

The meeting of the Lake Wales City Commission was held on November 4, 2014 in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor 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: Terrye Howell; Betty Wojcik; Jonathan Thornhill; Christopher Lutton, Deputy Mayor; Eugene Fultz, Mayor

COMMISSIONERS ABSENT: None

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

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

MAYOR

Agenda Item 5.

PROCLAMATIONS: American Music Month; November 2014
Circle of Friends Ministry Friendship Week; November 9 – 15, 2014
National Hospice and Palliative Care Month; November 2014
Polk County Family Week; November 14 – 21, 2014
ADDENDUM: National American Indian Heritage Month; November 2014

The Mayor presented each proclamation listed except for National Hospice and Palliative Care Month because there was no one present to accept it.

ANNUAL REPORT

Agenda Item 6. PRESENTATION – Plans for Grand Hotel

[Begin Redevelopment of the Wales-Dixiebilt Hotel Property Report]

SYNOPSIS

The group seeking to redevelop the Wales-Dixiebilt Hotel in downtown Lake Wales has identified the potential for the building being redeveloped into a modern full service hotel and has a very preliminary business plan to achieve that goal but has not yet determined the likely cost of renovation or secured financing.

RECOMMENDATION

It is recommended that the Friends of the Grand Hotel group be given additional time to finalize a realistic cost estimate for renovation of the building and also to begin cosmetic improvements to the hotel's exterior. A progress report should be made to the city at the first meeting in February to see if the project is financially feasible and that improvements have been made.

BACKGROUND

At the May 20, 2014 City Commission meeting the City Manger sought direction on how to approach the situation of the Wales-Dixiebilt Hotel in downtown Lake Wales. After a presentation from a group of citizens who are interested in preserving the hotel, the City Manager was directed to notify the owner of the Wales-Dixiebilt Hotel property that the City desired to see a plan for the redevelopment of that property presented at the last Commission meeting in October. Due to the absence of some Commission members at the October meeting, that presentation was postponed until the first meeting in November.

Subsequent to the May meeting, the citizens group met with the City Manager and informed him that they believe that a market exists for the reuse of the property as a full service hotel. This belief is based on comments from Polk Tourism and Sports Marketing that there is a lack of hotel rooms in this part of the county in general and that the need exists for a hotel that can provide meeting and business services in addition to just overnight accommodations. A meeting is planned with PTSM in the next two weeks to explore this possibility.

The Friends of the Hotel have spent the past five months assessing the physical state of the building in order to determine if its reuse is possible and attempting to identify ways to reduce the costs of redevelopment by taking advantage of existing features as opposed to a complete gutting of the building. The group believes that such an approach can reduce the reconstruction costs to make the project financially feasible. A development plan summary is Attachment A. While a detailed pro forma financial projection has not been done, a preliminary estimate (Attachment B) indicates that use as a hotel is potentially profitable, with sufficient returns to cover debt service and still produce a profit. However, no specific funding sources have committed to the project at this time.

The group does believe it has sufficient funding in hand to begin exterior upgrades to the building so as to improve its appearance. In order to begin exterior painting it will be necessary to have a working elevator and install appropriate equipment on the building's roof to allow access to the exterior surfaces. The group plans on having this work completed and exterior work to begin in January 2015. At that time the group plans on having detailed cost estimates available based on the work of the group's architect and engineers and potential contractors. A tentative work schedule from the group is Attachment C [See agenda file].

While modest, the work done to date by the Friends of the Wales-Dixiebilt Hotel indicates that some progress has been made and the next milestone can be identified (detailed costs and initiation of exterior painting by January). As a result I recommend that the group present a progress report to the City Commission at the first meeting in February to determine what the City's next steps should be. By that time the availability of detailed cost data, better financial projections for a hotel operation and a preliminary identification of funding sources should be available.

OTHER OPTIONS

The City can immediately initiate code enforcement actions against the property and plan on funding condemnation and demolition in the next fiscal year.

FISCAL IMPACT

None if the redevelopment group is given more time to create a feasible reuse plan; condemnation and demolition are currently estimated in the range of \$200,000 to \$400,000 in the next fiscal year.

[End Redevelopment of the Wales-Dixiebilt Hotel Property Report]

Mr. Fields reviewed the above report on redevelopment of the Wales-Dixiebilt Hotel property that he prepared and distributed to the City Commission the day before the City Commission meeting after meeting with the "Friends of the Grand Hotel" group seeking to redevelop the Wales-Dixiebilt Hotel in downtown Lake Wales. He said the recommendation from the group, which he agrees with, is to allow additional time to finalize a realistic cost estimate for renovation of the building and to begin cosmetic improvements to the hotel's exterior. The group plans to present a progress report to the City Commission at the first meeting in

February that will show if the project is financially feasible and if any improvements have been made. The report should include detailed costs data, better financial projections for a hotel operation, and a preliminary identification of available funding sources. The report will also help determine what the City's next steps will be.

