



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA**  
**CITY OF LAKE WORTH**  
**CITY COMMISSION SPECIAL MEETING**  
**CITY HALL COMMISSION CHAMBER**  
**TUESDAY, SEPTEMBER 09, 2014 - 6:00 PM**

1. **ROLL CALL:**
2. **INVOCATION:** Offered by Pastor Leandro Ruiz of Lake Worth Spanish SDA Church
3. **PLEDGE OF ALLEGIANCE:** Led by Commissioner Christopher McVoy
4. **AGENDA - Additions/Deletions/Reordering:**
5. **PRESENTATIONS:** (there is no public comment on Presentation items)
  - A. Update provided by the City Library Board
  - B. Update provided by Mango Groves Neighborhood Association
6. **COMMISSION LIAISON REPORTS AND COMMENTS:**
7. **PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS AND CONSENT AGENDA:**
8. **PUBLIC HEARINGS:**
  - A. Resolution No. 44-2014 - First Public Hearing - establish the Fiscal Year 2014-15 tentative general City millage rate and schedule the second public hearing date for September 23, 2014
  - B. Resolution No. 45-2014 - First Public Hearing - adopt the Fiscal Year 2014-15 proposed City budget and schedule the second public hearing date for September 23, 2014
  - C. Ordinance No. 2014-22 - Second Reading and Second Public Hearing - amend LDRs
  - D. Ordinance No. 2014-23 - Second Reading and Public Hearing - establish candidate qualifying fee by resolution
9. **APPROVAL OF MINUTES:**
  - A. City Commission Budget Work Session - August 12, 2014
  - B. City Commission Meeting - August 19, 2014
  - C. City Commission Budget Work Session - August 25, 2014

**10. CONSENT AGENDA:** (public comment allowed during Public Participation of Non-Agendaed items)

- A. Resolution No. 46-2014 - submit an application for FY 2014-2015 State Aid to Libraries funding
- B. Resolution No. 47-2014 - establish the Fiscal Year 2015 fee and charges for City general government
- C. Resolution No. 48-2014 - establish the Fiscal Year 2015 rates and charges for the City electric utility
- D. Resolution No. 49-2014 - refuse collection special assessment
- E. Resolution No. 50-2014 - stormwater special assessment
- F. Resolution No. 51-2014 - establish the rates and charges for the City sub-regional sewer utility
- G. Resolution No. 52-2014 - establish the Fiscal Year 2015 rates and charges for the City local sewer utility
- H. Resolution No. 53-2014 - establish the Fiscal Year 2015 rates and charges for the City water utility
- I. Resolution No. 54-2014 - declare intent to abandon the ingress and egress access interest and schedule the public hearing date for September 23, 2014
- J. Amendment No. 6 to an agreement with Hy-Byrd Inspection Services for plans review and inspections during Fiscal Year 2015
- K. Change Order No. 1 with B&B Underground Contractors for additional road work on the 14th and 15th Avenues North, North F Street, and Crestwood Blvd. Watermain project
- L. Settlement Agreement and General Release between Crystal Investments, Inc. et al and the City of Lake Worth
- M. Lease Agreement with Palm Beach County Community Services Department/Community Action Program for use of the Osborne Community Center
- N. Renew Health, Life, Short Term Disability and Vision/Dental coverage for Fiscal Year 2014-2015

**11. UNFINISHED BUSINESS:**

**12. NEW BUSINESS:**

- A. Adopt the Fiscal Year 2015 Capital Improvement Plan
- B. Ordinance No. 2014-24 - First Reading- designate the restricted/committed/assigned fund balances for Fiscal Year 2014 in accordance with GASB 54 and schedule the public hearing date for September 23, 2014

**13. LAKE WORTH ELECTRIC UTILITY:**

- A. **PRESENTATION:** (there is no public comment on Presentation items)
  - 1) Update on the electric utility system
- B. **CONSENT AGENDA:** (public comment allowed during Public Participation of Non-Agendaed items)
- C. **PUBLIC HEARING:**
- D. **NEW BUSINESS:**

**14. CITY ATTORNEY'S REPORT:**

**15. CITY MANAGER'S REPORT:**

- A. September 23, 2014 Draft Commission Agenda

**16. ADJOURNMENT:**

- 17. If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

NOTE:ONE OR MORE MEMBERS OF ANY BOARD, AUTHORITY OR COMMISSION MAY ATTEND AND SPEAK AT ANY MEETING OF ANOTHER CITY BOARD, AUTHORITY OR COMMISSION.



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** City Clerk

---

### **EXECUTIVE BRIEF**

**TITLE:**

Update provided by the City Library Board

**SUMMARY:**

Sam Goodstein, board member, will update the Commission on activities that have taken place over the past several months.

**BACKGROUND AND JUSTIFICATION:**

The Board members are responsible for recommending expenditures from the Library Trust Fund and the Simpkin Trust Fund, advise the Library Director on issues of policy and service and participate in the long-range planning process. The members serve five-year terms. The last update provided by the Library Board was on July 16, 2013.

**MOTION:**

Not applicable

**ATTACHMENT(S):**

Fiscal Impact Analysis – not applicable



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** City Clerk

---

### **EXECUTIVE BRIEF**

**TITLE:**

Update provided by Mango Groves Neighborhood Association

**SUMMARY:**

Mr. Greg Rice, Mango Groves Neighborhood Association President, will advise the Commission on activities in the neighborhood.

**BACKGROUND AND JUSTIFICATION:**

At the City Commission meeting on July 20, 2010, the City Commission requested that all neighborhood associations provide an update. The last update from the Mango Groves Neighborhood Association was on September 3, 2013.

**MOTION:**

Not applicable

**ATTACHMENT(S):**

Fiscal Impact Analysis – not applicable



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 44-2014 - First Public Hearing - establish the Fiscal Year 2014-15 tentative general City millage rate and schedule the second public hearing date for September 23, 2014

#### **SUMMARY:**

This Resolution sets the tentative millage to fund the City's proposed FY 2014-2015 budget. The tentative millage is 5.4945 mils.

#### **BACKGROUND AND JUSTIFICATION:**

The budget and property tax rate adoption process is governed by Chapter 200 Florida Statutes, known as the TRIM (truth in millage) statute. In Florida properties are assessed by the County Property Appraiser, levied by each taxing entity and collected by the County Tax Collector. Taxing entities are required to hold two public hearings for the adoption of a property tax rate and budget. The first public hearing is advertised by the Property Appraiser mailing a TRIM notice to each property owner. Chapter 200 Florida Statutes, requires the City to:

1. Notify the County Property Appraiser of the City's Proposed Tentative Operating in July. The City complied with this requirement by adopting a proposed tentative millage of 5.4945 mils on July 8, 2014.
2. That millage along with the date and time of the first budget hearing (September 9th, 6:00pm) was transmitted to property owners by the Property Appraiser via the TRIM notice in August.
3. Hold a Public Hearing on the tentative millage rate and proposed budget
4. Adopt a tentative millage rate and proposed budget.
5. Advertise the tentative rate and proposed budget adopted at the first hearing and the date and time of the final public hearing in a newspaper of general circulation (the Palm Beach Post). The advertisement must be published 2 to 5 days prior to the final public hearing, which is scheduled for September 23, 2014 at 6:00 PM.
6. At the second budget hearing the Commission will adopt a final millage rate and final budget for FY 2014-/2015.
7. Subsequent to the final adoption, the City must deliver the resolution adopting the final millage rate to the County Property Appraiser, the County Tax Collector, and the Department of Revenue within 3 days after the final public hearing.

For FY 2015 (the 2014 tax year), the certified taxable value of real and personal property within the City of Lake Worth increased by \$106,069,725 or 9.71%. This is the second increase in taxable value since the peak of the real estate market in FY 2008, prior to this year's increase taxable values had declined over 51% through FY 2014.

With the inclusion of the County Fire MSTU millage 3.4581, the maximum available Operating Millage cannot exceed 6.5419 mills. This year for the second time in 7 years there is an increase in the taxable value of real and personal property (9.71%), this rate will result in a increase in the actual tax revenue collected. The 9.71% is the total increase in taxable value (includes CRA district) the increase attributable to the City outside the CRA is 8.41%

**MOTION:**

I move to approve/disapprove Resolution No. 44-2014 which adopts a tentative operating millage of 5.4945 for the 2014-2015 Fiscal Year and schedule the second public hearing for 6:00 PM on September 23, 2014.

