

**MINUTES
CITY OF LAKE ALFRED
CITY COMMISSION MEETING
MONDAY, APRIL 6, 2015
7:30 P.M.
CITY HALL**

Call to Order: Mayor Nancy Z. Daley

Invocation and Pledge of Allegiance: Rev. Mike Jones

Roll Call: Those in attendance were Mayor Nancy Daley, Vice Mayor Charles Lake, Commissioner Jack Dearmin, Commissioner John Duncan, Commissioner Albertus Maultsby, City Manager Ryan Leavengood, Assistant City Attorney Seth Claytor, and Interim City Clerk Valerie Ferrell, and Deputy City Clerk Ameen Bailey.

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

CITY MANAGER ANNOUNCEMENTS

The Lake Alfred Municipal Election will be held tomorrow to elect two commissioners, and to consider three charter referendum items at City Hall the polls will be open from 7am and close at 7pm.

The Lake Alfred Public Library will be closed this week from Monday, April 6th through Sunday, April 11th for our annual inventory & light building maintenance. The library will reopen on Monday, April 13th at 9am.

The Lake Alfred Heritage Day Event will be held at Central Park in Lake Alfred on this Saturday April 11th from 9:00 am until 5:00 pm. There will be special events throughout the day including: Family best citrus dessert contest, Touch-A-Truck. Ultimate play zone, Food truck rally, Orangeapult, Arts & crafts, Music & more, for more information, visit the special events website LAheritageday.com.

The Polk County Clerk of Courts is offering a one time opportunity to pay the fine without having to pay the collection fee. Collection fees vary between 35% and 40%. Once the fine is paid, you can also have your driver's license reinstated on-site, if applicable. Operation Green Light" will occur on April 18 from 9 am to 3 pm. More information is online at the Clerks website at polkcountyclerk.net/operationgreenlight.

US Title Series professional hydroplane racing are returning to Lake Alfred on April 24th thru 26th from 10 am to 5 pm. The event will raise money to support the local Lions Club Eye Bank and their other community projects. The event will cost \$5 and kids 10 and under are free. For more information contact Steve at 863-557-6986.

Registration for Summer Camp is open for kids ages 5-12. Summer camp is eight weeks beginning on June 8th. This year includes new field trips and activities, contact Parks and Recreation for more information.

The Ridge League Dinner is scheduled for Thursday, March 9th in Zephyrhills. Vehicles are available for those who want to carpool.

City Manager Leavengood also gave an update on the resurfacing project. He stated that the roads scheduled for resurfacing were completed including; east Hoffman to the cul-du-sac, the cul-du- sac at Hillside off of Ramona, and Todhunter north, south, and some side streets. The parking areas at admin, library, and east Haines were also completed. The striping and parking stops will be added. The project concluded with very few issues.

CITY ATTORNEY ANNOUNCEMENTS

There were no legal announcements.

RECOGNITION OF CITIZENS

There were no citizen statements.

PROCLAMATION: WATER CONSERVATION MONTH

Mayor Daley read the proclamation for Water Conservation Month and called upon each citizen and business to help protect our precious resource by practicing water saving measures and becoming more aware of the need to save water.

EMPLOYEE OF THE QUARTER: JUAN ANTONIO LOPEZ AND K-9 WIL, POLICE DEPT.

Mayor Daley invited Jaun Lopez to join her at the podium. She stated that Officer Lopez had been awarded the Employee of the 1st Quarter for his outstanding dedication to the City of Lake Alfred. Officer Lopez began his career with the Lake Alfred Police Department on August 30, 2010. Officer Lopez worked street patrol as an officer until being picked by members from three (3) other outside agencies and Lake Alfred Police Department staff to take over the canine program. Since taking over the canine program Officer Lopez has been to two State competitions where he and his canine partner have received 11 awards. He was sent by the United States Police Canine Association to represent Region 1 in the national field trials in 2014. Officer Lopez has a great rapport with staff members and the public he comes into contact with. He has a great working relationship with department members and can be counted on by staff to work whenever needed. Officer Lopez had previous law enforcement experience with the Lake Wales and Lake Hamilton Police Departments where he received numerous compliments from staff. Officer Lopez is a great asset to the City of Lake Alfred.

