

# Commission Agenda Workshop Minutes

April 13, 2022

(APPROVED)

4/13/2022 - Minutes

## 1. CALL TO ORDER & ROLL CALL

**Members Present:** Robin Gibson, Mayor Eugene Fultz, Terrye Howell, Jack Hilligoss

Daniel Williams arrived late.

**Staff Present:** James Slaton, City Manager, Jennifer Nanek, City Clerk, Albert C Galloway, Jr., City Attorney

Mayor Fultz called the meeting to order at 2:00 p.m.

## 2. City Manager Comments

## 3. ORDINANCE D2022-13 First Reading And Public Hearing - Future Land Use For Approximately 208 Acres Of Land South Of Lake Mabel Loop Road, East Of Scenic Highway North, North Of Masterpiece Road, And West Of Tower Road

[Begin Agenda Memo]

### **SYNOPSIS:**

Shelton T. Rice, authorized agent for owner, requests approval of City Commission to amend the Future Land Use Map of the Comprehensive Plan on the above-mentioned parcels totaling approximately 208 acres of land.

### **RECOMMENDATION**

Approval at first reading, and adoption at second reading, following a public hearing to re-assign the following land use designation, as recommended by the Planning and Zoning Board at a regular meeting on March 22, 2022: Current Land Use: Polk County A/RR Proposed Land Use: LDR

### **BACKGROUND**

The subject properties are located north of Masterpiece Road, east of North Scenic Highway, and just opposite the Dinner Lake community. In November of 2021, City Commission approved a Master Annexation Agreement which provides for the eventual annexation of the Gardinier property in its entirety within the next 20 years. The land owner subsequently petitioned to annex the first 208 acres; the annexation ordinance was adopted on March 15, 2022. The Planning Board, at a regular meeting on March 22, 2022, recommended approval to reassign land use and zoning designations for the approximate 208 acres.

Furthermore, on March 22, 2022, the 208 acres were presented to Planning Board for a Planned Development Project. The Planning Board recommended approval of the Residential Preliminary Subdivision

Plat and a Special Exception Use Permit for a Mixed-Use PDP with waivers of strict compliance and conditions of approval. Approvals of a Preliminary Subdivision Plat and Special Exception Use Permit for a PDP will be contingent upon the approvals of the land use and zoning amendments.

A Future Land Use Designation of LDR – Low Density Residential is compatible with the surrounding area, as the properties are primarily surrounded by residential development.

#### **CODE REFERENCES AND REVIEW CRITERIA**

The City Commission assigns future Land Use designations by ordinances upon a recommendation from the Planning & Zoning Board. The adopted ordinance is transmitted to the state's Department of Economic Opportunity (DEO) for review. The DEO reviews the designations as appropriate with reference to the City's Comprehensive Plan.

**FISCAL IMPACT** Re-assignment would enable the redevelopment of this property and the potential increase in property value.

[End Agenda Memo]

Autumn Cochella, Assistant Director of Development Services, reviewed this item. She shared a slide show showing where the property is and what is on nearby parcels. She reviewed the timeline for this project.

4. ORDINANCE D2022 -14 1st Reading And Public Hearing - Zoning For 208 Acres Of Land South Of Lake Mabel Loop Road, East Of Scenic Highway North, North Of Masterpiece Road, And West Of Tower Road

[Begin Agenda Memo]

**SYNOPSIS:** Shelton T. Rice, authorized agent for owner, requests approval of City Commission to amend the Zoning Map on the above-mentioned parcels totaling approximately 208 acres of land.

**RECOMMENDATION** Approval at first reading, and adoption at second reading, following a public hearing to re-assign the following land use designation, as recommended by the Planning and Zoning Board at a regular meeting on February 22, 2022: Current Zoning: Polk County A/RR Proposed Zoning: R-1A

**BACKGROUND** The subject properties are located north of Masterpiece Road, east of North Scenic Highway, and just opposite the Dinner Lake community.

In November of 2021, City Commission approved a Master Annexation Agreement which provides for the eventual annexation of the Gardinier property in its entirety within the next 20 years. The land owner subsequently petitioned to annex the first 208 acres; the annexation ordinance was adopted on March 15, 2022. The Planning Board, at a regular meeting on March 22, 2022, recommended approval to reassign land use and zoning designations for the approximate 208 acres.

