7. **CONSENT AGENDA**

a. Approval of Minutes – July 15, 2008 Regular Meeting and August 05, 2008 Regular Meeting

SANIBEL CITY COUNCIL REGULAR MEETING
JULY 15, 2008

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

Member present: Mayor Denham, Vice Mayor Ruane, Councilman Jennings, Councilmember Johnston and Councilman Pappas.

Vice Mayor Ruane gave the Invocation and led the Pledge of Allegiance.

Public Comments
Hazel Schuller spoke to beach density, nesting birds and the Sanibel Plan, as well as an article in the New York Times regarding the Everglades.

Herb Rubin spoke to his concern of no further greening in the City.

Karen Storjohann suggested that emails be tabulated and numbers read in to the record at Council meetings.

Ms. Zimomra stated that there was a public file at the front desk of all Council emails and residents could review as well as Council receiving a copy of all emails.

Yoland Welch spoke to the dedicated job that Renee Lynch, Finance Director has done for the City.

PRESENTATION(S)
Recognition of the Employee of the 3rd Quarter
Mayor Denham recognized Holly Downing as Employee of the 3rd Quarter.

Proclamation honoring Renee Lynch, Finance Director, upon her retirement with 22 ½ years of service to the citizens of Sanibel
City Council read and presented a proclamation to Ms. Lynch, as well as a piece of Luke Century crystal.

Each Councilmember spoke their sentiments at the retirement of Ms. Lynch.

Ms. Lynch spoke to her retirement.

Council recessed at 9:23 a. m.

Council reconvened at 9:28 a. m.

Council Comments
Councilman Jennings spoke to the Independence Day fireworks and parade. He further spoke to problems with Comcast getting a feed to the Recreation Center and the ribbon cutting for the Tarpon Bay facilities.

Councilmember Johnston spoke to problems with local business getting caught up in new regulations.

Councilmember Pappas spoke to the November 17 resignation of Councilmember Johnston due to running for Lee County Commissioner. He further spoke to his discussion with Armand Ball regarding filling the vacant seat of Councilmember Johnston.

Planning Commission Report

Commissioner Les Forney gave the following report on the July 8th Planning Commission meeting:

- Discussion of the Below Market Rate sub-committee report, which was on the agenda
- Discussion of the Permitting Process sub-committee, which was on the agenda
- Discussion regarding Section 86-43

Ms. Zimomra spoke to a Press Release regarding misquotes on the island and it was necessary to call for spraying since the calls were tallied and used for the decision of where to spray.

First Reading of an ordinance and scheduling of public hearing.

ORDINANCE 08-011 AN ORDINANCE OF THE CITY OF SANIBEL ESTABLISHING AND IMPLEMENTING POST-DISASTER RECOVERY PROCEDURES FOR MAJOR AND/OR CATASTROPHIC STORM DEBRIS CLEARANCE, REMOVAL AND DISPOSAL FROM PUBLIC AND PRIVATE STREETS, AND ROADWAYS WITHIN THE CITY OF SANIBEL; PROVIDING FOR PURPOSE AND INTENT; PROVIDING FOR CODIFICATION; PROVIDING FOR CONFLICT AND SEVERANCE; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Ordinance 08-011.

Council set the second reading and public hearing for August 19, 2008 at 10:15 a. m.

ORDINANCE 08-012 AN ORDINANCE AMENDING CITY OF SANIBEL ORDINANCE NO. 07-011 WHICH ESTABLISHED AN UPDATED AND REVISED SCHEDULE OF RECREATION USER FEES FOR CITY OF SANIBEL RECREATION PROGRAMS; PROVIDING FOR THE ESTABLISHMENT OF RECREATION USER FEES FOR CITY OF SANIBEL RECREATION PROGRAMS FOR FISCAL YEAR 2008-09; AUTHORIZING THE CITY MANAGER TO APPROVE NEW ADDITIONAL RECREATION PROGRAMS DURING FISCAL YEAR 2008-09 AND ESTABLISH FEES FOR SUCH PROGRAMS, PROVIDED THE FEES ESTABLISHED DO NOT EXCEED THE COST OF OPERATION OF THE PROGRAM; PROVIDING FOR AN AUTOMATIC ANNUAL INCREASE IN THE RECREATION USER FEES; PROVIDING FOR FUTURE REVISIONS AND AMENDMENTS TO SUCH SCHEDULE OF RECREATION USER FEES BY CITY COUNCIL RESOLUTION; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Ordinance 08-012.

Council set the second reading and public hearing for August 19, 2008 at 10:30 a. m.

Discussion ensued regarding rescheduling the August 5th Council meeting, either August 5th or 7th, Councilman Pappas spoke reiterated a previous discussion of missing the August 19th meeting, Mr. Cuyler stated that if it were an unscheduled meeting and plans were made an excuse would be in order, have budget items on the agenda, Mr. Cuyler would be absent, and the need for the City Attorney if legal issues arose.

Mayor Denham made a motion, seconded by Councilmember Johnston, to rescheduled the August 5th City Council meeting for 9:00 a. m.

The motion carried.

ORDINANCE 08-013 ADOPTING THE FLOOD INSURANCE STUDY FOR THE CITY OF SANIBEL CONTAINED IN THE FEDERAL EMERGENCY MANAGEMENT AGENCY'S STUDY FOR LEE COUNTY, FLORIDA AND AMENDING THE SANIBEL CODE, PART II LAND DEVELOPMENT CODE; CHAPTER 94 FLOODS, TO ADOPT A NEW FLOOD INSURANCE RATE MAP (FIRM), TO ADD A PURPOSE STATEMENT AND TO UPDATE THE CITY'S FLOODPLAIN MANAGEMENT REGULATIONS AND PROCEDURES CONSISTENT WITH NATIONAL FLOOD INSURANCE PROGRAM REGULATIONS; AND AMENDING CHAPTER 82 ADMINISTRATION; ARTICLE IV DEVELOPMENT PERMITS; DIVISION 2 PROCEDURE; SECTION 82-382 FILING PROCUDURE, TO ALLOW SURVEYS TO INDICATE GROUND ELEVATIONS IN NORTH AMERICAN VERTICAL DATUM (NAVD); PROVIDING FOR CONFLICT AND SEVERANCE; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Ordinance 08-013.

Council set the second reading and public hearing for August 19, 2008 at 10:45 a. m.

Second Reading and Public Hearing

ORDINANCE 08-010 AMENDING THE SANIBEL CODE, SUBPART A, GENERAL ORDINANCES, CHAPTER 1, - *GENERAL PROVISIONS,* ADDING NEW SUBSECTION 1.18 ENTITLED "IMPOSITION OF FILING FEE APPLICABLE TO ALL CITATIONS FOR VIOLATION OF MUNICIPAL ORDINANCE"; AMENDING CHAPTER 66, TRAFFIC, ARTICLE II, PARKING, STOPPING AND STANDING, DIVISION 1, GENERALLY, SECTION 66.37 - *PENALTY; PAYMENT OF FINE; REFERRAL TO COUNTY COURT;* AMENDING DIVISION 2, BEACH AREA PARKING RESTRICTIONS, SUBDIVISION II, PERMITS, SECTION 66-85 - *FEES; HOURS,* OF THE CODIFIED ORDINANCES OF THE CITY OF SANIBEL; ESTABLISHING A $10.00 FILING FEE TO BE ADDED TO ALL MUNICIPAL ORDINANCE VIOLATION CITATIONS, SAID FILING FEE REPRESENTING THE FEE CHARGED TO THE CITY OF SANIBEL BY THE LEE COUNTY CLERK OF COURTS FOR PROCESSING MUNICIPAL ORDINANCE VIOLATION CITATIONS ISSUED WITHIN THE CITY OF SANIBEL; PROVIDING FOR CODIFICATION; PROVIDING FOR CONFLICT AND SEVERANCE; AND PROVIDING AN EFFECTIVE DATE

Ms. Zimomra read the title of Ordinance 08-010.

