

**MINUTES
CITY OF LAKE ALFRED
CITY COMMISSION MEETING
MONDAY, MAY 18, 2015
7:30 P.M.
CITY HALL**

Call to Order: Mayor Charles Lake

Invocation and Pledge of Allegiance: Ron Schelfo

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

Staff attendance: Finance Director Amber Deaton, Fire Chief Chris Costine, Parks and Recreation Superintendent Richard Weed, and Public Works Director John Deaton.

CITY MANAGER ANNOUNCEMENTS

City Manager Leavengood stated Registration for Summer Camp is open for kids ages 5-12. Summer camp is eight weeks starting on June 8th. This year includes new field trips and activities. Interested parties can visit the website or contact Parks and Recreation for more information on the camp or temporary summer positions.

A Medicare 101 Workshop will be hosted by Dennis Nagle & David Walls at the Lake Alfred Library on Tuesday, May 19th from 4 till 5:30pm.

The City will be closed in observance of Memorial Day on May 25th.

The Lake Alfred Library will be hosting a variety of events over the summer including superhero movies, crafts, touch-a-truck, and more. Check out the website for more details.

CITY ATTORNEY ANNOUNCEMENTS

There were no legal announcements.

RECOGNITION OF CITIZENS

There were no citizen statements.

PROCLAMATION: COMMUNITY ACTION MONTH

Mayor Lake read the proclamation for Community Action Month and called upon each citizen to recognize the hard work and dedication of Lake Alfred's Community Action agencies, and encourages citizens to assist in the goal to help low-income families move out of poverty and achieve economic security.

Al Miller from the Agricultural and Labor Program, Inc. (ALPI) was on hand to accept the Proclamation. ALPI is a Community Action Group whose mission is to propose, implement, and advocate development and human service delivery programs for the socially and economically disadvantaged; children and families; and farm workers. Mr. Miller gave a summary of Community Action in Lake Alfred by ALPI stating they have served 83 families over the past year. In addition they have provided funds to help pay for emergency electricity (\$35,000+) for elderly or low income families.

CENTENNIAL BADGE CEREMONY FOR THE FIRE DEPARTMENT

Chief Chris Costine stated how proud he was of the Fire Fighters in a difficult line of work. He then presented each of the Fire Fighters for pinning. He stated their years of service, type of duty, and who was pinning the officer. The officers were then pinned by family or friend. Officers receiving the Centennial Badges included: Chief Chris Costine, Captain Michael Jeff Allen, and Fire Fighters Wilder "Will" Rodrigues, William Emro, Christopher Varner, and Frederick Poke. Captain Brian Beasley, Captain Wallace Nix and Fire Fighters Charles Parr and Hunter Hart were absent.

CONSENT AGENDA: APPROVE CITY COMMISSION MEETING MINUTES 5/4/15.

Commissioner Dearmin moved to approve the City Commission Meeting minutes from May 4, 2015; seconded by **Commissioner Maultsby** and the motion was approved by unanimous voice call vote. There were no public comments.

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

AGENDA

1.) PUBLIC HEARING: ORDINANCE 1351-15: INVESTMENT POLICY

Assistant City Attorney Seth Claytor read the ordinance title.

City Manager Leavengood stated as a part of a comprehensive review of City codes and policies, city staff has identified an opportunity to improve the City's investment policy related to surplus funds. In 2003, the City adopted an investment policy following a state audit. The adopted investment policy is complex both with its requirements and investment ratios and it gives access to investment products that are higher risk. The current policy may be appropriate in organizations that have a true investment "portfolio" with specialized finance staff or contracted fund managers that would manage the City's portfolio in accordance with a detailed policy but has little value to the City. The proposed ordinance repeals the current investment policy, thereby deferring to the state's simple and conservative investment policy provided for in state statutes (F.S. 218.415(17)).