**ATTACHMENT(S):**

Resolution



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

### EXECUTIVE BRIEF

#### TITLE:

Resolution No. 45-2014 - First Public Hearing - adopt the Fiscal Year 2014-15 proposed City budget and schedule the second public hearing date for September 23, 2014

#### SUMMARY:

In accordance with the City Charter, the FY 2014-2015 Proposed Annual Budget for the City of Lake Worth is hereby submitted.

Expenditures in the Proposed FY 2015 Annual Operating Budget total \$167,230,535 for all City funds. See Attachment 4 for a schedule of expenditures by fund.

The Proposed FY 2015 Annual Operating Budget contains program changes relating to building City operations that will help push forward economic recovery.

Highlights of the FY 2015 budget are:

- No change in the General Fund millage rate
- Use of approximately \$264,000 of General Fund available fund balance
- A .5% reduction to Electric Rates continuing a decrease for the prior 4 years - a total of -10.5% for residential (including suspension of the Conservation charge), -12.7% for small Commercial and -17.5% for large commercial (demand) customers.
- Increase in Local Sewer rates of 8% after a reduction in the prior 2 years of 20%. The need for increase in the current year stems from increased costs for sewage treatment by the East Central Regional Waste Water Treatment Facility.
- Increase in Water rates of 5% to fund new wells and other capital needs.
- No increases of Garbage or Stormwater rates

The City Commission has held 5 budget workshops, over an 8 month time frame. The City FY 2015 budget has been balanced and is submitted for approval.

#### MOTION:

I move to approve/not approve Resolution No. 45-2014 on first public hearing to adopt the proposed Fiscal Year 2014-2015 annual operating budget of the City of Lake Worth; and schedule the second public hearing date at 6:00 PM on September 23, 2014.

#### ATTACHMENT(S):

1. Resolution
2. Proposed FY 2015 City Budget- Fund Summaries
3. 1<sup>st</sup> Public Hearing Presentation
4. City Wide Expenses and Revenues
5. Budget Frequently Asked Questions



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014

**DEPARTMENT:** Community Sustainability

---

### **EXECUTIVE BRIEF**

**TITLE:** Ordinance No. 2014-22 - Second Reading and Second Public Hearing - amend LDRs

**SUMMARY:**

The Ordinance amends Chapter 23 – Land Development Regulations including six (6) articles of the Code of Ordinances : General Provisions, Administration, Zoning Districts, Development Standards, and Supplemental Regulations as well as revises the permitted use table, public noticing table and review authority table.

**BACKGROUND AND JUSTIFICATION:**

On August 6, 2013 the City of Lake Worth adopted Chapter 23 – Land Development Regulations of the Code of Ordinances. The LDRs include six (6) articles governing all development within the city. As implementation of the new code progresses, several definitions, review authority table, notice requirements, permitted uses and the sign code needed to be clarified and edited to provide consistency and improve clarity.

On August 6, 2014 the Planning & Zoning Board at its regularly scheduled meeting discussed the amendments to the LDRs and voted 7-0 to recommend approval to the City Commission.

The Historic Resources Preservation Board at its regularly scheduled meeting of July 16, 2014 reviewed the amendments to the LDRs and voted 5-0 to recommend approval to the City Commission.

At its meeting of August 19, 2014, the City Commission voted 5-0 to approve the ordinance on first reading and the schedule the second reading and public hearing. The approval included one change to modify the parking requirements for industrial and manufacturing uses from 1 space/300 sq. ft. to 1 space/1,000 sq. ft. That change has been included in the attached ordinance.

**MOTION:**

I move to approve/disapprove Ordinance No. 2014-22 on second reading.

**ATTACHMENT(S)::**

Fiscal Impact Analysis – not applicable

P&Z Board and HRPB Staff Reports

P&Z Board and HRPB Draft Minutes

Ordinance No. 2014-22 – with change as directed by City Commission



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** City Clerk

---

### **EXECUTIVE BRIEF**

**TITLE:**

Ordinance No. 2014-23 – Second Reading and Public Hearing - establish candidate qualifying fee be resolution

**SUMMARY:**

This Ordinance will allow for the establishment of candidate's qualifying fee to be set by resolution.

**BACKGROUND AND JUSTIFICATION:**

In 2012, the City Commission established a schedule of fees and charges for services rendered by the City. Since then, ordinances have been brought before the Commission amending various sections of the Code to allow for fees to be established by resolution. Since the qualifying fee for candidates is not specified in the Code, this Ordinance will add language memorializing the establishment of the fee to be set by resolution.

**MOTION:**

I move to approve/disapprove Ordinance No. 2014-23 on second reading.

**ATTACHMENT(S):**

Fiscal Analysis Impact – not applicable  
Ordinance



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Leisure Services

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 46-2014 - submit an application for FY 2014-2015 State Aid to Libraries funding

#### **SUMMARY:**

The Resolution authorizes the submission of an application for an estimated \$20,195 in grant award to supplement the City's Public Library operating budget.

#### **BACKGROUND AND JUSTIFICATION:**

The City has recently been notified by the Florida Department of State, Division of Library and Information Services that it is eligible for a formula allocation of an estimated \$20,195 under the State Aid to Libraries Program to assist with the operation and maintenance of its Public Library for Fiscal Year 2014-2015. These funds cannot supplant existing local funds budgeted for the operation of the City's Public Library during this period. As an eligibility requirement, the City must have a single administrative head employed on a full-time basis with the responsibility of management and coordination of the operations of the library. The library must provide its services free to the public. No cash match is required of the City.

In order to receive these funds, the City must submit an application to the Florida Department of State, Division of Library and Information Services that certifies the expenditure of local funds under a single administrative head for the operation and maintenance of its Public Library during the preceding fiscal year. This application must be submitted electronically on or before October 1, 2014. In addition, the City must submit its adopted annual plan of service and budget for Fiscal Year 2014-2015 and its annual statistical report for Fiscal Year 2014-2015 by December 1, 2014.

#### **MOTION:**

I move to approve/not approve Resolution No. 46-2014.

#### **ATTACHMENT(S):**

Fiscal Impact Analysis  
Resolution

## **FISCAL IMPACT ANALYSIS**

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	0	0	0	0	0
Operating Expenditures	0	0	0	0	0
External Revenues	0	20,195	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
Net Fiscal Impact	0	20,195	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

### B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Department Fiscal Review: \_JK\_



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 47-2014 - establish the Fiscal Year 2015 fee and charges for City general government

#### **SUMMARY:**

The Resolution establishes fees for services rendered by the City. The charges for various services should be reviewed and revised where necessary on an annual basis during the budget adoption process in order to provide resources to fund the City's upcoming budget.

#### **BACKGROUND AND JUSTIFICATION:**

The City Charter, code of ordinances and Florida Statutes give the City Commission authority to set fees and charges for City services. There has not been a comprehensive review or central implementing document in place to provide for this need.

This is the first phase of implementing an annual comprehensive review of City charges. The existing schedule of fees and charges for recreation and other general government charges has been reviewed and revised and the attached schedule represents a reasonable reimbursement to the City for its actual cost in providing City services for the 2014-2015 fiscal year.

#### **MOTION:**

I move to approve/disapprove Resolution No. 47-2014 establishing certain Fiscal Year 2015 fees and charges for City general government.

#### **ATTACHMENT(S):**

Fiscal Analysis Impact – not applicable  
Resolution  
Schedule of Fees and Charges



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014

**DEPARTMENT:** Electric/Finance

---

### **EXECUTIVE BRIEF**

**TITLE:**

Resolution No. 48-2014 - establish the Fiscal Year 2015 rates and charges for the City electric utility

**SUMMARY:**

This Resolution implements a continuation of the reduction in rates of 0.5% for residential and commercial customers implemented last fiscal year.

