-10 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:

Transportation Fund	-
Street Lighting Fund	-
CRA Fund	-
Police Forfeitures	-
Library Fund	-
Debt Service Fund	-
Capital Projects	-
Utility System Fund	-
Total Increase(Reduction) of Revenues & Balances Fwd	-
Appropriated Expenditures & Reserves	
General Fund	30,505
Transportation Fund	-
Street Lighting Fund	-
CRA Fund	-
Library Fund	16,120
Library Fund	
Debt Service Fund	4,140
Utility System Fund	-
Airport Fund	-
Reserves	(50,765)
Total Increase(Reductions) of Appropriated Expenditures & Reserves	-

The proposed budget amendment increases the City's total budgeted expenditures by \$50,765 and decreases reserves by \$50,765.

Reasons for this amendment include:

General Fund (001):

The Planning Department is requesting an additional \$3,000 for legal advertising. A portion of this expense is reimbursed by the applicants. However, expenses related to City projects, such as the annexation and land use change on the airport extension property, are not reimbursed.

On May 2, 2013, the City Commission approved the expenditure of funds in the amount of \$58,504.60 to purchase four (4) commercial mowers from John Deere Company via Fields Equipment Company. The commission also authorized a budgetary amendment to coincide with this purchase. Below is a recap of the previously authorized budget amendment:

Planning & Zoning - Prof. Services - Planning	(7,000)
Facility Maintenance - Fuel	(1,500)
Code Enforcement - Prof. Services - Legal	(5,000)
Code Enforcement - Mowing	(2,000)
Economic Development - Advertising	(10,500)
Special Events - 4th of July Fireworks	(5,000)
	(31,000)
General Fund - Emergency Sinking Account	(27,505)
	(58,505)

Library Fund (110):

On June 18, 2013, the City Commission approved the contract with Fisher and Floyd Roofing and Sheet Metal Co., Inc. for roof repairs at the Library. The cost of this contract for repairs is \$16,120. The funding source for the \$16,120 would be the additional revenue realized by the Library from Polk County Intergovernmental Revenues of \$14,120 and the remaining balance of \$2,000 would need to be allocated from the Library's ending fund balance (which has an estimated balance of \$75,263).

Debt Service Fund (201):

An increase of \$4,140 is required due to the calculation of interest on the Series 2007 – CRA Bond.

Utility System Fund (403):

A replacement air conditioner was needed for the reclaim water facility. The cost of this air conditioner was \$3,200. The funding source for the \$3,200 will be a decrease in M&R – Treatment Plans.

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

[End agenda memo]

The City Clerk read Ordinance 2013-10 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2012-15 AS AMENDED BY ORDINANCE 2013-02 AND ORDINANCE 2013-06 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.

Commissioner Wojcik asked why the title of the ordinance was longer than the ordinance.

City Attorney Chuck Galloway explained that the title has to address the contents of the ordinance and encompass everything.

Finance Director/ Interim City Manager Dorothy Ecklund reviewed Agenda Item 10 explaining why it was a housekeeping item.

OPENED PUBLIC HEARING

There were no public comments.

CLOSED PUBLIC HEARING

Commissioner Wojcik made a motion to adopt Ordinance 2013-10 after second reading and public hearing. The motion was seconded by Commissioner Carter.

By Roll Call Vote:

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

The motion carried 5-0.

NEW BUSINESS

Agenda Item 11. Resolution 2013-07, Appointment of FTJ FundChoice, TM LLC as the Plan Administrator for the City's 457 (b) Deferred Compensation Plan

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The City Commission will consider adopting Resolution 2013-07, appointment of FTJ FundChoice,™ LLC as the Plan Administrator for the City's 457(b) Deferred Compensation Plan.

STAFF RECOMMENDATION

1. It is recommended that the City Commission adopt Resolution 2013-07, appointment of FTJ FundChoice,™ LLC as the Plan Administrator for the City's 457(b) Deferred Compensation.
2. Authorize the City Manager to execute the documents on the City' behalf.

