

SANIBEL CITY COUNCIL MEETING
APRIL 04, 2006

Mayor Johnston called the meeting to order at 9:00 a. m.

Councilman Jennings gave the Invocation and led in the Pledge of Allegiance.

Mr. Cuyler asked Council for a motion to find extenuating circumstances for Councilman Brown to participate by phone.

Vice Mayor Denham made a motion, seconded by Councilman Jennings, to find extenuating circumstances and allow Councilman Brown to participate by phone.

The motion carried unanimously.

Election of Mayor

Mr. Cuyler explained that the Mayor would be elected and the oath of office would be administered. He further explained that Council would vote by paper ballot. Mr. Cuyler asked that Ms. Zimomra take Councilman Brown's paper vote.

Councilman Jennings nominated Carla Brooks Johnston as Mayor. Councilman Brown nominated Mick Denham as Mayor.

Mick Denham asked to remove himself from the nomination. He also spoke to the need for continuity for on-going issues.

Mr. Cuyler stated that since there was only one nomination

Councilman Jennings made a motion, seconded by Councilman Rothman, to elect Carla Brooks Johnston as Mayor.

Ms. Zimomra administered the Oath of Office to Carla Brooks Johnston as Mayor.

Election of Vice Mayor

Mayor Johnston asked for nominations for Vice Mayor. Mayor Johnston nominated Mick Denham as Vice Mayor.

Councilman Rothman made a motion, seconded by Councilman Jennings, to elect Mick Denham as Vice Mayor.

The motion carried unanimously.

Ms. Zimomra administered the Oath of Office to Mick Denman as Vice Mayor.

Council Photographs:

Vice Mayor Denham made a motion, seconded by Councilman Jennings, to delay Councils photographs until Councilman Brown returns.

The motion carried by consensus.

Public Comments:

Herb Rubin spoke to water quality.

Rhonda Haag, SDWMD thanked the City for the partnership and completion of the Clam Bayou Project.

Steve Greenstein, Executive Director of Sanibel Captiva Chamber of Commerce thanked Council for an outstanding year

Henry Glissman spoke to a movement of building a town center and read part of an article in the News Press regarding affordable housing.

Rob Jess, Executive Director of J. N. "Ding" Darling spoke to holding a regional "Friends Group" in October on Sanibel in the amount of approximately 200 people, He further spoke to presenting the findings of science and other data collected on water quality to Atlanta, Georgia regional directorate meeting.

Louise Johnston congratulated the Mayor and Vice Mayor on their nominations and election. She also spoke to the lack of canoeing launching facilities. She also spoke to an access at the end of Henderson Street and asked for parking in the right-of-way or on the empty lot on Henderson Road.

Council Comments:

Councilman Rothman asked the electorate to vote on the Recreation Center referendum.

Councilman Jennings also asked the electorate to vote.

Vice Mayor Denham spoke to seeing more birds feeding on the Causeway.

Councilman Brown congratulated the Mayor and Vice Mayor on their election. He also spoke to the good job being done regarding appointments water quality issues. He further spoke to his concern in the health delivery system in Southwest Florida.

Mayor Johnston thanked Councilman Brown for his passion on the issues. She also thanked Councilman Jennings for his networking skills in Tallahassee. She thanked Councilman Brown for his patience in bring Council to look at the issues. She thanked Vice Mayor Denham for his perseverance.

Planning Commission Report:

Mr. John Veenschoten gave the following March 28, 2006 Planning Commission meeting:

- Discussion of Sections 3.3.6, 3.3.8 and 3.2.1 of the Sanibel Plan

PRESENTATION

Proclamation proclaiming April as Water Conservation Month

Vice Mayor Denham read and presented the proclamation to Roger Blind and Rick Calabrese of Island Water Association (IWA).

CONSENT AGENDA

Council pulled all items on the Consent Agenda for discussion.

a. Petition from residents of Henderson Road requesting pavement of Henderson Road through the City's existing Special Assessment Policy.