**BACKGROUND AND JUSTIFICATION:**

The City of Lake Worth has an ongoing contractual agreement with Utility Financial Solutions, LLC to provide a yearly revenue sufficiency analysis. The main goals for the 2015 analysis were to provide a continuation of rate relief for all residential and commercial customers. Several factors impacted the study and are precursors for future reductions. The City exited the FMPA agreement and has secured a lower cost power provider contract which began in January 2014. In addition, City staff has made cost reducing changes to the operations of the electric utility.

#### **Electric Rate Reductions FY 2012-2015**

Residential (includes 1.4% Conservation charge reduction)	10.50%
Commercial General	12.70%
Commercial Demand	17.50%

The City Commission enacted Ordinance 2013-40 which directs City staff to reduce City electric rates to parity with FPL in the surrounding areas.

As noted in the PowerPoint from Utility Financial Solutions, LLC factoring in FPL's rate increase in 2014 and the City rate reduction in 2014, the City rates are between 6.66% and 16 % higher than FPL. This varies by class of user. The residential rate differential has dropped from over 20% to 6.66% in the past 4 years.

Utility Financial Solutions, LLC in their report noted that continued rate reduction will require significant reductions in the costs of operations and general fund contributions in order for either the currently proposed 0.5% reduction to be sustained or for additional reductions, to comply with the ordinance, to be sustainable. In Fiscal 2015 the contribution to the General Fund has been reduced by \$545,000.

**MOTION:**

I move to approve/disapprove Resolution No. 48-2014 establishing the Fiscal Year 2015 rates and charges for the City electric utility.

**ATTACHMENT(S):**

Electric FY15 Rate Design

Proposed Electric Rate Resolution FY2015



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 49-2014 – refuse collection special assessment

#### **SUMMARY:**

This Resolution will provide for the unchanged special assessment amount of \$245.76 for FY 2015. The Special assessment for Solid Waste (Garbage) disposal provide the funding for the solid waste disposal services of the City. The proposed FY 2015 budget for the Refuse fund is based on the collection of these assessments.

#### **BACKGROUND AND JUSTIFICATION:**

On August 18, 2009, the Lake Worth City Commission adopted Ordinance 2009-22, which sets out the process the City uses to establish special assessments for essential services and capital improvements. Pursuant to the Ordinance, the City Commission will need to approve the special assessment for solid waste services by an Annual Resolution.

Since 2009 the City Commission has approved staff's recommendation for use of the County's uniform annual billing & collection method for City residential solid waste fees and stormwater fees. This policy allowed City garbage and stormwater fees to be reflected on the annual property tax bill rather than the City monthly utility bill. This change was made to help address the City's delinquent utility billing levels by ensuring collection of fees from property owners. This resolution, the supplemental notices, and associated costs or professional fees are expected to be funded from the respective solid waste (Garbage) and Stormwater program budgets.

#### **MOTION:**

I move to approve/disapprove Resolution No. 49-2014 adopting the City of Lake Worth refuse special assessment fee for Fiscal Year 2015.

#### **ATTACHMENT(S):**

Resolution

# CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600· Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

## **EXECUTIVE BRIEF**

### **TITLE:**

Resolution No. 50-2014 - stormwater special assessment for Fiscal Year 2015

### **SUMMARY:**

This Resolution will set the unchanged Special Assessment fee of \$75.60 per ERU for Stormwater for the upcoming year. The fiscal year 2014/2015 budget for the stormwater system fund is predicated on these assessments.

### **BACKGROUND AND JUSTIFICATION:**

On August 18, 2009, the Lake Worth City Commission adopted Ordinance 2009-22, which sets out the process the City uses to establish special assessments for essential services and capital improvements. Pursuant to the Ordinance, the City Commission will need to approve the special assessment for Stormwater services by an annual Resolution.

Since 2009 the City Commission has approved staff's recommendation for use of the County's uniform annual billing & collection method for City residential solid waste fees and stormwater fees. This policy allowed City garbage and stormwater fees to be reflected on the annual property tax bill rather than the City monthly utility bill. This change was made to help address the City's delinquent utility billing levels by ensuring collection of fees from property owners. This resolution, the supplemental notices, and associated costs or professional fees are expected to be funded from the respective solid waste and stormwater program budgets.

### **MOTION:**

I move to adopt/not adopt Resolution No. 50-2014 setting the City of Lake Worth stormwater special assessment for Fiscal Year 2015.

### **ATTACHMENT(S):**

Resolution



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 51-2014 - establish the rates and charges for the City sub-regional sewer utility

#### **SUMMARY:**

The Resolution establishes rates and charges for the sub-regional sewer utility based upon the settlement of the Sub-Regional Sewer dispute. The purpose of this item is to set in place those rates.

All Customers except Palm Springs                      \$1.574 per 1000 gallons

Palm Springs    \$1.778 per 1000 gallons

#### **BACKGROUND AND JUSTIFICATION:**

The Lake Worth Sub-Regional System is made up of collection systems that connect to the Lake Worth system and include the City of Lake Worth and seven other entities (Town of Lantana, City of Atlantis, Town of Manalapan, Town of South Palm Beach, Village of Palm Springs, and Palm Beach State College and Lake Clark Shores).

The sub-regional system transports the other entities' wastewater through the City's sub-regional system to the regional system East Central Regional Waste Water Treatment Facility (ECR). The Lake Worth Sub-regional System includes several major gravity interceptors, a master pump station (MPS) located in Bryant park, a 36-inch force main, a Re-Pump station (RPS) located north of 2<sup>nd</sup> Avenue North, a pump station at Palm Beach State College and a second section of 36-inch force main that transfers flow to the Palm Beach County portion of the regional system and eventually to the ECR.

The operating agreement approved on March 5, 2013 contained a rate calculation methodology for use during the term of the agreement.

The City has held two meetings with the Sub-Regional Customer Member Board to discuss these rates as required under the new agreements. All members attended and agreed with the rates as included in this item.

#### **MOTION:**

I move to approve/disapprove Resolution No. 51-2014 – establish the fiscal year 2015 rates and charges for the City sub-regional sewer utility.

#### **ATTACHMENT(S):**

Resolution



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Water Utilities

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 52-2014 - establish the Fiscal Year 2015 rates and charges for the City local sewer utility.

#### **SUMMARY:**

This Resolution establishes the rates and charges for the local sewer utility. The FY 2014-15 Rate Sufficiency Analysis results recommend that the City increase Local Sewer rates by 8% in FY 2014-15 due to increased pass-through costs for proposed capital improvements at the East Central Region (ECR) Wastewater Facility.

#### **BACKGROUND AND JUSTIFICATION:**

The City of Lake Worth contracts with Burton & Associates on an ongoing basis to provide a yearly Revenue Sufficiency Analysis. This analysis provides a multi-year projection of the sufficiency of revenues for the Local Sewer Fund to meet current and projected financial requirements and determine the level of revenue increases necessary in each year to provide adequate revenues to fund all identified cost requirements.

A Cost of Service Study and Rate Design Analysis were performed by Burton & Associates in FY 2008 and provided a diagnostic evaluation whereby the Sewer Utility rate structure was reviewed for conformance with objectives. A detailed billing analysis provided the assurance that the new rate structure would satisfy the appropriate criteria while providing adequate revenues to satisfy existing cost requirements.

Resolution of the dispute with Sub-regional partners in 2013 resulted in 10% rate reductions in each of FY 2013 and FY 2014. The results of the FY 2014-15 Rate Sufficiency Analysis, conducted by Burton & Associates, Inc., recommends an increase of 8%, due to increased pass-through costs for proposed capital improvements at the East Central Region (ECR) Wastewater Facility.

#### **MOTION:**

I move to approve/disapprove Resolution No. 52-2014 establishing the Fiscal Year 2014-15 rates and charges for the City local sewer utility.

#### **ATTACHMENT(S):**

Rate Sufficiency Analysis  
Resolution



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Water Utilities

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 53-2014 - establish the Fiscal Year 2015 rates and charges for the City water utility

#### **SUMMARY:**

This Resolution establishes the rates and charges for the City water utility, which, according to the 2014-15 rate sufficiency analysis, recommends that the City increase water rates 5% in FY 2015.

