

City of Lake Alfred
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Lake Alfred, Florida 33850



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**AGENDA
CITY COMMISSION
MONDAY, MARCH 7, 2022
7:30 PM
CITY HALL**

Call to Order: Mayor Nancy Z. Daley

Invocation and Pledge of Allegiance

Roll Call: Linda Bourgeois, City Clerk

City Manager & City Attorney Announcements

Recognition of Citizens: Items that are not on the Agenda.

Meals on Wheels Proclamation
Employee Recognitions

Consent Agenda:

- 1.) City Commission Meeting Minutes for February 21, 2022
- 2.) City Commission Announcements
- 3.) Crossroads Village Center CDD Storage Agreement
- 4.) Employment Agreement Amendment

Agenda:

- 1.) FallBrook Tax Credits, LLC Agreement (tentative)
- 2.) Urban Services Agreement: Haines City (tentative)
- 3.) PRWC: Southeast Wellfield Implementation Agreement Amendment
- 4.) PRWC: West Polk Wellfield Implementation Agreement Amendment
- 5.) Raftelis: Task Order #4: Rate Study
- 6.) Raftelis: Task Order #5: Impact Fee Study
- 7.) Bids: 557 Sewer Extension Project
- 8.) Department Updates

Recognition of Citizens: Please Limit Your Comments to 5 Minutes.

Commissioner Questions and Comments:

Commissioner Fuller
Commissioner Eden
Commissioner Maultsby
Vice Mayor Dearmin
Mayor Daley

Adjourn

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LAKE ALFRED CITY COMMISSION
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All matters listed under this item are considered to be routine, and action will be taken by one motion without discussion. If a discussion is requested by a Commissioner, that item(s) will be removed from the Consent Agenda and considered separately.

1.) City Commission Meeting Minutes for February 21, 2022

Attachments:

- Draft Minutes

Analysis: Please review the minutes at your earliest convenience, and if there are any questions, comments, or concerns, please contact City Clerk Linda Bourgeois at (863) 291-5270.

2.) City Commission Announcements

Analysis: Each of the meetings/ events scheduled below may constitute a public meeting at which two or more City Commissioners or Board Members may attend and discuss issues that may come before the City Commissioners.

DATE	MEETING/ EVENT	LOCATION	TIME
3/10	Ridge League of Cities Dinner	Bartow Civic Center	6:00 p.m.
3/10	Planning and Zoning Meeting	City Hall	6:00 p.m.
3/17	Code Enforcement Special Magistrate	City Hall	3:00 p.m.
3/21	City Commission Meeting	City Hall	7:30 p.m.

3.) Crossroads Village Center CDD Storage Agreement

Analysis: In order to provide access to public records, a community development district must store its public records within the respective County in which it is located.

The City of Lake Alfred will receive \$600 annually to store a thumbdrive containing the public records of the community development district and produce the records upon request to the public.

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4.) Employment Agreement Amendment

ISSUE: The City Commission will consider an amendment to the City Manager's employment agreement moving a match contribution from a 401(a) retirement account to a 457(b) or other investment account.

ATTACHMENTS:

- Second Amendment to Updated Employment Agreement

ANALYSIS: The proposed amendment moves the existing matched retirement contribution from a 401(a) retirement account to a 457(b) or other investment account. No benefit enhancement associated with the amendment; simply moving the existing match to a different investment account. The proposed amendment effectively restores the original language in the updated employment agreement for that section.

STAFF RECOMMENDATION: Approval of the consent agenda

LAKE ALFRED CITY COMMISSION
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1.) Fallbrook Tax Credits, LLC. Agreement

Issue: The City Commission will consider an agreement with Fallbrook Tax Credits, LLC for the sale of the City's Voluntary Tax Cleanup Credits.

Attachment:

- Brownfield Site Rehabilitation Agreement (BSRA)
- FallBrook Tax Credits, LLC Agreement

Analysis: In 1998, the Florida Legislature created the Voluntary Cleanup Tax Credit (VCTC) to encourage participants to conduct voluntary cleanup of certain contaminated sites and brownfield sites in designated brownfield areas. Participants may be private or public entities. The City had met the eligibility criteria established under Sections 376.3078, 376.30781, and 376.82, F.S, and in 2019 entered into a Brownfield Site Rehabilitation Agreement (BSRA) with the Florida Department of Environmental Protection.

The BSRA allowed the City to receive Voluntary Cleanup Tax Credits of up to 75% percent of the cost of assessment and remediation in the form of State Corporate Income Tax Credits. Tax credit certificates are awarded by the Florida Department of Environmental Protection and are valid against Florida Corporate Income Tax. These tax credits can be transferred and sold for up to 90 cents on the dollar.