Ms. Zimomra spoke to the establishment of a $10 filing fee by the Lee County Clerk of Court with every ticket written. She further stated this amendment would recoup that $10.

Mayor Denham made a motion, seconded by Councilmember Johnston, to adopt Ordinance 08-010.

Public Comment:
None.

The motion carried.

CONSENT AGENDA

b. **RESOLUTION 08-076 OF THE CITY COUNCIL OF THE CITY OF SANIBEL EXPRESSING ITS INTENT TO DECLARE A SPECIAL ASSESSMENT TO FUND A PUBLIC IMPROVEMENT AS AUTHORIZED BY THE HOME RULE PROVISION OF THE FLORIDA CONSTITUTION, GENERAL LAW AND THE SANIBEL CHARTER FOR THE PAVING OF JUNONIA STREET BETWEEN NERITA STREET AND DONAX STREET; ADOPTING THE PROCEDURES SET FORTH IN CHAPTER 170, FLORIDA STATUTES; PROVIDING FOR A DESCRIPTION OF THE NATURE AND LOCATION OF THE IMPROVEMENT, THE MANNER OF LEVYING ASSESSMENTS, THE ESTIMATED COST AND THE DESCRIPTION OF THE LANDS UPON WHICH THE ASSESSMENT SHALL BE LEVIED, AND OTHER MATTERS REQUIRED BY CHAPTER 170, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE**

c. **RESOLUTION 08-077 OF THE SANIBEL CITY COUNCIL TO FIX A TIME, DATE AND PLACE FOR A PUBLIC HEARING TO DETERMINE THE PROPRIETY AND ADVISABILITY OF ESTABLISHING AND IMPLEMENTING THE JUNONIA STREET PAVING PROJECT ASSESSMENT DISTRICT, WHICH INCLUDES ALL LOTS AND LANDS WITHIN THE ASSESSMENT DISTRICT AS DESCRIBED IN THIS RESOLUTION WITHIN THE CITY OF SANIBEL, AS TO THE COST AND FUNDING THEREOF, THE MANNER OF PAYMENT THEREFOR, AND AS TO THE AMOUNT TO BE ASSESSED EACH PROPERTY SO IMPROVED, PURSUANT TO SECTIONS 170.07 AND 170.08, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE**

d. **RESOLUTION 08-059 AUTHORIZING THE CITY MANAGER TO AMEND THE AGREEMENT WITH THE PERIWINKLE PARTNERSHIP TO ADMINISTER GRANT FUNDS RECEIVED BY SANIBEL BEAUTIFICATION, INC., FROM THE LEE COUNTY ROADWAY LANDSCAPING FUNDS PROGRAM TO BE USED FOR THE PERIWINKLE WAY CORRIDOR RESTORATION PROGRAM; AND PROVIDING AN EFFECTIVE DATE** and authorize the City Manager to execute same

e. **RESOLUTION 08-084 DESIGNATING UBS FINANCIAL SERVICES, INC. AS A CITY OF SANIBEL SECURITIES, LOAN AND/OR GUARANTEE ACCOUNT DEPOSITORY; DESIGNATING THE CITY MANAGER, FINANCE DIRECTOR, PUBLIC WORKS DIRECTOR AND ADMINISTRATIVE SERVICES DIRECTOR TO ACT ON BEHALF OF THE CITY TO EXECUTE CORPORATE RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE**

f. **RESOLUTION 08-072 AUTHORIZING THE CITY MANAGER TO DISPOSE OF OBSOLETE OR SURPLUS FIXED ASSETS; AND PROVIDING AN EFFECTIVE DATE** (Police Department vehicle)

g. **RESOLUTION 08-073 APPROVING A LEASE AGREEMENT FOR THE EAST LIGHTHOUSE CARETAKER'S COTTAGE WITH DENNIS L. ROBERTS; AND PROVIDING AN EFFECTIVE DATE**

h. **RESOLUTION 08-074 APPROVING A LEASE AGREEMENT FOR THE WEST LIGHTHOUSE CARETAKER'S COTTAGE WITH RANDAL D. WRIGHT; AND PROVIDING AN EFFECTIVE DATE**

i. **RESOLUTION 08-075 APPROVING A LEASE AGREEMENT FOR THE ISLAND INN ROAD CARETAKER'S COTTAGE WITH LANCE LUNA; AND PROVIDING AN EFFECTIVE DATE**

j. **RESOLUTION 08-093 APPROVING A LEASE AGREEMENT FOR THE ALGIERS PARK ROAD CARETAKER'S COTTAGE WITH THOMAS BAUER; AND PROVIDING AN EFFECTIVE DATE**

k. **RESOLUTION 08-083 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-053 AND PROVIDING AN EFFECTIVE DATE** (To appropriate $11,590 from the General Fund Reserve for Contingency to the Natural Resources Department to fund isotope tracing to determine nutrient sources in the Sanibel River. This amendment increases the FY08 budget by $11,590; however, no new or additional funds are being appropriated by this amendment. The balance in the General Fund Reserve for Contingency will be $74,742 after this amendment.)

l. **RESOLUTION 08-078 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-054 AND PROVIDING AN EFFECTIVE DATE** (To appropriate $55,000 from the South Florida Water Management District to the Public Works Department for Sanibel River restoration. The City's required match of $60,000 is already in the FY08 budget. This amendment increases FY08 revenue and expense by $55,000 for the new revenue source.)

n. **RESOLUTION 08-079 APPOINTING SYLVIA EDWARDS, FINANCE DIRECTOR, AS THE CITY MANAGER'S GENERAL EMPLOYEES PENSION BOARD APPOINTEE TO FILL THE REMAINING TERM OF FORMER FINANCE DIRECTOR, RENEE LYNCH, UPON HER RETIREMENT ON JULY 20, 2008, WHICH TERM SHALL EXPIRE ON SEPTEMBER 30, 2009, AND APPOINTING RENEE LYNCH AS THE 7TH MEMBER OF THE GENERAL EMPLOYEES PENSION BOARD TO FILL THE UNEXPIRED TERM OF BILL HILLENBRANDT, WHICH TERM SHALL EXPIRE ON SEPTEMBER 30, 2009; AND PROVIDING AN EFFECTIVE DATE**

o. **RESOLUTION 08-067 DESIGNATING BANK OF AMERICA, N. A. AS A DEPOSITORY OF THE CITY OF SANIBEL AND DESIGNATING THE CITY MANAGER, FINANCE DIRECTOR, PUBLIC WORKS DIRECTOR AND THE ADMINISTRATIVE SERVICES DIRECTOR TO ACT ON BEHALF OF THE CITY TO EXECUTE BANK ACCOUNT SIGNATURE CARDS, BANKING RESOLUTION AND CERTIFICATE OF INCUMBENCY, AND RELATED DEPOSIT ACCOUNT DOCUMENTATION; REPEALING**