The state policy allows for local governments to invest surplus public funds in only a few options including intergovernmental investment pools for which the Florida League of Cities would qualify. The league is a trusted partner with the City, handling our workers compensation, property/liability insurance, and pension investments for the general employee retirement

system. They offer quality low risk investment options that are simple to use and are the only investment option we would need to utilize as a City for surplus funds. The City currently has approximately \$600,000 in unrestricted enterprise reserves invested in several low risk bond funds with the league. Staff Recommendation is to approve Ordinance 1351-15 on second and final reading.

Assistant City Attorney Seth Claytor clarified that the Florida Statue is designed to place the highest priority on the safety of principle funds. In addition only funds in excess of those required to meet current expenses are eligible to be invested.

Commissioner Maultsby asked about the rate of return for these investments.

Mayor Lake asked how liquid the funds are to the City.

City Manager Leavengood stated that the current plan is very complex. Reserves were in a bank account gaining very little interest and a low risk investment seemed more beneficial for the City. Since there are reserves the City should try to get the best return possible while still protecting the investment. The City has been reviewing all the City policies and codes and saw this policy as a possible liability. This new proposed policy defers to the State Statue.

Finance Director Amber Denton stated that the reserves are currently in three different bond funds with the Florida League of Cities. Also the earnings are listed within the monthly the Revenues and Expenses (R&E) report. The City has made over \$8,000 on \$600,000 over the past 6+ months. The new policy is more restrictive and limits labiality. She also stated there is a timeframe to access the bond funds however the sweet fund is fully liquid at Center State Bank.

City Manager Leavengood asked the Finance Director to add benchmarking tools and return on investment for each fund to the next R&E statements for the Commissioners. The FLC also manages the City's pension and workers compensation and they have all the tools the City would need for investing the revenues. He also stated the \$600,000 is very conservative since the City has over \$2 million in reserves between the enterprise and general fund.

Commissioner Dearmin moved to approve Ordinance 1351-15 on second and final reading; seconded by **Commissioner Duncan**. The motion was approved by unanimous voice call vote. There were no public comments.

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2.) ORDINANCE 1353-15: PROPERTY TRANSFER WITH EAGLE-RIDGE, INC.

Mayor Lake read the ordinance title.

City Manager Leavengood stated on February 2, 2015 the City Commission authorized the execution of an agreement to convey approximately 80 acres of surplus spray field property to the University of Florida (UF) in return for two commercial properties in downtown Lake Alfred.

Per section 2.09(d.7) of the Lake Alfred City Charter the conveyance or lease of any city lands must be done so by ordinance. The proposed ordinance is consistent with the previously executed agreement and is being presented to satisfy the charter requirement. Staff Recommendation is to approve Ordinance 1353-15 on first reading.

Vice Mayor Daley asked about the rationale for the ordinance.

City Manager Leavengood stated that the ordinance is a charter requirement to officially authorize the land transfer in the existing agreement. He then gave an update on the process that has occurred. Staff and attorneys have reviewed the title work, surveys and easements. The Phase II Environmental Assessment was clear for the Buchanan Building and the site would be ready for re-development. The next item for that property would be demolition bids and direction from the Central Florida Development Council. The Hughes building will be utilized by Parks and Recreation freeing up space at the Public Works facility.

City Manager Leavengood also discussed the changes in acreage that occurred during the process. The acreages changed due to wetlands and the desire by the UF to include a well from the City property for irrigation. The City had purchased 400 acres of spray field property in 1989 with the bond. However, the City only needs approximately 150 acres of the remaining 320 acres to discharge effluent waste water based on the future estimated water demands. The White property is also less valuable to the City since it cannot be used as a spray field. The City will need to spend some money on piping to discharge water onto a different part of the property that the City will maintain. In addition the UF may also use some effluent water for irrigation.

Mayor Lake mentioned if approved tonight the public hearing would be held on June 1, 2015.

Vice Mayor Daley asked about the possibility to utilize a private company for recruiting additional businesses into City of Lake Alfred since the City has the funding and control of some property that could be re-developed. She also asked about the tax liabilities for the City regarding the future sale of the property.