Mayor Daley also stated that Officer Lopez's K-9 partner "Wil" has been with the Lake Alfred Police Department since August of 2013, when he was handpicked from a group of other canines at a breeder in Homestead Florida. Wil has attended well over 1200 hours of training in

street and narcotic work. He has risen to a level early in his career that other canine handlers around the state have commented on with high regard. Wil currently trains with other canine teams around the county and responds to calls for service in the city limits of Lake Alfred and other jurisdictions when requested. Wil has a great rapport with citizens and has one of the best temperaments for conducting socialization with citizens, especially children.

Wil is a great asset to the City of Lake Alfred and to our citizens as an example of how small agencies can have top ranked resources for their use. Together, both Officer Lopez and "Wil" are a great team to represent the City of Lake Alfred. She concluded by saying with this honor, Officer Lopez will be presented with a certificate of achievement, a gift certificate from a citizen donation, a commemorative pin, and a day off with pay. Congratulations!

ANNUAL AUDIT AND FINANCIAL STATEMENTS FY ENDING 9/30/2014: MICHAEL BRYNJULFSON, CPA

Mike Brynjulfson, President of Brynjulfson, CPA external auditor reviewed the audit for the year ending September 30, 2014. He reviewed the documents included in the packets, including the Financial Statements, Report on Internal Control and Compliance, Management Letter, Compliance Report, and Letter to the Members of the City Commission. He stated that the budget was submitted to the GFO reviewer for the Certificate of Achievement for Excellence in Financial Reporting (CAFR). In addition he stated that the financial department could apply to review other submittals, since the city has done so well for the past five years. He stated that it is difficult to maintain this level of achievement and that it comes from having qualified people in place, longevity, and trust.

Overview

- Report on the Financial Statements – Clean audit opinion with no material errors.
- Report on Internal Control & Compliance – No identified internal deficiencies reported and no instances of noncompliance reported.
- Management Letter – No findings reported.
- Compliance report with Section 218.415 – no issue of non-compliance with Local Government Investment Policies
- Letter to the Members of the City Commission – no disagreements with management and no difficulties encountered while performing audit

General Fund Snapshot

- At September 30, 2014 the assigned and unassigned fund balance was \$1,574,560.00.
- This would provide 4.32 months without any revenue coming into the City.
- City trend showed a decline from 34.58% to 36.02%; and is above the minimum 25% fund balance policy established by City and the industrial standard. This will fluctuate based on cash flows.
- The net change in the 2014 fund balance was (\$159,342.00); there were projects with paving and the trend can almost always be traced back to capital improvements.
- For every dollar brought into the City, as a percentage, in 2014 expenditures exceeded revenues by -12.58%.

- The negative revenues included capital projects. When only reviewing the operation expenditure, the city has apposite trend

City Manager Leavengood clarified that the General Fund side does not include the inter-fund transfer, surplus, or profits from the Enterprise Fund.

Mike Brynjulfson stated that the connection between the General Fund and Enterprise Fund can be seen in 2010 when the sanitation operations were moved from the Enterprise to the General Fund. This accounts for the dip in the General Fund and the increase in the Enterprise fund.

Enterprise Fund Snapshot

- Total Net Position in 2014 (equivalent of fund balance in the general fund) was \$9,802,867.00.
- Unrestricted Net Position (equivalent to unassigned fund balance in the general fund) was \$2,554,578.00.
- This would provide 14.3 months without any revenue coming into the City.
- Net position as a percent of revenues was 119%.
- For every dollar brought into the City, as a percentage, in 2014 revenues exceeded revenues by 15.85% gross profit. (Does not include interest or operating transfer expenses).

