

**CITY COUNCIL SPECIAL MEETING
AUGUST 23, 2005**

Mayor Johnston called the meeting to order at 9:07 a. m.

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

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

Council presented a box of chocolate to Camille Kocaba

Public Comment:

Sam Bailey spoke to his conversation with Councilman Jennings to obtain historical articles from the old Causeway bridges.

Councilman Jennings made a motion, seconded by Vice Mayor Denham, to send a letter to Lee County Manager regarding items, signs, plaques, gates, structure that housed the bridge tender and other important items.

Discussion ensued regarding what items would be obtainable, discussion with the Historical Preservation Committee, and sending a letter to Lee County.

Councilman Brown asked for an amendment including no funds be expended for obtaining the items.

Councilman Jennings and Vice Mayor Denham agreed to accept the amendment.

Discussion ensued regarding a meeting between Councilman Jennings, Lee County and Sam Bailey, Chairperson of the Historical Preservation Committee.

The motion passed unanimously.

Council Comment:

Councilman Rothman spoke to CHNEP updating their Management Plan and asked if Council would like to be involved in the survey. He also asked to attend to meeting, 1). September 5th and 6th at Sanibel Harbor Resort; and 2) Mott Marine Lab on September 14 hosted by CHNEP regarding the Protection of the Gulf Of Mexico.” with no registration fee.

Mayor Johnston made a motion, seconded by Vice Mayor Denham, to attend the above mention meetings.

Councilman Jennings spoke to seeing a pamphlet at Bailey's Store regarding red tide.

Discussion ensued regarding Council getting a CD on red tide and being aware of literature being passed out in the City.

Approval of Draft Toll Letter from City Council:

Ms. Zimomra spoke to the two letters in the agenda packet. She explained that one letter would be sent to occupational licenses holders and the other would be included in the annual flood facts mailing.

Discussion ensued regarding adding "the \$5 million dollar investment over a period of 6 years," and add "determining the next steps", the need to send the letter to residents at all, toll decrease was advertised, tolls were lowered as part of the Causeway settlement, Lee County Board of Commissioners increased the tolls to punish Sanibel, and send the letter back to staff for re-wording to clarify.

Ms. Zimomra reminded Council that Council requested this letter due to the Small Business Initiative answers regarding increase/decrease of the Causeway tolls.

Discussion ensued regarding adding to letter Sanibel's attempt to work with Lee County to reduce the tolls, and Causeway lawsuit settled to help reduce tolls.

Public Comment:

Andrew Redding spoke to how much of tolls were necessary to pay for the current Causeway projects and how much would be slated to go in to general revenue. He also suggested an economical analysis was needed for tolls.

Discussion ensued regarding a past proposal from Lee County to use Causeway tolls for the San Carlos overpass and other road projects.

Councilman Brown made a motion, seconded by Mayor Johnston, to send the letters as written.

Discussion ensued regarding Lee County and Sanibel working together, after "encourage" add "to continue the partnership in working together to reduce the tolls," follow how funds were spent from toll revenue.

The motion passed 3 to 2 with Councilman Jennings and Councilman Rothman voting in opposition, and Mayor Johnston, Vice Mayor Denham and Councilman Brown voting in favor of the motion.

Discussion ensued regarding the request to increase employees, direct cost to salary, medical, taxes, etc., other costs such as cooling, working space, building maintenance, supervision costs, equipment and supplies, employee could be a candidate of the employee assisted housing program, training, work created i.e., grant writer matching money for grants, reduction in revenue, substantial debt for hurricane recovery, propose policy change to attempt to have use of funds be equal to or less than the source of funds, less specific with reserves, leaving the budget as is, dropped millage from 2.5 to 2.4, less than 15% of the tax bill comes to Sanibel and there were other sources of money rather than ad valorem taxes, need to leverage tax dollars, staff commended for awarding grants, \$34 million budget and \$1.6 million in new initiatives, have a zero based budget and justify adding items to the budget, start with last years budget, and past Councils have obligated certain funds.

Mr. Cuyler advised Council to not take any final action regarding the budget.

Discussion ensued regarding projects ending and future savings, independent library district if approved by electorate, changes need for the future that would affect the budget, topics of conservation: 1) potential of future savings/increases; 2) various projects; 3) mix of how funds were spent; 4) more money in future reserves for emergencies.