The City received two Voluntary Cleanup Tax Credit Certificates as a result of our environmental cleanup of the downtown city owned parcel in the total amount of \$106,442.34. As the City cannot directly benefit from tax credits (i.e. because the City is tax exempt) we can sell

The City has received a proposal from the Fallbrook Tax Credits, LLC to act as a placement agent for the City of Lake Alfred.

Fallbrook is an experienced placement agent of Voluntary Cleanup Tax Credits, Historic Tax Credits, Low Income Housing Tax Credits, Film Tax Credits, and Brownfield Tax Credits. Fallbrook has several contacts (each, a "Prospect") that are potential qualified purchasers of the Tax Credits.

The prospect will purchase the Tax Credits from the Seller at a price of no less than Eighty-Nine Cents (\$0.89) per Dollar (\$1.00) of Tax Credits (the "Purchase Price"). Seller will retain from the Purchase Price an amount equal to Eighty-Nine Cents (\$0.89) per Dollar (\$1.00) of Tax Credits sold and agrees to pay to Fallbrook a placement fee equal to the difference between the Purchase Price and the Seller Price.

Staff Recommendation: Approval of the Agreement with Fallbrook Tax Credits, LLC.

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2.) Urban Services Agreement – Haines City

Issue: The City Commission will consider an Interlocal Agreement with the City of Haines City for the expansion of the Utility Service Area.

Attachment:

- Urban Services Agreement

Analysis: The City of Lake Alfred maintains a utility service area around the City in accordance with Chapter 180 Florida Statutes that gives the City a right to provide utility services within this area outside of the City limits. The City of Haines City also maintains a Chapter 180 Utility service area that abuts and is adjacent to Lake Alfred's utility area on our eastern boundary.

The City has received a request to provide utility services to a development that is contiguous to Lake Alfred but is within Haines City's utility service area. Haines City has the right to provide utility services to this development but the distance of their main lines is cost prohibitive to provide services at this time. Lake Alfred had proposed annexing the property and providing utility services but Haines City was not receptive to that suggestion but is receptive to Lake Alfred providing utility services to the development.

The proposed interlocal agreement affirms each City's utility services area and affirms to not annex into each municipality's respective utility service area. The proposed agreement also provides provisions for each municipality to provide temporary utility in the respective municipality's service area.

The proposed agreement will allow us to provide utility services to the pending development under favorable terms while protecting the integrity of each City's utility service area and city limits.

Staff Recommendation: Approval of the Interlocal agreement between the City of Lake Alfred and Haines City.

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3.) PRWC: Southeast Wellfield Implementation Agreement Amendment

4.) PRWC: West Polk Wellfield Implementation Agreement Amendment

Issue: The City Commission will consider amending implementation agreements for the Southeast Wellfield and West Polk Wellfield projects for future water supply needs.

Attachments:

- Southeast Wellfield Implementation Agreement
- West Polk Wellfield Implementation Agreement

Analysis: The Polk County Water Cooperative (PRWC) was formed by the cities and county in Polk in 2015 to address regional water supply issues in response to anticipated restrictions on future upper Floridan aquifer withdrawals by the Southwest Florida Water Management District. These restrictions will require “alternate water supply” projects going forward to meet increased demand from growth. Due to the larger capital and treatment costs of alternative water supply projects (i.e. deep well, reservoir, desalination, etc.) the district was provided a 50% capital cost share incentive on projects that have a regional benefit and that are owned and operated by a regional entity (i.e. PRWC).

The City currently has a water use permit for 1.3 million gallons per day which is set to expire in 2033 of which we currently use approximately 1 million gallons per day. Through the Central Florida Water Initiative (CFWI) process the district has set our 2025 demand number at 1.29 mgd. This will likely become the baseline for future upper Florida permits with amounts in excess of this required to come from alternate water supply. The CFWI process projected our 2045 water usage to be 1.72 mgd requiring 0.43mgd of alternate water supply.

In March of 2021 the City approved the implementation agreements with a total commitment for 0.43mgd of alternate water supply consistent with our CFWI projected demand. Based on recent increases in development activity and anticipated demand city staff is proposing to increase our 2045 alternative water supply allocation to 1.0 mgd. Combined with the current remaining permit allocation of approximately 0.3 mgd this will allow for water for approximately two thirds (66%) of the potential 6,400 incoming residential units we may experience over the next ten to twenty years. Committing for less than the full amount will act as a hedge against uncertainty in case anticipated development slows or doesn't occur in the twenty-year planning horizon. Any potential shortfall we do incur can be made up in the future through a combination of reuse/aquifer recharge, conservation, or signing up for additional alternate water supply in future phases.

