

Agenda Study Session February 13, 2009

The Lakeland City Commission met for the Agenda Study Session in the Commission conference room. Commissioners Edie Yates, Howard Wiggs, Gow Fields, Jim Verplanck, Glenn Higgins, and Mayor Fletcher were present. Commissioner Justin Troller was out of town for a school event. Deputy City Manager Tony Delgado, City Manager Doug Thomas, Community Development Director Jim Studiale, Finance Director Greg Finch, City Attorney Tim McCausland, City Clerk Kelly Koos, and staff were present.

Mayor Fletcher called the meeting to order at 8:38 a.m.

Doug Thomas covered the preliminaries. The agenda was short but the department presentation might take a while. Staff was expecting questions from the audience.

Tim McCausland covered the proposed ordinance 09-008.

Greg Finch reviewed the changes to proposed ordinance 09-008. Communications with the employees and retirees have been good. The response overall has been positive.

Tim McCausland covered the Amendment to the Development Agreement with North Lakeland Development, Inc.

Assistant City Attorney Palmer Davis covered the CRA agenda.

Doug Thomas covered the City Manager agenda and offered the following verbals:

- Doug introduced Katie Daughtrey, VP Government Affairs with the Chamber.
- Ms. Castegnero met with Commissioner Troller for about three hours. She has made a verbal request to be on the agenda again. Brian has had some discussion with her. He expected she wanted to come because of her ongoing code enforcement case.
- The Commission has requested a policy on addressing the commission.
- Staff would add Ken Eddy to the agenda later today. He wanted to address the Home Wire Program.
- Doug asked about a consensus on the USPS. The Commission wanted to take a position that supported the local workers. The Tampa operation would be a rented facility and they own the facility in Lakeland. Doug will check on bulk mail, the impacts on St. Pete and the County's stand on the issue.

- Doug talked about the rail summit. He thanked Jim for putting that together. Staff was working on language for rerouting. Katy Franko, Tampa Bay Partnership, invited Lakeland to present at a transportation task force on 2/23/09.
- March 11&12 staff and commission will be making a trip to Tallahassee.

Tim McCausland covered the City Attorney agenda and offered the following verbal:

- The City of Key West has a program at their utility that rounds up the bill. A faith-based organization distributed that money. The ACLU was threatening a lawsuit because a faith-based organization was distributing the money.

Greg Finch explained they would cover the Finance Agenda during the Utility Committee before they asked the Commission to take action.

The meeting adjourned at 9:58 a.m.

Downtown CRA Workshop February 13, 2009

The Lakeland City Commission met for a Downtown CRA Workshop in the Commission conference room. Commissioners Edie Yates, Howard Wiggs, Gow Fields, Jim Verplanck, Glenn Higgins, and Mayor Fletcher were present. Deputy City Manager Tony Delgado, City Manager Doug Thomas, Community Development Director Jim Studiale, City Attorney Tim McCausland, City Clerk Kelly Koos, CRA Manager Tamara Sakagawa, Lakeland Economic Development Council (LEDC) Executive Director Steve Scruggs, Lakeland Downtown Development Authority (LDDA) Executive Director Anne Furr, and Pete Sechler & George Creamer of Glatting Jackson were present.

Tamara called the meeting to order at 10:14 a.m. **GET PRESENTATION**

Tamara distributed a handout, a copy of which is on file in the City Clerks Office. Pete Sechler and George Creamer of Glatting Jackson were here to present the plan. They held public meetings and were working to develop a future goal statement for downtown. Check it out at www.plandowntownlakeland.com.

Pete Sechler began the presentation. The downtown area included several sub districts that had different missions or goals. Lakeland had been on a curve at building a very successful and functional downtown. Lakeland should feel a lot of satisfaction about the accomplishments thus far. They should look at that as the end of Step 1.

George Creamer reviewed the results of their many interviews and public hearings.

