



MINUTES

**FORT MYERS BEACH TOWN COUNCIL
TOWN HALL – COUNCIL CHAMBERS
2523 ESTERO BOULEVARD
FORT MYERS BEACH, FLORIDA 33931**

MANAGEMENT & PLANNING WORKSESSION

MINUTES

April 21, 2010

I. CALL TO ORDER

Mayor Kiker called the meeting to order at 9:02 a.m. Present with Mayor Kiker was Vice Mayor Raymond, Council members List, Mandel and Babcock along with Town Manager Stewart, Town Attorney Dalton, Public Works Director Cathie Lewis as well as Susan Malay Contracts Manager.

II. PLEDGE OF ALLEGIANCE

All stood for the Pledge of Allegiance.

III. WATER SYSTEM REPLACEMENT

Town Manager Stewart recognized Public Works Director Cathie Lewis and from Woodard and Curan, Kelly Starnes, who were both present for the meeting.

Mr. Stewart began the session with an overview indicating the water system was owned by a private organization, was purchased by Lee County, and then through some mechanism the Town pursued the utility from Broward County and then eventually purchased it. Mr. Stewart indicated it was a system with many deficiencies however he wanted to commend Public Works and Woodard and Curran in keeping the system up and functioning and providing clean, safe water for the residents of the Town. Structurally there are areas where the pipes are too small and inadequate with a concern regarding lack of pressure for fire fighting.

Town Manager Stewart noted that the Town bought the water in bulk from Lee County, pumping it to the island to storage tanks at the north and south ends of the island and then pumping it on to the residents and businesses. The North Estero Project had been started within the last year but encompassed less than 10% of the system on the island. Mr. Stewart continued by addressing the asbestos concrete piping and the concerns stemming from that type of pipe.

The need to stabilize the system and remove the areas of greatest risk was then addressed with Mr. Stewart indicating it would be a multi-year project. Cathie Lewis reported to Council that realistically it would be a 10 year project but optimistically hoped for 7 years. Town Manager Stewart cautioned Council that decisions they make now will affect people, Town Managers and Councils into the foreseeable future. Mr. Stewart felt it important to inform and educate people what the project was and how it would be accomplished and how important that portion of the project was.

Cathie Lewis indicated she had been working with AECOM to negotiate a supplemental task authorization under the Town's ongoing services contract. Miss Lewis indicated the company would be doing a brief re-evaluation of their report, updating all the costs they had estimated with regard to the rehabilitation work, removing the North Estero portion from the report and looking at the timing based on the constraints on the island, the time to complete the work as well as their recommended phases, with prioritization on certain areas.

Town Manager Stewart pointed out that the report would lay a good foundation of information to answer questions the public will have and a great way to keep them informed as to what needs to be done and why.

Mr. Stewart stated the things that were needed now was an understanding of what needed to be done as well as the costs which would become clear once the report was received and then for Council to decide how they wanted to fund the work. Mr. Stewart indicated Council had been given a Water Utility Overview report from Evelyn Wicks, Finance Director laying out the structure of rates.

Mayor Kiker stated Council needed to sequence their decision making in order to move forward with the project with the first decision being, how to finance the project.

Council began a discussion voicing their opinions on legalities, referendum, financing, and timelines. Town Manager Stewart reminded Council that the Town could phase the borrowing, thus not reaching the full borrowed amount until the end of the project 7 to 10 years down the line.

Attorney Dalton provided Council with the information that the Town deliberately chose the municipal corporation structure and deliberately chose to have an

interlocking of sequences and deliberately put the agency in place, which would not have been her recommendation had she been Town Attorney at that time, stating Council could chose to disentangle the system which may allow them to get away from the Charter. Attorney Dalton stated her understanding of why it was put into a 3 part process was so Town Council could control every part of the process including the rates so that the Town would not suffer from increased rates without Council being in control.

Mayor Kiker felt they needed a cash flow analysis, with the need to know how much the Town could afford, start the project and stay out of the business of staff to allow the project to move forward.

Council discussed the overall large picture of the water utility, storm water, Estero Boulevard and Town Hall with Mayor Kiker indicating again the need to go after the cash flow. A discussion ensued regarding the ability to work on the water utility project in conjunction with storm water, noting it could be possible to do so in some locations but not all.

Town Manager Stewart addressed the time line on the North Estero project and the fact that complaints had been kept to a minimum, noting that the upcoming projects were not the issue, rather financing of the projects was the issue and that 7 to 10 years of projects would be disruptive so the delivery methodology was important. Mr. Stewart indicated he agreed with a cash flow analysis with a caveat as there was not information available to make the calculations but staff was moving forward to obtain necessary estimates and information. Mr. Stewart asked if Council was considering going to the public for a referendum on the entire amount for all major projects. Mayor Kiker stated a referendum was not needed since using a cash flow analysis did not provide exact data but rather a best guess. The decision would be how much would be needed down and how much monthly to fund the amount followed by a budget that accomplished the the need at hand.

Councilmember Mandel addressed the lack of revenue for funding which would result in the Town borrowing and finding a way to pay for it which he indicated would bring the Town back to where it was now, whether it would be for a total or a portion of the projects.