Mike Brynjulfson stated the profit margin is very good especially since the city has not changed the utility rates for water since 2003 and 25 years for sewer. He thinks it is a good time to evaluate the utility rates.

Overall Snapshot

- Bringing the two funds together. The General fund has 36% of your expenses and the Enterprise fund has 119 % of the revenue together this shows that the citywide percentage is 63%
- Unrestricted cash and investment includes proprietary funds (\$2,425,581) and governmental funds (41,546,427) for a total of \$3,972,008.

The Commissioners praised the auditor and the City staff for the financial statements and budget process. **Mike Brynjulfson** stated that the city is doing a good job and works well with the auditors.

Mayor Daley stated that the City collects and saves funds for capital purchases. She also stated the city is in a good position because there is no debt service. Lake Alfred is one of the only small cities that is able to be full service with no debt or contracted services.

City Manager Leavengood stated that the reserves give the city leverage to complete projects or make purchases when necessary. It has allowed the city to purchase vehicles and increase the resurfacing area, and install the Veterans Memorial. It also put the city in a good position to take advantage of other cost savings like paying off bills early. He stated that he also appreciated the efforts of staff and the auditor.

UPDATE & DISCUSSION: BUCHANAN BUILDING

City Manager Leavengood presented an update on the Buchanan Building property swap. The city is still in the due diligence period of 60 days until the end of April. The Phase II Environmental Site Assessment was 99% clean with one underground propane tanks. He stated that the attorney is also in the process of reviewing the bond from 1989 to make sure it is clear to sell/purchase property. The bond was issued to purchase the property and spray-fields along with some other site improvements. Therefore there is some concern that the property cannot be sold without some penalty. However the land swap is with another public agency and the amount is less than 5% of the total bond. Worst case scenario is that there may be a portion of the bond that is taxable. There was nothing in the report to prevent future development of the property. He anticipates an action item at April 20 commission meeting. Then plans such as demolish site and development can be discussed along with funding.

CONSENT AGENDA: APPROVE CITY COMMISSION MEETING MINUTES 3/16/15.

Commissioner Dearmin moved to approve the City Commission Meeting minutes from March 16, 2015 and Poll Workers for the April 7, 2015 City Election; seconded by **Vice Mayor Lake** and the motion was approved by unanimous voice call vote.

There were no public comments.

MAYOR DALEY	AYE
VICE MAYOR LAKE	AYE
COMMISSIONER DEARMIN	AYE
COMMISSIONER DUNCAN	AYE
COMMISSIONER MAULTSBY	AYE

AGENDA

1.) BID AWARD: UTILITY EXTENSION ON U.S. HWY 92

City Manager Leavengood stated that in January of 2015 the City met with representatives from the Southsee Corporation to discuss utility services. They requested water and sewer service from the city for The Outpost Resort, which is a RV park under development. The owners also requested services for the two existing mobile home parks of Ski Way Apartments and Lake Front MHP. The two mobile home parks consist of 49 units. The Outpost is designed for 101 units.

A bid for the proposed utility line extensions were posted in February and the bid opening was held on March 3, 2015. Odom Contracting, LLC submitted a bid of \$145,660.00. CPH reviewed the bid and contacted their references. CPH stated that the bid is in conformance with the City's requirements; they have no objections, and recommend award of the estimated bid amount to Odum Contracting, LLC. Several contractors picked up bid packets, however only one bid was received.

The Outpost is located across from the Winter Haven Airport. They are also in the process to change their land use designation with the county. They will sign a voluntary annexation form

when they receive utility services. Therefore they can be automatically annexed when they become contiguous, creating the furthest most northwestern boundary.