Pete Sechler reviewed the findings. The City needed to start thinking about how to cater to the little people downtown because that was where the action would be in terms of development. There would not be additional retail without additional residential.

George Creamer reviewed the groupings or tools for Economic Development/Community Character. The Governance tool could be facilitating not just regulating development.

The next meeting would be Thursday, February 19, 2009 at 5:30 p.m. at the Lake Mirror Auditorium.

The meeting adjourned at 11:35 a.m.

**Regular Session
February 16, 2009**

The Lakeland City Commission met in Regular Session in the Commission chambers. Commissioners Glenn Higgins, Justin Troller, Jim Verplanck, Howard Wiggs, Gow Fields, Edie Yates, and Mayor Fletcher were present. City Manager Doug Thomas, City Attorney Tim McCausland, Finance Director Greg Finch, and City Clerk Kelly Koos were present.

CALL TO ORDER – 9:02 a.m.

INVOCATION

Jesse McNeal, a Lakeland Police Department Chaplain, offered the invocation followed by the salute to the flag.

PRESENTATIONS

Retirement Services - City of Lakeland Employees Pension and Retirement System Actuarial Valuation Report

Steve Palmquist gave the presentation. **GET PRESENTATION**

Discussion

The speaker was from the actuary not the investment advisory company.

Commissioner Wiggs asked for comments from the audience. He asked Mike Thomas to come forward.

Mike Thomas, Firefighter Union Chair, distributed a handout. He explained that his handout showed the money managers were not performing better than the index. The City could have had a better return and saved the money they paid on the money managers. The professional advisors have asked the Pension Board to change allocations over the years; however, the Board has declined. He felt buying the index would save the plan money. The money managers underperformed in the up-market as well.

Commissioner Yates asked Doug Thomas for an explanation about the difference between the City Commission and the Pension Board.

Doug Thomas explained the Pension Board administered the pension. The Pension Board make-up consisted of three Commission appointed positions, three employee elected positions and one Board elected position.

Commissioner Yates clarified that the plan had lost about 31% from the peak until 12/31/08. That was typical of pensions across the nation.

Commissioner Verplanck thought it appropriate to have a workshop between the Commission and the Pension Board to have a frank discussion. Mr. Thomas made some good points but there were always two sides to every story.

Commissioner Wiggs suggested they meet more regularly.

Jennifer Kerr advised the Commission that the Pension Board hired Bogdahn Consulting Group effective January 1, 2009. Staff has asked the Pension Board to start meeting monthly. The Board has established an Investment Committee. Bogdahn had a strategic plan to deal with allocations. Next week they will be reviewing all domestic equity managers. She expected to see them cleaning house. The Pension Board meets the 4th Tuesday every month at 8:30 a.m. in the Commission conference room. The investment committee will be meeting more frequently.

PROCLAMATIONS

Recognizing EarthLinked Technologies, Inc as the First Polk County LEED Certified Building

COMMITTEE REPORTS AND RELATED ITEMS

Municipal Boards Committee

The Municipal Boards Committee met in the Commission conference room on Friday, February 13, 2009. Commissioner Edie Yates, (chair), and Commissioners Glenn Higgins & Jim Verplanck (members) were present. Commissioners Howard Wiggs, Gow Fields, and Mayor Fletcher were present along with staff.

Commissioner Yates called the meeting to order at 9:58 a.m.

Nuisance Abatement Board

*Recommendation from Chief Roger Boatner to reappoint **Jesse McNeal** for a second three-year term which will expire February 16, 2012.*

Affordable Housing Advisory Committee

*Recommendation from Annie Gibson to reappoint **Joe Rodman** whose term expired January 31, 2009. If reappointed, he will serve a three-year term, which will expire January 31, 2012.*

*Recommendation from Annie Gibson to appoint **Eunice Redmond** for a three-year term beginning February 16, 2009 and expiring on February 16, 2012. Ms Redmond will fill the banker seat.*

Code Enforcement Board

*Recommendation from Brian Rewis to appoint **Kenneth Clawson** for a three-year term beginning February 16, 2009 and expiring February 16, 2012. Mr. Clawson will fill one of two alternate seats.*

Action: Commissioner Verplanck moved to approve the appointments. Commissioner Higgins seconded and Commissioner Yates concurred.