City Manager Leavengood mentioned use of the Polk County Economic Development Council for commercial development opportunities or assisting with recruitment. The properties are of equal value, therefore no taxes. However there would be taxes on the gain from the future sale.

Commissioner Duncan asked if the funds used to demo of the building could be deducted from the capital gains. He also asked who Eagle Ridge was in relation to UF.

Assistant City Attorney Seth Claytor clarified the 1031 tax deferral incentives of capital from the sale. The tax code also requires the reasonably equivalent value. He responded that additional research would be needed regarding the reduction of the demo cost.

City Manager Leavengood stated Eagle Ridge is the land holding company for the Jim Hughes estate, which is controlled by UF.

Lowell Schmidt, 3650 East Sanford St., stated that Jim Hughes left his estate to Institute of Food and Agricultural Science (IFAS). He asked for clarification for IFAS versus UF and who the City is dealing with regarding the property transfer.

City Manager Leavengood stated that the City is dealing with the UF real estate office; however it is IFAS who is making the decisions. IFAS will utilize the additional property for additional research.

Vice Mayor Daley moved to approve Ordinance 1351-15 on first reading; seconded by **Commissioner Dearmin**. The motion was approved by unanimous voice call vote.

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3.) HOLIDAY DECORATION PROJECT

City Manager Leavengood stated in April of 2015 the City Commission gave conceptual approval of the City's capital improvement program (CIP) to be included in the FY 15/16 Budget. Within the approved plan, the City Commission advanced a holiday decoration project to the upcoming FY 15/16 Budget beginning on October 1, 2015. In recognition of the lead times and price discounts associated with this project staff is recommending to advance funding now in order to complete the project in time for the 2015 holiday season. The CIP will be amended to show a multiyear repayment to reserves to account for the project's expense of \$25,000 re-investment into the CIP for approximately 2 years.

City staff has reached out to several holiday decoration companies to research options and general pricing and have attached several different styles for consideration. Decorating every other pole would require 63 decorations (recommended purchase of 80 which includes shipping and brackets).

As a part of this project staff has also identified an opportunity to purchase a 26ft-30ft "paneled" tree to be placed in Gardner Park during the holiday season. The tree we currently use needs to be removed and will allow for the extension of the sidewalk network in Gardner Park.

The total price for 80 decorations, tree, shipping and handling was as follows:

- Holiday Design: \$42,200
- Temple Display: \$48,782

Holiday Design is a direct manufacturer and presented pricing lower across the board for all options. Additionally, Holiday Design is the supplier for the City of Winter Haven which provided a good reference for the company.

The City also solicited bids for providing power on the power for the decorations:

- Montoya Electric: \$14,175 (\$225 per pole)
- Reiter Electric: declined to bid

Montoya electric currently provides maintenance on the poles for the City through our maintenance agreement with FDOT (and most of the County) and was the contractor that originally installed the poles for FDOT as a part of the road project.

Staff recommendation is to advance up to \$60,000 to complete the holiday decoration project and authorize staff to make purchase of goods and services from Holiday Design and Montoya Electric. Then the decoration needs to be chosen. The product by Holiday Design comes with a 10 manufactures warranty, 5years for the electrical components and powder coating.

Vice Mayor Daley commented on the designs and keeping a theme to help identify the City. She also stated she liked the poinsettias and that the companies should send a sample for review. She stated the size of the three poinsettias design was good.

Mayor Lake commented on the design stating he also like the idea of one decoration with the poinsettias, which could also be used during the parade.

Commissioner Dearmin asked about the decorations for the adjacent cities.

Deputy City Clerk Amée Bailey stated that the City of Winter Haven does have the candle with the poinsettias which is why staff listed other decorations with poinsettias such as the dove and bells. She also stated that the purchase of all 80 designs and the three poinsettias would be a little more since the quote was for 40 of each and the candle design was less.