Furthermore, on March 22, 2022, the 208 acres were presented to Planning Board for a Planned Development Project. The Planning Board recommended approval of the Residential Preliminary Subdivision Plat and a Special Exception Use Permit for a Mixed-Use PDP with waivers of strict compliance and conditions of approval. Approvals of a Preliminary Subdivision Plat and Special Exception Use Permit for a PDP will be contingent upon the approvals of the land use and zoning amendments. A Zoning designation of R-1A is compatible with the surrounding area, as adjacent properties are zoned the same, and the property is surrounded by single family residential on the northern, western, and southern boundaries.

**CODE REFERENCES AND REVIEW CRITERIA** The City Commission assigns Zoning designations by ordinances upon a recommendation from the Planning & Zoning Board.

**FISCAL IMPACT** Re-assignment would enable the development of this property and the potential increase in property value.

[End Agenda Memo]

Autumn Cochella, Assistant Director of Development Services, reviewed this item.

5. Preliminary Subdivision Plat Approval / Special Exception Use Permit Approval For A Mixed-Use Planned Development Project (MUPDP) Valencia Hills

[Begin Agenda Memo]

**SYNOPSIS:** Shelton T. Rice, authorized agent for owner, is requesting approval of City Commission, of a Residential Preliminary Subdivision Plat and a Special Exception Use Permit for a Mixed-Use PDP, comprising of 143-lot single family homes, 654-lot manufactured home resort community with an amenity center, and 2.2 acres of commercial uses, on approximately 208 acres of land south of Lake Mabel Loop Road, east of Scenic Highway North, north of Masterpiece Road, and west of Tower Road.

**RECOMMENDATION** Applicant requests approval of City Commission of a Residential Preliminary Subdivision Plat, and a Special Exception Use Permit for a Mixed-Use PDP, comprising of 143-lot single family homes, 654-lot manufactured home resort community with an amenity center, and 2.2 acres of commercial uses, with waivers of strict compliance and conditions of approval, as recommended by the Planning and Zoning Board at a regular meeting on March 22, 2022.

**BACKGROUND**

General: The 208-acre vacant grove land is located north of Masterpiece Road, east of North Scenic Highway, and just opposite the Dinner Lake community. In November of 2021, City Commission approved a Master Annexation Agreement which provides for the eventual annexation of the Gardinier property in its entirety within the next 20 years. The land owner subsequently petitioned to annex the first 208 acres; the annexation ordinance was adopted by City Commission on March 15, 2022.

On March 22, 2022, the Planning Board made a recommendation to City Commission on a proposed zoning designation of R-1A, and a future land use designation of LDR low-density residential at a maximum of 5 units per gross acre. At the same meeting on March 22, 2022, the Planning Board recommended approval of the Residential Preliminary Subdivision Plat, and a Special Exception Use Permit for a Mixed-Use PDP, with waivers of strict compliance and conditions of approval. An approval of the PDP will be contingent upon land use and zoning approvals by City Commission.

The proposed project is designed as a Mixed-Use Planned Development Project (MUPDP), including requested Waivers of Strict Compliance.

Maximum density allowed on the site is calculated at 5 units per gross acre, or 1,040 dwelling units, under the Comprehensive Plan for LDR Low-Density Residential; a density of only 3.83 dwelling units per acre, or 797 dwelling units, is proposed.

This mixed-use development includes:

- 2.2-acres of non-residential uses with 23,000 square feet of commercial space fronting along Scenic Highway
- 98 single-family residential lots at a minimum of 9,375 square feet
- 45 single-family residential lots at a minimum of 12,500 square feet
- A 55+ Manufactured Home Resort Community with a maximum unit count of 654 dwellings and an amenity center

- 1.2 acres of RV/Boat storage

- 1-acre of land dedication to the City for the future location of a water tank site, per the request of the City's Utilities Department.

The 12,500 square-foot lots do not meet the required street frontage or maximum lot coverage, but are compliant with all other dimensional and area standards of the R-1A district.

The 9,375 square-foot lots do not meet the minimum lot size, street frontage, lot width at building line, and maximum lot coverage, but meet all other dimensional and area standards of the R-1A district.

Waivers are being requested for all R-1A dimensional and area standards that are necessary in order to facilitate the Manufactured Home Resort Community component.