BACKGROUND

Resolution 2013-07 is presented to provide City employees with the option to defer a portion of their salaries through payroll deductions into a deferred compensation plan and invest it, on a tax-deferred basis. It is a tax-deferred, defined contribution, supplemental retirement program that will be open to all city employees. The plan, if approved, will be administered by *FTJ FundChoice,™ LLC* and is authorized under Section 457 of the Internal Revenue Code.

Currently, the City has a 457 deferred compensation plan in place that is administered by Nationwide. The *FTJ FundChoice,™ LLC* plan will not replace the current plan. Each plan has components that are not offered by the other. Providing employees with a defined benefit plan, as well as defined contribution plans, affords a balanced approach for a more secure retirement benefit for participants than one which relies on a single option.

FTJ FundChoice,™ LLC is presented by James M. Nelson, Nelson Financial Strategies*, 230 East Park Avenue, Suite 28 Lake Wales, FL 33853, in conjunction with Lineweaver Financial Group*, 9035 Sweet Valley Dr., Valley View, OH 44125. They will conduct training for employees that choose to participate and will assist them in making suitable contribution decisions. Additionally, this will not be offered as a city sponsored plan, it will be offered as a voluntary plan with contributions made only by the employee.

*Securities offered through Sigma Financial Corp. Member FINRA/SIPC fee-based investment advisory services offered through Sigma Planning Corporation, a registered investment advisor

FISCAL IMPACT

None; this is a voluntary plan with contributions made by the employee.

[End agenda memo]

The City Clerk read Resolution 2013-07 by title only.

A RESOLUTION OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, TO AUTHORIZE ADOPTION OF FTJ FUNDCHOICE,™ LLC §457 DEFERRED COMPENSATION PLAN; PROVIDING FOR AN EFFECTIVE DATE.

Ms. Davis reviewed Agenda Item 11.

Commissioner Lutton asked if there were any fees associated with the agreement and Ms. Davis said it was totally voluntary. Commissioner Carter asked if there was a cost to the city for the other plan that is in place and Ms. Davis said there was no cost for either plan as both are voluntary.

Commissioner Wojcik asked if she got quotes from other local providers. Ms. Davis stated that because there is no cost to the City, quotes are not required. Commissioner Lutton explained that there normally is a maintenance fee for most retirement plans.

Commissioner Thornhill made a motion to adopt Resolution 2013-07. The motion was seconded by Commissioner Wojcik.

By Voice Vote:

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

The motion carried 5-0.

Agenda 12. Awarding of bid for fire station construction

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

A pre-bid meeting was held in the City Commission Chamber on June 3, 2013 and bid opening was on June 27, 2013. Seven construction companies submitted sealed bids for the fire station project. Staff recommends that the bid be awarded to Miller Construction Management, Inc.

RECOMMENDATION

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

1. Award the bid for construction of the fire department sub-station on Chalet Suzanne Road to Miller Construction Management, Inc. of Lakeland Florida in the amount of \$1,068,000.
2. Authorize the Interim City Manager to execute the appropriate documents, on the City's behalf.

BACKGROUND

In August of 2012 the City Commission approved the purchase of 3.76 acres on Chalet Suzanne Road for construction of a new fire station. Engineering and architectural services have been attained for the design of a 4,500 square foot facility on the site to house firefighters and equipment. An invitation to bid was approved, advertised, and bids were opened on June 27, 2013. Seven construction companies submitted bids as follows;

SEMCO Construction	\$1,455,921.00
The Davis Group	\$1,396,443.84
Kincart Construction Company	\$1,349,032.00
Pillar Construction	\$1,295,215.00
Peachee Construction	\$1,215,715.80
Royal Concrete Concepts, LLC	\$1,144,867.80
Miller Construction Management, Inc.	\$1,068,000.00

A seven member committee reviewed all bid documents and unanimously agreed on Miller Construction Management, Inc. as the winning bidder. The committee consisted of the following:

Tom Moran
James Slaton
Chuck Croley
Jerry Brown
Elisa Turner
Mike Furr

City of Lake Wales Public Works Director
City of Lake Wales Support Services Director
City of Lake Wales Fire Marshal
City of Lake Wales Fire Chief
Kimley-Horn and Associates
Furr and Wegman

FISCAL IMPACT

Construction cost for the fire sub-station will be funded by debt issuance.