Judy Schelfo, 640 East Lakeview Rd., stated she also liked the poinsettias since they are traditional.

Commissioner Maultsby mentioned using the money for a utility rate study on the holiday decorations instead of the rate study. The last time the City completed a rate study, the study recommended increasing rates. However, the Commission did not approve the rate increase because the funds were not needed.

City Manager Leavengood stated that the project is less than originally expected and the early purchase is reducing the cost. He also stated that the funds for the rate study would come from the Enterprise fund. He mentioned there is a difference between the type of rate study Lake Alfred needs compared to Winter Haven. The goal of the study is not to generate funds rather the study is needed to restructure rates and to benefit residential customers with a conservation rate. Currently, there is very little difference between high water users and small water users. A rate structure based on usage could promote water conservation. The last time the sewer rate was reviewed was in 1990 and 2003 for the water rate. The Commission may also want to review an inflation clause as mentioned by the City Auditor.

Vice Mayor Daley moved to advance up to \$60,000 to complete the holiday decoration project and authorize staff to make purchase of goods and services from Holiday Design and Montoya Electric; seconded by **Commissioner Maultsby**. The motion was approved by unanimous voice call vote.

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The Commission conceptual approved the triple poinsettia design upon review of a sample.

RECOGNITION OF CITIZENS

Ron Schelfo, 640 East Lakeview Rd., commented on citizens and their participation on City boards and committees. He stated that no one person is the driving force of the actions of these groups.

COMMISSIONER QUESTIONS AND COMMENTS

Commissioner Maultsby mentioned that there is an invasive tree (Brazilian Pepper) growing close to the Veterans Memorial trail may need to be inspected or removed for public safety. The area is between Echo St. and Hwy 17/92.

Commissioner Dearmin acknowledged Fire Fighters and staff for their dedication and maintenance of property within the City. He stated summer is coming and everyone needs to be cautious of dehydration.

Vice Mayor Daley mentioned the June 11 Ridge League Dinner in Lakeland. She stated she enjoyed the centennial pinning ceremonies.

Mayor Lake mentioned the loss Lee Jonson a former Mayor of Lake Alfred and veteran. He spoke with the City Manager regarding a plaque at the Veterans memorial. The former City Attorney Robert Crittenden also passed away recently. Lastly he mentioned the loss of William Jones.

He stated the good news was that last Saturday was the ribbon cutting for the Harvest Meat Market grand opening. In addition the LAAMS Leadership team visited the City and was informed about city management and toured the City. Last Friday the First Baptist Church held a Responder Appreciation Day and supplied meals for the police officer, fire fighters and EMTs.

He mentioned the next Chamber meeting which would be Wednesday. The subject is the TPO's Momentum 2040. He will also be attending the Central Florida Water Initiative (CFWI) for water solution. He will also be attending his First Mayors Round Table in two weeks representing the City.

He mentioned that during the time capsule research he discovered that Frank Gardner who basically founded Lake Alfred the Gardner Monument in Gardner Park was dedicated on June 10 1995 with Commissioner Maultsby and members of the Gardner family in attendance. He recommended the City hold a re-dedicate ceremony on June 10, 2015 as part of the centennial tributes.

Lastly he mentioned the new sign in front of City Hall.

Commissioner Duncan mentioned that the City Stats for Florida League of Cities (FLC) is due by June 1. He stated he attended a FLC workshop on what every municipal official needs to know about the National Flood Insurance Program and Community Rating System. He mentioned there is an opportunity to reduce the flood insurance premiums for the citizens similar to the ISO for fire. He also mentioned that the baseball season ended and there should be a plaque presented to the Mayor soon.

With there being no further business to discuss, Mayor Lake adjourned the meeting at 8:52 pm.

Respectfully Submitted,



Ameé N. Bailey
Deputy City Clerk

Reviewed by



Valerie Ferrell
Interim City Clerk