R-1A Standards per Table 23-422 Zoning Dwelling Type Minimum Lot Size (sq. feet)9 Minimum Street Frontage (feet)1 Minimum Lot Width at building line (feet) Minimum Floor Area (sq feet)2 Minimum Setbacks\* Principal Buildings (feet) Maximum Lot Coverage 8 (percent) Maximum Building Height Front 3 Side 4 Rear 5 feet stories R-1A Single family 12,000 50 85 1,500 30 10 20 40 35 2&1/2;

Proposed Standards 75' wide lots 100' wide lots Manufactured Home Lots Minimum Lot Size 9,375 sq. ft. 12,500 sq. ft. 4,500 sq. ft. Minimum Street Frontage 40 feet 50 feet 35 feet Minimum Lot Width at Building Line 75 feet 100 feet 50 feet Minimum Living Area 1,500 sq. ft. 1,500 sq. ft. 1,200 sq. ft. Front Building Setback 30 feet 30 feet 15 feet from edge of pavement Side Building Setback 10 feet 10 feet 15 feet between buildings Rear Building Setback 20 feet 20 feet 20 feet between buildings Maximum Lot Coverage 60% 60% 70%

*Roadways & Access:* Primary access to the development will be on Scenic Highway North and Masterpiece Road, with an emergency access located on Tower Road. An exterior sidewalk is proposed for Scenic Highway North, however a waiver is being requested for sidewalks along the exterior of the development on Masterpiece Road, Tower Road and Lake Mabel Loop Road. A waiver is being requested to eliminate sidewalks on one side of the road on some portions of the interior roadways.

For the internal roadways, the single-family portion will provide 5'-wide sidewalks on both sides of the street. The main spine road for the resort community will have a 10' wide multi-use trail on the north side of the boulevard. The individual pods or neighborhoods within the resort community will not have sidewalks on either side of the street.

*Landscaping and Buffering:* A landscape plan will be required at Site Development Plan submittal, and will be reviewed and approved by Staff after consultation with the City's horticulturist. The proposed buffer may be a wall or berm, and will be planted with shrubs, canopy trees, and understory trees.

Residential tree density requirements will be enforced at building permit issuance, pursuant to section 23-307.2.a.3: a minimum of three, two-inch caliper shade trees, minimum of eight feet at planting for lots less than 10,000 sq. ft. and four, two-inch caliper shade trees, minimum of eight feet at planting for lots greater than 10,000 sq. ft. At least one of the shade trees shall be a street tree. Corner lots shall have a minimum of one additional tree to ensure that each frontage has at least one street tree. NOTE: Street Trees are required to have root barriers. Root barriers shall be approved by the Administrative Official prior to planting.

The current proposed buffer "Type A" along Masterpiece Road and Scenic Highway North provides one overstory tree every 40 linear feet, and one understory tree every 40 linear feet, in excess of the current standard of one overstory tree every 50 linear feet. The buffer adjacent to roadways would not be permitted to have a fence, however options of masonry wall with aluminum fencing may be discussed at site development review.

A revised buffer plan was submitted that differs from the plan recommended by Planning Board in the following ways:

- A 6' high wall and shrubs were added to the 'Type A' buffer along Masterpiece Road.
- The buffer along Scenic Highway North screening the rear of residential lots, proposed 'Type A\*' buffer, added a 4' high hedge and berm with shrubs.
- A new buffer, 'Type D' buffer, was added where the commercial component fronts Scenic Highway North whereas the original buffer plan did not propose any.

Staff has reviewed the revised buffer plans, which remains the same as originally proposed, except for the additional plantings, walls, and hedges they are proposing to provide.

*Recreation & Open Space:* The overall development provides 34.2 acres of active recreation, with more than 3 acres designed to serve the single-family residential component, and over 31 acres of recreation to serve the 55+ Manufactured Home Resort Community.

Recreation Open Space Open Space %

Single-Family 3.06 acres 7.31 acres 3.5 %

MH Resort Community 31.14 acres 39.5 acres 19% TOTAL 34.2 acres 46.81 acres 22.5%

A trail has been included to extend from the commercial site to Tower Road and branches into each pod. Included in the design of the development is a 9,000 sq. ft. amenity center at the center of the central green that overlooks Lake Mabel. An amenity package has been proposed for the resort including a pool, shuffleboards, bocce ball, pickleball, and a fire pit or outdoor kitchen/grill area. Mini-parks throughout will provide tot lots, pavilions, or picnic areas.

More than 22.5% of the overall site will remain as open space, where 20% open space is required at a minimum by code.