OTHER OPTIONS

Not to authorize the award of bid or the execution of the construction contract relating to the fire sub-station.

[End agenda memo]

Fire Chief Brown reviewed Agenda Item 12.

Commissioner Carter noted that it came in below the range. Mr. Brown explained that they had asked approval of \$1.2 million but they have about \$83,000 worth of expenditures for things like furnishings, appliances, fuel and dispensing systems that they plan to purchase themselves so they don't have to pay the sales. They plan to have the contractor start looking for some value engineering as soon as possible and they are hoping to come in even lower for actual cost.

Commissioner Lutton said he wanted to make sure that the mechanical systems from toilets to the AC system are of good quality because we plan on using the building for the next fifty years. He said the large ticket items such as generators are very easily purchased through the contractor, still getting the tax savings. Mr. Brown said they plan to get tax savings for everything they can.

Commissioner Wojcik said the project was a long time in coming and it is so exciting to see it finally coming about. Mr. Brown said they want to have a fire station in the northern part of the city so people living there can bring their children and grandchildren; they can come to get their blood pressure checked; and staff can do some community service in the northern area.

Commissioner Lutton asked if there was still some open space on that parcel and Mr. Brown said they are using only the eastern half and the western side is available for whatever projects they decide. Commissioner Lutton said he would like that added to the next strategic plan review so they can brainstorm some ideas. Commissioner Wojcik reminded them that they had gotten a public request to use part of the land for a park on the north side of town.

Commissioner Thornhill asked if they just went with the low bidder or checked to make sure we get what we pay for. Mr. Brown said they had a conversation with the low bidder after they reviewed the bids to give him an opportunity to take a good hard look and make sure they can do the job, and for that amount of money.

Commissioner Carter asked if the city had prior experience with Miller Construction. Mr. Brown said he wasn't sure that the city was involved with them but they have been involved with some pretty large projects around the city and the building and planning departments and the fire marshal have had some experience with them and have given very good reviews.

Commissioner Wojcik asked if their references were checked for some of their prior projects. Mr. Brown said they turned in a couple of references, but of course you only list references for projects that went well.

Commissioner Carter made a motion to award the bid for construction of the fire department sub-station to Miller Construction Management, Inc and authorize the City Manager to execute the appropriate documents on the City's behalf. The motion was seconded by Commissioner Thornhill.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 13. Ridge Fertilizer Environmental Engineering Services for Site Assessment Activities

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

City owned real estate, on which the Ridge Fertilizer Facility was located, was the focus of an environmental remediation action that involved the demolition of the facility in early 2003-2004. Certain actions were required for monitoring of the assessment report during that time period. Due to the incomplete monitoring tasks at that time we need to complete the process now and move the project to close-out so the property can be placed on the market for sale or used for a designated municipal purpose.

STAFF RECCOMENDATION

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

1. Approve the Consulting Services Agreement with Kimley-Horn and Associates for Environmental Engineering Services for Site Assessment Activities, 62-780 FAC, in the amount of Twelve Thousand Two Hundred Dollars (\$12,200).
2. Authorize the City Manager to execute the appropriate documents on the City's behalf.

BACKGROUND

The history of this property is long and over the last 36 months in working with Kimley-Horn we were able to capitalize on some grant funding identified by the firm for preparing reports required by the Florida Department of Environmental Protection (FDEP) on this property. That work was completed and reviewed with the appropriate environmental offices.

The FDEP laid out the scope of work required to move the property into compliance. The Scope of work is as specified by the FDEP. As with any agency they may require additional work effort that is not included in this contract. This is the second agreement with Kimley-Horn on this project and the scope of work is based on the DEP letter dated September 21, 2012. An extension to the due date mentioned in the letter has been granted by DEP.

CURRENT / FUTURE FISCAL IMPACT

Funding for these services will be provided from the CRA Fund as this project is within the CRA area and also relates to the correction of blight within the area.

OTHER OPTIONS

Not to authorize the execution of the contract but expose the property to action by the FDEP.

[End agenda memo]

Mr. Moran reviewed Agenda Item 13.

