

**SANIBEL CITY COUNCIL MEETING
BUDGET HEARING
SEPTEMBER 09, 2006**

Mayor Johnston called the meeting to order at 9:35 A.M..

Members present: Mayor Johnston, Councilman Brown, Councilman Jennings and Councilman Rothman.

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

The motion carried unanimously.

Mayor Johnston gave the Invocation and led the Pledge of Allegiance.

Ms. Zimomra spoke to the following:

- State law requires the final budget be adopted by October 1, 2006
- September 19, 2006 would be the final budget hearing
- This is the required Saturday meeting
- Proposed millage rate of 2.5 mills
- Council could reduce this millage rate but cannot increase
- Property and Health insurance were issues to be reviewed
- City Council directed staff to see if the redevelopment study
- Recommendation in the budget for (24 months instead of 12 months)

Mayor stated the process the meeting would follow.

Ms. Renee Lynch, Finance Director gave the following PowerPoint presentation:

	FY 2005/06		FY 2006/07
	Adopted	Amended	Tentative
Governmental Funds			
Operating Uses	\$28,578,449	\$35,414,038	\$27,562,657
Capital Uses	<u>4,710,000</u>	<u>18,956,574</u>	<u>17,233,369</u>
Total Government Funds	33,288,549	54,370,612	44,796,026
Enterprise Funds	14,622,810	16,289,653	5,516,338
TOTAL BUDGET	\$47,911,359	\$70,660,265	\$50,312,364

Ms. Lynch spoke to the following:

- 86 budget amendments
- Largest budget amendment was for bond proceeds for the recreation center

Tax Rate and Ad Valorem Revenue

Operating Millage Rate	FY 2005	FY 2006
	2.4801	2.5000

Operating Ad Valorem Revenue

2005/06	\$10,150,871
2006/07	\$12,460,783

Ms. Lynch explained that 2.5000 millage rate would increase revenues in the amount \$2,143,864; revenue from new construction \$66,701 and \$99,347 from a higher rate. She explained the rolled-back rate as the “Rolled-back rate means the calculated tax (millage) rate which generates the same amount of Ad Valorem revenue as was received in the previous fiscal year.” She stated if property values increase, but not including new construction the rolled-back rate decrease, and if property values decrease, but not including new construction the rolled-back rate increases.

Rolled-back rate calculated as follows:

2005 Property Values	\$4,092,905,540
Times 2005 millage rate	<u> x 2.4801</u>
FY 2006 Revenue	10,150,815
Divided by 2006 property values Without new construction	\$4,957,185,155
Equals 2006 rolled-back rate	2.0477

Comparative Millage Rates		Proposed
Tax Year	FY 2005	FY2006
Operating Millage Rate	2.4801	2.5000
Voted Debt-Land Acquisition	0.0611	0.0475
Voted Debt-Sewer	0.2607	0.2363
Voted Debt – Recreation Center	-0-	0.1145
TOTAL	2.8019	2.8983

Average residential taxes paid to the City in the past 3 years:

Tax Year	2004	2005	2006
Average value	\$518,276	\$521,603	\$619,946
Operating Millage	2.5000	2.4801	2.4801
Average tax to City	\$1,295.70	\$1,293.64	\$1,527.53
Voted debt sewer	0.2268	0.2523	0.2363
Voted debt land	0.0625	0.0591	0.0475
Voted debt recreation center	-0-	-0-	0.1145
TOTAL voted debt millages	0.2893	0.3114	0.3983

Dollars for debt service	\$149.94	\$162.43	\$246.92
TOTAL PAID TO CITY	\$1,445.64	\$1,456.06	\$1,784.45

Ms. Lynch explained what the average residential taxpayer paid to the City as follows:

	Millage	Amount
Operating	2.5000	\$1,549.87
Voted Debt Service	0.0475	29.45
Voted Debt Sewer	0.2363	146.49
Voted Debt Recreation Center	<u>0.1145</u>	<u>70.98</u>
	2.8983	\$1,796.79

She also explained the average residential property value as \$619,946.