AND SUPERSEDING RESOLUTION 05-085; AND PROVIDING AN EFFECTIVE DATE

p. **RESOLUTION 08-080 OF THE SANIBEL CITY COUNCIL ADOPTING ARCHITECTURAL AND SITE PLANNING DESIGN STANDARDS AND GUIDELINES FOR THE TOWN CENTER GENERAL (TCG) AND THE TOWN CENTER LIMITED (TCL) COMMERCIAL ZONING DISTRICTS; AND PROVIDING AN EFFECTIVE DATE**

q. **RESOLUTION 08-089 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-059 AND PROVIDING AN EFFECTIVE DATE** (To appropriate an $11,000 grant from the L.A.T. Foundation to the Historical Museum and Village Fund for repairs to the museum's handicapped accessible walkway. This amendment increases FY08 revenue and expense by $11,000 for this new revenue source.)

s. **RESOLUTION 08-085 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-057 AND PROVIDING AN EFFECTIVE** (To appropriate $20,000 from the General Fund Reserve for Contingency to the Police Department to continue the lizard/iguana eradication program through FY08. This amendment does not increase the FY08 budget since no new or additional funds are being appropriated by this amendment. The balance in the General Fund Reserve for Contingency will be $54,742 after this amendment.)

x. **RESOLUTION 08-086 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-058 AND PROVIDING AN EFFECTIVE DATE** (To: 1) roll-forward the FY 2008 actual unappropriated beginning fund balance in the Historic Museum and Village Fund and to align the final amended budget with the actual operating results of the fiscal year through June 30, 2008; 2) to budget a $2,500 grant to the Sanibel Community Church to assist in the upgrade of electrical service to 400 amps. This grant was awarded by the Historic Preservation Assistance Program on May 3, 2007 to be disbursed in FY08; 3) to reduce the amount of the FY08 transfer from the General Fund to the Historic Museum and Village Fund by $67,812)

y. **RESOLUTION 08-087 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-055 AND PROVIDING AN EFFECTIVE DATE** (To roll-forward actual FY2007 ending fund balance (pursuant to audited financial statements) to FY08 beginning fund balance for all governmental funds. These amounts, which are more or (less) than the FY08 ending fund balance to provide increases or (decreases) in fund balances available to be carried forward to FY09. This amendment increases the FY08 budget by $161,160 although no new or additional funds are appropriated by this amendment.)

z. **RESOLUTION 08-088 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-060 AND PROVIDING AN EFFECTIVE DATE** (To reallocate the FY2008 required contribution to the General Employees and Police Officers Pension Plans by modifying the formula used to calculate the distribution of the required retirement contribution from one based on FTE's to one based on wages. The effect of the change is to increase for departments or funds with higher wages and to decrease expense for departments or funds with lower wages. This modification does not change the amount of the required contribution.)

bb. **RESOLUTION 08-090 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-061 AND PROVIDING AN EFFECTIVE DATE** (To modify FY08 interfund transfers as follows: 1) Return $550,453 transferred from the General Fund to the Periwinkle Road and Bikepath Fund for funds unspent in FY07 for moving Periwinkle Way between Roadside Park and the

Community Church; 2) return $63,057 transferred from the General Fund to the Recreation Center Capital Fund in FY06 for architectural services and 3) reverse the budgeted transfer of $49,547 from the Franchise & Occupational License Fund to the Periwinkle Road & Bikepath Fund in FY08. No new or additional funds are being appropriated by this amendment.)

cc. **RESOLUTION 08-091 APPROVING AN AGREEMENT FOR BOND COUNSEL SERVICES WITH THE LAW FIRM OF BRYANT MILLER OLIVE, PA; AND PROVIDING AN EFFECTIVE DATE**

ff. **RESOLUTION 08-081 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-056 AND PROVIDING AN EFFECTIVE DATE** (based on the FY08 mid-year indirect cost study update, adjust expense in the following funds: 1) Building Department Fund increase expense by $35,303; 2) Ballfield Maintenance Fund increase expense by $15,985; 3) Sewer Fund decrease expense by $44,422; 4) Beach parking Fund increase expense by $45,589. Additionally decrease revenue into the General Fund by $66,877 to reflect these changes. This amendment increases the FY08 budget by $52,455 but there are no new additional funds appropriated by this amendment)

Councilmember Johnston made a motion, seconded by Vice Mayor Ruane, to adopt the above-mentioned Resolutions.

The motion carried.

a. Approval of Minutes – May 15, 2007 Regular Meeting, September 15, 2007 1st Budget Hearing and June 03, 2008 Regular Meeting

m. Acceptance of a South Florida Water Management Grant in the amount of $45,000 for Water Quality Analysis and future Storm Water Projects and authorize the City Manager to execute same

r. Approving a request from the Lee County Sheriff's Department for an endorsement of a grant for $84,988 used to fund the Pharmaceutical Investigations Law Enforcement Strategy (no City funds to be appropriated)

t. Award Periwinkle Way Improvements between Donax Street and Lindgren Boulevard contract to Quality Enterprises USA, Inc., in the amount of $169,182.25 and authorize the City Manager to execute same (The funds for this project are available in the FY2007-08 Capital Improvement Budget – Fund 307)

u. Award Periwinkle Way Corridor Restoration – Phase 3 contract to All Native Garden Center & Plant Nursery, Inc., in the amount of $36,145.00 and authorize the City Manager to execute same (Periwinkle partnership will fund the work with assistance from a 50% reimbursement through a Lee County grant)

v. Approval of an agreement for consulting services with ATP Engineering South, PL to provide mechanical engineering services for Police wing HVAC work for a maximum fee of $63,000 and authorize the City Manager to execute same (funding for design available in FY 2007-08 Capital Improvement budget, with construction-related services; funding for completion in proposed FY2008-09 Capital Improvement budget for completion)

w. Approve purchase of sodium hypochlorite (chlorine) from Dumont Company, Inc. at a cost of $0.95/gallon for the Donax plant and $1.40/gallon for the Wulfert plant and authorize the City Manager to execute the contract

aa. Approval of post-employment transition agreements between the City of Sanibel and Renee Lynch and Helene Phillips and authorize the City Manager to execute same

dd. Receipt and Distribution of the FY 2007 Audit and Financial Statements as prepared by Ashley & Brown, CPA

ee. Acceptance and Distribution of Other Post benefits (OPEB) report by Foster & Foster

gg. Approval of a contract between the City of Sanibel and South Florida Water Management District (SFWMD) for a grant in the amount of $74,598 to restore mangroves east of Dixie Beach Boulevard and authorize the City manager to execute same

Vice Mayor Ruane made a motion, seconded by Councilmember Jennings to approve Consent Agenda items (a), (f), (m), (r), (t), (u), (v), (w), (aa), (dd), (ee), and (gg).

The motion carried.

Council recessed at 9:55 a. m.

