

**MINUTES  
CITY OF LAKE ALFRED  
CITY COMMISSION MEETING  
MONDAY, JANUARY 4, 2016  
7:30 P.M.  
CITY HALL**

**Call to Order:** Mayor Charles Lake

**Invocation and Pledge of Allegiance:** Pastor Jones

**Roll Call:** Those in attendance were Mayor Charles Lake, Vice Mayor Nancy Daley, Commissioner John Duncan, Commissioner Jack Dearmin, Commissioner Albertus Maultsby, City Manager Ryan Leavengood, City Attorney Seth Claytor, and City Clerk Amé Bailey-Speck.

Staff attendance: Police Chief Art Bodenheimer, Community Development Director Valerie Ferrell, Finance Director Amber Deaton, Public Works Director John Deaton, and Parks and Recreation Director Richard Weed.

**CITY MANAGER ANNOUNCEMENTS**

**City Manager Leavengood** stated Mackay Gardens and Lakeside Preserve will host a free gardening workshop on Thursday January 7<sup>th</sup> at 10 am and a guided nature walk on Sunday January 10<sup>th</sup> at 2 pm. Contact the Parks and Recreation Department for more details or to sign-up for one of these events.

The Lake Alfred Public Library will host the Florida Licensing on Wheels staff on Friday, January 8<sup>th</sup> from 10 am until 2 pm to provide a convenient method to renew, obtain or your change driver license or identification card. Also the SPCA Wellness Wagon will visit on Saturday January 9<sup>th</sup> from 8 am till 10:30 am, offering vaccines and testing for every pet. The Mobile Career Source will also visit on Tuesday January 12<sup>th</sup> from 9 am until 3 pm to provide employment and training-related services.

The annual Lake Alfred Bluegrass & BBQ Bash will be held this Saturday January 9<sup>th</sup> from 11 am until 9 pm at Lions Park. The event will feature top BBQ competitors from across the state, music and other live entertainment. For more information please contact the Parks and Recreation Department.

The next City Commission Meeting will be held on Tuesday, January 19<sup>th</sup> here in City Hall. The City offices and the Public Library will be closed on Monday, January 18<sup>th</sup> in observance of the Martin Luther King Jr. holiday. Changes to the Solid Waste schedule were distributed and posted on the City website.

**City Manager Leavengood** provided an update regarding the residency of Mr Ferrer and his eligibility to serve on the Planning Board. City staff has confirmed that Mr. Ferrer maintains a homesteaded property in the City of Lake Alfred. He is also in the process of changing his voting information to reflect his voting preference here in the City. The City is also pursuing an affidavit and it appears that he is eligible to serve.

Although 2016 is a national election year, it is an off year for the City of Lake Alfred. There are no open seats on the City Commission and since there are no Charter amendments, there will not be a city elections in April.

### **CITY ATTORNEY ANNOUNCEMENTS**

No announcements.

### **RECOGNITION OF CITIZENS**

**Jane Brumbaugh**, 655 East Pierce St., asked about moving the meetings earlier in the evening.

**Jean Brittan**, 370 South Echo Dr., thanked the city and the Parks and Recreation for cleaning the shoreline and for adding the light and mulch in the playground. She noticed the repair to the fence around the City meters, however the fence is pushed down in the back and open with litter in the area. She also stated she is appreciative of the posting of the unsafe homes and asked when they would be demolished and removed.

**City Manager Leavengood** state that staff would inspect the fence and stated that the demolition process is slow. The next stage would be funding to demolish the buildings.

### **PROCLAMATION – NATIONAL RELIGIOUS FREEDOM DAY**

**Mayor Lake** read the proclamation in its entirety and urged all citizens to commemorate this day with events and activities that teach us about this critical foundation of our Nation's liberty, and that show us how we can protect it for future generations at home and around the world. He presented the proclamation to Pastor Jones.