DISCUSSION:

Budget Introduction, Judie Zimomra, City Manager

Discussion of Working Budget and Directions to Staff

Ms. Zimomra stated the following:

- 2 previous Special budget meetings
- Direction to staff was that Council wanted to discuss
- Staff serves Council
- Format of budget changed to include increase narrative
- Increased the amount of performance measures within the budget
- Working budget prepared and since staff requested inclusion – Shared Use Paths
- Assisted Housing Fund
- Water Conservation and no funds for enforcement of irrigation
- No funds for a traffic study
- No funds for change in website
- Part-time paid Historical Museum employee
- No funds for beach caring capacity
- Page 7 to 10 gives all increases and decreases including
 - Causeway surplus not included

- Increase in pay off Hurricane debt
- Increasing amount of contingency fund for hurricanes
- Increase of travel, which comes from cost of transponders
- Memo prepared recommended to cut certain items to get to 2.4 mills

Discussion ensued regarding the 5-Year Budget Committee recommended 2.4 millage rate thinking the property value would be increased, but was decreased due to 2004 hurricanes, the property evaluated at 4%, but decrease to 3.2%, carry over from last year was \$9 million.

Discussion ensued regarding those items that would be cut to arrive at 2.4 millage include the following:

- \$200,000 Utilize other grants for FRDAP Grant match than ad valorem taxes for Bowman’s Beach project
- \$ 90,000 MacKenzie Hall Overhaul – divide project over 2 years
- \$ 75,000 Reschedule Public Works Backhoe
- \$ 20,000 Reschedule Public Works Mowers
- \$ 50,000 Reduce augmented Grants Writer services

Council recessed at 10:48 a. m.

Council reconvened at 11:02 a. m.

Public Comment:

Doug Dietrich spoke to the Periwinkle Bypass and the 5-Year Budget Committee recommended that the money be reallocated to repair and maintaining the Shared Use Paths, cost of bypass \$150,000, which was a one time cost of \$17 per household, safety of proposed bypass and would improve congestion.

Discussion ensued regarding not having the ability to get rid of the Periwinkle Way Shared Use Path even if the alternate path was constructed.

Mr. Cuyler advised Council that the Shared Use Path could be eliminated on Periwinkle Way between Casa Ybel to Sanibel Steakhouse if Council continued pursuing the alternate path. He also advised that safety was a main factor.

Discussion ensued regarding the possible additional cost of construction and maintenance due to the closeness of vegetation, aggressive tree roots would cause the path to crumble, and Periwinkle Way alternate Shared Use Path would be 10 foot with shoulders, and no cost differential in similar paths.

Claudia Burns spoke to the need for improvement of the Shared Use Paths, and increased advertising for the Shared Use Paths.

A citizen spoke to the 10th anniversary of a Council discussing the alternate Shared Use Path from Casa Ybel and the Sanibel Steak House and moving it behind Periwinkle Way businesses.

Erick Lindbland, Executive Director of Sanibel Captiva Conservation Foundation spoke to the elimination of the money appropriated for purchase of land in the Environmental Sensitive Land District (ESL).

Discussion ensued regarding the recommendation by the 5-Year Budget Committee and having funds available, but not specified, not the conclusion of the ESL program, alternate Periwinkle Way Shared Use Path in ESL and possible interaction of alligators, and historically \$400,000 included in the ESL line item within the budget.

Andrew Reding spoke to a small portion of property taxes going to Sanibel, Council's responsibility of reviewing the budget as a whole, he also called Council's attention the Vision Statement, requested no fund reduction in the Periwinkle Way corridor Shared Use Path. He also spoke to the experience of riding the Shared Use Path and making them more scenic.

Discussion ensued regarding the need proposed Recreation Center.

Mr. Jim Isom gave a brief PowerPoint of City Hall Space Issues as follows:

- Housing functions that did not exist when City Hall was built
- Volume of City records
- Off site storage space
- Installing cabinets and storing material
- Implemented Laserfiche Document Imaging System

Plans to address Space Issues

- Move records off site
- Merge Utility and Public Works Departments
- Redesign City hall to maintain centralized operations
- Space for records and personnel required for efficiency
- Document Imaging
- Space Needs Study ongoing

Ms. Zimomra stated that it would cost over \$142,000 to complete the Planning Department records imaging, then records would be taken off island to an approved records location.

Discussion ensued regarding a question for Council would be the amount of money to be spent for imaging of records, maintaining records and public access, website access, fee for retrieval of records, unrealistic to maintain all City records for the past 31 years, updating MacKenzie Hall, staff dedicated to functioning Council Chambers, improving

the City's website and quality of audio system and televising Council meetings, and improving the view of eye contact for Council members during Council meetings.

Council recessed at 12:25 p. m.

Council reconvened at 1:37 p. m.

Mayor Johnston asked Council if they wanted to sign the letter approved in the morning session as a whole or should the letter have each Councilmember signature.

Discussion ensued regarding the Mayor signing the letter on behalf of City Council.

Council agreed.