Discussion continued on Mayor Kiker's choice of cash flow analysis and Councilmember Mandel's desire to get the water utility project moving forward and Councilmember Babcock's feeling to look at the big picture as well as questioning the ability to replace the waterline yet not dig up the roadway so Estero Boulevard would not need to be disrupted 3 times.

Council members Mandel and Babcock continued to feel there would need to be a change in the Charter or a referendum with Mayor Kiker disagreeing. Attorney Dalton indicated in the previous week's workshop put on by Nabors,

Giblin they talked about a public private partnership which could pertain to Seafarer's Mall.

Councilmember Raymond wanted to see an actual number for all the projects before they could move forward with Cathie Lewis stating that would be proposing a CIP budget and funding it. Councilmember List agreed Council needed to look at all the projects however wanted to know what the plan was at that moment to move forward, what decision did Council need to make right then to move everything forward since she felt the issues had already been talked about enough, asking again what Council's job was today.

Councilmember Babcock felt there was a need for a long range CIP, ranging up to possibly 20 years. Councilmember Babcock did not feel that a cash flow would ever be sufficient to deliver the necessary capital programs. Councilmember Babcock still felt it would come down to individual referenda or if the people were willing to change the original intent of the Charter.

Each Councilmember provided their views with what needed to be happening at the present time. Town Manager Stewart voiced his thoughts on what needed to be looked at at the present time, with the need for ad valorem pledging and long term borrowing as well as revenues and where they would be coming from.

Attorney Dalton agreed on the cash flow analysis as well as the following suggestions:

- set up a strategic planning advisory committee
- explore all public private opportunities
- obtain volunteer services of a grant writer who would spend their time locating grant funds
- move up the referendum to the fall

Cathie Lewis felt the first thing staff needed was direction to move forward to referendum or a decision for another alternative followed by a decision on how to pay for it all. Miss Lewis reminded Council that they had set a sunset on the capital contributions that were built into the new rate structure and it would be going away in another year and would not be available for the long term.

Mayor Kiker felt the answer should be no on the referendum, indicating for the short term projects Council needed to keep their priorities to keep the Town moving then went on to provide an example of the money needed and how much the Town could afford to pay.

Mayor Kiker went on to state that no one in the Town put the Charter together indicating it was a copy of a Town north of Orlando and that it was their vision not the vision of this island and anyone thinking it was the vision of people of the Town was wrong and needed to get over that concept.

Councilmember Mandel stated he came to the meeting thinking there were 3 things that needed to be done; one being to let the corporation go ahead and do it but that can't be done, two, go with the referendum the Town had or three, put the question back on a referendum.

Council Recesses (10:50 a.m.) Council Reconvenes (11:07 a.m.)

Town Manager Stewart indicated Council had already noted 3 major things the Town had to deal with; stabilization and upgrading of the water system, the storm water plan, and acquiring a Town Hall. Mr. Stewart felt Council wanted staff to go get those things done with a consensus from Council that yes this was correct. The financial end was next with staff acquiring and researching the estimates for those projects. Mr. Stewart felt the Town would not be able to change the mind of Sharon Harrington from the Board of Elections to move a referendum sooner, from the spring to the November ballot.

Discussion continued on the definite need for a cash flow analysis and to be ready to make a decision on a referendum once the information is presented and the need at that time for educating the residents.

IV. COUNCIL POLICIES AND PROCEDURES MANUAL

Time Noted 11:25 a.m.

Council reviewed item changes Town Attorney Dalton suggested.

Council discussed under Attendance Policy the fact that a work session meeting was no less important than a Council Meeting with agreement on that issue and then discussing whether to include all meetings regarding the 3 consecutive regularly scheduled meetings rule for absences. Councilmember Raymond and Mayor Kiker felt that M & P and worksessions should be considered regularly scheduled meetings

Discussion continued on how meetings should be categorized and if all meetings should be counted in regards to consecutive absences with Mayor Kiker then requesting that the entire manual be re-evaluated against the Charter indicating Council's need to be consistent.

Council Recesses at 12 noon Council Reconvenes at 12:16 p.m.

Returning from a recess Council continued to attempt to define Council Meetings, M & P and Worksessions with a struggle in agreeing to definitions. A decision was made by Councilmember Babcock to reference the Charter.

Council began a conversation on whether to continue with updating the current policies and procedures manual since there seemed to be continued opposition

to many of the suggested changes and a lack of consensus on most items. Councilmember Babcock asked if Council wanted to continue and if not then he was fine with moving on to another project.

Town Manager Stewart noted that if Council did not agree on a modified P & P then they would be stuck with the one they had, indicating Council had already agreed there were things they did not agree with on the old one and would be painting themselves into a corner by abandoning the idea of a new revised P & P.

Council continued on with the suggested changes of Councilmember Babcock and Attorney Dalton.

Council spent time discussing Council Communications Policy indicating they would like to spend additional time debating the topic at a future meeting.

MOTION: Councilmember List made a motion to adjourn the meeting with a second by Councilmember Babcock.

Council Adjourned the Meeting at 1:50 p.m.

Adopted _____ With/Without changes. Motion by _____

Vote: _____

Michelle D. Mayher, Town Clerk

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