Millage rate levied by other taxing authorities as follows:

Lee County	27.2%
School Board	42.0%
City of Sanibel	17.4%
Independent Districts	13.5%

Millage rate levied by other taxing authorities as follows:

Average Residential Taxable Value			\$619,946
Taxing Authority	Millage	Percent	Amount
Lee County	4.5340	27.2%	\$2,810.84
School Board	7.0120	42.0%	4,347.06
City of Sanibel Operating	2.5000	15.0%	1,549.87
City of Sanibel Voted Debt	0.3983	2.4%	246.92
Independent Districts	<u>2.2546</u>	13.5%	<u>1,397.73</u>
TOTAL	16.6989		\$10,352.42

The money comes from the following sources = \$44,796,026

Fines & Forfeitures	0.3%
Ad Valorem – Operating	27.4%
Ad Valorem – Land	0.5%
Ad Valorem – Recreation Center	1.3%
Licenses & Permits	2.3%
Intergovernmental Revenue	15.4%
Miscellaneous	2.1%

Other Taxes	6.1%
Estimated Beginning Balance	41.7%
Charges for Services	2.9%
Ad Valorem Taxes – Operating	
Real Property	\$4,929,816,490
Personal Properties	<u>54,496,590</u>
TOTAL	\$4,984,313,080
Times proposed rate	2.5000 mills
Ad Valorem Revenue	\$ 12,460,783

History of Millage Rates for Voted Land Acquisition for Pond Apple Park in 2001:

Tax Year	Fiscal Year	Millage	Revenue
2002	2002-03	0.1063	\$387,892
2003	2003-04	0.0595	\$238,208
2004	2004-05	0.0625	\$264,000
2005	2005-06	0.0591	\$250,000
2006	2006-07	0.0475	\$237,000

Voted Debt Service Millage Levy – Recreation Center Project

April, 2006 referendum authorized issuance of \$8,350,000 long-term debt to build a new recreation facility as follows:

Tax Year	Fiscal Year	Millage	Revenue
2006	2006-07	0.2245	\$570,855

Ms. Lynch explained other taxes as follows: (Increase of \$150,000 or 5.4%)

	FY 2006	FY 2007
Local Option Gas	\$1,560,000	\$1,660,000 (State projections)
Casualty Insurance Premium	47,000	47,000 (previous year)
		(Must be used to fund the Police Pension Plan)
Communication	540,000	540,000 (state projections)
Franchise	500,000	550,000 (previous year)
TOTAL	\$2,467,000	\$2,797,000

Licenses and Permits: (Decrease of \$183,090 or 17.7%)

	FY 2006	FY 2007
Building-type	\$ 640,000	\$ 623,681 (less hurricane repairs)
Plans Review Fees	77,062	111,500 (current year collections)
Dog and other licenses	11,718	19,991 (current year collections)

Vehicle Weight	220,000	-0- (County no longer use)
Occupational	<u>269,000</u>	<u>280,000</u> (current year collections)
TOTAL	\$1,218,261	\$1,035,171

Intergovernmental Revenue: (Decrease of \$5,035,703 or 71.8%)

	FY 2006	FY 2007
FEMA Hurricane Grants	\$1,719,377	\$ -0- (project complete)
State Revenue Sharing	151,200	200,000(state projections)
Alcoholic Beverage Tax	20,000	20,000(state projections)
Half-cent Sales Tax	600,000	660,000(state projections)
Lee County-Sanibel Library	2,060,000	-0- (Special District)
Other Governmental Shared Revenue	13,500	15,000(previous collection)
Municipal Solid Waste	32,000	45,000(previous collection)
Payments in lieu of taxes	67,500	57,500 (previous collection)
Weigh Station & Ball Park	174,328	138,072(contracts)
Grants	<u>7,207,311</u>	<u>5,873,941</u> (grant awards)
TOTAL	\$12,045,216	\$ 7,009,513

Charges for Services: (Decrease of \$118,340 or 8.9%)

	FY 2006	FY 2007
General Governmental Charges	\$ 474,862	\$303,166 (less develop permits)
Public Safety Charges	5,000	11,000 (prior collect)
Solid Waste Tip Fee	210,000	150,000 (prior collect)
Historical Committee Sales	33,755	5,000 (prior collect)
Culture/Recreation Charges	93,500	100,162 (prior collect)
Indirect Cost Charges to Other Funds	<u>630,550</u>	<u>700,000</u> (estimated)
TOTAL	\$1,447,667	\$1,329,328

Fines and Forfeitures Decrease \$15,407 or 10.3%)

	FY 2006	FY 2007
Court Fines	\$ 50,000	\$ 44,743 (current collections)
Parking Violations	80,000	70,000 (current collections)
Local Ordinance Fines	<u>32,000</u>	<u>34,500</u> (current collections)
TOTAL	\$164,650	\$149,243

Miscellaneous Revenues: (decrease of \$126,853 or 13.6%)

	FY 2006	FY 2007
Interest	\$368,750	\$609,037
Rents and Royalties	59,996	25,660
CHR rents	50,000	50,000 (per contract)
Contributions	172,599	78,000 (not anticipated)

Impact fees	100,000	140,000 (current collections)
Special Assessment	17,336	7,000 (per terms of project)
Other Miscellaneous	<u>39,163</u>	<u>25,000</u> current collections)
TOTAL	\$807,844	\$934,697

Discussion ensued regarding any reductions in contributions from last year, and Ms. Lynch answered it would vary, impact fees and what they were based on, impact fees increasing and building permits decreased, and Ms. Zimomra stated impact fees were paid for only new construction.