The proposed amendment to the agreement reflects updated quantities of the member governments and also makes several changes to the agreement based on feedback from several reviewing/funding agencies including the Southwest Florida Water Management District (SWFWMD), U.S. Environmental Protection Agency (EPA), and the Florida Department of Environmental Protection (FDEP) for consistency with the SRF loan, WIFIA loan, and the SWFWMD cofounding programs. Substantive changes to the agreement include:

- Update of member allocations from the project
- Eliminates “off ramp” provision to exit the project after design is complete
 - Lenders want surety on the project; maintaining this provision not worth it due to less favorable bridge funding mechanisms versus the federal loan through WIFIA.

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- Creates a reserve fund to ensure continued payment of debt payment in the event a party temporarily withdraws.

The City will receive its water allocation from the Southeast Wellfield Project. The City will also continue to be an “associate member” of the West Polk Project which is a nonfinancial/nonvoting member but will allow for a seat at the table and an opportunity to “buy in” to that project if there is ever a future need.

The 1.0 mgd of alternate water supply has an approximate capital cost of \$14.7 million. This large scale capital expense will be spread out over 40 years through a low interest loan with WIFIA. AWS also has higher treatment costs than traditional water. While the growth that is tied to the alternative water supply will improve efficiency in service delivery and increase revenue we will need to perform rate and impact fee studies to make sure that we are fully accounting for this shift into alternate water supply.

Staff Recommendation: Approval of the Project Implementation Agreements.

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5.) Raftelis: Task Order #4: Rate Study

6.) Raftelis: Task Order #5: Impact Fee Study

Issue: The City Commission will consider task orders with Raftelis Financial Consultants for the performance of a utility rate study and an impact fee study.

Attachments:

- Task Order #4
- Task Order #5

Analysis: The City collects various one-time fees from new construction to offset the 'impact' new development will have on the existing City services and infrastructure. The City of Lake Alfred currently collects impact fees for water, wastewater, general government, public safety, and parks and recreation.

Impact fees serve an important role in easing the impact of additional capital investment required by growth to existing residents and customers. With the growth we are currently experiencing in the City and the growth that is anticipated, it is important that our impact fees represent the cost that is required to make these additional capital improvements. This is important not only to provide services for future growth but also to maintain levels of service for existing residents.

With alternate water supply necessary to accommodate new growth, impact fees and rates will need to account for the large capital and treatment costs associated with these projects. The level of growth we are seeing is going to have significant impacts on capital equipment and facilities facilities and it is important for the new growth to pay for its fair share of the expansion necessary to provide these services (e.g. Parks & Recreation, Police & Fire, Public Works, etc.).

The proposed task order with Raftelis Financial Consultants is for \$45,624 to perform an updated impact fee study that will analyze all of the City's impact fee categories and levels of service. Funding is available in impact fees to perform the study. Based on the current allocation of impact fees, staff is proposing for the enterprise fund to incur seventy-five percent (75%) of the cost of the study.

Raftelis will present the results of the studies to the City Commission and generate a report that will serve as the basis for the adoption of changes to the impact fee rates and structure. The report would be presented to the City Commission and ordinance language presented for consideration by the end of the year.

Staff Recommendation: Approve Task Order #4 with Raftelis Financial Consultants in the amount of \$45,624.

Staff Recommendation: Approve Task Order #5 with Raftelis Financial Consultants in the amount of \$45,624.

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7.) CR557 Force Main Extension Project Pipe Bid Award

Issue: The City Commission will consider awarding the 16" Sewer Pipe Bid to Ferguson Waterworks in the amount not to exceed \$746,342.40.

Attachments:

- Sewer Pipe Bids

Analysis: The City has budgeted a force main sewer extension to service the new development on County Road 557. After receiving initial bids that were far in excess of the original budgeted amount the City has pivoted the route of the project to lower costs by removing it from a wetland area and consolidating it with a sewer infill project in the Twin Lake area. While the design is being amended to accommodate these changes staff has solicited bids for the City to make direct purchase of the pipe for the project. By doing this we can lock in prices (which are continually increasing), ensure that we have the supplies for the project, and to save the sales tax on the material (approximately \$51,000 in sales tax savings).

The city will solicit bids for the installation of the pipe which will come back before the City Commission for approval at a future meeting. On February 28, 2022, four bids were received for 13,760 feet of 16" Force Main Green PVC pipe for the project. The City's ARPA funding has been allocated for this project.

Ferguson Waterworks	\$746,342.40
Fortline Waterworks	\$808,124.80
Core & Main	\$819,820.80
Hayes Pipe Supply, Inc.	\$861,025.44

Staff Recommendation: Approval of the pipe bid award to Ferguson Waterworks in an amount not to exceed \$746,342.40.

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8.) Presentation: Department Updates

Issue: The City Commission will hear presentations and updates from several of the City's departments.