Doug Thomas announced:

The Central Florida Development Council needed a replacement for member Greg Ruthven. The City of Lakeland would need to find that replacement.

Polk Transit Authority needed two citizens for three-year terms. One of the citizens must be sight impaired. The City of Lakeland needed to fill these seats also.

Lakeland also had a vacancy on the TPO Citizen's Advisory Council.

The meeting adjourned at 10:03 a.m.

Commissioner Yates gave the Municipal Boards Committee report.

Action: The Commission unanimously approved the appointments.

Edie L. Yates, Chair

Transportation – Airport Committee 2/13/09

The Transportation-Airport Committee met in the Commission conference room. Commissioners Gow Fields & Glenn Higgins (members) and Commissioner Jim Verplanck (chair) were present. Commissioners Edie Yates, Howard Wiggs, and Mayor Fletcher were also present along with staff.

Commissioner Verplanck called the meeting to order at 11:37 a.m.

Tim McCausland introduced the meeting

Columbia wanted to purchase the leasehold interest of Landmark (Piedmont-Hawthorne). This would result in one FBO at the airport. They would form an LLC called Flightlevel Lakeland LLC. What the Commission needed to look at was the entity that they would assign the lease to and evaluate whether they had the ability to meet the obligation. The equity investors would control the governance and Columbia would control the day-to-day operation.

Tim McCausland had reviewed the corporate agreements that created the structure of Flightlevel Lakeland. If the Commission were inclined to consent to the assignment, the capital would be held in escrow.

Discussion

What happens to the two separate facilities?

The company would maintain all the leases so nothing would be vacant. Columbia would eventually like to expand.

Mayor Fletcher had to leave for another meeting at 11:47 a.m. He was in support of the plan.

Was there a potential negative outcome by taking out competition?

Tim McCausland did not anticipate anything could happen to change things, except the economy. Competition would always inspire the incumbent provider to do a good job. The City in conjunction with FAA had the ability to control the environment at the airport.

Recommendation: Commissioner Higgins moved to recommend the assignment. Commissioner Fields seconded and Commissioner Verplanck concurred.

The meeting adjourned at 11:50 a.m.

Commissioner Verplanck presented the Transportation-Airport Committee report.

Action: The Commission approved the recommendation unanimously.

Jim Verplanck, Chair

APPROVAL OF CONSENT AGENDA

All items listed with an asterisk (*) were considered routine by the City Commission and were enacted by one motion. There was no separate discussion of these items unless a City Commissioner or Citizen so requested, in which event the item was removed from the consent agenda and considered in its normal sequence.

- * City Commission 01/30/09 – 02/02/09
- * Utility Committee 02/02/09
- * Memo re: Grant Agreement with State of Florida Office of Tourism, Trade and Economic Development (OTTED) for Improvements at County Line Road / Interstate 4 Interchange

- * Memo re: Approval of Settlement re Ralph E. Terry and Sandra Terry vs. Jones Brothers, Inc. of Tennessee d/b/a Jones Brothers, Inc. and the City of Lakeland

Action: Commissioner Wiggs moved to approve the Consent Agenda. Commissioner Verplanck seconded and the motion carried six to zero. Commissioner Fields was absent at that time.

APPROVAL OF MINUTES (with any amendments)

- * City Commission Minutes 01/30/09 – 02/02/09
- * Utility Committee Minutes 02/02/09

REQUESTS TO APPEAR FROM THE PUBLIC

Ken Eddy re Homewire Program

Mr. Eddy asked the electricians present to introduce themselves. This group represented most of the electric contractors in Lakeland. The electrician community opposed the Home Wire Program. He distributed a handout, a copy of which is on file in the Clerk's Office.