Ms. Lynch explained that the City complies with a fund balance policy setting aside 17% of the operating expenditures in the general fund to meet the cash needs of the first months of the new fiscal year. She further explained that due to tax bills going out in November and collected in November and early December, and in early December the first tax payment would be made from Lee County.

Ms. Lynch further explained beginning fund balance as follows:

- Carry forward of previous year's planned ending fund balance plus/minus revenue/expenditure variances and due to timing of Capital Project completion
- Per fund Balance policy, 17% of General Fund Operating Expenditures is used to meet operational expenditures for the first months of the fiscal year until the Ad Valorem tax revenues was received in early December

Ms. Lynch explained Debt Proceeds as follows:

- FY 2006 had \$8,350,000 – Bond proceeds for recreation facility capital project
- No debt issuance planned for FY 2007

Discussion ensued regarding how much the revenue had changed from the working budget, Ms. Lynch answered that \$857,3000 including the \$350,000 for the sewer repayment for the additional revenues.

Where the money goes/Governmental Fund Uses:

Culture/Recreation	4.3%
Physical Environment	1.0%
Human Services	0.0%
Economic Environment	0.5%
Public Safety	8.6%
General Government	11.2%
Capital Projects	38.3%
Operating Revenue	13.4%
Estimate ending Fund balance	13.4%
Long-term redemption	5.2%
Transportation	4.1%

General Governmental Overview: Increase of \$106,621 or 2.1%)

	FY 2006	FY 2007
Legislative	\$ 394,041	\$ 336,271
Administrative	704,841	700,538
MIS	515,051	512,273
Finance	727,508	767,709
Legal	671,303	691,314
Planning	1,270,795	1,334,949
Insurance	295,800	653,750
Hurricane Charley/Wilma	<u>319,844</u>	<u>-0-</u>
TOTAL	\$4,899,183	\$5,005,804

**Presentation of Tentative Budget; including review of City Departments
Legislative & Administrative, MIS, Finance Department, Legal Department, Planning
Department, and Human Resources and Insurance:**

Jim Isom, Director of Administrative Services and Pamela Smith, City Clerk spoke to the following:

- Work on the administrative and legislative budgets
- Legislation had 2 employees
- Budget decreased 14.66%
- Increases – travel per diem; communications; printing; rentals
- Decreased – H2O newsletter in initiatives; promotional; office supplies
- Administration had 4 employees
- Budget decreased 6%
- Increase on contractual due to records storage

Ms. Smith gave an overview of the Clerk office responsibilities

Discussion ensued regarding the increased activity level of Council and overtime cost due to producing minutes, additional staff member may be necessary, and Jim Isom played a key role in acquiring grants; Mr. Isom described the roles of the remaining staff members and number of employees, and would like to have an actual comparison of FY 07 and the actual FY 06.

Bert Smith, MIS Director spoke to the following:

- Gave number of employees and functions
- Talked about how prioritization of projects were done
- Track trend of necessary support – Pg. 167 breakdown on how time is spent.
- Trying to spend more time on projects and less time on support.
- Page 163 and 164 – Tasks shown – Conversion of documents to electronic format. Technology audits showed areas that need to be converted.
- GIS use had increased.

- The need for Internet security

Discussion ensued regarding there being any technology beneficial to the City to record documents, part of the HTE project for next fiscal year would be to bring most of the City into a document management system, MIS having 3 full time people, Ms. Zimomra stated \$512,000 did not include special project, possibility of City Hall becoming wireless, and possibility paperless.

Ms. Renee Lynch, Finance Director gave the following report:

- Page 178 – 7.5 staff members
- Described the roles of these employees and functions of the department
- Addition of two employees had greatly helped the department be in compliance with audit procedures
- Large increase in grant management
- Emerging issues – Lack of space is a big issue
- Budget is about \$776,000
- Increase is salary due to new positions

Discussion ensued regarding using Council offices if space were needed, and Ms. Zimomra spoke to Mr. Castle having an architect review the space.