Council reconvened at 10:06 a. m.

BUDGET

Update on Financial Issues

Discussion regarding direction to staff regarding increasing Beach Permit parking fees

Mayor Denham spoke to the budget being distributed to Council last Thursday, July 10, 2008 and the final budget hearing was scheduled for September 16, 2008 at 5:01 p.m. He also spoke to the task today was to set the tentative millage rate.

Discussion ensued regarding amount of reserves and the need for reserves, concern of proposed deferred capital projects, accept staff recommendation on the millage rate, budget not properly balanced to serve the requirements necessary for residents; 1) clean beaches; and 2) lower taxes; delivery of services must be maintained, narrative speaks to maintaining services, $400,000 increase in reserves, needs to be $1.5 million in reserves within the current budget document, proposed budget could always be cut, problems with Lake Okeechobee, concern not to be able to fund an emergency, spent $14 million on Hurricane Charley, received reimbursement $10 million, and need to maintain adequate reserves.

Councilman Jennings made a motion to set the tentative millage rate at 2.5 mills.

The motion died for the lack of a second.

Discussion continued as follows; the need to protect the City, residents need a tax reduction, need a better assessment for managing cost savings, i.e.; telephone, copying, light bulbs, balance mechanical clean-up with preservation, need to balance the reserve funds, would go below staff recommendation of 2.3355 mills, 2.3355 mills would allow no increase to property owners, cut taxes this year, need adequate reserves, understand health care increase, Pool B was the second part of the investment pool and would be a loss, set 4% for uncollected reserve for early tax payment, look for proposed budget to include 5% for uncollected reserves for early tax payment, Ms. Lynch asked if Council was speaking to the reserves for disasters, yes was the answer, need additional $1.1million to the recommended $400,000 for disasters, Consent Agenda

made transfers to FY2008 and included in the FY2009, FY 2008 approved a millage of 2.1966 mills and possible to cut an additional $653,000 cut from the proposed budget, Sanibel beaches marketed globally, flexibility to move between the disaster fund and emergency fund, hand-clean beaches previously costs approximately $100,000, recognize the loss of Pool B and go from 4% to 5% reserves for early tax payments, and Council agreed by consensus, incorporate the potential loss of Pool B, budget suggest net changes, how did a proposed budget work with an amended budget, great to have grants, but if a grant required a City match it would not be accepted, Sanibel employees not overpaid, read departmental narratives and no sure that all work necessary, MIS does not always save monies through productivity, cost to staff, planning narrative was given as an example, were there to many employees?, and should there be a reduction in the workforce?

Public Comment
David Bath spoke to the proposed budget of recommending no tax increase, consider increasing reserves, primary method to cut a budget was to cut personnel, questions of future pension liabilities, what was the amount of pension liability in dollars, and City Manager should maintain City staff.

Armand Ball spoke to his concerns; i.e. the need to evaluate and re-examine employee pensions, 1) what are the long-range cost; 2) what services should be continued; and 3) what would be put on staff; and recommend a higher tentative millage rate.

Karen Storjohann spoke to not thinking of cost when projects were no done, 2016/17 when tolls funds would come to Sanibel, need roughly $1 million each year to maintain roads prior to the increase in gas, costs increased if roadways not properly maintained, and concern in the MIS Department, holes in the code and should be addressed, and she suggested removing the Senior Services to the Recreation Center.

Discussion ensued regarding residents criticizing the number of police and police vehicles, should not reduce the Police Department, residents requests police presence with speeders, cut taxes to reduce the pension plan, unrealistic increased in COLA when instituted, pension plan created in lieu of a COLA, need a realistic plan for employees, request included a full presentation of what pension costs are currently, employee pays, employer pays, how funds were handled, need to know all potential risks, difference in 2.355 and 2.4 would be minimal, cost to reduce taxes by .1 mills would be $20 per $1,000.

Mr. Cuyler stated the Resolution title should be read.

RESOLUTION 08-082 ADVISING THE LEE COUNTY PROPERTY APPRAISER OF THE PROPOSED OPERATING MILLAGE RATE, THE ROLLED-BACK RATE, THE PROPOSED AGGREGATE MILLAGE RATE, THE MILLAGE LEVY FOR THE SEWER VOTED DEBT SERVICE, THE LAND ACQUISITION VOTED DEBT SERVICE, AND THE RECREATION CENTER VOTED DEBT SERVICE AND THE DATE, TIME AND PLACE AT WHICH A PUBLIC HEARING WILL BE HELD TO CONSIDER THE TENTATIVE OPERATING MILLAGE RATE FOR TAX (CALENDAR) YEAR 2008 AND TENTATIVE BUDGET FOR THE CITY OF SANIBEL 2008-09 FISCAL YEAR; AUTHORIZING AND DIRECTING THE CITY MANAGER TO PROVIDE CERTIFICATION OF SAME; AND PROVIDING AN EFFECTIVE DATE
Ms. Zimomra read the title of Resolution 08-082.

Mr. Cuyler stated the proposed millage rate of 2.355 would be inserted in the resolution and would set the public hearing for September 6, 2008 at 9:00 a. m., to consider the tentative operating budget set the millage rate.

Vice Mayor Ruane made a motion, seconded by Councilmember Johnston, at 2.355 mills and adopt Resolution 08-082.

The motion carried with Councilman Jennings voting in opposition.

Discussion regarding Planning Department Fees
Discussion regarding Building Department Fees
Status of Mid-year Indirect Cost Study Audit
Budget Timeline

Distribution of FY 2009 Draft Budget

Ms. Zimomra spoke to the following:

- Mid-year Indirect Cost Study was completed due to a tighter budget
- Reduce budget by $300,000 in the Indirect Cost Study
- Capture all costs in Enterprise Funds with projected expense
- Budget Timeline for information
- Beach parking would come before Council August 5th
- Staff recommendation was to waiver a fee increase for one-year and would come before Council at the August 5th meeting

OLD BUSINESS LISTEN
Water Quality Issues
Reports from City Council members
Report regarding status of green algae discussed at South Florida Water Management District (SFWMD) Board meeting of Tuesday and Wednesday, June 11 & 12, 2008

Mayor Denham spoke to the following:

- Green algae between the 2 Calooshatachee River locks
- ACOE discussed the issue and the Mayor suggested calling an emergency meeting of the ACOE and SFWMD
- Councilmember Johnston attended the meeting

Attendance to a meeting with Commissioner Ray Judah, and Phil Flood, SFWMD regarding blue-green algae with short and long-term solutions Thursday, June 19, 2008

Councilmember Johnston spoke to the following:

- Meeting held as mentioned above
- Provided an opportunity to think ahead for future years
- Hopefully there would be inserted a trigger to speak with Board of Health
- Discussion of the standards when algae was a public health problem
- Quantitative standards at a federal level for other problems, but not for algae
- State in the process of setting standard
- Industry request to not set standards – no action taken

Staff Reports

James Evans spoke to the Caloosahatchee River Protection Plan Committee meeting:

- June 27th meeting 3 of 4 project groups presented
- Projects evaluated on the level of readiness, water quality and water quantity benefits
- 3 of 5 Council priority projects recommended integrated and selected for management measures

- District staff created a nitrogen and phosphorus removal efficiency to rank projects based on removal
- All groups of projects had the C-43 in the baseline
- With the removal of the C-43 projects would change
- District review every 3 years with a revised plan to governing Board and Legislator
- Land acquisition in the EAA would change all projects in the Caloosahatchee basin
- Progress made under review of projects
- 61,000 pounds of nitrogen projected to be removed from the baseline
- All projects long-term with 5 to 10 years in the future
- Can address source issues, such as storm water, sewer and agricultural water run-off

Public Comment
Karen Storjohann spoke to a company from Cape Coral working with a project that kills algae and was used in China.