#### **BACKGROUND AND JUSTIFICATION:**

The City of Lake Worth contracts with Burton & Associates on an ongoing basis to provide a yearly Revenue Sufficiency Analysis. This analysis provides a multi-year projection of the sufficiency of revenues for the Water Utility to meet current and projected financial requirements and determine the level of revenue increases necessary in each year to provide adequate revenues to fund all identified cost requirements.

A Cost of Service Study and Rate Design Analysis were performed by Burton & Associates beginning in FY 2008 and provided a diagnostic evaluation whereby the Water Utility rate structure was reviewed for conformance with objectives, such as equity among rate classes, conservation initiatives, and industry practice. A detailed billing analysis provided the assurance that the new rate structure adopted at that time would satisfy the appropriate criteria while providing adequate revenues to satisfy existing cost requirements.

The results of the current FY 2014-15 rate sufficiency analysis have shown that a rate increase projected in previous years and reconfirmed this year is necessary. The needed capital improvement projects for water production, water transmission lines and replacement of 2" steel water lines, which are included in the long range capital improvement plan require additional revenues, which cannot be fully offset by operational improvements. These capital improvements require a rate increase of 5% for FY2015, which is within the projected increase shown in previous rate analysis.

Future costs for the Water Utility will be to a large extent driven by expenditures related to the long term capital improvements required in the water transmission and distribution piping within the City, as well as projects to improve the resilience of the water production system to potential salinity increases in the future.

Continued conservation efforts including water conservation education materials and the City's block rate structure will assure that the City remains a leader in water conservation efforts.

#### **MOTION:**

I move to approve/disapprove Resolution No. 53-2014 establishing the Fiscal Year 2014 rates and charges for the City water utility.

#### **ATTACHMENT(S):**

Burton Revenue Sufficiency Analysis for FY 2015  
Resolution



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Community Sustainability

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Resolution No. 54-2014 - declare intent to abandon the ingress and egress access interest and schedule the public hearing date for September 23, 2014

#### **SUMMARY:**

This Resolution is the required first step to abandon the ingress and egress (access) interest in a 50-foot wide easement on the northwest corner of Detroit Street terminus.

#### **BACKGROUND AND JUSTIFICATION:**

The applicant, DH Horton, Inc., through Scott Backman from Dunay, Miskel, Backman and Blattner, LLP, is petitioning to abandon the ingress and egress (access) interest in a 50-foot wide easement. The applicant has two (2) pending development applications in process with the City for major site plan approval and Conditional Land Use to allow a 75-unit townhome development at 1100 Boutwell Road, 3540 in the MF-20 – Low-Density Multi-Family zoning district.

The access to the Property was proposed via a 50-foot easement located along the northern property limits of the adjacent fire station. However, the construction of the fire station rendered this access unusable due to conflicts from daily operation of the fire station. The request for abandonment is being made because the applicant proposes to access the development from North Detroit Street through a future 50-foot access easement located to the south of the adjacent fire station. Abandonment of the northern easement is in exchange for the City's dedication of this new 50-foot access easement for the project, applicant proposes to release its interest in the existing easement. The site plan and conditional land use of the project have been reviewed by the City's Site Plan Review Committee on July 14, 2014 and approval of the abandonment is required as it is a condition of approval of the major site plan and conditional land use. If approved, the final easement abandonment and public hearing will be scheduled on September 23, 2014.

Code Section 19.1.4 Streets and Sidewalks – Procedure for Abandonment, outlines the process by which public rights-of-way can be abandoned. A Resolution declaring the intention of the City Commission to consider the abandonment must be adopted prior to the actual public hearing for abandonment. This Resolution shall serve as the City's Declaration of Intent. The public hearing will be scheduled for September 23, 2014.

#### **MOTION:**

I move to approve/disapprove Resolution No. 54-2014 and schedule the public hearing date for September 23, 2014.

#### **ATTACHMENT(S):**

Location map

Resolution

Sketch and Legal description of easement to be abandoned

Application and Justification



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Community Sustainability

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Amendment No. 6 to an agreement with Hy-Byrd Inspection Services for plans review and inspections during Fiscal Year 2015

#### **SUMMARY:**

The Amendment authorizes Hy-Byrd Inspection Services, Inc., to continue to provide plans review and inspection services through September 30, 2015.

#### **BACKGROUND:**

Since August of 2012, the City has been recruiting for a Plans Reviewer/Inspector for the Building Division. The Plans Reviewer/Inspector position remains open as no applicant with the required experience and certifications to meet the minimum qualifications for the position has been successfully recruited.

For the City to maintain levels of service, the contract with Hy-Byrd requires an amendment to allow for an expenditure of up to \$70,000 for plans review and inspection services for Fiscal Year 2015.

The City conducted a good faith review and analysis of local firms offering Building Division services before entering the agreement with Hy-Byrd. The City obtained three (3) quotes from such firms and found Hy-Byrd to be well qualified, responsible, responsive, and the most affordable firm. Continued analysis of local firms and the industry reveals that Hy-Byrd remains to be the firm, which serves the best interest of the City.

Consistent with section 2-112(j) of the City's Procurement Code, the City Commission may authorize the waiver of procurement procedures upon the recommendation of the City Manager that it is not practicable or advantageous for the City to do so because the goods or services cannot reasonably be acquired through the normal purchasing process due to insufficient time, the nature of the goods or services or other factors. Purchases authorized by waiver process shall be acquired after conducting a good faith review of available sources and negotiations as to price, delivery and terms. Accordingly, based on the foregoing, the City Manager recommends a waiver of the procurement procedures for the amendment to the agreement with Hy-Byrd.

#### **MOTION:**

I move to approve/disapprove Amendment #6 to an agreement with Hy-Byrd Inspection Services for an additional amount not to exceed \$70,000 through September 30, 2015 pending the approval of the FY 2015 Annual Operating Budget.

#### **ATTACHMENT(S):**

Fiscal Impact Analysis

Original contract for Hy-Byrd Inspection Services

Subsequent five amendments

Sixth Amendment to contract

**FISCAL IMPACT ANALYSIS**

A. Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Capital Expenditures	0	0	0	0	0
Operating Expenditures	\$70,000	0	0	0	0
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
<b>Net Fiscal Impact</b>	<b>\$70,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

No. of Addn'l Full-Time Employee Positions	0	0	0	0	0
--	---	---	---	---	---

B. Recommended Sources of Funds/Summary of Fiscal Impact: \$75,000 is budgeted in FY 2015 for outside contractual services to provide Plans Reviewer/Inspector services in Account No. 103-2020-515.34.50 (contractual services).

This agenda item will require \$70,000 from contractual services account 103-2020-515.34.50. Should the proposed FY 2015 Operating Budget be approved, this request will leave a \$5,000 cushion of funds in the other contractual services account.

<b>Hy-Byrd Inc</b>		<b>Building Division Services</b>				
<b>Account Number</b>	<b>Account Description</b>	<b>Pending FY15 Budget</b>	<b>Budget Transfer from Salaries</b>	<b>Pending Available Funds</b>	<b>Agenda Item Expenditure</b>	<b>Remaining Balance</b>
<b>103-2020-515.34-50</b>	Contractual Services	75,000	0	75,000	-70,000	5,000

C. Department Fiscal Review: \_CS/WW\_



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Public Services

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Change Order No. 1 with B&B Underground Contractors for additional road work on the 14<sup>th</sup> and 15<sup>th</sup> Avenues North, North F Street and Crestwood Blvd. Watermain project

#### **SUMMARY:**

The Change Order will provide for additional work necessary to achieve proper structural integrity and maintain compliance with the City's construction standards.

#### **BACKGROUND AND JUSTIFICATION:**

The original project scope included utilizing existing road base and milling/resurfacing due to the pavement cores being acceptable for this project. It was determined in the field that the pavement cores, although acceptable at those specific locations, did not accurately reflect the full condition of the entire roadway. The existing roadway is inconsistent in nature with varying base rock depths, asphalt thicknesses, and base rock material composition. It was determined by the project engineer of record that the roadway would need to be reconstructed fully to achieve proper structural integrity and maintain compliance with City construction standards. The engineer of record, Michael B. Schorah and Associates, provided the recommendations based on the field conditions.