Reid Hardman, a member of "Friends of the Grand Hotel" group, answered questions by the City Commission. He said they were closer than ever before in restoring the hotel and he is not discouraged. Mr. Reid provided an update of current activity at the hotel to take place through December. He said plans for the sign removal, painting and stuccoing, fire escape and how it attaches, and the ingress and egress will be submitted to the National Register of Historic Places in December for approval. The exterior tower work should start in January or February.

Commissioner Wojcik commented that she is disappointed that much progress had not been made on the hotel as anticipated, and she hoped the group comes up with a way of dealing with the hotel.

Commissioner Thornhill said 90% of the complaints he received regards the exterior paint issue. Therefore, if the exterior work is done first perhaps many people will be happy.

Mayor Fultz said the City Commission, City Attorney, nor the City Manager is trying to withhold anyone from making progress on the hotel. The goal is to see that the hotel becomes the focal point of the city.

Mr. Fields said it seems the consensus from the City Commission is to go forward with the recommendation to come back with a progress report in February. We will know then if the plan is realistic.

Commissioner Wojcik said the Friends of the Hotel group are the last best hope in retaining and restoring the hotel.

Mr. Fields said there is a possibility that Mark Jackson from Polk County Tourism and Sports might provide a presentation on the hotel market in Polk County at the November 18th City Commission meeting.

COMMUNICATIONS AND PETITIONS

Mimi Hardman, Preservationist, said a friend who is from the National Trust for Historic Preservation plans to visit Lake Wales on Friday, and if possible meet with the City Manager.

David Coccagna, City resident, said he recently purchased property next to Manny's Chop House on Dr. Martin Luther King, Jr. Blvd. and he worked very hard in bringing that property into compliance. He came in and complained to Code Enforcement about an issue regarding an overgrown retention pond on Manny's property that created a drainage problem that caused a sewage problem on his property, and talked to the planning department about installing a sidewalk. Mr. Coccagna said he was referred to another department where he spoke with Teresa Allen who was eager to help and determine if a sidewalk could be installed. To show his appreciation, he said he was present to openly commend Ms. Allen for her eagerness and willingness to assist him.

Mr. Fields thanked Mr. Coccagna for coming to the meeting and recognizing a city employee for a good job performed, which he likes to hear. Mayor Fultz thanked Ms. Allen for expressing such great customer service.

Sue Smith, 1919 Carlton Avenue, complained how Ray Brown, owner of Grand Hotel, was taking so long to complete the hotel, which she said reflected badly on the city and all others having something to do with the hotel. She suggested that the City should impose some type of fine for non-conformance because she believed what Mr. Brown is doing is a bit of a stall and it is wrong that the public had not been offered any plans on the hotel. To give him an additional four months is a little soft. There should be strings attached so he doesn't drag his feet when February comes.

CONSENT AGENDA

Agenda Item 7. APPROVAL OF MINUTES: October 21, 2014

Agenda Item 8. Disposal of Surplus Property

[Begin Agenda Memo]

SYNOPSIS

The approval allows for the disposal of miscellaneous surplus property.

RECOMMENDATION

It is recommended that the City Commission take the following action(s):

1. Classify the property as surplus.
2. Authorize staff to dispose of the property.

BACKGROUND

In accordance with Sec. 2-476 of the City Code, the City Commission may classify as surplus any property that is obsolete or the continued use of which is uneconomical or inefficient or which serves no useful function or purpose.

The equipment outlined in the attachment no longer serves any useful purpose to City. The items to dispose of include obsolete IT equipment, exercise equipment, and vehicles.

This property may be sold at public auction or to the highest bidder after the solicitation of sealed bids. In some cases the property may be recycled.

OTHER OPTIONS

Do not authorize the disposal of the attached property.

FISCAL IMPACT

Proceeds from any sales will be deposited into the general fund.

[End Agenda Memo]

Agenda Item 9. Lease Agreement with Mears Motor leasing

[Begin Agenda Memo]

SYNOPSIS

Staff is requesting Commission approval to lease-purchase six (6) vehicles for the Utilities Department from Mears Motor Leasing.

RECOMMENDATION

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

1. Approve the sixty (60) month lease of one 2015 Ford Escape, three 2015 Ford F-150, and two 2015 F-250 from Mears Motor Leasing.
2. Authorize the City Manager to execute the appropriate documents on behalf of the City.
3. Authorize the Purchasing Department to place the old vehicles on GovDeals for disposal.