Vice Mayor Denham asked if the open grade mix (OGM) could be used.

Gates Castle, Public Works Director spoke to his concern of using OGM due to no history of use. He also stated it would increase the cost for citizens.

Discussion ensued regarding reviewing the use of OGM, use in the refuge and the cost of OGM.

Ms. Zimomra stated that where the refuse trucks turn around there were imprints in the OGM. Councilman Jennings made a motion, seconded by Vice Mayor Denham, to accept the petition of Henderson Road residents to pave the road.

Mr. Cuyler stated that there would be an assessment process that would come back to Council.

Public Comment:
None.

The motion carried by consensus.

b. **RESOLUTION 06-052 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2006-042 AND PROVIDING AN EFFECTIVE DATE** (To appropriate \$100,000 from the previously accepted South Florida Water Management District grant for the Bowman's Beach Park Restoration project per Contract #OT060502 attached)

Ms. Zimomra read the title of Resolution 06-052.

Councilman Brown stated he was still opposed to accepting money for the South Florida Water Management District. He also spoke to language in the grant that the SFWMD could pull funding.

Discussion ensued regarding the SFWMD not looking for a benefit to give money to the City.

Mr. Cuyler stated that there was a lot of standard language in grant agreements, and the district would have the right to terminate with notice to the City, but this clause was standard language. He further stated that termination provisions as noted in the grant agreement were standard.

Councilman Rothman made a motion, seconded by Councilman Jennings, to accept the grant agreement and adopt Resolution 06-052.

Public Comment:
None.

The motion carried 4 to 1 with Councilman Brown in opposition.

c. **RESOLUTION 06-053 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2006-041 AND PROVIDING AN EFFECTIVE DATE** (To appropriate \$100,000 from the previously accepted South Florida Water Management District grant for the Sanibel Wetland Restoration Project per Contract #OT060503 attached)

Ms. Zimomra read the title of Resolution 06-053.

Council asked if SCCF should be noted as a partner.

Dr. Rob Loflin, Natural Resources Director stated this project was a partnership with SCCF.

Councilman Jennings made a motion, seconded by Councilman Rothman, to adopt Resolution 06-054 and allow the City Attorney to review the documents and make any changes necessary.

Public Comment:
None.

The motion carried 4 to 1 with Councilman Brown voting in opposition.

d. RESOLUTION NO. 06-054 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2006-053 AND PROVIDING AN EFFECTIVE DATE (To move \$7,855 from the Reserve for Contingencies expense line to the Aids to Government Agencies expense line in the General Fund to sponsor the production and airing of WGPU-TV/FM's Water: Southwest Florida's Interdependent Tributaries. With this amendment the Reserves for Contingencies line will be reduced to \$98,854 from its originally adopted amount of \$300,000.)

Ms. Zimomra read the title of Resolution 06-054.

Vice Mayor Denham voiced his concern of not having any input and no control of the project and using reserve funds.

Discussion ensued regarding the proposed project, quality of the WGPU projects, and who would be providing funding.

Terry Brennan, WGPU spoke to being number 3 ranked in the U. S., produced 122 1 hour or 30 minute programs relating to Southwest Florida. He noted WGPU would be seeking 9 contributors at \$6,000 each. He further stated that SCCF, SFWMD and J. N. Wildlife Refuge were contributors for the series. He spoke to speaking with 2 other organizations for funding; 1) Paradise Preserve agreed; and 2) Big Sugar refused.

Rob Jess, J. N. "Ding" Darling Wildlife Refuge, Rhonda Haas, SFWMD and Erick Lindblad spoke to their contribution of \$6,000 and the partnership in the production of a series on water quality.

Discussion ensued regarding if the City contributes would it allow the City to be represented at any forums and Mr. Brennan answered definitely.

Councilman Rothman made a motion, seconded by Vice Mayor Denham, to excuse Councilman Brown from the remainder of the meeting.

Public Comment
None.

The meeting carried by consensus.

Vice Mayor Denham made a motion, seconded by Councilman Jennings, to adopt Resolution 06-054 amend the amount of the contribution to \$6,000 from \$7,800.