The original Capital Improvement Plan's (CIP) project budget was higher than the final contract (bid) amount, therefore a portion of the remaining encumbered amount for this project is being utilized and no transfers from other City projects or funds are necessary. There is a remaining balance in this project CIP of \$126,814.00 of which \$76,849.31 will be utilized to pay for this change order.

#### **MOTION:**

I move to approve/disapprove Change Order No. 1 with B&B Underground Contractors for road improvement work on the 14<sup>th</sup> and 15<sup>th</sup> Avenues North, North F Street, and Crestwood Blvd.

#### **ATTACHMENT(S):**

Fiscal Impact Analysis  
Engineer of Record Field Report and Recommendations  
Contractor Change Order Request  
Map of Additional Work

**FISCAL IMPACT ANALYSIS**

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	76,849.31	0	0	0	0
Operating Expenditures	0	0	0	0	0
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
Net Fiscal Impact	76,849.31	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Public Services						
Account Number	Account Description	FY2014 Budget	Project #	Pre Exp; Balance	Expenditure for this item	Post Exp; Balance
170-5020-519.63-15	Improve Other Than Build / Infrastructure	545,440	GV1408, GV1409, GV1410	126,814.00	-76,849.31	49,964.69

C. Department Fiscal Review: \_JB\_



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Community Sustainability

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Settlement Agreement and General Release between Crystal Investments, Inc., et al. and the City of Lake Worth

#### **SUMMARY:**

The City has been involved in an ongoing dispute with Crystal Investments/Mojitos and other affiliated entities relating to business conducted at 129 N. Federal Highway. The parties have reached an agreement whereby the facility will continue to operate and comply with all codes including the installation of a sprinkler system and ADA compliant restroom facilities. In complete settlement of any all claims that Crystal Investments, Inc., Crystal Investments Del., L.L.C., Crystal Investments, PB, L.L.C., Mojito the Retreat, L.L.C., Edward Muller, Individually, Steven Muller, Individually, Roberto Blanco, Individually, and Tequila and Ron, Inc., release the City, we are recommending paying \$1,750.00 to Mr. Edward Muller.

#### **BACKGROUND AND JUSTIFICATION:**

There have been several lawsuits and other disputes between the City of Lake Worth and the owner of the property at 129 S. Federal Highway regarding the operation of the business and the code violations existing at the property. On July 25, 2014 the Special Magistrate for the city entered an order finding Crystal Investments, Inc. (the owner of the property) in violation of several provisions of the codes. Crystal Investments appealed that order, and also filed for Chapter 11 protection under the Bankruptcy Code, which prohibits the filing of a lien or assessing a fine against the property.

Crystal is asking the Bankruptcy court to approve a lease for the property, which the city would have objected to without guarantees that the code violations will be corrected in a timely manner.

This settlement agreement provides the city with enforcement provisions in the event that the violations are not corrected. It also requires Crystal, et al to provide releases to the city for all lawsuits, etc. A budget transfer for \$1,750: would be needed from account # 160-2040-515-34-50 to account # 160-2040-515-31-10.

#### **MOTION:**

I move to approve/disapprove the Settlement Agreement and General Release between Crystal Investment's, Inc. et al and City of Lake Worth.

#### **ATTACHMENT(S):**

Fiscal Impact Analysis  
Settlement Agreement

**FISCAL IMPACT ANALYSIS**

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	0	0	0	0	0
Operating Expenditures	1,750	0	0	0	0
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
Net Fiscal Impact	1,750	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

B. Recommended Sources of Funds/Summary of Fiscal Impact:

<b>Code Compliance</b>	<b>Crystal Investments, Inc. et al.</b>					
<b>Account Number (s)</b>	<b>Account Description</b>	<b>FY 2014 Budget</b>	<b>Available Balance</b>	<b>Budget Transfer</b>	<b>Agenda Expenses</b>	<b>Remaining Balance</b>
<b>160-2040-515-31-10</b>	Prof Services/Legal	52,000	-	1,750	\$ (1,750)	-

C. Department Fiscal Review: \_\_WW\_\_

## **SETTLEMENT AGREEMENT AND GENERAL RELEASE**

This Settlement Agreement and General Release (“Agreement”) is hereby made and entered into by and between CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., and the CITY OF LAKE WORTH (hereinafter referred to as “CITY”) on this \_\_\_ day of \_\_\_\_\_, 2014.

**WHEREAS**, a number of disputes exist between CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., and the CITY.

**WHEREAS**, the parties wish to resolve any and all disputes existing between them.

**WHEREAS**, in 2010, the Palm Beach Sheriff’s Office (“PBSO”) arrested EDWARD MULLER (the “Arrest”).

**WHEREAS**, EDWARD MULLER was acquitted (Fifteenth Judicial Circuit County Court Case Nos. 502010CO0001969AXXXMB and 502010CO005162AXXXMB).

**WHEREAS**, EDWARD MULLER filed a lawsuit (Case #9:12-CV-80089, United State District Court, Southern District of Florida) against the CITY and PBSO (“Federal Lawsuit”).

**WHEREAS**, the Federal Lawsuit was dismissed on November 8, 2013.

**WHEREAS**, on July 25, 2014, the Special Magistrate for the CITY entered an Order finding CRYSTAL INVESTMENTS, INC. in violation of several provisions of the

Lake Worth Code and/or Florida Building Code (“Magistrate’s Order”). (Attached hereto as Exhibit A.)

**WHEREAS**, the parties hereby stipulate that CRYSTAL INVESTMENTS, INC. was provided proper notice and service of the claimed violations by the CITY’S department of Code Compliance, as well as the hearing before the Special Magistrate on July 25, 2013.

**WHEREAS**, CRYSTAL INVESTMENTS, INC. has filed an appeal (15<sup>th</sup> Circuit Case 2013 CA 013807) of the Magistrate’s Order (“Appeal”).

**WHEREAS**, on August 27, 2013 (D.E. 26), in Case No 13-26159-EPK, Crystal Investments, Inc. filed an Emergency Motion to Clarify Scope of Automatic Stay and for Injunction Against Imposition of Pecuniary Sanctions Against Property of the Debtor’s Estate, in part claiming violations of the automatic stay under 11 USC §362 (Bankruptcy Motion).

**WHEREAS**, on October 4, 2013 (D.E. 53), Judge Kimball entered an Order on Emergency Motion to Clarify Scope of Automatic Stay.

**WHEREAS**, CRYSTAL INVESTMENTS, INC. agrees to fully comply with all code enforcement violations as set forth in the Order Finding Violation and Assessing Fine and Claim of Lien dated July 25, 2013. (Attached hereto as Exhibit B.)

**WHEREAS**, CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., all agree to guarantee compliance of the remaining code violations by CRYSTAL INVESTMENTS, INC. in accordance with the provisions herein.

**WHEREAS**, CRYSTAL INVESTMENTS, INC. agrees to dismiss the Appeal.

**NOW THEREFORE** the parties intend to be legally bound, for good and valuable consideration, the sufficiency of which is hereby acknowledged, do hereby stipulate and agree as follows:

1. **Recitals Incorporated.** The recitals of fact as set forth above are confirmed and agreed to by and between the parties hereto, as being in all respects true and correct, are hereby incorporated into this Agreement.
2. CRYSTAL INVESTMENTS, INC. shall dismiss the Appeal with prejudice within five (5) days of the signing of this Settlement Agreement and General Release.
3. CRYSTAL INVESTMENTS, INC. agrees to fully comply with the Magistrate's Order Finding Violation and Assessing Fine and Claim of Lien dated July 25, 2013, in accordance with the following:

**AGREED TO CORRECTION OF REMAINING CODE VIOLATIONS.**

- (A) (Sprinklers) CRYSTAL INVESTMENTS, INC. shall submit building and fire code compliant plans, that are sufficiently detailed to meet the requirements of the Code, for review and consideration for approval by the Lake Worth Water Utilities Department and by the Palm Beach County Fire Department, to the Lake Worth Building Division within ten (10) days of the signing of this agreement by all parties; and shall, absent any unforeseen circumstances not attributable to CRYSTAL INVESTMENTS, INC., or preventable despite the diligent effort of CRYSTAL INVESTMENTS, INC., obtain a permit, install a fire sprinkler system and obtain a certificate of completion on the first floor of the structure within three (3) months of issuance of the permit.
- (B) (Notation of occupancy) CRYSTAL INVESTMENTS, INC. has placed a placard noting the occupancy of the first floor of the building.
- (C) (Parking) CRYSTAL INVESTMENTS, INC. and EDWARD MULLER shall submit and record a unity of title after approval by the City, for

the subject property and the lot southern and adjacent thereto (“adjoining lot”) within ten (10) days of the signing of this Agreement. CRYSTAL INVESTMENTS, INC. shall then apply for a permit to restripe the parking area in the adjoining lot to create an ADA compliant parking space near the entrance of the nightclub within ten (10) days of the signing of this Agreement. The restriping shall be completed within two (2) months of the signing of this Agreement.