Legal Department – Ken Cuyler, City Attorney spoke to the following:

- Described legal issues that the legal department had worked on and described the role of the Para Legal.
- Talked about Operational role/functions
- Support function and our tasks are generated by the City
- Goals – Trying to standardize contracts and have electronically assessable
- Budget affect by outside Council expenditures
- Lake Okeechobee expenditure could be as low as \$40,000 or much more \$400,000

Discussion ensued regarding outside council, expenditure estimated actual for 2006 was \$400,000, outside attorneys have worked Sundays, and importance of administrative processes necessary for litigation.

Council recessed at 10:55 a. m.

Planning Department – Robert Duffy, Director of Planning gave the following report:

- Staff of 10 and the role the staff
- Recruiting for Transportation Planner
- Reviewed Mission Statement and responsibilities, subcommittees of the Planning Commission and services to the City

- Trends Analysis and projection of permitting activity – activity has increased 25% Past 10 months department outlined 8 key issues with additional issues once the Causeway was finished
- Regional growth and its implications to the Island
- Redevelopment
- Look at demand of traffic and look at alternative means of travel, permitting trends,
- Done a good job in meeting the goals – build back, commencing the redevelopment study, EAR based amendments, FEMA insurance study maps, administer the Sanibel Plan,
- Outlined accomplishments
- Goals and objectives for the coming fiscal year
- General Fund Operating Budget \$1.3Million for FY 07
- 5% increase – Increase relates to salaries and wages
- Full-time staff includes addition of a transportation planner and increase in salaries
- Part-time position added to the department over a year ago
- Professional services - \$390,000 grows out of alternative to redevelopment budget
- Attachment F Pg. 27 of City Manager’s budget message – Described the line items that add to the \$390,000

Discussion ensued regarding spreading the redevelopment study over time, top priority should be redevelopment, alternatives submitted to the Redevelopment issue, redevelopment would remain on the front burner and budget would allow us to make strides with the plan and submitted in July, by 2007 how much of redevelopment plan would be in place, Mr. Duffy stated it was broken down to 10 tasks, October the scope of the Town Center would be submitted to Planning Commission and City Council, February, 2007 planning department would be in the visioning phase, work plan submitted to Council in July defined specific schedules and tasks, Ms. Zimomra stated the original working budget had \$308,000 and brought Council alternatives, redevelopment could be phased over a loner period, alternatives for the redevelopment study, commercial areas need relief and recovery, and reporting to Council in October on the Local Business Initiative.

Councilman Rothman made a motion, seconded by mayor Johnston, to accept alternative 2 for the redevelopment study.

Public Comment:

None.

Discussion ensued regarding continuing with the redevelopment study, \$38,000 in the budget for alternatives, Council decided to leave \$308,000 in the budget for redevelopment, and continue discussion on September 19th.

Human Resources – Jim Isom, Director of Administrative Services spoke to the following:

- Individual Council briefings regarding insurance
- Property insurance increased 109%.

- Reason for increase due to hurricanes
- Worked to get renewal rates and to get reinsurance
- 1. The rates were received and deductibles were decreased
- 2. Gave Council deductible options
- 3. Staff recommended deductibles increase
- 4. Premium was \$100,000 less using Option 3
- 5. By assuming more of the risk we may be paying less in future years
- 6. Our losses are very low, even including hurricane losses

Discussion ensued regarding worse case scenario, Category 4 equipment off island, the worst scenario is we would spent \$300,000, Ken Cuyler stated it did not change the upper limits of our coverage, if you don't spend that money then you saved that amount of money, what was the history, 5% was the City's loss ratio through June, and previously it was 3%.

Councilman Rothman made a motion, seconded by Councilman Brown, to accept option 3.

The motion carried unanimously.

Jim Isom gave the following report on Health Insurance:

- Current carrier Aetna; used for at 10 years; employee's comments were cost of coverage for family rates were too high, Aetna adjusted HMO
- Presented 3 options
- 28.4% increase from Aetna for next year
- United Health – 21% higher than current plan
- Aetna – If Sanibel accepts drug from United Health care it would be 24.9% increase.
- Discussed the co-pay for employees both present and future
- United – 14.9% over current year costs.

