

The meeting of the Lake Wales City Commission was held on March 4, 2014 in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Eugene Fultz at 6:00 p.m. following the invocation and the Pledge of Allegiance.

INVOCATION

The invocation was given by Dr. Jim Moyer.

PLEDGE OF ALLEGIANCE

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

COMMISSIONERS ABSENT: Jonathan Thornhill

CITY REPRESENTATIVES PRESENT: Kenneth Fields, City Manager; Clara VanBlargan, City Clerk; Jennifer Nanek, Deputy City Clerk; Albert C. Galloway, Jr., City Attorney

[Full staff memos are incorporated into the minutes. Meetings are recorded, but not transcribed verbatim.]

MAYOR

PRESENTATIONS

Agenda Item 5. Katie Yoxall – Keep Polk County Beautiful; April 26, 2014; 8pm - 12pm (15 - 20 minutes)

This presentation was cancelled.

COMMUNICATIONS AND PETITIONS

There were no comments from the public.

CONSENT AGENDA

**Agenda Item 6. Approval of Minutes: February 18, 2014, Workshop
February 18, 2014, Regular Meeting**

OPENED FOR PUBLIC COMMENTS

There were no comments from the public.

CLOSED FOR PUBLIC COMMENTS

Commissioner Carter made a motion to approve the Consent Agenda. Commissioner Lutton seconded the motion.

By Voice Vote:

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

The motion carried 4-0.

OLD BUSINESS

Agenda Item 7. ORDINANCE 2014-01, FY-2013'2014 Budget Amendment #1 – 2nd Reading & Public Hearing

[Begin agenda memo]

SYNOPSIS

The City Commission will consider approval of an Amendment to the FY-13'14 Budget adopted on September 17, 2013.

RECOMMENDATION

The recommendation is for the City Commission to approve Ordinance 2014-01 after second reading and public hearing.

The City Commission approved first reading of Ordinance 2014-01 on February 18, 2014. Public Notice for second reading and public hearing was advertised on Saturday, February 22, 2014 in the News Chief.

BACKGROUND

The City Commission adopted Ordinance 2013-12, estimating revenues and appropriating funds for FY-2013'14, on September 17, 2013.

We are presenting for second reading and public hearing an amendment of Ordinance 2013-12 to modify the estimates of revenues and appropriations budgeted in various funds. Exhibit A & B, and supporting attachments provide the detail for the proposed amendment.

Reasons for this amendment include:

Changes in Budgetary Beginning Fund Balances:

- Increase in Transportation Fund Balance of \$23,414.
- Increase in Street Lighting Special Assessment Fund Balance of \$6,488.
- Decrease in CRA Fund Balance of \$105,289, which is mainly due to the \$100,000 held in trust. This is mainly a housekeeping item to clarify the \$100,000 restricted funds.
- Increase in Police Forfeiture Fund of \$10,258.
- Decrease in Debt Service Fund of \$16,317.
- Decrease in Utility System Fund of \$1,215,000. During the prior year budgetary process, restricted funds for the C Street projects and the C Street carry-over items were both included in the original budgetary estimate of beginning fund balance. This was a clerical error. Notification provided to the City Manager and the Utility Director on 10/30/2013. Notification provided to the City Commission on 11/19/2013 that a short deferral of some non-essential capital projects were within FY-2013'14. The notification identified that the City Manager, Utility Director, and the Finance Director had began discussion relating to the necessary adjustment for FY-2013'14. This is the housekeeping item to correct beginning fund balance relating to this issue.

General fund revenues and beginning fund balance increased by \$287,341 for the following items:

- Increase in beginning fund balance of \$108,599
- COP Grant for \$40,742
- Donation from Wal Mart for Christmas gifts for community families of \$1,000
- Donation for refurbishing basketball court in Lincoln Park of \$42,000
- Transfer from Capital Project Fund of \$95,000 for various recreational capital project costs.
 - 3,000 – Bleachers at Northwest Recreation Complex
 - 20,000 – Parking Lot Expansion at Crystal Lake Park
 - 35,000 – Fencing at Crystal Lake Park
 - 10,000 – Play System Shade Cover at Stuart Park
 - 7,000 – Monument Sign at Lake Wailes
 - 20,000 – Engineering for a community park to be located by the new fire substation