Public Comment
None.

The motion carried unanimously. Councilman Brown excused.

Council recessed at 10:14 a. m.

Council reconvened at 10:30 a. m.

OLD BUSINESS

Status report regarding the City's review of the FEMA proposal to amend the Federal Flood Insurance Rate Maps

Mr. Bob Duffy, Planning Director and Ken Pfalzer, Deputy Planning Director spoke to the preliminary findings as follows:

- November, 2005 Council authorized staff to analyze the maps that are being considered and compare to the current maps and based on the conclusions evaluate the methodology and report back to Council
- Mr. Pfalzer meeting with consultants and FEMA officials
- Affect Flood Insurance Program and residents
- Significant changes to be made

Discussion ensued regarding concern of the changes of the flood maps, planning department would provide an analysis of the changes for Council's review, the implications to Sanibel property owners, audio/visual presentation at a later date of changes, insurance companies had grandfathering rules, and Mr. Cuyler noted that if a house was built and was destroyed the house would be rebuilt to the new regulations.

Shared-Use Path Master Plan Update

Mayor Johnston noted she had been given a check for \$11,500 for part of the \$25,000 that the Sanibel Bicycle Club would donate to the review of Shared Use Master Plan. She passed out a task breakdown of costs and options for the review of the Shared Use Path Study. She further stated that Task 1.E 3 through 6 would be deferred and when the Sanibel Bicycle Club donated the remainder of the pledged \$25,000 the study would be completed.

Discussion ensued regarding not loaning money to the Sanibel Bicycle Club, moving ahead with the study once the remainder of \$25,000 was donated to the City, continuing with the study and would complete later, Council did not want to begin a project without completion, should Council set a time for the remainder of the donation, should contract be deferred, Gates Castle, Public Works Director stated the agreement included specific project work orders to perform duties, task independent enough not to jeopardize the agreement, could the remainder of project costs increase, Mr. Castle stated he would staked out the areas for plantings, some tasks were prep work for others, delay tasks 1 f, 1 g and 1 h, Ms. Zimomra stated that when consultants appear before staff and Council there was a charge, and approximately 44 staff hours used.

Vice Mayor Denham made a motion, seconded by, to accept the Mayor's recommendation to defer 1 E (map proposed system and amenities) and 3 through 6 as follows:

Task 3

Develop Path Standards
 Refine Design Standards
 Mid-Block Crossing Recommendation
 Develop Signage & Associated Drawings
 Identify and Recommend Maintenance Strategies
 Develop Amenities Recommendations

Task 4

Develop Awareness Campaign
 Create Poster
 Create Safety Implementation Plan
 Create Bike Patrol Implementation Plan

Task 5

Develop Conceptual Plans
 Identify Two Locations
 Site Visit and Develop Conceptual Plans

Task 6

Develop Marketing Strategy and Create Final Report
 Create Project Logo
 Create Marketing Materials

Identify Potential Funding Sources
Compile Action Plan
Write/Consolidate Draft Final Report
Prepare Materials for and Present at Public meeting
Revise and submit final report

Public Comment:
None.

The motion carried unanimously. Councilman Brown excused.

Ms. Zimomra asked that a budget amendment for the WGPU request be considered as a walk-on after lunch.

Council agreed.

Water Quality Issues:
Reports on Meetings
Staff Reports on meetings attended
Report on the March 16, 2006 meeting of the SWFRPC Calooshatchee Basin Board Subcommittee
Upcoming Meetings and Events
Status of Pending Water Quality Legislation

Vice Mayor Denham gave the following report:

- Minutes of meeting included in the agenda packet
- Before next sub-committee meeting – need to reaffirm Council’s top critical water objectives to sub-committee
- Discussed issues with John Englehart of the eco-pure septic system
- Councilman Jennings agreed on the septic tank alternative

Public Comment:
Mike Valiquette passed a packet of information of the eco-pure septic system using peat moss.