Discussion ensued regarding the problems if health insurance was changed, disruption for employees, change of doctors possible, would have a short time period for orientations to employees, October 1 had to be enrolled, retirees also had to be informed, retirees may not live in the area and could be changes with pharmacies, option 3 was good with a national company, might be increases in co-pays, \$30 to \$90 is a big increase, looking at the difference between Option 1 and Option 2, would cost the city more, cost between Option 1 and 2 was \$25000, cost to employees of Option 3 was less but prescription costs would go up, do you have any input from employees, no input from employees, there would be an increase in cost with Aetna to cover employee family members, including retirees and cobra, what about the union, Mr. Isom stated that under the union contract health insurance must be provided, and do not have to negotiate changing insurance plans, why did staff recommend Option 3, Ms. Zimomra stated it was the cost to the city, do we know of any names of people with serious illnesses, Mr. Isom answered not by name, but there were three cases of on-going concerns, there were participants who have been assigned pain specialists and with a new carrier this would end, the cost between Option 1 and Option 3 was \$93,000, with Option 2 the increased cost to city was \$25,000, co-pay would increase, could look at a different co-pay like 10, 20, 30, continue discussion after lunch, \$32,000 for skate park,

thought City didn't have liability, and Mr. Cuyler answered that according to state statutes City did not have to have liability insurance, but this doesn't mean you can't be sued.

Chief Tomlinson gave the following report regarding the Police, Weigh Station, and Emergency Management:

- Reviewed vision statement, individual divisions and their roles and responsibilities and how to accomplish the goals
- Reviewed trends to make sure there was adequate staff to serve the community
- Calls to department had greatly increased with no increase to staff
- Crime trends – arrests were up over the past year; especially with juveniles 450% - drug and liquor – these arrests were much more labor intensive, and takes officers off the road
- Animal control – exotic especially – calls increased
- Awareness of water conservation – calls increase during dry period
- New Causeway was not a benefit to deter crime – trends may escalate
- Finding qualified candidates for employment was becoming more and more difficult
- \$2,600 decrease in user fees
- Fuel costs increased; uniform increase because of employee turnover issue.

Discussion ensued regarding Appendix C, Police Dept. operated 24/7 and they need enough resources to operate, Police need every resource to do their job, crime increase – we need to be able to control this, increase in budget could help, safety of citizens and visitors very high and should support increase in budget, when dealing with juvenile problems it takes all your resources, the need for safety, health and welfare on the island, items 1 thru 7- Appendix C - \$352,5000 was Council in favor of using this reserve, not ready to vote on this now, and want to see how we will split up this money going through the initiatives.

Councilman Brown made a motion, seconded by Councilman Jennings, to table Items 1 through 7.

The motion carried unanimously. Vice Mayor Denham excused.

Harold Law, Building Official h=gave the following report:

- Presented the role of the Building Department
- Ms. Zimomra spoke to building Fees and legislation regarding these fees
 1. Budget request was 5% less than last year
 2. Met all the financial obligations for this year

Council recessed at 12:48 p. m.

Council reconvened at 1:47 p. m.

Gates Castle, Public Works Director gave the following report on Utilities, Solid Waste & Recycling, Transportation, Parks, Facilities & Grounds Maintenance and Beach Parking:

Public Works was discussed as follows:

- Major function was to repair, maintenance and operation of the City's infrastructure
- 43 employees, and 35 directly involved in the repair, maintenance and operation
- Streets: 71% expenditures for repair, maintenance
- Sewer: 78% expenditures for day-to-day maintenance of infrastructure
- Proposed budget largely for repair, maintenance with very few enhancements without funding to catch-up with deferred maintenance
- Maintenance deferred due to hurricanes, and deferred resurfacing roads due to Causeway construction
- The need to review the long standing deferred projects

Discussion ensued regarding delayed projects, Mr. Castle stated that actual improvements to Dixie Beach and Tarpon Bay Road were deferred due to increase costs, \$200,000 deferred from original request for resurfacing (item 23 on attachment C), maintenance project high on list for public works, petroleum project increase was roughly 50%, river clearing completed every year, current funding to be carried forward for the Rabbit Road Shared Use Path, Hurricane Charley brought down a lot of large trees in to the Sanibel River requiring the need for large equipment for removal, critical projects would be water quality testing for NEPDES and Sanibel River clearing, Ms. Zimomra stated that TDC refused to fund Bock Park seawall repair, and any grant received would be budgeted.

Mr. Cuyler suggested that Mayor Johnston announced that Council was still discussing the budget and the Special Meeting would convene after the completion of the Budget hearing.