John Leedy of Leedy Electric, Randy Crookshank of G&G Electric, and Mike DeCarol each spoke in opposition to the program. They were concerned that it took away work and the opportunity for future jobs from local electricians.

Lakeland Electric partnered with Progress Energy and took in approximately \$6,000 per year from this program.

LE had addressed the issue with Progress Energy about adding additional contractors. The problem was the low number of calls. In over eight months, there were 24 calls. That averaged three calls a month.

The contract was for two years but there was an out available. Lakeland Electric could impose control over the ads as they had the ability to approve or disapprove their marketing pieces.

John Adkinson, Manager of Energy and Business Services, would look into revenue sharing of additional work between the electrician and Progress Energy. Progress Energy trained the contractors as to what the program covered. LE entered into this agreement with Progress Energy because no one else was making the program available.

The Commission discussed voting on the issue now or asking the Utility Committee for a recommendation. They decided to ask the Utility Committee for a recommendation.

Mayor Fletcher asked the electricians in the audience to return at 1 p.m. for the Utility Committee meeting.

PUBLIC HEARINGS

Ordinances (Second Reading)

Ordinance 5082; Proposed 09-008; Amending Ordinance 5025; To Amend Provisions of the Health Care Trust (1st Rdg 2/2/09)

AN ORDINANCE RELATING TO THE CITY OF LAKE LAND, FLORIDA RETIREE HEALTH CARE REIMBURSEMENT PLAN; AMENDING ORDINANCE 5025 AS RELATED TO THE HEALTH CARE TRUST AND ASSOCIATED DOCUMENTS; MAKING FINDINGS; PROVIDING FOR AN EFFECTIVE DATE.

Tim McCausland read the short title.

Motion: Commissioner Verplanck moved to approve the ordinance. Commissioner Yates seconded.

Mayor Fletcher asked for comments.

Commissioner Wiggs complimented the staff for bringing this forward. Commissioner Yates seconded that compliment.

Action: Upon roll call vote Commissioners Yates, Fields, Wiggs, Verplanck, Troller, Higgins, and Mayor Fletcher voted aye. Ayes: seven. Nays: Zero. The motion carried unanimously

Miscellaneous

Memo re: Amendment to Development Agreement for Property Located North of Interstate 4, South of Griffin Road and East of Kathleen Road (Mall Hill Drive)

This was a proposed amended Development Agreement with *North Lakeland Development, Inc.* (the Developer) that related to property located generally south of Griffin Road, north of Interstate 4 and on both sides of Mall Hill Road, approved in August of 2007. The properties that were subject to the Development Agreement form a majority of a significant multi-use project consisting of the following:

1. Office use up to a total of 298,000 feet
2. Light industrial up to 305,000 square feet
3. Commercial (C-2) uses – a maximum of 61,500 feet
4. Multi-family residential use up to 305 dwelling units

This project represented a potential employment center located near housing, transportation facilities, and shopping opportunities.

Background

Florida Statutes 163.3220-163.3243, known as the Florida Local Government Development Agreement Act, allowed local governments to enter into agreements with developers that would provide certain assurances as to the character of the development and the public improvements that the developer would make to support the project, and guaranteed approvals for the developer for the period of the agreement. Large projects of this type were typically developed over a number of years and the assurances that an agreement provided facilitated an orderly development.

In the original Agreement, the Developer committed to implementing various transportation improvements in exchange for a transportation concurrency determination of longer than normal duration (2012) stating that adequate transportation facilities were available to serve this development. The Developer did not request to change the original commitments listed below.

- a. The addition of a northbound right-turn lane on Kathleen Road @ Mall Hill Drive;
- b. The addition of a northbound right-turn lane on Mall Hill Road @ Griffin Drive;
- c. The addition of an eastbound right-turn lane on Griffin Road @ US 98;
- d. Sidewalk and transit shelter improvements made along Mall Hill Drive.