BACKGROUND

The Water, Wastewater, and Utilities Administration Divisions have found themselves in the position of needing to replace vehicles that have come to the end of their useful life.

The vehicles for the Water Division are vehicles that are no longer on the road and are at the city garage awaiting costly repairs. Staff chose to forgo these repairs in favor of replacement. The vehicles to be replaced are 1997 Ford Ranger, 1999 F-250, and 1998 F-150. The Ranger and F-150 will be replaced with 2015 F-150's. The vehicle for the Utilities Administration Division that will be replaced is a 1999 4 x 4 Ford Explorer. The replacement vehicle would be a 2015 Ford Escape. The vehicles for the Wastewater Division that will be replaced are a 1998 F-150 and a 1999 F-150. These vehicles are to be replaced with newer vehicles of the same model. Staff had originally planned for the replacement of these vehicles in the 5-yr CIP schedule. Due to the economic state of the city, staff had to keep putting off the replacement of these vehicles until such time funds would allow or a better alternative was present. Staff sees leasing as the better low cost alternative than having several large lump sum expenditures.

Staff is seeking commission approval to enter into an amended contract with Mears Motor Leasing to provide the above six vehicles for a cost of \$30,204.96 per year, providing at the end of the 60 month lease the City will have the option to purchase the six vehicles for a total of \$1 per vehicle. Staff is also seeking the Commission to approve of the disposal of the old vehicles being replaced.

OTHER OPTIONS

1. A full purchase for all six vehicles would result in a current year decrease of cash flow of \$151,024.80.
2. Retain the existing vehicles.

FISCAL IMPACT

If the City Commission approves the vehicle lease agreement, the City is committed to a yearly lease payment of \$30,204.96 for the remaining four (4) years of the five (5) year lease.

[End Agenda Memo]

Agenda Item 10. Service Agreement with USA Services of Florida, Inc.

[Begin Agenda Memo]

SYNOPSIS

Staff is requesting Commission approval to enter into a service agreement with USA Services of Florida, Inc. for the purpose of public street sweeping.

RECOMMENDATION

It is recommended that the City Commission take the following action(s):

1. Approve the (60) sixty - month piggybacking service agreement with USA Services of Florida, Inc.
2. Authorize the City Manager to execute the necessary documents.
3. Classify the City's current Street Sweeper (Asset ID 4110400) as surplus.
4. Authorize staff to dispose of the surplus Street Sweeper.

BACKGROUND

Street sweeping is an important public service that improves community appearance, plays a vital role in stormwater management, and provides front-line prevention of water pollution.

The City has traditionally provided its own street sweeping service, but the escalating cost of operating and maintaining the equipment has led to a decrease in the level of service in this area. The City currently owns one street sweeper and it is in need of replacement. Street sweepers have short life cycles due to their daily use and many mechanical components. The average life cycle for a street sweeper is 5 years and the City's street sweeper has been in service for the last 8 years.

The proposal of \$52,200 submitted by USA Services, Inc. is \$12,800 less than budget appropriations for this item. The City Commission approved \$65,000 in the FY 2014/15 adopted budget (pg.135) for the privatization of public street sweeping (\$65,000 – \$52,200 = \$12,800). The initial term of the contract is for 60 months with the option of one 60-month renewal.

The Johnston street sweeper the City owns is a 2007 model and has become very unreliable. The sweeper has been down, due to maintenance issues, nearly 200 days during the last 12-month period. The sweeper was manufactured in Europe, which causes a substantial delay when ordering needed parts for maintenance. Furthermore, there is only one authorized service center within the state, Pat's Pump and Blower, in Orlando, FL. The Johnston street sweeper is included in the City's Fleet Maintenance contract with the BoCC for the fixed rate of \$13,629 annually. The City has spent another \$13,000 outside of the BoCC contract within the past 12 months on maintenance issues when the sweeper was sent to the authorized service center.

The streets do not get swept when the sweeper is down for maintenance, as the City only has one sweeper. Ideally, the City would own two sweepers to ensure the streets are swept year-round, if the service were left in house.

City staff solicited a proposal for one new Elgin street sweeper in June 2013. The State of Florida contract price to outright purchase a new Elgin street sweeper at that time was \$230,890 or \$46,929 annually to lease the sweeper for a 60-month term.

Fees, other than the maintenance costs associated with the street sweeper, include: landfill fees and fuel costs.

Under current operating conditions, i.e., when the sweeper is inoperable 50% of the time, the City spends an average of \$14,000 per year in landfill fees disposing of the sweeping debris and an average of \$6,000 per year in fuel costs to operate the sweeper.