Dr. Loflin, Natural Resources Director spoke to his disagreement of the eco-pure septic system. He stated that septic systems of any type were not preferable for sandy soil with high density. He further stated that a septic system needed at least 3 acres to work effectively in sandy soil.

Discussion ensued regarding that Lee County was not interested in requiring developers have a sewer system rather than using septic tank system.

Dr. Loflin stated that James Evans, Natural Resources Environmental Officer attended a meeting of the Lake Okeechobee Water Resources Advisory Committee (WRAC) to the South Florida Water Management District (SFWMD). He further stated that the meeting was held in Fort Pierce and discussion was regarding a list of possible items that need to be investigated area by area. He also explained the WRAC was very important because it had charge itself with potential items that need solving. He spoke to the next meeting date of April 26 in Labelle. He also spoke to the May 31, 2006 Corps of Engineers meeting being held at the John Boy Auditorium in Clewiston and giving the various results of the model run alternatives and proposed changes to the water release schedule of Lake Okeechobee. He advised Council that staff had received an invitation to participate in the above-mention process by Pete Milam, Army Corps of Engineer Project Manager for Lake Okeechobee.

Discussion ensued regarding a flow-way between Lake Okeechobee and the Everglades, staff submitting comments with the deadline of April 10, 2006, and Rhonda Haas appointed director of Ft. Myers SFWMD office.

Dr. Loflin advised Council that Mr. Milam would be attending the April 18 Council meeting, making a presentation and answering Council questions and concerns. Mayor Johnston recognized the role that Dr. Loflin played in the meeting with Governor Bush in March, 2006.

Report from City Councilman Jim Jennings on meetings in Tallahassee regarding Water Quality.

Councilman Jennings gave the following report:

- Met with different legislators
- Need to get HB 1241 passed (Representative Trudi Williams)
- Lobbied Committee of Water & Natural Resources on HB 1241
- Addressed legislators regarding HB 1241
- HB 1241 Passed by Committee of Water & Natural Resources 10 to 1,
- HB 1241 will now go another Committee

Report on meeting of Municipal Mayors – Thursday, March 30, 2006, with Governor Bush on March 30, 2006

Mayor Johnston thanked Merribeth Farnum, Farnum and Associates for her help in providing materials to Councilman Jennings as well as putting together the letter all 6 Coastal Mayors signed to Governor Bush. She gave the following report:

- Contacted all 6 Mayors to meet with Governor Bush
- Met with Governor Bush after last newsletter was sent to him
- Every Mayor along Southwest Florida coast was now up to speed on the issues and could address water quality conditions and the economy associated with good water quality
- Establish a designated flow-way from Lake Okeechobee to the Everglades

Discussion ensued regarding carrying forward the key issues to the Regional Planning water sub-committee by Vice Mayor Denham, prepare information and mail that information to the sub-committee members, provide regional issue information.

Public Comment:

Mike Valiquette spoke to meeting with Pete Millan and no plans of what to do with water that would be put in the proposed reservoir.

Barbara Cooley spoke to Water Resources Development Act (WRDA) money not yet allocated for proposed projects. She also spoke to the need to put pressure on Senator Martinez to get the WRDA up for a vote.

Rhonda Haas, Director SFWMD gave the following report:

- Issuance of a purchase order for the purchase of forward pumps and work completed by Spring, 2007

Discussion ensued regarding the pumps that were currently on Lake Okeechobee and could they be reversed and she stated she would look into that question.

- Lake Okeechobee model was reanalyzed and thought to be accurate and was being reviewed by outside experts

Discussion ensued the timeline for completion of the report and who was reviewing the report and Ms. Hege stated she would provide that information to Council.

- SFWMD supported the change in the Lake Okeechobee release schedule and working with the Army Corps of Engineers to work with the lake at a lower level in response to Sanibel and others

Discussion ensued regarding at what level the SFWMD supported, Ms. Hege would get a copy of a resolution adopted by the SFWMD Board, managing the lake at 12.5 feet during the dry season to keep flooding down during the wet season, and releases needed to be done in a manner that does not damage the estuary grass bed.