General fund appropriated expenditures increased by \$338,610 mainly due (\$306,740) from following items:

- Lake Belle settlement of \$108,000
- Recreation capital outlay of \$187,000. These projects include the items listed above plus:
 - 30,000 – Second play station at Crystal Lake Park
 - 62,000 – Refurbishing of basketball court at Lincoln Park
- Professional services within Willow Lawn Cemetery for ground survey work for \$9,890
- Community service expenditures of \$1,000 relating to the expenditure of the Wal-Mart donation for Christmas gift for community families
- Increase in police operating supplies of \$850 for vest carriers and Bluetooth mobile phone recorder

Library fund revenues and beginning fund balance increased by \$13,458 for the following items:

- Decrease in beginning fund balance of \$15,060
- Increase of \$21,018 Polk County Library Cooperative
- Increase of \$4,500 interest income
- Increase in donation of \$3,000 from Raymond James Foundation for the purchase of furniture

Library fund appropriated expenditures increased by \$24,019 mainly due (\$23,919) from the following items:

- Increase in salaries of \$7,500 for part time labor
- Increase in operating IT of \$5,300 for (3) desk top PCs and additional bar scanners
- Increase in library books and subscriptions of \$4,000
- Increase in C/O – Library Furniture \$7,119 for children furniture

Capital Project fund revenues and beginning fund balance increased by \$1,674,319 for the following items:

- Increase in Capital Project fund of \$1,674,319 is mainly due to the loan for the fire substation and the new cemetery addition (\$1,700,000) being issues on 09/18/2013

Capital Project fund appropriated expenditures increased by \$145,000 mainly due from following items:

- Increase of \$25,000 for a master plan for Lake Wailes Park horseshoe/fish pier area
- Increase of \$25,000 for parking improvements in Lake Wailes Park across from Legion Field
- Increase of \$95,000 in transfers out to the General Fund for the following projects:
 - 3,000 – Bleachers at Northwest Recreation Complex
 - 20,000 – Parking Lot Expansion at Crystal Lake Park

- o 35,000 – Fencing at Crystal Lake Park
- o 10,000 – Play System Shade Cover at Stuart Park
- o 7,000 – Monument Sign at Lake Wailes
- o 20,000 – Engineering at N. Park to be located out by the new fire substation

OTHER OPTIONS

With the exception of the detailed items listed about this is primarily a housekeeping ordinance to conform the budget to items approved by the City Commission.

FISCAL IMPACT

See Exhibit A and Exhibit B attached to Ordinance 2014-01

[End agenda memo]

City Clerk Clara VanBlargan read Ordinance 2014-01 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2013-12 TO MODIFY THE ESTIMATES OF EXPENDITURES FOR THE OPERATION OF THE SEVERAL DEPARTMENTS OF SAID CITY FOR THE 2013-2014 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.

OPENED FOR PUBLIC HEARING

There were no comments from the public.

CLOSED FOR PUBLIC HEARING

Commissioner Wojcik made a motion to adopt Ordinance 2014-01 after second reading and public hearing. Commissioner Carter seconded the motion.

By Roll Call Vote:

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

The motion carried 4-0.

Agenda Item 8. ORDINANCE 2014-02, Amendment to Ethics Ordinance City Code Section 1-23(b) – 2nd Reading & Public Hearing

[Begin agenda memo]

SYNOPSIS

Ordinance 2014-02 amends Ordinance 2011-06, which provided for more stringent standards of ethical conduct by a city commissioner, appointed official or officer, or employee.

RECOMMENDATION

The recommendation is for the City Commission to approve after second reading and public hearing Ordinance 2014-02 that will:

1. Allow a city commissioner, appointed official or officer, or employee to accept a gift of a value not exceeding Fifty US Dollars (\$50.00) from a person or entity transacting business with the City; and
2. Require a city commissioner, appointed official or officer, or employee that accepts a gift exceeding the limit of Fifty US Dollars (\$50.00) to file a report with the City Clerk, on a form provided by the City Clerk, within 30 days of receipt of such gift for maintaining such gift(s) received.