Amendment Request

The Developer was asking the City Commission to consider a request to amend the Development Agreement executed in August 2007, which granted transportation concurrency to the Developer through February 2012. The Developer had requested an extension for when they must pull the first building permit and/or an extension to the duration of the agreement. The staff recommended amendments to the Agreement included:

1. Extending a deadline for issuance of a first building permit from 2009 to March 2010;
2. Allowing, under certain conditions, for a future request to extend the duration of the entire agreement by one year, to February 2013; and
3. Administratively amending the adopted Planned Unit Development (PUD) zoning ordinance to add a condition requiring implementation of certain "transportation demand management" strategies.

The February 16th Commission meeting constituted the first of **two** required public hearings for the amended Development Agreement. The Commission established March 2, 2009 as the date for the second and final adoption hearing. The City advertised the public hearing for this amended Development Agreement in accordance with Florida Statutes.

Celeste Deardorff, Long Range Planning Manager, gave a presentation on this amendment. There would be no vote today as this would come back for the second public hearing on March 2, 2009.

EQUALIZATION HEARINGS – None

COMMUNITY REDEVELOPMENT AGENCY

Recess: Commissioner Wiggs moved to recess as the City Commission and convene as the Community Redevelopment Agency. Commissioner Verplanck seconded and the motion carried unanimously.

Memo re: Tax Increment Financing Agreement with CRF VII, LCC for Improvements to 115 South Missouri Avenue

This was a Tax Increment Financing (TIF) Agreement with CRF VII, LLC. CRF VII, LLC planned to renovate the office building located at 115 South Missouri Avenue for occupancy by the Florida Department of Revenue. Under the TIF Agreement, the City's CRA would pay CRF VII, LLC a percentage of the tax increment revenue generated from this property based upon the following schedule:

Year One 100%	Year Seven 40%
Year Two 90%	Year Eight 30%
Year Three 80%	Year Nine 20%
Year Four 70%	Year Ten 10%
Year Five 60%	Beyond Year Ten 0%
Year Six 50%	

CRF VII, LLC planned to expend approximately \$2,890,000 for renovations to the property. The property appraiser would assess the property after the renovations were completed and the difference between the pre-construction assessed value of the property and the post-construction assessed value would form the basis for application of the above formula.

Staff recommended that the LCRA authorize the appropriate officials to execute the Agreement.

Action: Commissioner Wiggs moved to approve the Tax Increment Financing Agreement. Commissioner Verplanck seconded and the motion carried unanimously.

Reconvene: Commissioner Wiggs moved to adjourn as the Community Redevelopment Agency and reconvene as the City Commission. Commissioner Verplanck seconded and the motion carried unanimously.

CITY MANAGER

Recommendation re Lakeland Police SWAT Weapons

The Lakeland Police Department's Special Weapon and Tactics Team (SWAT) was seeking the purchase of .45 caliber single action handguns to carry as their primary handgun. Currently the assigned SWAT officers carry the standard Department issued .40 caliber double action handguns.

The SWAT officers needed to have the availability of the faster and more surgical shots, which single action handguns provide by virtue of the shorter trigger pull and less recoil of the weapon when fired. This was an important feature for SWAT officers assigned to high liability tactical close battle quarter situations. Historically, the single action handguns have been the staple handgun of SWATs throughout the United States. The Lakeland Police Department SWAT had prior authorization to carry single action handguns.

The weapon requested by the SWAT was the STI 5.0 Duty One handgun, which the senior supervisory members of the Team had vetted. The weapon manufacturer, STI Inc., provided a quote of \$47,500 for thirty handguns including night sights, four ammunition magazines, a weapon mounted tactical handgun light, and the duty holster thereby creating a complete SWAT weapon system. The Police Department would assign the handguns only to SWAT members, with funding available from seized and abandoned money in the Lakeland Police Department Property Account. These funds were maintained in a separate bank account outside the City of Lakeland budget.