- (D) (ADA compliant rest rooms) Within ten (10) days of the signing of this Agreement, CRYSTAL INVESTMENTS, INC. shall submit ADA and building code compliant plans to Lake Worth Building Division that are sufficiently detailed to meet all pertinent requirements of the Florida Building Code 2010 or as amended for the construction of necessary restrooms. These plans will provide, among other building code requirements, for no less than five (5) fixtures, two designated as male, two female, and one unisex handicapped water closet. The City acknowledges that these five (5) fixtures are adequate and that upon completion the building will be in compliance with building code regulations for restrooms. Construction of said restrooms including said five (5) fixtures shall be commenced within thirty (30) days of the issuance of the permit and shall be inspected and completed within two (2) months of commencement of construction.
- (E) CRYSTAL INVESTMENTS, INC. shall use best efforts, along with the cooperation of the CITY to complete and fulfill the terms of this Agreement including timely submittal of plans and completion of all projects, repairs and/or remodeling as otherwise stated in this Agreement.
- (F) CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., all agree to guarantee compliance of all of the above code violations by CRYSTAL INVESTMENTS, INC. in accordance with the provisions herein.

- 4. **City of Lake Worth Business License.** Prior to conducting business at this property, CRYSTAL INVESTMENTS, INC., or any other entity doing business at this property, shall apply for and obtain a City of Lake Worth Business License in accordance with Lake Worth Code of Ordinances, Sec. 14-1. City of Lake Worth Business License.

It shall be unlawful for any person, or business, either directly or indirectly, to engage in or to conduct any business, profession or occupation as defined by this article, in the city, without first making application for, and having obtained a City of Lake Worth Business License. A City of Lake Worth Business License shall consist of a local business tax receipt as provided for in this article; and, a use and occupancy certificate as provided for in chapter 14, article II, of this code.

CITY agrees to conduct the Use and Occupancy Inspection in accordance with code. Provided all permits listed in Paragraph 3 above have been submitted and improvements are progressing with proper timely inspections, CITY agrees to issue a six (6) month Lake Worth Business License to CRYSTAL INVESTMENTS, INC. and TEQUILA AND RON, INC.

In the event that all improvements are NOT complete within the six month period, the Lake Worth Business Licenses will expire and will not be renewed and all business conducted on the first floor of the site (129 N. Federal Highway, Lake Worth, Florida) shall cease immediately, and the CITY shall be entitled to entry of injunction as set forth in Paragraph 12, below.

5. **Liquor License.** CITY has approved a DBPRABT 6001 form, Application for New Alcoholic Beverage License for a 4COP license, for TEQUILA AND RON, INC.). Said approval may be revoked by the CITY if CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and

TEQUILA AND RON, INC., do not comply with each and every obligation set forth herein.

6. **Injunction.** In the event that CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, or TEQUILA AND RON, INC., or any of their related companies defaults in any of his, her, or their obligations hereunder, the City shall be entitled to seek and obtain an injunction to close any and all businesses operating at the first floor of the subject property (129 N. Federal Highway, Lake Worth, Florida). CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., acknowledges that failure to comply with any obligation set forth herein shall constitute irreparable harm for which there is no adequate remedy at law and which will result in public harm. Accordingly, CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., hereby consent to the entry of an Injunction to cease all business operation at the first floor of the subject location, including, but not limited to operating as a bar, restaurant, lounge, nightclub, or similar business, unless and until the CITY files an

affidavit with the Court stating that CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., are in full compliance with all of their obligations set forth herein and the Court dissolves the Injunction. CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., agree to release and indemnify the CITY against any claim made against CITY relating to the seeking and/or obtaining, of said Injunction. CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., agree not to assert any claim against the CITY relating to the seeking and/or obtaining of said Injunction or related to this Agreement or related to any claim released herein.

7. **General Release.** CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., hereby remise, release, acquit, satisfy and forever discharge the CITY OF LAKE WORTH and PBSO (which is a

beneficiary) from any and all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or in equity, which each of them (including all affiliated companies and entities) ever had, now has, or which any personal representatives, predecessors, successors, heirs or assigns hereafter can, shall or may have, including any claims asserted (or which could have been asserted) by any of them allegedly arising from or related to the Arrest, the Federal Lawsuit, the Magistrate's Order, any claims made or that could have been made in the Bankruptcy case, the Appeal, for, upon or by reason of any matter, cause or thing whatsoever, from the beginning of the world to the day of these presents.

8. **Continued Release.** CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., hereby unconditionally and irrevocably release and forever discharge the CITY OF LAKE WORTH and PBSO, including, but not limited to, CITY's and PBSO's current or former employees, agents, attorneys, parents, subsidiaries, affiliates, officers, directors, successors, assigns, or representatives (in both their official and individual

capacities) from any and all causes of action, claims, grievances, suits, sums of money, or demands whatsoever, known or unknown, at law, in equity, or before any agency or commission of any local, state or federal government, including, but not limited to, claims, causes or action or claims arising, alleged to have arisen, or which might have been alleged to have arisen, under any law including, but not limited to, federal, state, county or municipal laws including, but not limited to, 42 U.S. Code Sections 1981 through 1988, or any other law, rule, regulation, or ordinance, including but not limited to, any tort claims (e.g. negligent or intentional infliction of emotion distress, defamation, assault, battery, false imprisonment, wrongful termination, etc.), or any federal or state constitutional or statutory claims that any of them ever had, now has, or which his/her heirs, predecessors, successors, executors, administrators, or assigns, or any of them, hereafter can, shall, or may have for or by reason of any cause whatsoever, and all issues involving the negotiation and execution of this Settlement Agreement and Incorporated Full and Final Release. Each of them acknowledge that the waiver and release provisions of this Settlement Agreement and Incorporated Full and Final Release also bars any claim or demand for costs, fees or other expenses including, but not limited to attorney's fees incurred or claimed in connection with any claims they may have against the CITY or PBSO. They each further acknowledge and agree that the listing of claims waived in this paragraph is intended to be illustrative rather than exhaustive.

Accordingly, they each acknowledge and agree that this Settlement Agreement and Incorporated Full and Final Release constitutes a full and final bar to any and all claims of any type that they had or presently have against the CITY or PBSO as of the date of the signing of this Agreement.

9. **Waiver of Right to Individual Relief through Federal, State, and Local Agencies.** CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., waive any right or entitlement to any and all individual relief, including damages and attorney's fees and costs, which may be available through local, state, and federal regulatory agencies.
10. **Hold Harmless.** CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., hereby agree to indemnify and hold harmless the CITY and PBSO from any and all claims and/or liens and/or subrogated interest herein for which these funds are intended to cover.
11. The CITY shall pay EDWARD MULLER One Thousand Seven Hundred and Fifty Dollars (\$1,750.00) in full settlement of any claim that he, or CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT,

L.L.C., STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC. has or may have against the CITY.

12. **Taxes on Payment.** It is further understood that in the event that the Internal Revenue Service should make a determination that these settlement proceeds are taxable, CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., shall be fully responsible for the payment of any taxes, including but not limited to, income tax, social security payments or other such payment or taxes related to the payment received by them and that neither the CITY or PBSO shall have any responsibility for the payment thereof.
13. **Entire Agreement.** The terms of this Settlement Agreement and Incorporated Full and Final Release are contractual and not a mere recital and no other contract, promise or inducement has been made to CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., other than as set forth herein. This Agreement contains the entire understanding of the parties hereto with respect to the subject matter contained herein, and supersedes all prior representations, agreements

and understandings between the parties with respect to such subject matter.