*Manufactured Home Communities:* Manufactured Home Communities within the city, such as Tower Lakes, were developed in the County and later annexed into the city. Historically, the City did not distinguish between a traditional single-family residence, and a manufactured home meeting the Florida Building Code, thus allowing a manufactured home to be placed on any residential lot within the city. In 2021, the Planning and Zoning Board made a recommendation to City Commission to distinguish between a manufactured home and a single-family home, temporarily prohibiting new manufactured home sets city-wide.

In January of 2022, The Planning and Zoning Board made a recommendation to City Commission to allow manufactured home communities in residential districts only through the Special Exception Use/Planned Development Project process. This was adopted by City Commission on March 1, 2022.

The proposed manufactured home resort community is designed as an active adult community for those that are 55 years and older.

*Waivers of Strict Compliance:* The applicant requests the following Waivers of Strict Compliance from certain dimensional and area standards in the R-1A zoning district:

Required 75' wide lots 100' wide lots Manufactured Home Lots

Minimum Lot Size 12,000 sq. ft. 9,375 sq. ft. N/A 4,500 sq. ft.

Minimum Street Frontage 50 feet 40 feet N/A 35 feet

Minimum Lot Width at Building Line 85 feet 75 feet N/A 50 feet

Minimum Living Area 1,500 sq. ft. N/A N/A 1,200 sq. ft. Front Building Setback 30 feet N/A N/A 15 feet from edge of pavement

Side Building Setback 10 feet N/A N/A 15 feet between buildings

Rear Building Setback 20 feet N/A N/A 20 feet between buildings

Maximum Lot Coverage 40% 60% 60% 70%

Allow the neighborhood park to be further than 600 feet from some lots it serves. Eliminate visitor parking requirement at recreation areas. Eliminate sidewalks on one side of the street for certain roadways with the development. Eliminate sidewalk requirement along development frontage for the exterior of the development for Masterpiece Road, Tower Road, and Lake Mabel Loop Road.

Proposed Superior Design Standards: In exchange for the consideration of the above-mentioned Waivers of Strict Compliance requested, the applicant provided justification within the project narrative delineating the ways in which the plan is superior to a standard subdivision:

"The proposed PDP is superior to a standard subdivision because the development provides mixed-use of three components – resort community, single family, and commercial development. This mixed-use product was created to a superior design from a planning perspective. The resort provides a unique product with an extensive amenity package that satisfies demand in the area. The development provides intensive buffering and landscaping than typically required of a standard subdivision. The single family component provides larger lot sizes that satisfies a variety of housing requirements. This project will increase the tax base along with contemplating potential dedication of property to the City for utility purposes."

Additionally, the plan will provide recreation and open space in excess of the minimum standards.

- Recreation required: 3.486 acres; Recreation provided: 34.2 acres

- Open space required: 20% of site; Open space provided: 22.5% of overall site

#### Staff Findings

1. The use is compatible with the intentions of Policy I.1.2.12 Low Density Residential of the City's Comprehensive Plan.
2. This site is located within the City's utility service area and will connect to municipal water and sewer.
3. The development will maximize existing infrastructure investments by connecting to municipal water and sewer lines.
4. The development is providing a water tank site to improve the existing infrastructure.
5. Recreation trail and sidewalk system promotes walkability and bike-ability.
6. The development provides a commercial component to allow support uses for the community and reduce dependency on vehicles for short trips.

#### Recommended Conditions of Approval

7. Staff and Planning & Zoning Board recommends the following conditions of approval:

Single Family

- a. Fences shall be setback a minimum of 15 feet behind the front building expression line.
- b. Housing shall adhere to the City's anti-monotony standards.
- c. Garages shall be recessed at least two feet from the front building expression line unless oriented away from the street.
- d. Staggered front building setbacks at a minimum of two feet difference between adjacent lots.
- e. Developer shall establish a property/home owner's association to ensure proper operation and maintenance of common areas.

#### Manufactured Home Resort Community

- a. Conceptual plot lines shall be shown for the resort community on the Site Development Plans. b. Manufactured homes shall be a minimum "double-wide" and designed with pitched roofs.