Dr. Rob Loflin, Natural Resources Director gave the following report:

Dr. Loflin spoke to the following:

- Increases in the adopted and amended 2006 budget, estimated actual increase was due to a new biologist and a grant award
- Increase in grants and aids to pay for FGCU to do some public service for water
- Missed item Charlotte Harbour National Estuary Program not funded in the amount of \$5,000 and her recommended to continue.

Discussion ensued regarding there being years when the Charlotte Harbour National Estuary Program was not funded, percentage estimated on time spent on Lake Okeechobee issues, took 30% of departmental time, the need to add an employee to the Natural Resources Department, and Councilman Brown and the City Manager meeting with the Health Department regarding water quality, water quality testing NPDES permit issued by the Federal Government require testing to continue the permit, testing previously done by Natural Resources and funded by Lee County, Public Works stated that feds told the testing

was mandated \$30,000 would not be paid by TDC, testing Sanibel River water, and water quality may improve if water was slowed down to allow sediment to settle.

Council consensus to add \$30,000 for water quality testing mandate in the budget.

Councilman Rothman made a motion, seconded by Councilman Jennings to move the water quality testing to the budget.

The motion carried by consensus.

Helene Phillips, Recreation Director gave the following report on Recreation Administration Ballfield and Senior Program:

- 11 full-time staff and 11.74 FTE's
- Budget decreased due to recreation construction
- Connect of reclaimed water
- Increase in Senior budget due to promotion
- Donation fund increase due to cheerleading program.

Public Comment:

Alex Werner thanked Council for the support of the Historic Preservation Committee, he spoke to the request from the committee for a full-time museum employee, rehabilitation grant in the amount of \$5,000, which was given to persons rehabilitation of historic registry buildings, an additional \$1,000 to rehabilitate the Cooper House, and committee to relinquish the air conditioner

Discussion ensued regarding funding the Shorehaven project, and Ms. Zimomra stated the Harriett Spoth endowment could be used.

Hazel Schuller spoke to item 38 on attachment C and encouraged the City to support the \$5,000 cost for involvement in the Charlotte Harbour Estuary.

Mark Westall spoke to his ability to give history of the Sanibel cleaning project which enhances the river quality and nesting birds.

Discussion ensued regarding Sanibel River being the only freshwater river on a barrier island.

RESOLUTION 06-125 ADOPTING THE TENTATIVE OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2006 FOR THE CITY OF SANIBEL, FLORIDA; DETERMINING THAT THE OPERATING MILLAGE RATE EXCEEDS THE ROLLED-BACK RATE BY 22.09% AND ESTABLISHING THE DATE, TIME AND PLACE FOR A FINAL HEARING TO ADOPT THE FINAL OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2006

Ms. Zimomra read the title of Resolution 06-125.

Ms. Lynch explained the each resolution would adopt the tentative millage rate and budget.

Discussion ensued regarding why Council must adopt the resolutions, Mr. Cuyler explained the voting on the tentative millage rate was required by statute, and Ms. Zimomra stated the blank would be filled in with \$50,312,364.

Discussion ensued regarding finding another \$857,000 and lowering the millage rate, \$1.5 million for the Periwinkle Way project over 2 years, review needs of the Shared Use Path, Ms. Zimomra stated that Council had seen the master plan and Council directed the discussion of the master plan be when more residents were in town, Mr. Gates spoke to \$1.5 million to do the construction on Periwinkle Way between Sanibel Steakhouse and Community Church, only had an estimated costs, redevelopment study to be phased in 2 years, could project of the Shared Use Path Periwinkle Way be phased, and Mr. Castle stated there would be a \$100,000 mobilization cost to structure the shared use path project for 2 years.

Public Comment:

Patty Sousa clarified that the Shared Use Path was for all residents and visitors.

Councilman Rothman made a motion, seconded by Councilman Brown, to adopt Resolution 06-125.

The motion carried unanimously. Vice Mayor Denham excused.

RESOLUTION 06-126 ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2006-07 FOR THE CITY OF SANIBEL, FLORIDA AND ESTABLISHING THE DATE, TIME AND PLACE FOR A FINAL HEARING TO ADOPT THE FINAL BUDGET FOR FISCAL YEAR 2006-07

Ms. Zimomra read the title of Resolution 06-126.

Councilman Jennings made a motion, seconded by Councilman Brown, to adopt Resolution 06-126, and set the 2nd public hearing for September 19, 2006 at 5:01 p. m.

The motion carried unanimously. Vice Mayor Denham excused.

There being no further business the meeting was adjourned at 3:03 p. m.

Respectfully submitted by,

Susan Beck
Recording Secretary