Update regarding the State land purchase of 187,000 acres from U. S. Sugar for the Everglades Restoration Project
Map of land purchase area

Dr. Loflin gave a brief PowerPoint presentation regarding the purchase of land from U. S. Sugar by the State for the Everglades Restoration project.

- C-43 specifically discussed at the last SFWMD board for consideration to delay
- $1.75 Billion the down payment for project, no financing costs or land swap
- Conversion of lands for water storage and flow way not included in the price
- Purchasing everything owned by U. S. Sugar
- U. S. Sugar operates for another 6 years
- Optimistic date of November 30 to close on land acquisition
- Purchase agreement continue with financing and intend to purchase land without a tax increase
- Estimated $11 Billion for cost of restoration of everglades
- Would not need ASR (Aquifer Restorage and Delivery Project) – the project would allow water to be pumped below ground and pumped back up when needed
- Increase water storage

RESOLUTION 08-092 OF THE CITY OF SANIBEL DECLARING ITS SUPPORT FOR THE EFFORTS OF GOVERNOR CHARLIE CRIST AND THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT TO ACQUIRE LAND SOUTH OF LAKE OKEECHOBEE FOR THE PROTECTION AND RESTORATION OF AMERICA'S EVERGLADES AND FLORIDA'S COASTAL ESTUARIES

Ms. Zimomra read the title of Resolution 08-092.

Discussion ensued regarding postponing until the next Council meeting, Councilmember Johnston to work with Mr. Cuyler, Councilmember Jennings to speak with the Governor and Lt. Governor regarding acquiring the land, Dr. Loflin stated funds were needed from the legislators and an upcoming meeting between Sanibel, Lee County, and SFWMD.

COMMITTEES BOARDS COMMISSION
Appointment to the Historical Preservation Advisory Committee

Ms. Zimomra stated that staff request this appointment be made August 5th due to an advertising error.

Council agreed.

Acceptance of resignation From Jodi Brown, Historical Preservation Advisory Committee member

Councilmember Johnston made a motion, seconded by Mayor Denham, to accept the resignation with regret and thank her for the work she has done while a member of the Historical Preservation Committee.

The motion carried by consensus.

Councilman Jennings asked for a proclamation for Ms. Brown at the next Council meeting.

Transmittal of the Planning Commission's subcommittee review of the Below Market Rate Housing Report

Transmittal of the Planning Commission's subcommittee review of the Permitting Process

Council accepted the reports.

NEW BUSINESS

Acceptance of the Annual update of the Sewer Financial Feasibility Study prepared by GIA Consulting

Ms. Zimomra stated that Ms. Hollis annually evaluates the Sewer Expansion Project

Ms. Hollis spoke to the followings:

- Reviewed the operating and maintenance expenses
- Slightly above 3%
- Update project costs
- Phase 5 included (Sanibel Bayous)
- Blind Pass condos already on line
- With new customer the fee could be off-set the rate increase
- SRF loans updates from previous years
- Repay the re-use advances at $350,000 to the general fund and paid in full in 2016
- All phases complete by 2011
- Also review charges in other communities

Discussion ensued regarding maintenance cost for older parts of the system, Mr. Castle stated that infiltration inflow was identified and $250,000 for FY 2008 and another $250,000 for FY 2009 for capacity improvements.

Mayor Denham made a motion, seconded by Vice Mayor Ruane, to prepare a resolution with a 3% rate increase.

The motion carried.

Council announced going in to Executive Session at 12:35 p.m. and the meeting would convene at 1:45 p.m.

Council came into open session at 1:30 p. m.

Council recessed at 1:30 p. m.

EXECUTIVE SESSION RELATING TO UNION NEGOTIATIONS. In attendance shall be the following persons:

Mayor Mick Denham **Vice Mayor Kevin Ruane**

Councilman Jim Jennings Councilmember Carla Johnston
Councilman Peter Pappas Sanibel City Manager Judie Zimomra
Sanibel City Attorney Kenneth Cuyler
Jim Isom, Administrative Services Director
Wayne Helsby, Labor Counsel (Allen, Norton & Blue)

Council reconvened in to open session at 1:45 p. m.

Request from Lee County to consider a wavier of noise limitations and authorize beach dredging and fill operations including truck hauling on a 24-hour per day basis, seven days per week as part of the Blind Pass Restoration Project

Steve Boutell and Robert Neal, Lee County Natural Resources were available for discussion.

Mr. Neal spoke to the following:

- Request a noise wavier 24 hours per day per week until October through January, 2009
- Request the use of the Blind Pass parking area
- Moving sand on the beach
- Trying to avoid turtle season
- Minimum of 18 days for truck hauling at 24 hours per day

Councilmember Pappas made a motion, seconded by Councilman Jennings, to grant the request

Discussion ensued regarding 36 emails; 35 in favor and 1 against, Ms. Zimomra stated staff would work with the contractor for signage for options, Lee County staff sending out emails to property owners, businesses, should send to Chamber of Commerce, and use dump truck sand to the beach, Mr. Neal stated it was not beach compatible.

The motion carried.

Public Comment
Tim Gardner spoke to receiving the emails and sending them out to other property owners.

Council decided to hear the City Manager's report.

CITY MANAGER

Informational Items

Staff report regarding the Status of City of Naples Proposed Noise Ordinance requested by Councilmember Johnston

Ms. Zimomra gave the following report:

- Ordinance was voted down

Discussion ensued regarding minimizing yard equipment noise.

Hurricane Preparedness

City of Sanibel Debris Management Plan pending State approval

Ms. Zimomra spoke to the following:

- FEMA changes guidelines
- Debris Management Plan sent to State for approval

Status report regarding hurricane permit distribution
For information only.

Citizens Hurricane Preparedness Seminar
Ms. Zimomra stated the seminar would be held at B. I. G. Arts n June 26th.

Status of discussions with Sanibel Dog Club regarding Dog Park Development
Ms. Zimomra spoke to the following:

- Met with Dog Club
- SCCF considering donating land to the City adjacent to the City-owner parcel
- Would meet with Dog Club members again

Quarterly Financial Report
Development Permit Activity Report for June, 2008
Code Enforcement Activity Report for May & June, 2008
Building Department Permits and Inspections Monthly Report
Building Department Monthly Revenue Accumulative as of June 30, 2008
Causeway Count for April, 2008
Nile Monitor Lizard and Iguana Eradication Program Update
Sanibel Historical Museum & Village Financial Quarterly Report
Distribution of the Sanibel Plan
Ms. Zimomra spoke to the above-mentioned items included for informational purposes.