Mayor Fultz asked if it was considered brownfield because it was contaminated. Mr. Moran said yes, but Jennifer Nanek would have more information on the issue. Special Projects Manager Jennifer Nanek said they are still doing the site assessment but they have researched into the possibility of having the property declared a brownfield because then you can get grants to help clean it up so it can be used for other things.

Commissioner Lutton asked if PBS&J found any contaminants and Mr. Moran said yes.

Commissioner Wojcik asked if the cleanup had been done at that time and Mr. Moran said he didn't think so. He thought they were waiting for the soil testing but if the contamination has reached the ground water there is a big problem.

Mr. Lutton said it is a long process; they have to assess the problem and see how big the area is, then form a cleanup plan, get the approval of the plan, do the cleanup, and then have it tested to make sure it was cleaned up.

Mr. Moran said Fleet had that problem and explained the process they went through.

Commissioner Wojcik asked why the city would agree to take the property. Mr. Lutton said it was vacant and desolate. Mr. Galloway said at the time it was completely out of compliance and had all kinds of code violations; for instance the area underneath the main flooring had become a storage area for automobiles. So, the City pursued foreclosure. Then it had to be dismantled and they discovered there were asbestos shingles on it. Commissioner Wojcik said it could be shut down without the city taking the liability for it. Commissioner Lutton said it is at the entrance to the City and was an eyesore.

PUBLIC COMMENT

There were no comments from the public.

Commissioner Thornhill made a motion to approve the Consulting Services Agreement with Kimley-Horn and Associates and authorize the City Manager to execute the appropriate documents on the City's behalf. The motion was seconded by Commissioner Wojcik.

By Voice Vote:

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

The motion carried 5-0.

Agenda Item 14. Certification of 2014 Taxable Value, Interim Millage & Budget Hearing Dates

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The City Commission will consider approval of the Polk County property appraiser's certification of taxable value for 2014, set the interim millage rate, and set the dates for the public hearings to adopt the final millage rate and the FY13'14 budget.

RECOMMENDATION

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

1. Approve the Property Appraiser's Certification of Taxable Value for 2013.
2. Set the interim millage rate at 9 mills.
3. Set the dates for the required public hearings for the final millage rate and adoption of the FY13'14 budget as Tuesday, September 3 and Tuesday, September 17.

BACKGROUND

Certification of Taxable Values

Attached for your review and approval is the Polk County property appraiser's Certification of Taxable Value for 2013. As indicated, the City's gross taxable value for operating purposes is \$560,579,863. Lake Wales has experienced a decline in taxable value of \$1,645,561 since the 2012 certification. The certification for 2013 is 0.29% below 2012's final gross taxable value of \$562,225,424. It is recommended that the City Commission approve the Certification of Taxable Value for 2013.

Interim Millage Rate

In order for the property appraiser to proceed with the mailing of the required TRIM notices, it will be necessary for the Commission to set an interim millage rate and establish the required public hearing dates for adoption of the final 2013 millage rate and the FY13'14 budget.

We are recommending that the interim millage rate be set at 9 mills to allow the City Commission flexibility as they work through the budget process. The current year rolled-back rate is 8.5866. A millage rate of 9 mills represents an increase of \$259,612 or 5.73% change in taxes paid (\$186,656 - General Fund, \$18,461 - Library Fund and \$54,495 - CRA Fund). The rolled-back rate represents a \$27,868 change in taxes paid, which is due to new growth added to taxable value. **The final adopted millage rate may not exceed the interim millage rate, but it may be lower than the interim millage rate.**

Date and Time for Public Hearings

The City Commission must set a date and time for the first public hearings on the final millage rate and FY13'14 budget. This information will be included on the preliminary tax notice which is forwarded to each taxpayer and will serve as official public notice of the hearings. Florida Statutes stipulate that the first public hearings can be held no sooner than 65 days after the Certification of Taxable Value by the Property Appraiser or July 1, whichever is later. Certification occurred on July 1, therefore the first public hearings can be held no sooner than Monday, September 3 (65 days after July 1). This year, the Board of County Commissioners has scheduled its public hearings on Thursday, September 5 and Thursday, September 12. The School Board's final public hearing is scheduled for Tuesday, September 10. We are recommending the first public hearings for the millage and budget be set for Tuesday, September 3, 2013. We are also recommending that the second public hearings be set for Tuesday, September 17, 2013.