### **CONSENT AGENDA:**

**Vice Mayor Daley** asked to add the following items to the Commission Announcements.

- Special Ridge League Board Meeting on Wednesday January 6<sup>th</sup> at 6:30 pm
- Water Coop Meeting on Wednesday January 6<sup>th</sup> from 9 am to 1 pm

**Vice Mayor Daley** moved to approve the amended consent agenda; seconded by **Commissioner Dearmin** and the motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

## AGENDA

### 1.) ORDINANCE 1361-16: PERSONNEL POLICY HANDBOOK AMENDMENT

**City Attorney Seth Claytor** read the resolution title.

**City Manager Leavengood** stated that the employee handbook sets forth in detail the employee benefits programs, personnel policies, general guidelines, and disciplinary rules of the city. The last formal review of the Personnel Manual was conducted last year, and adopted on October 20, 2014.

The City of Lake Alfred has evaluated the current needs of the City's general provisions, definitions, employment policies, holidays, leave, employee recognition, and other provisions. The proposed revisions and amendments throughout the manual are listed in exhibit "A". Following the major revisions from previous years, staff have reviewed the policies on a continuing basis and how they have been implemented and applied. The majority of the changes are designed to clarify and to improve the intent of existing policies. Two years ago there was a major revision however this is more of a clean-up. One item of substance that was discussed during the budget preceding was the authorization for the leave buy-back program. The City had a program in the past. It was eliminated because it was too open ended and it was not in the budget. This authorization would allow for a limited program geared towards employees with tenure and more accrued vacation time. The City budgeted \$15,000 this year for that program. This is the language to allow the City to provide the program at the limited budgeted amount that is still a benefit to the employees.

Staff recommended approval of Ordinance 1361-16 on first reading.

**The City Commission** asked about the loyalty oath, if the payback policy for the cost of a medical exam if the employee does not complete one year of employment conflicts with Federal Labor Law, accrued vacation and sick rates, short term and long term disability, and bereavement pay for relatives.

**Staff** responded that the oath is stating that the employee will follow the rules of the City, County, and the State of Florida. This is a standard item across the cities. The medical cost refund is at the discretion of the city and no employee is payed at minimum wage which is addresses by the Federal Labor Laws. The language came from the City of Winter Haven's handbook and is mainly for the extensive testing performed by the Police Department. The policy is already in place for the Police Department through Departmental policies. If the policy was in conflict with the Fair Labor Laws the cost could be waived. Staff will confirm if there is any conflicts with any Labor Law. In addition language could be added it distinguish that the cost must be refunded if the employee was terminated "with cause" or a not to exceed comment.

The maximum sick accrual is 96 hours per year. An employee would need to work more than 10 years to accrue 960 hours in order to reach the maximum rate of 520 hours payback after the 50% reduction. City employees currently do not have large banks of sick time, rather many employees use the time as it is accrued. The buy-back program encourages them to save hours to be able to participate in the program. The payout is them at their current rate of pay

and they have time in case of a major medical event. The City does not offer short and long term disability as a benefit. The employees can purchase these additional polices. The cost to pay a Department head for 500 hours would be approximately \$15,000, but it would take decades to accrue and does not have a large budget impact. The program caps the accrual and allows for a limited buy-back program which would reduce a large payout when someone leaves. For bereavement, relatives and family are defined in the definitions section. The policy also limits the amount of days per fiscal year.

**Commissioner Maultsby** moved to approve Ordinance 1361-16 on first reading; seconded by **Commissioner Duncan**. The motion was approved by unanimous voice call vote. There were no citizen statements.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

## **2.) CONTINUING SERVICE AGREEMENT: RAFTELIS FINANCIAL CONSULTANTS**

### **3.) RAFTELIS: TASK ORDER #1: UTILITY RATE STUDY**

**City Manager Leavengood** stated that as a part of the comprehensive review of city codes and policies, city staff has identified an opportunity to clean up and update the City's utility code and rate structure. The City's current water rate has been unchanged since 2003 (12+ years) with a base rate of \$12.95 that provides 6,000 gallons and an additional \$1.00 for each 1,000 gallons used above the six thousand per customer. The City's current sewer rate has been unchanged since 1990 (25+ years) with a flat rate of \$40.54 per customer. Based upon a survey of other local utilities, Lake Alfred's combined water & sewer minimum rate is high compared to others; average at 4,000 gallons of usage; and well below average at 8,000 gallons of usage. The City has a flat rate where other cities have increasing (tiered) rate system by usage.