USA Services, Inc. currently provides street sweeping services to the following municipalities near Lake Wales: Winter Haven, Lake Alfred, Haines City, Davenport, Sebring, Avon Park, the Polk County BoCC, and all FDOT roads within Polk County.

The proposal of \$35.00 per curb mile submitted by USA Services Inc. includes the sweeping of all streets within the City limits once per month, the sweeping of all streets within the downtown area identified on the attached map twice per month, the landfill fees and the fuel costs.

There are 114 curb miles of streets within the city limits that need to be swept. 90 curb miles of those streets (residential and Longleaf Business Park) will be swept once per month and 24 curb miles of those streets (downtown/commercial) will be swept twice per month.

$$\begin{aligned} 90 \text{ mi.} \times \$35 \times 12 \text{ p/yr.} &= \$37,800 \\ 24 \text{ mi.} \times \$25 \times 24 \text{ p/yr.} &= \underline{\$14,400} \end{aligned}$$

Total = \$52,200

There will be instances when unscheduled street sweeping will be required, such as special event preparation/cleanup and emergency call-outs. Unscheduled sweepings will be billed at \$120 per hour.

The total cost associated with operating the City's current street sweeper during FY 2013/14 were \$46,629, which includes maintenance and operating costs.

The proposal submitted by USA Services, Inc. is based on a City of Cape Coral contract and staff is requesting approval to piggyback the contract. Section 2-404 of the City Code exempts the City from the competitive seal bid requirement outlined in our purchasing ordinance when piggybacking another public entity's previously competitively bid contract.

The surplus property may be sold at public auction or to the highest bidder after the solicitation of sealed bids.

OTHER OPTIONS

Keep the street sweeping in-house and purchase a new sweeper outright for approximately \$230,860.
Keep the street sweeping in-house and lease a new sweeper for approximately \$46,929 annually.

FISCAL IMPACT

\$52,200 is \$12,800 less than budget appropriations for this item.

[End Agenda Memo]

Deputy Mayor Lutton made a motion to approve the Consent Agenda. Commissioner Wojcik seconded the motion.

By Voice Vote:

Deputy Mayor Lutton	"YES"
Commissioner Wojcik	"YES"
Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Mayor Fultz	"YES"

The motion carried 5-0.

OLD BUSINESS

NEW BUSINESS

Agenda Item 11. Ordinance 2014-15, FY13'14 Budget Amendment #2 - 1st Reading

[Begin Agenda Memo]

SYNOPSIS

The City Commission will consider approval of the second Amendment of FY13'14 Budget that was adopted on September 17, 2013.

RECOMMENDATION

It is recommended that the City Commission approve Ordinance 2014-15 after first reading.

BACKGROUND

Ordinance 2013-12, estimating revenues and appropriating funds for Fiscal Year 2013'14, was adopted by the City Commission September 17, 2013, modified March 4, 2014 by Ordinance 2014-01.

We are presenting for first reading an amendment of Ordinance 2014-15 to modify the estimates of revenues and appropriations budgeted in various funds. Exhibit A and B provide the detail for the proposed amendment. This budget amendment is based on unaudited financial reports for the accounting period ending on 09/30/2014.

OTHER OPTIONS

This is a required budgetary amendment that must be adopted no later than November 29, 2014 per Florida State Statute 166.241(4).

FISCAL IMPACT

See Exhibit A and Exhibit B attached to Ordinance 2014-15

[End Agenda Memo]

City Clerk Clara VanBlargan read **ORDINANCE 2014-15** by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING ORDINANCE 2013-12 AS AMENDED BY ORDINANCE 2014-01 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 PUBLIC COMMENT

There were no comments from the public.

CLOSED PUBLIC COMMENT

Commissioner Wojcik made a motion to approve **ORDINANCE 2014-15**, after first reading. Commissioner Thornhill seconded the motion.

By Voice Vote:

Commissioner Wojcik "YES"
Commissioner Thornhill "YES"
Commissioner Howell "YES"
Deputy Mayor Lutton "YES"
Mayor Fultz "YES"

The motion carried 5-0.

Agenda Item 12. Appointment – Lake Wales Housing Authority Board

[Begin Agenda Memo]

SYNOPSIS

Appointments fill vacancies due to resignations, expiration of terms, newly established boards, etc.

RECOMMENDATION

The Mayor makes appointments to various citizen advisory and regulatory boards, commissions, committees, and authorities with the advice and consent of the City Commission (City Charter, Sec. 3.06).

The Mayor is asked to make the appointment as deemed appropriate.