Discussion ensued regarding Hazel Schuller speaking during pubic comment and
Interested in the origin of changes in the Sanibel Plan regarding the desire for maintaining hotels/motels, assumption made as part of the re-development plan that decisions have been made, Ms. Zimomra stated that the re-development plan would be forwarded.

Ms. Zimomra stated that $20,000 was identified for the Nile Monitor Lizard and Iguana eradication program and once returned from Atlanta would come to Council for acceptance. She further stated that the trapper was a piggy-back of a Lee County agreement, Iguana lizard sold in pet stores had a microchip, but their offspring do not have a microchip.

Status of discussions with the Sanctuary regarding the Recreation Center Partnership
Ms. Zimomra stated that there was a proposal from the Sanctuary Golf Club for a more equitable deal with giving golf lessons in return for a corporate partnership.

Discussion ensued regarding equitable partnership.

Council recessed at 2:03 p.m.

Council reconvened at 2:13 p.m.

Presentation by Don Scott, Executive Director Lee County Metropolitan Planning Organization and Tindale Oliver representative regarding Lee County Transit Authority
Request that Council approve the Interlocal Agreement between Lee County and the City regarding the Lee County Transit Authority and authorize the City Manager execute same

Don Scott, MPO, Steve Myers, Lee Tran, Ron Goggi, MPO and Joel

- Ft. Myers, Bonita Springs and Cape Coral approved the agreement
- Ft. Myers Beach adopted with changes and agreement needed to go back to the Transit Oversight Committee

Discussion ensued regarding Council's adopted position statement on the proposed authority, Joel spoke to receiving the statement and used to help to create the proposed agreement, would like to add the Ft. Myers Beach inclusions to the Sanibel agreement, consider each area for tailored needs, need a circulated system around the island, opposed to a system that picked-up people at one point on the island and take them to another point, should not be fossil fuel based, but electric vehicles, what would be the cost to the City, road system not supported by Lee County through tolls, beginning discussions with Lee County through the City Attorney for toll funds for vehicles going to Captiva, would special needs buses be part of the agreement, Steve Myers stated that any place there was a public bus route for special needs people, and Cape Coral does have a small system of their own, in Florida was a county-wide service through "Good Wheels" available through TCT, and cab availability small during season.

Public Comment
Wayne Ponader spoke to the past Traffic Committee, recommendation to explore transportation alternatives, Sanibel had existing problems not in other parts of Lee County, one-way on and off, 2-lane roads; participate in process without delegating authority,

Dr. John Harries spoke to reviewing the position statement and questions regarding proposed Interlocal Agreement.

Discussion continued regarding no system that bypasses island businesses, local opportunity to control what happens locally, the Interlocal Agreement was not signing on to be a member of the Transit Authority, Joel stated the charter outlines the duties and responsibility of the Board, purpose of Interlocal was to give a mechanism to create the charter, no support to use Ad Valorem taxes, charter would develop the guidelines of the entity, Steve Myers spoke to regular fixed routes increased between 6 to 9%, ask MPO to circulate the agreement again to make an amendment that incorporates concerns of Sanibel and Ft, Myer Beach, under section 3 the composition (a) & (b) raise issues such as allowing 1 voting member from each municipality, can opt out at any time, bring back to Council on August 5th, transit authority should not pass any thing regarding the municipality, and staff should receive comments.

Wayne Ponader spoke to being careful that in the amendment set forth exactly what Sanibel wants.

Joel spoke to a veto issue not considered equally, Sanibel and Cape Coral interested in consider veto during the Charter process.

CITY ATTORNEY'S REPORT
None.

COUNCIL MEMBERS' REPORT
Update regarding the Lee County proposed Charter amendment
Mayor Denham spoke to the following:

- Discussion came from the last Mayor's meeting
- Lee County BOCC decided there needed to be a referendum
- Lee County Mayor's met and went before BOCC
- Agreement to cease any annexations for one-year until an Interlocal Agreement could be created

Discussion regarding if City Council wants a resolution regarding the U.S. House amendment to the Appropriations Bill that would lift the federal moratorium on offshore oil and gas drilling

Mayor Denham offered this for discussion and stated in his opinion the topic was not appropriate for discussion.

Discussion ensued regarding should there be a discussion, City should support the policy of no drilling, and would bring back for discussion as appropriate in the future.

Councilman Pappas spoke to an email from a gentleman in Lexington, Kentucky for an alternate weigh station

PUBLIC COMMENT

None.

There being no further business the meeting adjourned at

Pamela Smith, CMC
City Clerk

SANIBEL CITY COUNCIL REGULAR MEETING
AUGUST 05, 2008

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

Members present: Mayor Denham, Vice Mayor Ruane, Councilman Jennings and Councilmember Johnston. Councilman Pappas was absent.

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

Public Comments
None.

Council Comments
Councilman Jennings spoke to school starting and the safety f the children.

Mayor Denham spoke to hurricane season.

CONSENT AGENDA

Councilmember Johnston requested to move item (h) for discussion.

h. **RESOLUTION 08-094 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-065 AND PROVIDING AN EFFECTIVE DATE** (To: 1) increase General Fund 2008 fiscal year revenue in the amount of $28,187 for the 2007 fiscal year implicit health insurance rate subsidy payment from the Other Post Employment Benefit (OPEB) Trust Fund; 2) increase the General Fund 2008 fiscal year expenditure appropriation by $31,071 for the 2008 fiscal year required contribution to the Other Post Employment Benefit (OPEB) Trust Fund. This increases the total required contribution to the OPEB Trust Fund from $55,000 to $86,071. This budget amendment increases the FY08 budget by $31,071)

Ms. Zimomra read the title of Resolution 08-094.

Councilmember Johnston asked that MS. Zimomra explained what OPEB trust fund was.

Sylvia Edwards, Finance Director spoke to the following:

- OPEB provided for retires per statute
- Same insurance premium charged to retirees as other employees
- GABS 43 and 45 the subsidy had to be funded and evaluated
- One time establish liability for current retirees
- Liability amortized over 30 years
- Before GABS 43 and 45 was never on the City's books
- Expenditure going to the trust fund and was reimbursed back to The City of Sanibel Requires full disclosure

Ms. Zimomra stated that retirees pay 100% of health coverage.

Councilmember Johnston made a motion, seconded by Mayor Denham, to adopt Resolution 08-094.

The motion carried. Councilman Pappas was absent.

Ms. Zimomra requested that item (a) be pulled for discussion.

a. **RESOLUTION 08-105 EXPRESSING THE APPRECIATION OF THE CITY OF SANIBELTO DICK MUENCH, THE SANIBEL KIWANIS CLUB AND SANIBEL-CAPTIVA COMMUNITY BANK FOR THEIR CONTRIBUTION OF A SHADE STRUCTURE TO BE INSTALLED AT THE COMMUNITY PARK; ACCEPTING SUCH SHADE STRUCTURE AND DIRECTING CITY STAFF TO COORDINATE AND ASSIST IN HAVING SUCH SHADE STRUCTURE INSTALLATION FINALIZED; PROVIDING THAT THE CITY WILL PAY FOR BUILDING OR RELATED PERMITS RELATING TO SUCH SHADE STRUCTURE; AND PROVIDING AN EFFECTIVE DATE**

Ms. Zimomra read the title of resolution 08-105.