The City's utility system does not have any major pending improvements, capacity issues, or financial needs. The goal of the rate study will be to restructure the system to be more equitable by lowering the base rate while providing variation in the billing amount based upon usage while still providing a stable revenue source for the City. The current system does not encourage conservation and the customers that use the least amount of water are essentially subsidizing the utility bill for higher water users by paying a flat rate. A tiered system would also promote conservation and protect the water supply. The Water Management District is pushing conservation rates and may tie it to future permits. It is also an item of discussion at the Water Cooperative meetings. The goal is to be revenue neutral.

The City included \$30,000 in the current 2015/2016 fiscal year budget for the performance of a utility rate study. City staff is proposing to piggyback off the competitive request for qualifications process conducted by the City of Winter Haven that selected Raftelis in January of 2015 for the performance of similar services.

The City of Winter Haven issued RFQ- 15-08 in 2008 requesting firms to submit qualifications to perform professional consulting services regarding a fire a easement study and a water and

sewer rate study to assist the city in establishing and implementing the program and a review of its water and sewer rates and other financial studies the City may have. Four (4) firms submitted qualification in response to RFQ-15-08 and the city selected Raftelis as the best qualified to perform the professional consulting services outlined in their RFQ.

Under the proposal, Raftelis will perform a thorough review of the City's utility system including data collection, policies, and will provide a new rate design, comparisons, and options. The information and options will be presented during our regular budget process beginning in the Spring of 2016. The Commission will review the options and any desired changes to the rate structure would be formally presented in August or September of 2016 to coincide with the adoption of the annual budget.

Staff recommended approval of the Continuing Service Agreement with Raftelis Financial Consultants and approval of Task Order #1 with Raftelis Financial Consultants.

The **City Commission** thank the City Manager for addressing this topic since it is often brought up by citizens. The Commission discussed the two approvals required. They also asked if the \$30,000 would cover the study and if businesses rate for water and sewer would be addressed.

**Staff** responded that the \$30,000 should cover the first task order unless the City requested change orders. The City will also be evaluating all the City policies such as definitions of commercial and such as multi-unit residential and assisted living. The City currently does not have a commercial rate structure. Nor does the City bill based on meter size. The City does not want to make the structure to complicated but commercial uses will be reviewed. Commercial that uses a small amount would benefit just like a low residential user. The City also wants to be sensitive to dramatically increasing a user's monthly charge. The Commission would need to take two separate actions (agreement and if approved, the task order).

**Commissioner Dearmin** moved to approve the Continuing Service Agreement with Raftelis Financial Consultants, seconded by **Commissioner Duncan**.

**Ron Schelfo**, 640 East Lakeview Rd., thanked the City Manager for bring the item and that this great opportunity to have fair rates.

**Joseph Hults**, 824 James Way, stated that he uses more water for irrigation. He stated that the minimum should be based on the combined irrigation and household water usage (when there are two separate meters). Otherwise people will start using the household water for irrigation. The Lakes Development is building out and if the rates are too high or require no grass landscaping then people will not want to build in Lake Alfred.

The **City Commission** asked why the irrigation water is labeled as reclaimed water, if the consultant would be evaluating the utility infrastructure, and they discussed the reasons for the high sewer rate.

**Lowell Schmidt**, 365 East Sandford, stated that he has two meters, but he has the two water distribution systems connected. He uses approx. 3,400 gallons of irrigation water per month.