#### **Entire PDP**

- a. A Landscape Plan is required at Site Development Plan submittal and will be reviewed and approved by Staff and the City's horticulturist.
- b. Decorative, dark sky friendly street lighting to minimize glare and reduce light pollution. Street lighting design/type to be approved by the City, and maintained by the POA/HOA or property management.
- c. The traffic study must be approved by the Administrative Official prior to issuance of Site Development Permit.
- d. The developer shall coordinate with Citrus Connection regarding bus stop connections along Scenic Highway.
- e. The buffer along Scenic Highway shall be consistent with the existing buffers at the Dinner Lake Shores and Brookshire subdivisions.
- f. A wall or combination of masonry wall and fencing shall be constructed along Masterpiece Road.
- g. Coordinate with Polk County to provide access along Masterpiece Road.
- h. The developer and the city shall enter into a mutually agreeable utility agreement for the transfer of wells to the City of Lake Wales.
- i. The developer shall enter into a mutually agreeable utility capacity queue agreement. j. Approval of the Residential PDP is contingent upon the Department of Economic Opportunity's approval for the land use amendment, and the approval of the zoning amendment by City Commission.

#### 8. Staff recommends the following plan revisions:

- a. Site data shall be stated on plans – including overall open space & open space breakdown, recreation acreage, acreage of retention ponds, maximum lot coverage, and minimum living areas for single family and manufactured homes.
- b. Waivers requested shall be included and reflected on plans.
- c. Cross section detail for internal ROW shall be included on plans. The proposed single-family streets shall have travel lanes of 12' as 11' would not be permitted.

d. Include a note that the administrative official will determine setbacks upon permit review.

e. Include typical interior and corner lot landscaping.

f. The landscaping along Scenic Highway shall be consistent with existing buffers such as the berms along the Dinner Lake Shores and Brookshire subdivisions and shall be reflected in the plans.

**OTHER OPTIONS** Decline to recommend approval of the preliminary subdivision plat and PDP.

**FISCAL IMPACT** Approval of the preliminary plat and PDP would enable the development of this property and the potential increase in property value. Specifically, estimating an average of \$200,000 in taxable value per unit, it could potentially result in over \$159 million in taxable value, and generate over \$1 million in ad valorem taxes. \*Adjusted values for potential homesteaded properties have not been factored into this estimate.

[End Agenda Memo]

Autumn Cochella, Assistant Director of Development Services, reviewed this item. She shared a slideshow with plans of the development and reviewed details of this project.

Shelton Rice, Petersen & Myers representing the owners, reviewed the project. They have been working on this for a few years. He shared some slides, described the project and said they are open to concerns and questions about this. He showed that there are developments around this property. There are no wetlands. The site has been operating as a grove. This is a mixed-use project. There will be a commercial area to provide services to residents. There will be a trail throughout the property. He reviewed details and amenities of the development. The lots are larger closer to Masterpiece Road. On the inside will be the smaller lots. He reviewed the planned landscaping. The resort will be a 55+ community with lots of amenities. There will be a clubhouse and recreation facilities. He shared exterior and interior pictures of proposed manufactured homes. The land will continue to be owned by the Gardiniers. A family member will stay on the property. The land will be leased and units purchased. The manufactured homes will be double wide and triple wide. There will be no single wide.

Commissioner Howell said she was happy with the project. She liked the three different sections.

Mayor Fultz said he was glad for the information.

Deputy Mayor Gibson said we need to draw the line somewhere. We need an agreement with the county. We need to establish a footprint. We need to be concerned about urban sprawl and rampant growth. He has respect for the professionals involved in this project. We need to do the right thing by those we represent. He asked for copy of the presentations to review.

Commissioner Howell asked about the plan to establish a footprint. James Slaton, City Manager, reviewed the forthcoming year long process starting with identifying stakeholder groups. It's moving along. Commissioner Howell said let's make sure the County is not giving us stuff we don't want. Those opposed to certain projects need to talk with the owners.

Mayor Fultz said we are developing a footprint now. If we don't develop the County will. He is glad to see the City grow.

Mr. Slaton said this is a tough situation. It's not unique to Lake Wales. Many other cities are dealing with this.

Commissioner Williams said we can create a great community with small town values and still grow. Many young families are moving because there is not enough here. We can do this right if we work together.



Commissioner Hilligoss said he understands the concerns on both sides. He is interested in the land-use study. He said he supports this project.