OTHER OPTIONS & FISCAL IMPACT

If we were designing the ideal budget process, it would look like this:

1. City staff would gather information and prepare the budget
2. The Commission would review the budget document
3. The Commission would adopt the millage rate required to fund the budget

However, state law requires that the county property appraiser notify each property owner of the interim millage rate and the dates of the meetings for adoption of the millage and budget. To give time for the mailing of this notice to the property owner, the taxing agency (city, county, school board, water management district, etc) must, by law, adopt an interim millage rate no later than August 4.

This date creates difficulties in the budget schedule because some critical information that staff must use in budget preparation – including state revenue estimates and insurance cost increases – is not usually available early enough to work into the proposed budget much before the deadline for adopting the interim millage rate.

The law provides that the final rate adopted can be lower than the interim millage, but not higher (you cannot have a final rate that is higher than the interim millage rate, but it can be lowered). Therefore, it is not uncommon for a city commission to adopt an interim millage rate that is likely to be higher than the final millage rate in order to allow flexibility during the budget review process.

Taxes levied by the various options are as follows:

	2013 millage rate	2013 ad valorem taxes levied	2013 taxes over (under) 2012 taxes	Minimum adoption requirement
			4,785,607	
current	8.5119	4,771,600	(14,007)	3-2 vote
rolled-back	8.5866	4,813,475	27,868	3-2 vote
9 mills	9.0000	5,045,219	259,612	3-2 vote
maximum (cap@10 mills)	10.0000	5,605,799	820,192	3-2 vote

Note: The City does not receive 100% of ad valorem tax levy due to 1) discounts offered for early payment and 2) unpaid delinquent taxes. A 3% reduction is included within budget calculations for ad valorem tax revenues. The 3% reduction has not been applied to the data table listed above.

Estimated revenue received by the City at the various options is as follows:

	2013 millage rate	2013 ad valorem proceeds	2013 proceeds over (under) 2011 proceeds	Minimum adoption requirement
			4,657,801	
current	8.5119	4,644,906	(12,895)	3-2 vote
rolled-back	8.5866	4,685,670	27,868	3-2 vote
9 mills	9.0000	4,911,260	253,459	3-2 vote
maximum (cap@10 mills)	10.0000	5,456,956	799,154	3-2 vote

The City Commission is not required to make a decision on the final millage rate at this meeting. The final decision should be made after we thoroughly review and discuss the budget and all of its implications; however, we do have to make a decision on the interim millage rate at this meeting.

[End agenda memo]

PUBLIC COMMENT

There were no public comments.

Commissioner Wojcik made a motion to approve the Property Appraiser’s Certification of Taxable Value for 2013, set the interim millage rate at 9 mills, and set the dates for the required public hearings as Tuesday, September 3rd and Tuesday, September 17th. The motion was seconded by Commissioner Carter.

By Roll Call Vote:

Commissioner Wojcik	“YES”
Commissioner Carter	“YES”
Commissioner Thornhill	“YES”
Commissioner Lutton	“YES”
Mayor Fultz	“YES”

The motion carried 5-0.

CITY MANAGER

City Commission Tracking Report

Commissioner Wojcik commended Interim City Manager Dorothy Ecklund for the Tracking Report updates. She said they were clearer than she has ever seen them.

City Commission Calendar

Commissioner Carter said the date for the August workshop says ‘tentative’ and he asked if they should confirm it. Commissioner Wojcik said it says tentative because they aren’t sure we will need all of them.

COMMUNICATIONS AND PETITIONS

David Smith, Babson Park, asked if the old Laundromat property on Dr. Martin Luther King, Jr. Blvd. was condemned. City Attorney Chuck Galloway said he believed that was passed on as acceptable. At one point there was a company contemplating purchasing the land but it did not want to risk that something would be found in the soil.

CITY COMMISSION COMMENTS

At 7:09 p.m. Mayor Fultz announced that they would recess for a special shade meeting and named those who would be in attendance.

The meeting reconvened and adjourned at 8:38 p.m.



Mayor/Commissioner

ATTEST:



City Clerk