Mayor Denham thanked Mr. Muench for his help and contribution.

Mr. Meunch spoke to the color of the shade structure. He explained it would

Mayor Denham made a motion, seconded by Councilman Jennings, to adopt Resolution 08-105.

The motion carried. Councilman Pappas.

b. **RESOLUTION 08-096 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-062 AND PROVIDING AN EFFECTIVE DATE** (To reduce budgeted interest earnings to reflect lower interest rates available to the City with its current investments. This amendment reduces the FY08 revenue by $134,908)

c. **RESOLUTION 08-097 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-064 AND PROVIDING AN EFFECTIVE DATE** (To transfer $5,000 from the General Fund to the Recreation Center Fund for a donation from the Community Foundation Fund to the after-school program for scholarships available for youths attending the program. This amendment increases the FY08 budget by $10,000 but there are no new additional funds appropriated by this amendment)

d. **RESOLUTION 08-098 APPROVING BUDGET AMENDMENT/TRANSFER NO. 2008-066 AND PROVIDING AN EFFECTIVE DATE** (To appropriate $11,660 from State Farm Insurance in payment for the repair of damage to a sewer lift station from a vehicle accident on April 5, 2008. This amendment increases the FY08 budget by $11,660)

e. **RESOLUTION 08-104 AUTHORIZING AN AMENDMENT TO AN INTERLOCAL TOURIST TAX FUNDING AGREEMENT WITH LEE COUNTY TO EXTEND THE TERM OF THE AGREEMENT TO ALLOW MORE TIME TO COMPLETE THE SANIBEL HISTORIC VILLAGE AUTHENTIC RESTROOM PROJECT; AND PROVIDING AN EFFECTIVE DATE** and authorize the City Manager to execute same

g. **RESOLUTION 08-101 AUTHORIZING THE CITY MANAGER TO DISPOSE OF OBSOLETE OR SURPLUS FIXED ASSETS; AND PROVIDING AN EFFECTIVE DATE** (Public Works)

Ms. Zimomra read the titles of Resolutions 08-096, 08-097, 08-098, 08-104, 08-101 and 08-94.

Councilmember Johnston made a motion, seconded by Mayor Denham, to adopt Resolutions 08-096, 08-097, 08-098, 08-104, 08-101 and 08-094.

The motion carried. Councilman Pappas was absent.

f. Approval to extend the date to vacate the Gulfside City Park Caretaker's Cottage following the retirement of Thomas Bauer from the City of Sanibel from 30 days to six months and/or the transfer of the property to the management of Community Housing Resources (CHR)

Vice Mayor Ruane made a motion, seconded by Councilmember Johnston, to approve the above-mentioned.

The motion carried. Councilman Pappas was absent.

Continuation of discussion regarding the proposed Transit Authority

Ms. Zimomra explained that this topic was a continuation of discussion from Council's July 15th meeting. She further spoke to Councilmember Johnston was previously involved as Council's MPO representative as the project evolved.

Don Scott, MPO Director spoke to Council being involved in the Oversite Committee.

Discussion ensued regarding important to be involved with the Oversite Committee, Council submitted a Transit Authority Statement, approving of an Interlocal Agreement and establishment of a Transit Authority, no transit service on Sanibel from Lee County to Sanibel dropping off passengers and return, but only a circulator route, no stops on Periwinkle Way, including all major centers on Sanibel, vehicle must have a low carbon footprint vehicle, every community should have an equal voice and vote, transit authority must include Sanibel's position statement, assurances that the island would be respected and keep Sanibel as it is today, operate with smaller vehicles on Sanibel, should have medical facilities on the route, use transportation for visitors coming to the wildlife refuge, there should be a veto vote, considerable discussion of veto power or opting out within the Transit Oversite Committee, and if authority set up properly municipalities should be able to work directly with Lee Tran.

Public Comment
David Bath spoke to his concern of an increase in day visitors.

Councilmember Johnston made a motion, seconded by Vice Mayor Ruane, to approve and sign the Interlocal Agreement because it includes under Item C; coordination with municipalities regarding how the service would take place, Item D; an appeal process for jurisdictions, and includes in the Transit Service section; energy conservation, advanced transit technologies, protection of community character and includes the ability of a municipality to withdraw.

Mr. Scott spoke to the following concerns:

- Veto vote – concern with other municipalities – would deal with in the future
- Issues with size of buses
- Number of voting members per jurisdiction meaning one vote for each municipality – raised by other entities
- Ongoing project for retrofitting hybrids

Discussion ensued regarding Mr. Scott not disagreeing with Council comments, other communities raising similar issues and all issues would be dealt with as the project goes forward, Council asked Steve Myers, LeeTran to comment, Mr. Myers spoke to the cost of fuel, LeeTran a static service, no new attempts at new services, current routes fixed and stable, look for other services in the future, new technology tested in the transit industry, hydrogen technology being tested, immediate issues of storage capacity of electric vehicles, smaller and narrower vehicles coming to the market, $600,000 allocated by Lee County, total cost to get project off the ground would costs approximately $1,000,000, and the need for a referendum.

Dr. David Berger spoke to the need of the proposed service on Sanibel. He further suggested the Planning Department be allowed to study the need.

Discussion ensued regarding the next step would include Dr. Berger comments, once the Transit authority was established they would involve City Planning Departments.

Karen Storjohann spoke to Sanibel decides no buses were wanted on Sanibel, but would still pass through to go to Captiva.

Discussion ensued regarding to the above-mentioned topic being part of the next discussion and unwise for Lee County to be aware, and the same partners as the Transportation Project on Ding Darling.

The motion carried. Councilman Pappas was absent.

Councilmember Johnston made a motion, seconded by Vice Mayor Ruane, for the City to send a letter to Ft. Myers Beach Town Council recommending that they consider being a part of the Transit.

The motion carried. Councilman Pappas was absent.

CONTINUATION OF BUDGET DISCUSSION
Update on Financial Issues Impacting the Budget
Discussion of Budgetary Issues by City Council

Mayor Denham explained the City did not control the Library, the Fire District or Island Water Association. He further stated requesting the City provide the information of budget hearings from the above.

Ms. Zimomra spoke to different requests as following:

- A summary on each Capital Project
- Preparation of a 4-year history of reserve balances
- A summary of roll-forward projects
- Prepare a report of all variances in access of $100,000
- Review and change the format of presentation of the Quarterly Report
- Report regarding the MIS, Natural Resources and Police Departmental budgets
- Report on Environmental Initiatives

Discussion ensued regarding the tentative millage rate of 2.344, advocating more flexibility, more reserves set aside last year for emergencies, need to continue the same format with requested information, need to protect reserves, should review overall administrative services City-wide i. e., telephone services, copiers, should not change the format of the budget presentation, amended budget includes grant funds, amended budget reflects all positives and negatives of the adopted budget, useful to focus on the roll-over practice, roll-over budget amendments should be completed earlier in the budget year, time to move forward on energy reductions, September budget with proposal to reduce the by at least $600,000, becoming a greener island with vehicle usage, and Ms. Zimomra stated other items below were for Council direction.

Public Comment

David Bath spoke to the proposed budget being conservative, should there be a mechanism to look in the future. He spoke to the City's pension funds and $12 million in unfunded liabilities, and the important issue of on-going pension projects for at least 25 years.