Ms. Zimomra passed to Council a memorandum showing how much money the millage generates each year.

Discussion ensued regarding the information and the reason for decrease/increase of the millage rates, Council accepted staff recommendations as follows to maintain a 2.4 millage rate:

- \$200,000 Utilize other grants for FRDAP Grant match than ad valorem taxes for Bowman's Beach project
- \$ 90,000 MacKenzie Hall Overhaul – divide project over 2 years
- \$ 75,000 Reschedule Public Works Backhoe
- \$ 20,000 Reschedule Public Works Mowers
- \$ 50,000 Reduce augmented Grants Writer services

Discussion ensued regarding the litigation reduction and a good legal budget, continuance of the governmental affairs consultant, zero based budget not including fund balance, loss of bridge revenue and decrease of weight station revenue, all of the \$32 million budget does not come from ad valorem taxes, source of funds also comes from beginning fund balance, provide a fund to enable the City to expend funds as Councils decides, consultant to study City operations and services, ask staff to investigate the concept of functional analysis, include cost in the FY 2005-06 budget, and implement whatever the study shows in upcoming years.

Public Comment:

Claudia Burns spoke to residents demand and expect a lot of services.

Karen Stori Johan asked what percentage of paths would be repaired with the money in the proposed budget.

Mr. Gates Castle, Public Works/Utilities Department answered that the Shared Use Path on Casa Ybel Road to Middle Gulf Drive; Shared Use Path from Rabbit Road to Palm Ridge Drive; Palm Ridge to Tarpon Bay, Tarpon Bay to Periwinkle Way to San-cap Road.

OLD BUSINESS

Discussion regarding “Founders Day” celebration:

Ms. Zimomra noted that Council direction was to speak with the Grace Whitehead family. She stated that Ms. Whitehead was currently in the hospital and had sold her house. She noted the family stated earlier would be better.

Council agreed to have Founders Day celebration September 20, 2005.

NEW BUSINESS

Discussion regarding Redevelopment Opportunity:

Vice Mayor spoke to working with Ken Cuyler, City Attorney in proposing the purchasing of the Nave property, which was 10 acres. He asked Council give Mr. Cuyler the authority to negotiate with the Knave family. He further sited problems if another entity were interested in the property. He requested the exploration of purchase discussion of the property.

Discussion ensued regarding the list price being \$15 million, the same beginning with the City’s purchase of Pond Apple Park and could Council hold an Executive Session.

Mr. Cuyler stated that Council could not hold an Executive Session to discuss the acquisition of land. He further stated that this would be merely an investigation and bring back any information to Council for further discussion.

Discussion ensued regarding missed opportunities of land acquisition 30 years ago, previous land acquisition was for ESL district or building City Hall, zoning in progress ongoing so a developer could not do anything until Council adopts an Ordinance,

Mr. Cuyler stated that if land acquisition was purchase with ESL money , but land could be purchased and would bring back options on financing. Clear idea of what the property could be used. What are the things the City could use in the future or if purchased by someone else what are the things a developer could do once sold.

Discussion ensued regarding bringing back funding sources, and Mr. Cuyler already contacted a bond counsel.

Mr. Cuyler stated that he had \$10,000 in his budget for 5 days past the 20th refundable to lock in the property to Council the opportunity to make a decision. He spoke to the zoning in progress being interim regulations. He stated that regardless of the zoning in progress the property could be developed commercially.

Vice Mayor Denham, made a motion, seconded by Councilman Brown, to allow the City Attorney to place \$10,000 good faith money down, which would be refundable after 45 days, begin negotiations and bring back to City Council at the September 20 meeting for discussion.

Public Comment:

Armand Ball, Chairperson Parks and Recreation Committee spoke to previous discussion at the committee meetings. He also spoke to bringing back the proposed Recreation Center schematics.

Karen Stori Johan spoke to the Knave property being more of interest to the electorate than the proposed Recreation Center.

Discussion ensued regarding the owner waiting until September 20th, but not October 4th,

Council recessed at 3:05 p. m.

Council reconvened at 3:16 p. m.

Mr. Cuyler advised Council of the following:

- Knave have okayed waiting until October 04, 2005

The motion carried unanimously.

Public Comment:

None.

Council Comment:

Mayor Johnston passed to Council a memo of her attendance to the League of Cities Conference and attending a class on website and a legislative update on communications law.

Councilman Jennings suggested City staff calling ahead and arrange for Vice Mayor Denham to drop off the proclamation at the August 16 City Council meeting.

Ms. Zimomra passed out the Charlotte harbor survey discussed earlier in the meeting.

There being no further business the meeting was adjourned at 3:25 p. m.

Respectfully submitted by,

Pamela Smith, CMC
City Clerk