His main issue is the sewer rate. The current rate was mandated at one point in time and needs to be re-evaluated. He stated that Auburndale has tremendous re-use system for industry.

**Margaret Wheaton**, 340 Carolina Ave South, stated she is concerned about water conservation and the amount of times people are watering their yard. She only has one meter and did not know why some people have two meter.

**Staff** responded that other Cities also have a tiered rate for irrigation. The rates and gallon intervals are different than the household water tiers. This is another item that may need to be addressed by policy. Users who use more irrigation water would be charged higher rates.

The second meter policy was implemented by the Commission in the 1980's. The second meter was installed for conservation purposes because the water from the irrigation meter goes on the yard and back to the aquifer. Water from the house goes into the septic and sewer system which is costly to operate. The City completed a 5 million dollar upgrade to the sewer plant in 2005 per state mandates.

Houses with one meter are grandfathered because they were built before the policy was adopted. If a resident with one meter installs a new irrigation system, a second meter would need to be installed because the policy addresses new construction or a new house. Rate changes may also make the City move towards two meters for residents currently on one meter. The City does not want to penalize residents just because they have one meter. If the sewer rate is based on your water usage, residents will want a second meter for irrigation to reduce their sewer rate. In addition the irrigation usage needs to be tracked because it is reported to the state and affects the City's water permit. .

The Consultant will review the billing, construction, where the utilities are located, the age of the pipes, etc. The City does not want a drastic rate structure or create volatility in revenue.

The City does not have a reclaimed water system. It is very expensive because it is another utility. The City of Auburndale's re-use water goes to the power plant, Coca-Cola, and Florida Polytechnic (which paid to have the pipes installed).

The City is evaluating the rates and policies based on equity rather than utility needs. There are no major CIP projects needed at this time. The current sewer rates are based on the massive improvements that were need to the sewer system in 1989. The cost was then divided by the number of customers and that is why the rate has been high.

The motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

**Commissioner Dearmin** moved to approve Task Order #1 with Raftelis Financial Consultants, seconded by **Commissioner Maultsby**. The motion was approved by unanimous voice call vote.

<b>MAYOR LAKE</b>	<b>AYE</b>
<b>VICE MAYOR DALEY</b>	<b>AYE</b>
<b>COMMISSIONER DEARMIN</b>	<b>AYE</b>
<b>COMMISSIONER DUNCAN</b>	<b>AYE</b>
<b>COMMISSIONER MAULTSBY</b>	<b>AYE</b>

**RECOGNITION OF CITIZENS**

There were no citizen comments.

**COMMISSIONER QUESTIONS AND COMMENTS**

**Vice Mayor Daley** attended the Circle B hike on New Year's Day. It was well attended and she passed out business cards about the hike at Mackay. She requested that the City publicize the Mackay hike with the papers to increase attendance. She wished everyone a Happy New Year.

**Commissioner Duncan** asked for an update on the Wayfinding System and stated he is looking forward to the Bluegrass Bash.

**City Manager Leavengood** stated the company said the signs would be installed this week. He can send some photos to the Commission.

**Commissioner Dearmin** thanked everyone for a great 2015 and he enjoyed the Employee Christmas Party. He wished everyone a Happy New Year.

**Commissioner Maultsby** stated the City had a successful year adding approximately 100 new residences with 400 new residences. He would like to see another 100-200 new homes to help the City reach the 7,500 population to increase the commercial appeal. He asked if the City Manager had heard of any new developments. He wished everyone a prosperous new year.

**City Manager Leavengood** stated there have been some residential inquires. There has been construction on 557 and the City will start marketing the City property. He will be attending a retail conference this month. The City may reach out to a broker.

**Mayor Lake** stated 2015 was a positive year and the City accomplished a lot. The City looks better and there have been more activities. Businesses will come. He wished everyone a Happy New Year and thanked them for attending.

With there being no further business to discuss, Mayor Lake adjourned the meeting at 8:45 pm.

Respectfully Submitted,



Ameé N. Bailey  
City Clerk