Staff recommended that the City Commission authorize the appropriate City officials to purchase 30 STI 5.0 Duty One handguns and related items for the Lakeland Police Department SWAT members from STI, Inc. in the amount of \$47,500 with funding from the Lakeland Police Department Property Account.

Doug Thomas presented this item to the Commission.

Action: Commissioner Verplanck moved to approve the recommendation. Commissioner Higgins seconded and the motion carried unanimously.

Doug Thomas announced a FDOT/CSX meeting on February 25, 2008 5:30 p.m. at the Winter Haven City Hall.

CITY ATTORNEY

Resolutions

Resolution 4742; Proposed 09-008; Accepting Maintenance Responsibility for Interchange Improvements at County Line Road / Interstate 4 Interchange Constructed with State of Florida Office of Tourism, Trade and Economic Development (OTTED) Grant Funds

A RESOLUTION RELATING TO THE MAINTENANCE OF IMPROVEMENTS AT THE COUNTY LINE ROAD / INTERSTATE 4 INTERCHANGE; MAKING FINDINGS; PROVIDING AN EFFECTIVE DATE.

Tim McCausland read the short title.

Motion: Commissioner Verplanck moved to approve the resolution. Commissioner Higgins seconded.

Mayor Fletcher asked for comments and there were none.

Action: Upon roll call vote Commissioners Higgins, Troller, Verplanck, Wiggs, Fields, Yates, and Mayor Fletcher voted aye. Ayes: seven. Nays: Zero. The motion carried unanimously.

Miscellaneous Reports and Communications

- * **Memo re: Grant Agreement with State of Florida Office of Tourism, Trade and Economic Development (OTTED) for Improvements at County Line Road / Interstate 4 Interchange**

This proposed agreement was between the State of Florida Office of Tourism, Trade and Economic Development and the City of Lakeland on behalf of GTECH Printing Corporation. This agreement was for a grant, which would provide funding for signalization of the eastbound and westbound on/off ramps at the County Line Road / Interstate 4 interchange and modification of the median opening at South Frontage Road.

GTECH created the opportunity to qualify for this funding by its decision to locate a lottery ticket printing facility in Lakeland with approximately 221 employees at an average annual salary of \$38,000. The facility would be located on South Frontage Road, approximately 1.9 miles east of County Line Road. Primary access for GTECH's employees and the estimated six daily trucks traveling from the facility would be via Interstate 4 at County Line Road. In order to preserve level of service standards, signalization of the eastbound and westbound on/off ramps at the County Line Road / Interstate 4 interchange and modification of the existing full median opening on County Line Road at South Frontage Road was required.

The agreement was for a total grant amount of \$1,052,700 and did not require a match by the City of Lakeland. However, the City would be responsible for any cost overruns. Staff recommended that the City Commission approve and ratify the agreement on behalf of the City. In addition, because of scheduling issues, it may be necessary to modify the commencement and completion dates specified in the agreement. As a result, staff recommended that the Commission authorize the City Manager to execute an amendment to the agreement modifying commencement and completion dates and making other minor changes to the agreement as necessary.

Action: The Commission approved this item on the Consent Agenda.

* **Memo re: Approval of Settlement re Ralph E. Terry and Sandra Terry vs. Jones Brothers, Inc. of Tennessee d/b/a Jones Brothers, Inc. and the City of Lakeland**

Staff requested authorization to settle all outstanding claims related to the above referenced lawsuit for a total amount of \$100,000. Ralph Edward Terry, who was 56 at the time of this 2004 accident, was exiting I-4 at Kathleen Road from the westbound direction during a major reconstruction of that interchange. Mr. Terry was within the construction zone when he allegedly hit an area of sand on the roadway and lost control of his motorcycle. His initial injuries consisted of a broken left ankle, contusions, and abrasions.