BACKGROUND

Vacancies exist on various Boards, Commissions, and Committees due to resignations, expirations of terms, newly established boards, etc.

Housing Authority (F.S. 421.04) – The board consists of five (5) members. Members must reside in the City, own property in the City, or hold a valid occupational license issued by the City. One (1) member must be a resident of the housing project who is current in rent payment or a person of low income who is receiving a rent subsidy through a program administered by the Authority. No member may be an officer or employee of the City. (4-year term)

- An interview process is necessary for new applicants only.
- Members are required to file an annual Form 1, Statement of Financial Interests
- Current Vacancies: 1 resident member

Primary Duties: Manage and control the city's low-rent housing units.

Current Meeting Schedule: 3rd Wednesday @ 6:00 PM; Housing Authority

Current Members: Janice Snell, resident	04/17/12 – 07/01/18, 2
Eddye Rivers, resident	07/01/08 – 07/01/16, 2
Wanda Lawson, resident	06/18/13 – 07/01/17, 1
Mellissa Montgomery, resident of housing project	06/21/11 – 07/01/17, 2
VACANT	- 07/01/18, 1
Albert Kirkland, Jr., Ex-officio	n/a
Commissioner Jonathan Thornhill, City Liaison	06/04/13 – 05/07/15

Applying for re-appointment: None

Applying for appointment: Helen Walters, resident
Michael Williams, resident

Recommendation: The recommendation is for the Mayor to appoint Helen Walters **or** Michael Williams to serve on the Lake Wales Housing Authority Board for a term expiring on 7/1/2018, remainder of 4-yr term with the advice and consent of the City Commission.

OPTIONS

Do not appoint the applicants named above and seek other applicants; however, it may be difficult for the boards to obtain a quorum until vacancies are filled.

FISCAL IMPACT

None. These are volunteer citizen boards.

[End Agenda Memo]

The Mayor said he always examines the applications and asked if applicants are interviewed by anyone from the Housing Authority Board. The City Clerk answered that Al Kirkland as Executive Director to the Housing Authority Board interviews all applicants applying to that Board, and she received an email from him confirming that both Helen Walters and Michael Williams had been interviewed. The Mayor said he will appoint Helen Walters since she applied before Michael Williams.

The Mayor appointed Helen Walters to serve on the Lake Wales Housing Authority Board for a term expiring on 7/1/2018, remainder of a 4-year term. Commissioner Wojcik made a motion consenting to the appointment made by the Mayor and Commissioner Thornhill seconded the motion.

By Voice Vote:

Commissioner Wojcik "YES"
Commissioner Thornhill "YES"
Commissioner Howell "NO"
Deputy Mayor Lutton "YES"
Mayor Fultz "YES"

The motion carried 4-1.

CITY COMMISSION COMMENTS

Commissioner Thornhill invited everyone to attend the Little Theatre play, "It's a Wonderful Life" on Friday night where he is participating as the main character, "George Bailey," and said he is excited for this is a first time adventure for him.

CITY MANAGER COMMENTS

Mr. Fields provided an update to the City Commission Tracking Report:

- Scenic Highway resurfacing project has started. Mr. Fields provided the details of what roads are closed for that project and detour locations, which are expected to last through 5pm, Tuesday, November 25th.
- Despite a delay due to weather, the Lake Wales Trail project is close to completion.

Mr. Fields also reported on the following:

- Past Saturday's weekend events: 39 mile Scenic Highway garage sale; Family Literacy Academy Pancake Breakfast at Janie Howard Wilson Elementary School; and the community volunteer cleanup event.
- Showers at the gym are now open to the public. Volunteers cleaned there during Saturday's Community Cleanup event.
- The City is open for business on Veteran's Day, November 11th.

The Mayor said a presentation on the community volunteer cleanup day event is scheduled for the November 18th City Commission meeting.

MAYOR COMMENTS

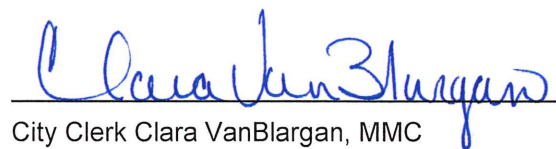
The Mayor reported on recent conferences he attended for City officials. He said he learned a lot about Ethics laws and Sunshine laws that apply to city employees, and elected and appointed officials that he did not know. The City Clerk is the custodian of public records and she is responsible for all records, documents, emails, etc. for the City including that of the City Commission. If the Commission does not want someone coming to their house looking at such, to please forward a copy to the City Clerk when received.

The meeting was adjourned at 6:47 p.m.



Mayor/Deputy Mayor

ATTEST:



City Clerk Clara VanBlargan, MMC