Discussion ensued regarding a mid-year adjustment made earlier, reviewing everything on a quarterly basis, presentation to include future of pensions, and would there be the ability to raise taxes if money was borrowed, and Ms. Zimomra stated not in the current year, and what were the pros and cons increasing reserves or taking more debt to cover expenses if necessary, what if there was an emergency after the millage was set and the legal mechanism to pay the debt.

Ms. Zimomra stated:

- Hurricane Charley cost $14 million
- Borrowed $10 million
- $10 million was reimbursed by FEMA and State
- 3 years to pay the debt
- Political connections
- Staff aggressive in obtaining grants
- Made commitment to pick-up debris on private streets
- Council's decision would be what level was comfortable
- Other risks i.e. algae

Council recessed at 10:23 a. m.

Council reconvened at 10:35 a. m.

City Council Direction to Staff on the Following Budget Issues

Discussion regarding direction to staff regarding increasing Beach Permit parking fees

Ms. Zimomra stated staff was looking for direction to increase beach parking fee, which have been the same for several years and the recommendation would increase revenue of $18,000.

Discussion ensued regarding the recommendations, AC permit, resident increase to $12, Ms. Zimomra stated Lee County charges $50 annually; bring back a recommendation for a $20,000 increase in revenue.

Mayor Denham made a motion, seconded by Councilman Jennings, to direct staff to amend the ordinance increasing resident fees to $12 and/or smaller amount to include a nominal resident increase and bring back for Council consideration.

The motion was withdrawn.

Council requested staff bring back another recommendation taking in consideration the discussion.

Discussion regarding Planning Department Fees

Discussion regarding Building Department Fees

Ms. Zimomra explained the history of the annual adjustment of 3%. She stated that staff's recommendation was to waive the automatic 3% increase the next fiscal year during the stressful economic times.

Council agreed with staff bringing back legislation on August 19th.

Memorandum regarding revenue refinements of the communication service tax, tipping fees and Fund B Investment Pool

Ms. Zimomra stated the communication service tax, which was a tax on basic phone service, as well as cell phone service and was replaced franchise fees, and state collection had been sporadic. She explained the proposed revenue was $500,000 for FY 2009. She further explained that refuse collection was decreased and the volume had also decreased by 5 to 10% and anticipate a reduction in the revenue. She stated recycling numbers were holding even with a conservative number in the proposed budget. She explained that staff continues to monitor Fund B investment pool with additional matured securities, which were removed, as well as the State following their own guidelines. She also explained by waiting there was less risk and the number one focus was to maintain the City. She further explained that funds were being reviewed constantly.

Discussion regarding proposed Recreation Center Fees

Ms. Zimomra stated staff recommendations were included in the packet and $243,402.42 in revenue thus far this year for membership with nineteen (19) $1,000 lifetime memberships. She stated that staff recommends increasing fees by 5%. She explained the recommendation would create a member guest rate, 5% increase for on-island employees, an increase for non-resident visitor, City-employee fee would be a separate discounted rate with an employee contribution this year. She stated the Parks and Recreation Committee reviewed the recommendation, and there was concern of the need to round costs, but recommended the staff proposal.

Discussion ensued regarding discussion for corporate membership, Ms. Zimomra stated that Council approved a pilot program of membership with the Sanctuary for in-kind services; Ms. Zimomra gave a comparison of rates on and off island, what percent of operational cost was paid for by membership fees, Ms. Zimomra stated there was no membership or program fees for the old Recreation Center, percentage of program fees for the old Recreation Center, Ms, Zimomra also stated that most facilities see a 25% to 30% reduction after the first year, staff recommendation was to increase fees 5% across the board, between family and individual residents there was increasing in the purchase of the daily pass and Council may want to review the daily and annual increase individually, rates would balance the elasticity of use, and increase the daily rate from $3 to $5.

Public Comment
Armand Ball, parks and Recreation Committee Chair spoke to the need for guidance. He reminded Council that the extended hours were paid from membership fee revenues. He cautioned not to adjust rates by increasing resident fees.

Discussion ensued regarding a chart showing staff for old and new recreation center, did not include extended hours of the recreation center in the budget and would only continue if revenue was available, Mr. Ball stated the committee agreed with staff philosophy not to spend money that had not been collected.

Karen Storjohann suggested allowing the new director to review staff proposal.

By consensus Council directed staff to bring back additional statistics, allow Mr. Deal to review proposal, bring back information for a 25% reduction, and bring back legislation at the September 06 Council meeting.

OLD BUSINESS –
Water Quality Issues
Staff Reports
Staff update on final scope of work for isotope tracing of nutrients in the Sanibel River

James Evans gave the following report:

- Primary goal was to review the source of nutrients
- Working with Charlotte Harbor Environmental Center, Mote Marine Lab and SCCF Marine Lab
- July 28 data collected

- Data process by the University of Florida
- Final report by November

Calooshatchee River Watershed Committee - Northern Everglades

- Reviewing chapters of the plan
- Plan submitted in December to the SFWMD governing board, then move to the legislature
- Encompasses all water quality and water storage benefits
- STA for C-43 not included
- CERT projects would move forward with federal funds
- Concern that US Sugar land deal does not preclude current projects

Discussion ensued regarding data included in the Natural Resources Defense Council report for southwest Florida, Council requested that Mr. Evans report on the Natural Resources Defense Council report, involve Representative Connie Mack, consider the work of Senator Dave Aronberg's district, RPC control of local contractors, trouble with outside contractors working in area and knowing new rules, and Mayor Denham bring to Council RPC projects and concerns.

Reports from City Council members
Update Regarding Urban Run-Off Issues

Mayor Denham spoke to the following:

- Urban Run-off issue
- Press Release regarding urban water
- Storm water resolution coming forward to RPC
- Proposed State rule on storm water and including RPC
- Attended Lee County Planning and Management Committee – package plant ordinance adopted (certain places no treatment plants would be installed)

Correspondence of July 15, 2008 from the South Water Management District

Acknowledgement of receipt of letter.

RESOLUTION 08-092 OF THE CITY OF SANIBEL DECLARING ITS SUPPORT FOR THE EFFORTS OF GOVERNOR CHARLIE CRIST AND THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT TO ACQUIRE LAND SOUTH OF LAKE OKEECHOBEE FOR THE PROTECTION AND RESTORATION OF AMERICA'S EVERGLADES AND FLORIDA'S COASTAL ESTUARIES

Ms. Zimomra read the title of Resolution 08-092.

Councilmember Johnston noted amendments were made from the last Council meeting.

Councilmember Johnston made a motion, seconded by Mayor Denham, to adopt Resolution 08-092.

The motion carried. Councilman Pappas excused.

COMMITTEES BOARDS COMMISSION
Appointment to the Historical Preservation Advisory Committee

Councilmember Johnston made a motion, seconded by Councilman Jennings, to appoint Beth Hight to the Historical Preservation Advisory Committee.

The motion carried. Councilman Pappas excused.

Appointment to the Parks and Recreation Advisory Committee

There being no further business the meeting was adjourned at 12:00 p. m.

Respectfully submitted by,

Pamela Smith, CMC
City Clerk