The City of Lakeland Water Division was relocating a water main in the area and had been doing excavations adjacent to the roadway. In addition, they testified that they had been moving equipment across the roadway within the construction zone and might have been partially responsible for the sand accumulation on the road surface. Mr. Terry sued Jones Brothers, Inc., the road building contractor, and the City of Lakeland.

In the months following the accident, unfortunately, Mr. Terry's condition deteriorated until he was required to have spinal surgery to address loss of use of some extremities and partial paralysis. Complications during that surgery and subsequent surgeries have rendered Mr. Terry a quadriplegic. His initial demand was \$16,000,000.

He has agreed to settle with the insurance carriers with Jones Brothers, Inc. at a mediation in which the City participated. Due to the significant amount of damages and the potential for a judgment in excess of sovereign immunity limits, staff recommended the Commission authorize the settlement agreement.

Action: The Commission approved this item on the Consent Agenda.

AUDIENCE

James McCreary thanked the Police Department for their work in his neighborhood.

Nick Moinser of Ontario congratulated the City on its beauty. Lakeland should be proud. It was a clean city too. He attended all his council meetings at home. He would be here until the first week in April.

MAYOR AND MEMBERS OF THE CITY COMMISSION

Commissioner Troller asked about the City's response re USPS public meeting. Doug Thomas explained the City would be sending a letter in support of keeping the operations in Lakeland.

Commissioner Wiggs announced he would be in Washington D.C. February 25, 2009.

Recess/reconvene: The Commission recessed at 11:10 a.m. until after the Utility Committee meeting. The Commission reconvened at 2:34 p.m.

The Lakeland City Commission reconvened in Regular Session in the Commission chambers. Commissioners Glenn Higgins, Justin Troller, Jim Verplanck, Howard Wiggs, Gow Fields, Edie Yates, and Mayor Fletcher were present. City Manager Doug Thomas, City Attorney Tim McCausland, Finance Director Greg Finch, and City Clerk Kelly Koos were present.

FINANCE DIRECTOR

Budget Amendment – Lakeland Electric Fund

The Fiscal Year 2009 Budget as adopted for the Lakeland Electric system was predicated on 3,013,059 MWH of annual retail sales. As a result of significant shortfalls in sales experienced thru the first quarter of the fiscal year, the utility revised this sales estimate to 2,914,218 MWH, representing a reduction of 3.4%

This revised sales forecast would require an adjustment to the Lakeland Electric Budget. Assistant General Managers from all utility business segments have evaluated operating and capital costs, and have proposed the following budget adjustments necessary to offset the financial impact associated with the reduced sales forecast: Original Budget

	Original Budget	Revised Budget	Change
Revenues			
Retail Sales revenue (excluding fuel)	165,533,601	160,091,140	(5,462,461)
Wholesale Revenue	2,467,464	1,489,942	(980,000)
Expenses			
O&M	72,678,282	70,479,949	(2,200,000)
Dividend	24,000,000	23,618,680	(381,320)
Capital Improvements	34,139,602	29,951,921	(4,187,681)

The net result of these adjustments was an increase in overall profitability, stated on a cash basis, of \$326,540. Staff requested that the City Commission authorize the Finance Department to amend the FY 2009 Lakeland Electric Operating and Capital Budgets as proposed above.

Greg Finch presented this item to the Commission. The adjustment was in response to a decline in sales.

Action: Commissioner Verplanck moved to approve the recommendation. Commissioner Higgins seconded and the motion carried unanimously.

Homewire Program

Action: Commissioner Verplanck moved to instruct staff to end the program. Commissioner Higgins seconded and the motion carried unanimously.

CALL FOR ADJOURNMENT – 2:36 p.m.

Ralph L. Fletcher, Mayor

Kelly S. Koos, CMC, City Clerk