The City has approximately \$725,000 available in water and wastewater impact fees to cover the upfront cost of the line extension. The expended costs will be recovered when the project pays the impact fees to connect to our system as summarized below. Based on the units the cost would be:

- The Outpost Resort - \$143,616.59
- Ski Way Apartments - \$19,584.08
- Lakefront MHP - \$44,390.58

The impact fees will cover the cost of the construction; in addition the City would also receive revenue from the individual units. Staff recommendation is to award the bid to Odom Contracting, LLC for the utility line extension in the amount of \$145,660.00 and staff is available to answer any questions. The Commission has already approved the design of this project.

Commissioner Maultsby asked how long before homes would be connected to services

Mayor Daley asked what type of service they have now.

Public Works Director John Deaton stated the existing developments have private well and septic. There are new owners, which have some on-site work to complete. Connections would begin in approx six months based on both the city improvements and the improvements that are needed onsite.

Commissioner Maultsby stated it is good to remove the septic systems near the lake and he asked about annexation in between to get to this new development. He also stated that the city should consider annexing Lake Mariana.

City Manager Leavengood discussed annexation and enclaves and that he would like to contact residents about annexation and the benefits. Depending on the property, the cost to the citizen could be limited or positive since due to the increase of the county' fire assessment. He also stated that the other City services that could benefit residents. He is not aware of any recent cases of involuntary annexations.

Mayor Daley also asked about the postal address, which is currently Lake Alfred.

Lowell Schmidt, 365 E. Sanford Street, asked about Leisure Shore and if they are connected to water and sewer.

Public Works Director John Deaton stated that the 59 units in Leisure Shores is connected to city water and sewer.

Commissioner Dearmin moved to approve the award the bid to Odom Contracting, LLC for the utility line extension in the amount of \$145,660.00; seconded by **Commissioner Maultsby**. The motion was approved by unanimous voice call vote

MAYOR DALEY
VICE MAYOR LAKE
COMMISSIONER DEARMIN

AYE
AYE
AYE

COMMISSIONER DUNCAN
COMMISSIONER MAULTSBY

AYE
AYE

RECOGNITION OF CITIZENS

There were no citizen statements.

COMMISSIONER QUESTIONS AND COMMENTS 

Mayor Daley asked to send a "Thank-You" letter to the First Baptist Church which cleaned up around the Mackay property and in general during the clean-up week. A Volunteer Appreciation dinner is scheduled on April 23rd at Mackay Gardens and Lakeside Preserve. Discovery High school approved by state school board and the Polk County School Board is planning to sue the state. Mayor Daley sent a letter to school board and included resolution approved by the commission. She encouraged everyone to contact the school board to request that they reconsider the lawsuit.

Assistant City Attorney Seth Claytor asked if there was a consensus on sending the letters and the Commission agreed.

Commissioner Dearmin acknowledged passing of Mr. Dame, wished everyone good luck for the elections, and congratulated staff on budget analysis. He also asked what time the Canvassing Board need to meet.

Deputy City Clerk Ameé Bailey stated that the Canvassing Board Meeting started at 6 pm at the Supervisor of Elections office.

Vice Mayor Lake stated he participated in the Lovin' LA event constructing benches at the Mackay Gardens and Lakeside Preserve. He enjoyed watching the children and elderly working together to clean up the city. Get out and vote tomorrow.

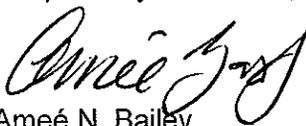
Commissioner Duncan stated that the intersection of Haines Blvd. and additional areas such as the intersection of Glencruiten Ave. was also paved.

Commissioner Maulsby asked if Hillside Circle had been resurfaced and thanked the citizens for participating in the clean-up.

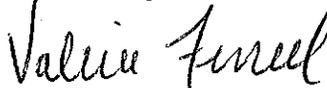
City Manager Leavengood stated the street was resurfaced.

With there being no further business to discuss, Mayor Daley adjourned the meeting at 8:44 p.m.

Respectfully Submitted,


Ameé N. Bailey
Deputy City Clerk

Reviewed by


Valerie Ferrell
Interim City Clerk