The City Commission approved first reading of Ordinance 2014-02 on February 18, 2014 to include a revision requiring that the reporting requirement to the City Clerk be within 30 days of receipt of such gift exceeding the limit.

Public Notice for second reading and public hearing was advertised on Saturday, February 22, 2014 in the News Chief.

BACKGROUND

The current Ethics Ordinance 2011-06 (City Code Section 1-23(b)) does not allow a city commissioner, appointed official or officer, or employee to either solicit or demand any gift, or accept "a gift of any value (emphasis added) from a person or entity transacting business with the city," such as bottled water, a cup of coffee, business lunch or meal, or award or gift sponsored by a private business in conjunction with a civic or professional event. This strict prohibition can result in a technical violation, which can sometimes be unavoidable or attempting to be in conformance with the code can impinge on normal business practices and relations.

In the event a gift exceeds a value of Fifty US Dollars (\$50.00), the recipient shall, within 30 days of receipt of such gift, report the gift to the City Clerk who shall be responsible for maintaining a record of such gift(s) received by a City Commissioner, appointed official or officer, or employee.

OTHER OPTIONS

The City Commission could choose not to amend its ethics ordinance and continue to enforce its more stringent standards of ethical conduct for a city commissioner, appointed official or officer, or employee.

FISCAL IMPACT

There is no fiscal impact.

[End agenda memo]

City Clerk Clara VanBlargan read Ordinance 2014-02 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2011-06 THAT PROVIDED FOR MORE STRINGENT STANDARDS OF ETHICAL CONDUCT BY AMENDING THE SAID ORDINANCE TO PROVIDE FOR ACCEPTANCE OF MINIMAL GIFTS AND A REPORTING REQUIREMENT FOR GIFTS, WHICH EXCEED THE ESTABLISHED MINIMUM; AND PROVIDING FOR AN EFFECTIVE DATE

Albert C. Galloway Jr., City Attorney, noted that the ordinance had been revised to include a time period for reporting gifts over \$50 to the City Clerk.

OPENED FOR PUBLIC HEARING

There were no comments from the public.

CLOSED FOR PUBLIC HEARING

Commissioner Carter made a motion to adopt Ordinance 2014-02 after second reading and public hearing. Commissioner Wojcik seconded the motion.

By Roll Call Vote:

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

The motion carried 4-0.

NEW BUSINESS

Agenda Item 9. ORDINANCE 2014-03, Adjusting Compensation Pay Period for City Commissioners – 1st Reading

[Begin agenda memo]

SYNOPSIS

The City Commission will consider adjusting the compensation pay period for City Commissioners to help reduce administrative payroll costs.

RECOMMENDATION

It is recommended that City Commission approve Ordinance 2014-03 after first reading.

BACKGROUND

The City's current ordinance (Section 2-261) requires Commissioners to be paid on monthly bases while all other City employees are paid on bi-weekly bases. The timing difference in the payroll cycles, Commissioners vs. city employees, creates additional costs relating to process payroll under this existing method.

The City would be able to reduce payroll administrative costs by an estimated \$975 per year if Commissioner Compensation was moved to the same bi-weekly payroll cycle as all other employees.

FISCAL IMPACT

The estimated annual cost saving is \$975.

[End agenda memo]

City Clerk Clara VanBlargan read Ordinance 2014-03 by title only

AN ORDINANCE ADJUSTING COMPENSATION PAY PERIOD FOR CITY COMMISSIONERS; PROVIDING AN EFFECTIVE DATE.

Dorothy Ecklund, Finance Director, reviewed this item.

Commissioner Carter confirmed that now all employees will be paid the same, bi-weekly. Ms. Ecklund confirmed this.

OPENED FOR PUBLIC HEARING

There were no comments from the public.

CLOSED FOR PUBLIC HEARING

Commissioner Lutton made a motion to approve Ordinance 2014-03 after first reading. Commissioner Carter seconded the motion.

By Roll Call Vote:

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

The motion carried 4-0.

Agenda Item 10. RESOLUTION 2014-04, Industrial Development Revenue Bonds Issuance

[Begin agenda memo]

SYNOPSIS

The approval will authorize the issuance of bonds in one or more series in the principal amount of not to exceed \$4,141,000.