- Test cell projects and information would be used for the larger project, and the Sanibel position paper was received

Discussion ensued regarding the timeline for land acquisition, timeline for the C-43 contracts and the need for a water quality component.

Discussion ensued regarding the requesting letters that were mailed out for appointment of Sanibel residents to WRAC.

Mike Valiquette spoke a second time regarding not releasing water from Lake Okeechobee and the need to reduce the Lake level before the rainy season by releasing water in all directions.

Dr. Loflin stated the Corps and SFWMD had done level one pulse releases, and he understood the level goal for Lake Okeechobee was 14 feet by May 01. He stated there was a plan to reduce Lake Okeechobee to 12 feet in 12 weeks. He cautioned that staff would need to follow the releases on a weekly basis.

Discussion ensued regarding the magic number of 10 feet for Lake Okeechobee, temporary forward pumps were currently mobile and other pumps on the lake for backward pumping. Council asked if the pumps on the lake were permanent or temporary.

Rhonda Haas stated that temporary pumps would be installed by the next dry season.

Discussion continued regarding lower Lake Okeechobee to 12 feet in 12 weeks, Dr. Loflin stated at the mouth of the Calooshattee River was impacted with the water releases, the need for actual control of water releases by estuary condition and weekly meeting by phone and/or videoconference.

Other:

Councilman Rothman spoke to the Gulf of Mexico Alliance. He further stated that Governor Bush formed an alliance by the 5 states around the Gulf. He also spoke to the summit taking place in Texas in March, 2006 where the "Governor's Action Plan for Healthy and Resilient Coasts was released. He suggested a resolution in support

Councilman Rothman made a motion, seconded by Councilman Jennings, to bring a resolution of support of the Gulf of Mexico Alliance at the April 18, 2006 Council meeting.

The motion carried by consensus.

RESOLUTION 06-051 OF THE CITY OF SANIBEL, FLORIDA, EXPRESSING SUPPORT FOR HOUSE BILL 1241, WHICH PROPOSES THE ESTABLISHMENT OF A CALOOSAHATCHEE-ST. LUCIE RIVERS CORRIDOR ADVISORY COUNCIL; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Resolution 06-051.

Councilman Rothman made a motion, seconded by Councilman Jennings, to adopt Resolution 06-051.

Public Comment:
None.

The motion carried unanimously. Councilman Brown excused.

Councilman Jennings spoke to a companion bill in the Senate. He further spoke to a resolution being brought back at the April 18 City Council meeting in support of said companion bill.

Council recessed at 12:22 p. m.

Council reconvened at 1:35 p. m.

**COMMITTEE, BOARDS, COMMISSION
RESOLUTION 06-046 APPOINTING MEMBERS TO THE SANIBEL
HISTORICAL PRESERVATION COMMITTEE; AND PROVIDING AN
EFFECTIVE DATE**

Mr. Cuyler read the title of Resolution 06-046.

Discussion ensued regarding having a Council policy that if a committee member missed 4 meetings they would be off the committee, and the need for committee members to attend the meetings.

Mr. Cuyler passed the ballots to Council.

Mr. Cuyler read the nominations to the Historical Preservation Committee:

Sam Bailey, Harry Bertossa, Jody Brown, Richard Faris, Shelia Fortney, Martha Ponader, Jacquelyn Rauschert, Muriel Veenschoten and Alex Werner.

Councilman Rothman made a motion, seconded Vice Mayor Denham, to adopt Resolution 06-046 and insert the above-mentioned names.

Public Comment:

None.

The motion carried unanimously. Councilman Brown excused.

**RESOLUTION 06-047 APPOINTING MEMBERS TO THE SANIBEL MARINE
ADVISORY COMMITTEE; AND PROVIDING AN EFFECTIVE DATE:**

Ms. Zimomra read the title of Resolution 06-047.

Mr. Cuyler passed the ballots to Council.