6. Resolution 2022-10 Well Head Vacation

[Begin Agenda Memo]

**Synopsis:** Resolution 2022-10 is for the purpose of vacating the Well Head Protection Easement granted to the City of Lake Wales for a then existing well by instrument dated June 20, 2006, and recorded November 6, 2006, in Official Records Book 7042, at Page 1374, of the Public Records of Polk County, Florida. The Easement was on property then subject to planned development as the Mayfair project which was abandoned at the time of the crash of the real estate market. At the time of the grant, the City was utilizing the well which has since been abandoned. The City no longer has any need for the easement. The new owner and developer of this property has requested that the easement be vacated.

**Recommendation:** That the City Commission approve the adoption of Resolution 2022- 10.

**Fiscal impact:** \$10.00 fee for recording the Resolution in the Public Records of Polk County, Florida. Alternatives: None which will assist in project development.

[End Agenda Memo]

Albert Galloway, Jr., City Attorney, reviewed this item.

Deputy Mayor Gibson asked who has water rights. Mr. Galloway said staff is working with developer on this. James Slaton, City Manager, said this is part of their plan to increase water capacity. We are working on this.

7. ORDINANCE 2022-11 Amending Chapter 16, Pension & Retirement – General Employees’ Pension Plans – Second Reading And Public Hearing

[Begin Agenda memo]

**SYNOPSIS:**

The City Commission will consider adopting Ordinances 2022-11 to allow for the coordination of benefits between the 401(a) (defined contribution plan) and the City’s defined benefit plans.

**RECOMMENDATION** It is recommended that the City Commission adopt Ordinance 2022-11 after second reading and public hearing.

**BACKGROUND** The City sponsors multiple retirement systems, including a Defined Benefit Plan and a Defined Contribution plan. Ordinance 2022-11, 14 & 15 are being presented to provide for coordination of benefits with the 401(a) Plan.

In 2013 the City established a \$75,000 maximum annual benefit cap for all City employees. Once an employee reaches the \$75,000 Cap, the employee and City contributions are discontinued. Coordination of benefits with the 401(a) Plan (Defined Contribution Plan) will enable employees who reach the \$75,000 maximum annual benefit cap to join the 401(a) Plan. This will allow the city to contribute 16.5% of an individual’s payroll costs, which is the average of the current pension plans, and is determined by the actuary for the Defined Benefit Plans, subject to applicable IRS limits.

As a result of establishing the pension cap, some employees may reach the cap prior to reaching normal retirement age.

Allowing employees who’ve reached the cap to transition into the 401(a) Defined Contribution plan is the

most cost effective solution, compared to making changes to the actual pension plans as it is outside the pension plan and has no impact on the City's Unfunded Actuarial Liabilities.

## **OTHER OPTIONS**

1) Increase the pension cap, however the Costs to the City will be exponentially higher as it will increase the Unfunded Actuarial Liabilities.

2) Do nothing.

**FISCAL IMPACT** There are currently two employees who have reached the \$75,000 maximum annual benefit cap. To make contributions on their behalf into the 401(a) Plan will impact the FY 21'22 budget \$18,161.74 and approximately \$37,000 annually until the end of employment.

[End Agenda memo]

James Slaton, City Manager, said the next three items run together. He reviewed this and the next two items.

8. Ordinance 2022-14 Amending Chapter 16, Pension & Retirement – General Employees', Lake Wales Municipal Firefighter's Pension Plans – Second Reading And Public Hearing

[Begin Agenda memo]

**SYNOPSIS:** The City Commission will consider adopting Ordinances 2022-14 to allow for the coordination of benefits between the 401(a) (defined contribution plan) and the City's defined benefit plans.

**RECOMMENDATION** It is recommended that the City Commission adopt Ordinance 2022-14 on second reading and public hearing.

**BACKGROUND** The City sponsors multiple retirement systems, including a Defined Benefit Plan and a Defined Contribution plan. Ordinance 2022-11, 14 & 15 are being presented to provide for coordination of benefits with the 401(a) Plan.

In 2013 the City established a \$75,000 maximum annual benefit cap for all City employees. Once an employee reaches the \$75,000 Cap, the employee and City contributions are discontinued. Coordination of benefits with the 401(a) Plan (Defined Contribution Plan) will enable employees who reach the \$75,000 maximum annual benefit cap to join the 401(a) Plan. This will allow the city to contribute 16.5% of an individual's payroll costs, which is the average of the current pension plans, and is determined by the actuary for the Defined Benefit Plans, subject to applicable IRS limits.

As a result of establishing the pension cap, some employees may reach the cap prior to reaching normal retirement age.