RECOMMENDATION

The Lake Wales Charter Schools, Inc. request that the City Commission adopt Resolution 2014-04, which:

1. Authorizes the City to issue Industrial Development Revenue Bonds (Edward W. Bok Academy Project) Series 2014 in an aggregate principle amount not to exceed \$4,141,000 for the purpose of providing funds to make a loan to Lake Wales Charter Schools, Inc. (the Borrower) to refinance the acquisition and construction of improvements to Edward W. Bok Academy;
2. Approves the form of a Financing Agreement (and the forms of the Bond Form, the Promissory Note and the Lender's Certificate attached thereto), an Assignment, and an Indemnification and Hold Harmless Agreement in connection therewith; and
3. Authorizes the Mayor to execute the Financing Agreement, the Bonds, the Assignment, and Tax Agreement with respect to the Bonds and other related closing documents.

BACKGROUND

Lake Wales Charter Schools, Inc., a not for profit corporation (the "Borrower"), has applied to the City of Lake Wales to issue the Series 2014 Bonds for the purpose of refinancing the Project described below. On February 3, 2014, a Notice of Public Hearing was published in The Lakeland Ledger noticing a hearing, which was held by the City Commission on February 18, 2014 at 6:00 p.m. regarding the issuance of the Series 2014 Bonds. After said hearing, the City adopted Resolution No. 2014-03 providing preliminary approval of the issuance of the Series 2014 Bonds.

The Series 2014 Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of the City, Polk County, the State of Florida or any political subdivision or agency. The Series 2014 Bonds shall be payable solely from the revenues and collateral pledged in the Financing Agreement entered into by and between the City and the Borrower prior to or contemporaneously with the issuance of the Series 2014 Bonds.

The County Commission of Polk County, Florida must approve the issuance of the Series 2014 Bonds and such approval is expected on March 4, 2014.

PROJECT

The principal purpose of the Series 2014 Bonds is the refinancing of all or a portion of the costs of acquiring and constructing improvements to the Edward W. Bok Academy middle school facility located at 13901 Highway 27, Lake Wales, Florida. No portion of the financing will be used for new construction.

Adoption of the resolution shall not be construed as an approval of any necessary rezoning applications or for any other regulatory permits relating to the Project.

The City's adoption of the resolution shall not be construed to:

- a) Attest to the Borrower's ability to repay the indebtedness represented by the Series 2014 Bonds.
- b) A recommendation to prospective purchasers of the Series 2014 Bonds to purchase the same.
- c) Have waived any right of the City or stopping the City from asserting any rights or responsibilities it may have in that regard.

OTHER OPTIONS

Not adopt the resolution. The Borrower will have to pursue other refinancing alternatives.

FISCAL IMPACT

The Borrower will pay the bond issuance costs including the City's Attorney and Special Counsel fees and expenses. As previously stated the bond issue does not constitute an indebtedness or pledge of the general credit or taxing power of the City.

The issuance of the Series 2014 Bonds will not have any impact on services provided by the City (Fire, Police, Streets, Parks, Library, Water and Sewer).

[End agenda memo]

City Clerk Clara VanBlargan read Resolution 2014-03 by title only.

A RESOLUTION OF THE CITY OF LAKE WALES, FLORIDA (THE "ISSUER") AUTHORIZING THE ISSUANCE OF THE ISSUER'S INDUSTRIAL DEVELOPMENT REVENUE BONDS (EDWARD W. BOK ACADEMY PROJECT), SERIES 2014 (THE "SERIES 2014 BOND") IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$4,141,000 FOR THE PURPOSE OF PROVIDING FUNDS TO MAKE A LOAN TO LAKE WALES CHARTER SCHOOLS, INC. (THE "BORROWER") TO REFINANCE THE ACQUISITION AND CONSTRUCTION OF IMPROVEMENTS TO EDWARD W. BOK ACADEMY; APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION OF A FINANCING AGREEMENT, INCLUDING AN ASSIGNMENT THEREOF, AN INDEMNIFICATION AND HOLD HARMLESS AGREEMENT AND SERIES 2014 BONDS; AWARDED THE SALE OF THE SERIES 2014 BONDS BY A NEGOTIATED SALE TO CITIZENS BANK & TRUST; AUTHORIZING THE OFFICIALS OF THE ISSUER TO TAKE CERTAIN ACTION IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2014 BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN

CONNECTION WITH THE ISSUANCE OF THE SERIES 2014 BONDS; AND PROVIDING AN EFFECTIVE DATE.