Discussion ensued regarding employee being a member of City Council committees, would there be a potential conflict if an employee was on a committee, Mr. Cuyler stated that the best legal practice was not to have employees on Council's advisory committees, if a committee member became a City employee they would be asked to resign, Ms. Zimomra stated that there was an active committee member that became an employee and she chose to resign due to conflict of interest.

Mayor Johnston made a motion, seconded by Vice Mayor Denham, to not allow City employees to be members of City Advisory Committees.

Public Comment:

None.

The motion carried unanimously. Councilman Brown was excused.

Mr. Cuyler read the nominations to the Marine Advisory Committee.

John Carney, Ronn Downey, Skip Dunn, Tom Gillis, Dennis Jones, Tom Kaplan, James Strothers and N. Chapman Vail

Vice Mayor Denham made a motion, seconded by Councilman Rothman, to adopt Resolution 06-047 and insert the above-mentioned names.

Public Comment:
None.

The motion carried unanimously. Councilman Brown was excused.

RESOLUTION 06-048 APPOINTING MEMBERS TO THE SANIBEL PARKS AND RECREATION COMMITTEE; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Resolution 06-048.

Mr. Cuyler passed the ballots to Council.

Discussion ensued regarding committees members not attending meetings.

Mr. Cuyler read the nominations of the Parks and Recreation Committee.

Armand Ball, Scott Conway, Richard McCurry, Mitch Moore, Dick Muench, Donna Ruhe, Christie Bradley, Marty Harrity, Allan Silberman and Mark Tesoro.

Councilman Jennings made a motion, seconded by Vice Mayor Denham, to adopt Resolution 06-048 and insert the above-mentioned names.

Public Comment:
None.

The motion carried unanimously. Councilman Brown was excused.

RESOLUTION 06-049 APPOINTING MEMBERS TO THE SANIBEL VEGETATION COMMITTEE; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Resolution 06-049.

Mr. Cuyler passed the ballots to Council.

Council asked for a definition of adjunct members, and Ms. Zimomra answered that it was a member that had no voting rights and was not counted to make up a quorum.

Mr. Cuyler read the nominations.

Paul Duval, Phyllis Gresham, Robin Krivanek, Ann Talcott, Hal Theiss, Berdenna Thompson, Bill Wollschlager, Edwin Hermes and Gloria Hannan and Tom Hansen as adjunct members.

Councilman Rothman made a motion, seconded by Councilman Jennings, to adopt Resolution 06-049 and insert the above-mentioned names.

Public Comment:
None.

The motion carried unanimously. Councilman Brown was excused.

RESOLUTION 06-050 APPOINTING MEMBERS TO THE SANIBEL WILDLIFE COMMITTEE; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Resolution 06-050.

Mr. Cuyler passed the ballots to Council.

Mr. Cuyler read the nominations.

Vern Frankwich, Gopal Pati, Cyril Rubin, Richard Reese, Larry Schopp, Doris Hardy, Rich Ranieri, Yolande Welch and adjunct members from CROW and SCCF.

Councilman Jennings made a motion, seconded by Vice Mayor Denham, to adopt Resolution 06-050 and insert the above-mentioned names.

Public Comment:
None.

The motion carried unanimously. Councilman Brown was excused.

NEW BUSINESS

Designation of Council delegates and liaisons

Council decided to keep the same liaison positions as follows:

National League of Cities Voting Delegate	Carla Johnston
Florida League of Cities Voting Delegate	Carla Johnston
SW Florida League of Cities	Steve Brown/Jim Jennings
SW Florida Regional Planning Council	Mick Denham
Horizon Council	Jim Jennings
MPO	Carla Johnston/Tom Rothman
Human Services Council	Jim Jennings
Homeless Coalition	
*Tourism Development Council (TDC)	Rene' Affortit/Tony Lapi
CHR	Tom Rothman
Historical Committee	Jim Jennings
Marine Advisory Committee	Steve Brown
Parks and Recreation Committee	Jim Jennings
Planning Commission	Mick Denham
Vegetation Committee	Tom Rothman
Wildlife Committee	Mick Denham
Employee Dependent Scholarship Committee	Carla Johnston
Transit (MPO)	Carla Johnston
Blind Pass Management & Coastal Advisory	Rob Loflin
*Keep Lee County Beautiful BOD	(Lee County appointee)
Charlotte Harbor Natural Estuary Program	Rob Loflin
Disaster Recovery Task Force	Michael Murray
Technical Advisory to MPO	Gates Castle
*Citizen Advisory to MPO	Linda Robison
Lee County Beach Preservation Task Force	Rob Loflin
*Public Parks & Recreation Services Advisory	Marty Harrity
Community Coordinating Council	
*Smart Growth	Jack Luft
*Regional Harbor Board	Tom Kaplan
Regional Water Quality	Mick Denham

PRESENTATIONS:

General Employees Pension Investment Presentation by Mr. Harald Stone, Dahab and Associates

Ms. Zimomra explained that there were 2 pension boards that includes an advisory board and Council receives an annual report of investments. She stated that the General Employees Board was the only system in Florida maintained by a municipality.

Harald Stone, Dahab Associates gave the following report:

- No changes in investment managers
- Dana Investment Advisors, Inc. manages a large capitalization domestic equity fund with a 40% target allocation and located in Brookfield Wisconsin
- NMF Asset Management manages a small domestic capitalization domestic equity fund with a 10% target allocation and located in Stuart, Florida
- Hartford Investment Management manages a 10% target allocation of international equities, located in Hartford, Connecticut, and sub-advised by Wellington Asset Management
- FMIVT broad market fixed income fund with a 40% target allocation, administered by the Florida League of Cities, and managed by Atlanta Management Capital Company located in Atlanta, Georgia
- Dahab Associates, Inc involved since 2001, independent and located in Bayshore New York with offices in Massachusetts and Florida
- Harald Stone hired June, 2005 located in Tampa, Florida working with Greg McNeeley in Massachusetts
- Third part administrator Benefits USA since 2000 and located in Lauderhill, Florida
- Ron Cohen, Pension Attorney hired in 2002 located in Miami, Florida
- September 30, 2005 evaluation \$8,672,722 total fund return 13% and shadow portfolio was a combination of bonds, stocks, fixed income and international (combination index) at 10.7% and fund well over the actuarial assumption amount of 7.5%
- Total domestic equity of large and small cap stocks was 19.4% against the appropriate Russell 3000 and an index return of 14.6%
- International equity return was 24.5% slightly behind the msci effa index return of 26.3% and fixed income return 3.7% slightly ahead of the lena high quality bond index of 2.8%
- December 31, 2005 evaluation \$8,992,167
- February 26, 2006 evaluation calendar year to date of \$9,329,861, 3.1% versus 2.5% on the index, total domestic equities 4.7% versus 3.5% index, total international 6.2% ahead of the effa index of 5.9%, fixed income return of .5% versus .3% on the bond return
- Fiscal year to date – total fund 5.4%, bench mark index 4.1%, exceeding the actuarial return, domestic equity return 7.8% against 5.6%, international funds 11.6% versus 10.3%, bond return 1.1% versus 0.9%

Discussion ensued regarding the total bond return and past history 2 years back there were negative returns, moving forward with positive returns, look over 5 years, actual numbers for past 5 years would be forwarded to Council, 7.5% was the fund actuarial rate was lower the City would put funds into the account, how the funds chosen, funds managers had associates and trustees direct to look for managers that go before the pension board and they make the decision of managers, Ms. Zimomra stated that the trustees vote to allocate funds and the managers make recommendations to the board, bond allocation was at 40%, as the equity market increases the allocation would be more to the equity side and bond side decrease, managed fixed income and buying and selling funds.

Police Pension Investment Presentation, by Mr. Burgess Chambers Mr. Chambers gave the following report:

Ms. Zimomra stated that state funds were allocated to the Police Pension Fund and the source of those funds come from the purchase of vehicular insurance policies.