Allowing employees who've reached the cap to transition into the 401(a) Defined Contribution plan is the most cost effective solution, compared to making changes to the actual pension plans as it is outside the pension plan and has no impact on the City's Unfunded Actuarial Liabilities.

**OTHER OPTIONS** 1) Increase the pension cap, however the Costs to the City will be exponentially higher as it will increase the Unfunded Actuarial Liabilities. 2) Do nothing.

**FISCAL IMPACT** There are currently two employees who have reached the \$75,000 maximum annual benefit cap. To make contributions on their behalf into the 401(a) Plan will impact the FY 21'22 budget \$18,161.74 and approximately \$37,000 annually until the end of employment.

[End Agenda Memo]

9. ORDINANCE 2022-15 Amending Chapter 16, Pension & Retirement – Lake Wales Police Officers’ Pension Plans – 2nd Reading And Public Hearing

[Begin Agenda Memo]

**SYNOPSIS:** The City Commission will consider adopting Ordinance 2022-15 to allow for the coordination of benefits between the 401(a) (defined contribution plan) and the City’s defined benefit plans.

**RECOMMENDATION** It is recommended that the City Commission adopt Ordinance 2022-15 after second reading and public hearing.

**BACKGROUND** The City sponsors multiple retirement systems, including a Defined Benefit Plan and a Defined Contribution plan. Ordinance 2022-15 is being presented to provide for coordination of benefits with the 401(a) Plan.

In 2013 the City established a \$75,000 maximum annual benefit cap for all City employees. Once an employee reaches the \$75,000 Cap, the employee and City contributions are discontinued. Coordination of benefits with the 401(a) Plan (Defined Contribution Plan) will enable employees who reach the \$75,000 maximum annual benefit cap to join the 401(a) Plan. This will allow the city to contribute 16.5% of an individual’s payroll costs, which is the average of the current pension plans, and is determined by the actuary for the Defined Benefit Plans, subject to applicable IRS limits.

As a result of establishing the pension cap, some employees may reach the cap prior to reaching normal retirement age.

Allowing employees who’ve reached the cap to transition into the 401(a) Defined Contribution plan is the most cost effective solution, compared to making changes to the actual pension plans as it is outside the pension plan and has no impact on the City’s Unfunded Actuarial Liabilities.

**OTHER OPTIONS** 1) Increase the pension cap, however the Costs to the City will be exponentially higher as it will increase the Unfunded Actuarial Liabilities. 2) Do nothing.

**FISCAL IMPACT** There are currently two employees who have reached the \$75,000 maximum annual benefit cap. To make contributions on their behalf into the 401(a) Plan will impact the FY 21’22 budget \$18,161.74 and approximately \$37,000 annually until the end of employment.

[End Agenda Memo]

10. Fire And Police Chief Retirement

James Slaton, City Manager, said there's no memo as he doesn't have numbers yet. This is an expenditure authorization. The details will be in a memo for the meeting next week and will send the information around.

In 2013, the City established a \$75,000 maximum annual retirement benefit cap for all City employees. Once an employee reaches the \$75,000 cap, the employee and City contributions are discontinued. The Fire and Police Chiefs met the established retirement cap in October 2017 and January 2019, respectively. The cost will be \$130,912 paid over three years at \$43,637 annually.

Commissioner Howell said we were talking about 2 years why is it 5. Mr. Slaton said at the last meeting this was discussed at some Commissioners suggested 5 years.

Deputy Mayor Gibson said the amount was capped 3 and 4 years ago. Mr. Slaton confirmed this. Deputy Mayor Gibson said it didn't increase. Mr. Slaton confirmed this. Deputy Mayor Gibson said all we are doing is the reimbursement. If one of the chiefs don't retire does not keep growing. Mr. Slaton said this problem

only relates to these two individuals. Both Chiefs are in the DROP and will retire in a short period of time. Joe Jenkins, Fire Chief, said he went into the DROP in 2020 he had no choice but to stay until he can draw his pension in three years. Mr. Slaton said we are talking about a short period of time. Deputy Mayor Gibson asked if Chief Velasquez was in the DROP too. Mr. Slaton said yes he just started. Deputy Mayor Gibson said this is for those paying not us. They should know what the liabilities are. There is a limit on this. Just a reimbursement and they finish the DROP period. They don't get a cost of living after that. Chief Jenkins said the debt is paid when employee leaves. There's no increase, unfunded liability, no recurring annual cost. Deputy Mayor Gibson said when the Chief retires and he has a long way to go and it is a fixed amount. Mr. Slaton said in one case the pension was reduced \$14-\$15,000 a year. A person retiring at 50 and living 30 years after retirement that \$300,000 is a small amount. Deputy Mayor Gibson said we got the money. Mr. Slaton said that is because of the cap.