Commissioner Carter asked if this affects the City's credit worthiness if we need to borrow money. Kenneth Fields, City Manager, explained that this can reduce City ability to borrow on its own for this year but it does not affect credit rating.

Albert C Galloway Jr., City Attorney, said that amount has been reduced to \$4,068,000 across the board.

Monique Spotts, Bryant, Miller, and Olive, Bond Counsel for the City on this issue said that at the last Commission meeting a resolution was adopted authorizing the issuing of the bonds. The resolution made a finding that the bonds would not be issued until all documents had been put together. All documents are now complete and this resolution approves the documents. The amount originally approved was not to exceed \$4,141,000. Total amount now to be borrowed is \$4,086,000 as other debt was paid off.

Mr. Fields said that the County approved this today which Ms. Spotts confirmed.

OPENED FOR PUBLIC COMMENTS

There were no comments by the public.

CLOSED FOR PUBLIC COMMENTS

Commissioner Wojcik made a motion to adopt Resolution 2014-03. Commissioner Carter seconded the motion.

By Roll Call:

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

The motion carried 4-0.

CITY MANAGER

Agenda Item 8. City Commission Tracking Report:

Kenneth Fields, City Manager, reported that the fire department is nearing completion. We are in the punch list period now. A ribbon cutting may be scheduled for late April.

Commissioner Carter asked about the construction sign for homes, Leoma's Landing, east of the fire station on Chalet Suzanne Road. Mr. Fields said that the number of homes planned is less than advertised. They are working on finalizing the site plans, should be ready to move forward in a few months.

Commissioner Lutton asked about the timeline for the new cemetery. Mr. Fields said that one could be developed, and that breaking ground is planned in August.

Agenda Item 9. City Commission Calendar

Agenda Item 10. Annual Reporting – Boards, Commissions, and Committees

The Citizens and Police Community Relations Board will present its annual report on March 18, 2014.

CITY COMMISSION COMMENTS

Commissioner Lutton stated that he might be unavailable for budget workshops in the summer due to conflicts. Mr. Fields said there is flexibility in scheduling the workshops and will try to include everyone where possible.

Commissioner Wojcik asked if a Strategic Planning session would be scheduled. Mr. Fields stated there would be after the new commissioner is seated.

CITY MANAGER COMMENTS

Kenneth Fields, City Manager, commended the Mardi Gras Committee on a good job on its weekend event. Commissioner Carter said this is a good private-public partnership.

MAYOR COMMENTS

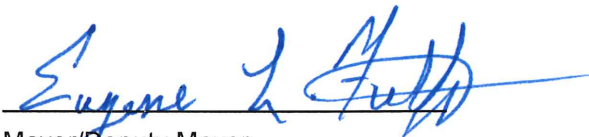
Mimi Hardman asked if the City could commit to help financially with the completion of the old School Complex if there is a possibility of funding from the state for Box Academy to locate there. Mr. Fields said if any money is approved and some help from the City is required, that would be part of the budget process for next year. Mr. Fields said he and the mayor will be in Tallahassee next week and will be talking about this issue to legislators.

Commissioner Wojcik said that though the topic of the school complex and Bok Academy has been widely discussed in the community, the issue has not come before the Commission yet. Nothing has been discussed or approved such as donation of property, approval of the project or any support. Mr. Fields agreed and said he would invite Dr. Jesse Jackson to come on a future date to present this project.

The Mayor commended the staff for the new playground park in Stuart Park.

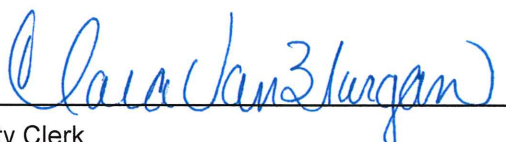
The Mayor introduced guests from BELC, the Black Entrepreneur Leadership Coalition, who are working to take an active role in the community and to promote their businesses.

The meeting was adjourned at 6:27 p.m.



Mayor/Deputy Mayor

ATTEST:



City Clerk