14. **Variation of Terms.** Wherever used herein the terms “CITY”, “PBSO”, or CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., shall include singular and plural, heirs, legal representatives, and assignees of individuals, and the successors and assigns of corporations wherever the context so admits or requires.
15. **Venue and Governing Law.** Venue of any litigation between the parties shall be in Palm Beach County, exclusively and this Settlement Agreement and Incorporated Full and Final Release shall be governed by the laws of the State of Florida.
16. **Severability.** Should any part, term, or provision of this Agreement be declared or be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining parts, terms, or provisions shall not be affected thereby, and said illegal, unenforceable or invalid part, term, or provision shall be deemed not a part of this Agreement.
17. **Drafting.** This Settlement Agreement and Incorporated Full and Final Release shall not be construed against the Party who drafted the same.

18. **Headings and Captions.** The titles and captions of the Sections and subsections contained in this Agreement are provided for convenience of reference only, and they shall not be considered a part of this Agreement for purposes of interpreting or applying this Agreement; such titles or captions are not intended to define, limit, extend, explain, or describe the scope or extent of this Agreement or any of its terms, provisions, representations, warranties, or conditions in any manner or way whatsoever.
19. **Continuation of Agreement.** The rights, responsibilities and duties of the parties to this Agreement, and the covenants and agreements contained in this Agreement, shall continue to bind the parties, shall continue in full force and effect until each and every obligation of the parties pursuant to this Agreement (and any document or agreement incorporated hereby by reference) shall have been fully performed, and shall be binding upon the successors and assigns of the parties.
20. **Further Action.** The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to implement the purposes of this Agreement.
21. **Counterpart Execution.** This Agreement may be executed in any number of counterparts with the same effect as if all of the parties had signed the same document. All counterparts shall be construed and shall constitute one (1) Agreement.

22. **Voluntary Acceptance and Understanding of Agreement.** CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., acknowledge that they have read, understand and have fully considered this Settlement Agreement and General Release and are desirous of entering into same. Having elected to execute this Settlement Agreement and General Release, to fulfill the promises set forth herein, and to receive thereby the benefits set forth above, CRYSTAL INVESTMENTS, INC., CRYSTAL INVESTMENTS DEL., L.L.C., CRYSTAL INVESTMENTS, PB, L.L.C., MOJITO THE RETREAT, L.L.C., EDWARD MULLER, Individually, STEVEN MULLER, Individually, ROBERTO BLANCO, Individually, and TEQUILA AND RON, INC., freely and knowingly, and after due consideration, enter into this Settlement Agreement and Incorporated Full and Final Release intending to waive, settle and release all claims they have or might have against the CITY and/or PBSO.
23. **No Admission of Liability.** It is agreed and understood that neither the offer or acceptance of this Agreement nor the payment of any money or provision of benefits hereunder constitute or will be construed as an admission of liability or of any wrongdoing or violation of laws, rules or policies by any of the parties herein.

24. **Bankruptcy.** None of the parties object to this Settlement Agreement and General Release being provided to the Bankruptcy Court in Case No. 13-26159-EPK, and being contingent on the entry of a final and non-appealable Bankruptcy Court order.
25. **Attorney's Fees.** Each party shall be responsible for their own attorney's fees and costs related to the existing disputes which are resolved as a result of this agreement.
26. **Independent Counsel.** The parties hereto represent that they have thoroughly read and negotiated this Agreement, and have consulted with counsel or had the opportunity to consult with counsel, and being fully advised of the terms hereof, agree to comply with and be bound by the terms herein.
27. **Authority of Signatories.** The signatories below who are signing on behalf of corporations and/or companies, as the case may be, hereby represent that they have full authority to enter into this Agreement on behalf of such respective entity and are authorized to bind such entity by the terms hereunder.
28. **Time is of the Essence.** Time is of the essence as to the performance of all obligations hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date written above.

DATED THIS \_\_\_\_\_, of \_\_\_\_\_, 2014.

CITY OF LAKE WORTH

ATTEST

By: \_\_\_\_\_  
Pam Triolo, Mayor

\_\_\_\_\_  
Pamela J. Lopez, City Clerk

Approved as to form and legal sufficiency:

\_\_\_\_\_  
Glen J. Torcivia, City Attorney

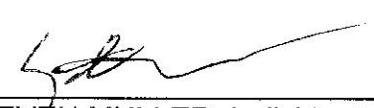
  
\_\_\_\_\_  
CRYSTAL INVESTMENTS, INC.

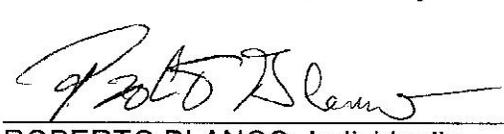
  
\_\_\_\_\_  
CRYSTAL INVESTMENTS DEL., L.L.C.

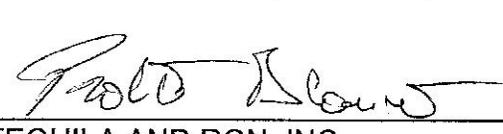
  
\_\_\_\_\_  
CRYSTAL INVESTMENTS, PB, L.L.C

  
\_\_\_\_\_  
MOJITO THE RETREAT, L.L.C.

  
\_\_\_\_\_  
EDWARD MULLER, Individually

  
\_\_\_\_\_  
STEVEN MULLER, Individually

  
\_\_\_\_\_  
ROBERTO BLANCO, Individually

  
\_\_\_\_\_  
TEQUILA AND RON, INC.



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Leisure Services

---

### **EXECUTIVE BRIEF**

#### **TITLE:**

Lease Agreement with Palm Beach County Community Services Department/Community Action Program for use of the Osborne Community Center

#### **SUMMARY:**

The Lease Agreement will authorize the County to use the Osborne Community Center to administer Head Start and Community Action Program.

#### **BACKGROUND AND JUSTIFICATION:**

The Palm Beach County Department of Community Services' Community Action Program (CAP) assists residents and families in low to median income areas. CAP strives to remove barriers and create opportunities for low income individuals and families that will enable them to become more self-sufficient. Up to June 30, 2014, CAP was operating from the Osborne Community Center through a lease between the City and the County (for the County to administer Head Start and CAP). Effective July 1, 2014, the County ceased operating the Head Start program and Lutheran Services Florida began administering Head Start. Accordingly, the County's lease was canceled and Lutheran Services Florida entered into a lease with the City to administer Head Start.

As the City and the County desired CAP to remain at the Osborne Community Center to serve the residents of Lake Worth, a new lease between the County and the City for CAP to lease approximately 1,570 SF in the northeast corner of the building was required. The County will remit \$1.00 Annual Rent to the City for occupancy, and the County's 13.5% share of its monthly usage of electric, water, sewer, waste disposal and janitorial services. Payments to be made monthly to the City.

#### **MOTION:**

I move to approve/not approve a lease agreement with Palm Beach County Community Services Department.

#### **ATTACHMENT(S):**

Fiscal Impact Analysis  
Lease Agreement

## **FISCAL IMPACT ANALYSIS**

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	0	0	0	0	0
Operating Expenditures	0	0	0	0	0
External Revenues	\$1,768	\$5,303	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
Net Fiscal Impact	\$1,768	\$5,303	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

### B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Department Fiscal Review: \_\_\_\_\_



# CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600· Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Human Resources

## EXECUTIVE BRIEF

**TITLE:**

Renew Health, Life, Short Term Disability, Long Term Disability and Vision/Dental program coverage for Fiscal Year 2014/15

**SUMMARY:**

This Program will authorize:

1. Humana Health Care to provide health insurance
2. Prudential to offer life, short-term disability, and long-term disability
3. Comp-benefits to provide vision and dental

<b>Program Coverage</b>	<b>Lake Worth's Contribution</b>	<b>Employee Contribution</b>	<b>Retiree Contribution</b>	<b>Total Premium Costs</b>
<b>Health</b>	2,233,698	499,925	302,458	3,036,081
<b>Life</b>	30,286	78,300	24,798**	133,384
<b>STD</b>	0	10,416	0	10,416
<b>LTD</b>	0	*	0	*
<b>Vision</b>	0	20,400	3,651	24,051
<b>Dental</b>	0	102,000	16,892	118,892
<b>Total</b>	<b>2,263,984</b>	<b>711,041</b>	<b>347,799</b>	<b>3,322,824</b>

\*1<sup>st</sup> year of benefit offering

\*\* Supplemental life insurance

## BACKGROUND AND JUSTIFICATION

The City solicited bids for its health, life, short-term disability (STD), long-term disability (LTD), vision, and dental programs via a Request For Proposal (RFP) during the spring of 2014. AvMed, Coventry, Aetna, United Healthcare, Blue Cross & Blue Shield, Humana, and Cigna were either requested to submit a bid proposal or voluntarily submitted bid proposals in response to the RFP.