Mr. Burgess Chambers gave the following report:

- Annual return 12.8% after fees, 3 year average 12.7% and 5 year average 5.2%
- 5 year period important due to the down period
- Average annual return of 5.2% and ranking in top third of ballast pension plans
- Benchmark represents the 50% weight in the Russell 3000, 10% international 15% reet allocation, and 25% bond allocation

Discussion ensued regarding the ranking 46% out of 100 funds, the smaller the number the better the ranking, since the change to reets the performance was worse than the benchmark, the total funds had missed the plan objectives for the last 3 years, need for an action plan due to the performance not being adequate, moved funds from Trisco, Burgress Chambers firm brings financial managers to the Police Pension Board members with a recommendation, bring an action plan back to Council after the 1st Quarter figures come in, and the need to bring back a report in August, 2006.

CITY MANAGER'S REPORT

Informational items:

Report regarding Special Events Application requests

Ms. Zimomra noted the amount of Special Events and the staff time it takes for such applications. She further stated that there was a possibility of a small fee coming before Council associated with Special Events. She stated that the events were being broken down in to the type of event.

Discussion ensued regarding a possible fee, how events affect the functioning of the island, police department coordination and train volunteer for traffic control, and more requirements to groups.

City Council Advisory Committees Recommendation Matrix

Ms. Zimomra stated that there would be a matrix complete for committee recommendations.

Discussion ensued regarding continuing Founders Day and recognition of civic involvement, Council directed the City Manager to prepare a letter for the historical Preservation Committee and ask if they would be interested in heading Founders Day, committees do not place a costs to their recommendations, send recommendations back to committees and either rank the committees and/or chose 2 or 3 recommendations, Ms. Zimomra stated that she thought the recommendations were what they feel Council should be achieving, could ask liaison to report, ask staff to work on committee recommendations, and Council decided to send the recommendations back to committees for additional work.

Mayor Johnston stated that the bike tour with Sanibel bicycle Club was extremely helpful.

Community Housing & Resources, Inc. (CHR) Fiscal Year 2005 Audit

Ms. Zimomra called Council's attention to the agenda packet information and stated that CHR provides an annual audit.

CITY ATTORNEY'S REPORT

No additional report.

PUBLIC COMMENT

Karen Storijohnan spoke to keeping the right-of-ways trimmed for line of site when replanting.

Ms. Zimomra stated that Council would be receiving a major update on the Periwinkle Way Restoration.

Ms. Zimomra asked that the following resolution be added to the agenda.

RESOLUTION 06-059 APPROVINF BUDGET AMENDMENT/TRANSFER NO. 2006-054 AND PROVIDING AND EFFECTIVE DATE (TO APPROPRIATE \$11,500

FROM THE Sanibel bicycle Club for the Shared Path master Plan. The Club will donate an additional \$11,500 to the City in the near future.

Ms. Zimomra read the title of Resolution 06-059.

Councilman Rothman made a motion, seconded by Vice Mayor Rothman, to adopt Resolution 06-059.

Public Comment:

None.

The motion carried unanimously. Councilman Brown excused.

COUNCILMEMBERS' REPORT

Councilman Rothman asked to attend the Governors Hurricane Conference in Ft. Lauderdale in May, 2006.

Council agreed.

Mayor Johnston suggested asking Pete Millan to come in the night before and meet with technical people.

Ms. Zimomra asked Council if they would like to have a breakfast reception at 8:00 a. m. before the Council meeting for Pete Milam.

Council agreed.

Vice Mayor Denham stated he would be attending the IWA annual meeting.

Report by Councilman Jennings regarding attendance at Lee County Days in Tallahassee

Reported earlier in the meeting.

Report by Mayor Johnston regarding the meetings with Representatives Trudi Williams and Jeff Kottkamp, and Senator Burt Saunders

Report given earlier in the meeting.

There being no further business the meeting was adjourned at 3:18 p. m.

Respectfully submitted by,

Pamela Smith, CMC
City Clerk