Commissioner Howell said the money will come out of the general fund. Mr. Slaton confirmed this.

Mayor Fultz said this is a good way to resolve the issue. This is fair to all.

Deputy Mayor Gibson said we are in compliance with new standards. We have a healthy pension program.

Commissioner Williams said this is just doing the right thing.

Commissioner Howell said the cap was a good idea at the time. Mr. Slaton said that things change over 10 years. This issue will be talked about again.

#### 11. ORDINANCE 2022-10, 2nd Reading And Public Hearing - League Background Checks

[Begin Agenda Memo]

##### **SYNOPSIS:**

The City Commission will consider adopting an Ordinance to require background check for organizations utilizing City-owned facilities.

**RECOMMENDATION** It is recommended that the City Commission adopt Ordinance 2022-10 after second reading and public hearing.

**BACKGROUND** The City of Lake Wales makes many of its recreational and other facilities available for use by outside organizations to provide recreational and/or educational opportunities for minor children. The purpose of this policy is to ensure the safety of the participating minors by providing criteria for background checks of the coaches and other persons involved in the administration of these recreational/educational activities who have or may have contact with the participating minors.

Prior to approval for the use of any City-owned facility, all requesting organizations will submit to the City's Recreation Department evidence of completion of the required background checks for all applicable persons.

Background Check Criteria will include:

All Sex Offenses

Violent Felonies

Violent Misdemeanors (includes Domestic Violence and Battery Offenses) (within the last 10 years)

Misdemeanor or Felony Drug offenses including sale, delivery, and distribution

Misdemeanors related to children

Proposed Ordinance 2022-10 was presented to the current members of the Recreation Advisory Board for review and discussion on March 21, 2022. The members recommend that the City Commission adopt this ordinance.

**OTHER OPTIONS** The City Commission may choose not adopt Ordinance 2022-10 or modify the language.

**FISCAL IMPACT** None.

[End Agenda Memo]

Ms. Stephanie Edwards, Support Services / Recreation Manager, reviewed this item.

She shared the proposed agreement for management of the Kirkland Gym with the YMCA. This will be on the Tuesday agenda.

Commissioner Howell asked about the length of the agreement. Ms. Edwards said a year with option to renew 2 more years. Commissioner Howell asked if we are still looking for staff to run the gym. Mr. Slaton said no that this is the new plan. Ms. Edwards said this option is better as they have a large pool of employees to draw from to keep the gym open.

Deputy Mayor Gibson said its a good partnership with a professional recreation organization. Its better than doing things ourselves.

## 12. City Attorney Performance Evaluation

[Begin Agenda Memo]

**SYNOPSIS:** Commissioners will discuss the performance evaluation of the City Attorney.

Performance evaluation forms were completed by the City Commissioners and returned to staff as requested. Evaluation forms completed by the Commissioners are available for review in the Human Resources Department. This process provides for a yearly review of the City Attorney's performance and summarizes the entire Commission's experience with the Attorney during the past year.

Ratings in the various evaluation categories have been compiled in a chart which is provided with this memorandum.

[End Agenda Memo]

Commissioner Williams said there were a few areas he did not have enough information on to answer fully so he put n/a. he wanted to be fair.

Commissioner Howell said she offered suggestions to the City Attorney on what she wanted him to do and he did it so she was pleased. She said we need to give him ways to improve if we want to measure performance.

Mayor Fultz said Mr. Galloway does a good job each meeting keeping us informed about litigation. All we need to do is ask for more information or updates. The questions on the evaluation are fine.

## 13. CITY COMMISSION AND MAYOR COMMENTS

Commissioner Hilligoss said he has been impressed by the CRA and efforts with affordable housing.

Commissioner Williams said some of the ribbon cuttings should not be on Monday as that is his day off.

Mayor Fultz said that May 3rd is the passing of the gavel and encouraged everyone to come. He encouraged everyone to support Mayor Hilligoss.

14. ADJOURN

The meeting was adjourned at 3:08 p.m.



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Mayor

ATTEST:

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City Clerk