AvMed and Coventry declined the City's request to submit a bid to partner in the administration of the City's health program. Aetna (\$2,963,133.48), Cigna (\$3,118,002.96), United Healthcare (\$3,096,038.16), and Blue Cross/Blue Shield (\$3,037,282.68) each submitted bid proposals significantly higher than our current provider, Humana (\$2,233,698).

Based upon the submitted bid proposals, maintaining a strong relationship with our current partner, Humana, proved to be the lowest cost option and the best overall option. Continuation of the City's relationship with Humana will result in a modest increase in costs over the 2013/14 fiscal year.

Under the proposed structure, the City will continue to offer its employees a High Deductible HMO option, a Point-of-Service option, and a Point-of-Service High Deductible option. The only substantive alteration being implemented for the 2014/15 fiscal year will be the elimination of the Preferred Provider Option (PPO). Participation in the Preferred Provider Option (PPO) has not yielded more than five (5) employee participants in the past five coverage years.

The City's aggregate loss benefit ratio for the 2013/14 benefit year was 75% versus a target of 84%. The HMO HDHP was the best performing plan option at 47.59% loss benefit ratio. The HMO HDHP option currently has 46% of the City's employees enrolled. The POS HDHP ratio of 182% was the worst performing plan option with 10% of the employee population enrolled. The POS HDHP program with a \$2,000/\$4,000 deductible and 100% payable option has attracted employees with higher risks.

The City will attempt to better manage losses experienced under the POS HDHP program by modifying the individual and family deductible. The higher deductibles will likely result in fewer employees enrolling in the POS HDHP program option and incentivize those employees into a better performing program option.

With this modification to the City's health program, Humana will increase premium costs by 3.42% or \$73,883. The additional costs will be absorbed by the City and will not be passed on to employees.

### **MOTION**

It is moved to retain / not retain Humana Health Care for the City's health insurance program; Prudential to provide life, long-term disability, short-term disability coverage; and Comp-benefits to provide vision and dental coverage to employees of the City for a one year term subject to Commission approval of the Lake Worth 2014/15 budget

### **ATTACHMENT(S)**

Fiscal Impact Analysis

City of Lake Worth Health Plan Proposal

Claims Experience 2013/14

FY14 Current Rate Schedule

FY15 Proposed Plan Design

FY15 Health Plan Renewal Inclusive of Retirees

FY15 Renewal Authorization

## Fiscal Impact Analysis

<b>Fiscal Years</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Capital Expenditures</b>	0	0	0	0	0
<b>Operating Expenditures</b>	3,322,824	0	0	0	0
<b>External Revenues</b>	0	0	0	0	0
<b>Program Income</b>	0	0	0	0	0
<b>In-Kind Match</b>	0	0	0	0	0
<b>Net Fiscal Impact</b>	<b>3,322,824</b>	<b>0</b>	0	0	0
<b>No. Additional Full-Time Employees</b>	0	0	0	0	0

### Recommended Sources of Funds / Summary of Fiscal Impact

<b>Account Number</b>	<b>Account Description</b>	<b>Budget (Pending)</b>	<b>Agenda Item Expenditure</b>
540-1320-513-23-XX	Humana Medical Plan	3,335,995	3,322,824

**Department Fiscal Review:** \_\_\_\_\_



# CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600· Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

## EXECUTIVE BRIEF

**TITLE:**

Adopt the Fiscal Year 2015 Capital Improvement Plan

**SUMMARY:**

The 5-Year Capital Improvements Plan (CIP) is the City’s blueprint for changes to the infrastructure of both the City and City Government. This plan will help guide the departments in implementing the Commission’s vision for the City’s future.

**BACKGROUND AND JUSTIFICATION:**

The CIP is a major component of establishing a long range financial plan for the City. The CIP serves as a guide for multi-year planning that includes proposed capital projects and vehicle additions and replacements, as well as significant maintenance projects and software purchases. The minimum threshold for projects included in the CIP is \$25,000.

As indicated in Chart 1, total expenditures for all capital projects in all departments and all funds for FY 2015-19 is \$45,993,291

SUMMARY OF PROJECTS BY DEPARTMENTS								
DEPARTMENTS	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	5-Yr Total	Total Proj Est.	% / 5 Yr Total
Community Sustainability	-	-	-	-	-	-	-	0%
Information Technology	345,000	195,000	195,000	145,000	145,000	1,025,000	1,598,500	2%
Leisure Services	-	35,000	-	-	-	35,000	35,000	0%
Public Services	603,704	1,851,695	1,321,166	1,718,277	3,086,478	8,581,320	10,153,404	19%
Utility Electric	3,365,000	1,815,000	1,100,000	4,080,000	1,910,000	12,270,000	16,187,167	27%
Utility Water & Sewer	5,495,000	4,607,900	6,242,000	3,170,000	4,567,071	24,081,971		52%
<b>Totals</b>	<b>9,808,704</b>	<b>8,504,595</b>	<b>8,858,166</b>	<b>9,113,277</b>	<b>9,708,549</b>	<b>\$45,993,291</b>	<b>\$27,974,071</b>	<b>100%</b>

Funding for the FY 2015 capital improvements of the FY 2015-2019 Capital Improvement Program has been included in the FY 2014-2015 Proposed Budget, for which the final public hearing will be September 23, 2014 and is subject to change until that time.

Funding for general capital improvements is available in the General Capital projects fund, Park of Commerce funds. In addition projects not related to the Park of Commerce that are funded through refuse fees, Grants, Electric, Water, Sewer revenues, or debt proceeds are funded and included in the appropriate fund.

Projects to be funded with debt proceeds are dependent upon the authorization and issuance of that debt and will not be started until after authorization of the related debt.

**MOTION:**

I move to approve/disapprove adoption of the Fiscal Year 2015-2019 Capital Improvement program, subject to changes based on the FY2014-2015 Annual Budget adoption on September 23, 2014.

**ATTACHMENT(S):**

1. FY2014-2018 Capital Improvement Plan



## CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

**AGENDA DATE:** September 9, 2014, Special Meeting

**DEPARTMENT:** Finance

---

### EXECUTIVE BRIEF

#### TITLE:

Ordinance No. 2014-24 - First Reading- designate the restricted/committed/assigned fund balances for Fiscal Year 2014 in accordance with GASB 54 and schedule the public hearing date for September 23, 2014

#### SUMMARY:

Annually the City Commission must formally designate fund balances in certain funds to be used only for the purposed of that fund. This requirement is contained in Governmental Accounting Standards Board (GASB) Statement Number 54, and is a part of the Generally Accepted Accounting Principles that the City must adhere to. This Ordinance seeks to designate certain fund balances as **Committed** fund balances.

#### BACKGROUND AND JUSTIFICATION:

##### **Summary of Statement No. 54**

##### *Fund Balance Reporting*

The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

The classifications are:

*Nonspendable*, such as fund balance associated with inventories and fixed assets.

The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

The *committed* fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. For the City this level is the City Commission **by ordinance**.

Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

*Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**MOTION:**

I move to approve/disapprove Ordinance No. 2014-24 on first reading to designate the Committed Fund Balances for Fiscal Year 2014 in accordance with GASB 54 and schedule the public hearing date for September 23, 2014.

**ATTACHMENT(S):**

Fiscal Impact Analysis – not applicable  
Ordinance