



MINUTES

Monday, March 18, 2013

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

I. CALL TO ORDER

Acting Mayor Mandel called to order the March 18, 2013 Work Session of the Town Council 9:00 a.m. Present along with Acting Mayor Mandel: Council Members Andre, List, and Kosinski; Mayor Raymond was excused. Also Present: Town Manager Stewart, Town Attorneys Miller and Humphrey, Finance Director Wicks, Parks & Recreation Director Evans, Public Works Director Lewis, and Town Clerk Mayher.

II. PLEDGE OF ALLEGIANCE

Acting Mayor Mandel requested approval of a change in the order of the Agenda; and moved Item IV, Recap of Joint Work Session/TC and BOCC, to become Item III; followed by the Audit Presentation as Item IV.

Consensus agreed with the requested change to the order of the Agenda.

III. RECAP OF JOINT WORK SESSION/TC AND BOCC

Town Attorney Humphrey recounted his experience as it related to the time when he served as Mayor of Fort Myers and how they dealt with the County as it pertained to improvements to Martin Luther King Jr. Boulevard. He recommended the Town consider taking over the responsibility of the design and construction of the improvements to Estero Boulevard through an interlocal agreement with the County; and for the Town to request that the County help fund the work. He explained from a legal aspect how the project would begin with looking at the Town's Comprehensive Plan (Comp Plan), Policy 7(B) 2 and 3; and pointed out that the County had explained at the Joint Meeting that there was a difference between the Town and the County's core level of services.

Town Attorney Miller reported she would forward the link to the Council so they could view a meeting held on June 5, 2012 of the Board of County Commissioners, and she summarized the discussions at that meeting which included but was not limited to:

- Retaining TY Lynn for an amount not-to-exceed \$29,729
- Approval of a \$1.7 million dollar transfer from General Fund Reserves for a one-time grant program, approval of a budget amendment, and an amendment to the CIP
- State Road 82 and Bonita Beach Road
- Homestead Road in Lehigh
- County's \$50 million dollar Revolving Loan Fund

Town Attorney Humphrey noted how significant the Estero Boulevard improvement project was to the Council. He discussed his review of the County's Capital Improvement Program, how the Estero Boulevard improvements were inserted, and prior commitments for professional services and construction. He expressed his opinion that it appeared the County was 'moving' funds for the replacement of the San Carlos Bridge in 2020. He suggested the Town consider recommending to the County that:

- An interlocal agreement for the Town to be responsible for completing the design and doing the items noted in the Town's Comp Plan; that the Town would insure the construction of Estero Boulevard improvements; and that the County would fund a major portion of the design/construction.

He explained how Fort Myers had assumed certain costs that pertained to improvements to Martin Luther King Jr. Boulevard (i.e. State funded \$25,000,000; County funded \$10,000,000; and Fort Myers assumed \$7,000,000); and how the matter could go to referendum depending upon the amount and the length of time for payment.

Town Attorney Miller reviewed her experience with similar projects which were the improvements to Del Prado Boulevard and how the County had funded rights-of-way acquisitions, and the Diplomat Parkway improvements.

Town Attorney Humphrey pointed out the Council may want to consider inviting the Bond Counsel to appear before Council and address them on this matter.

Acting Mayor Mandel gave an update on events that had occurred since the Joint Meeting of the Council and the BOCC:

- Council was given a copy of a letter sent to the BOCC summarizing the Joint Meeting.
- He had general conversations with three County Commissioners on the topic of Estero Boulevard.
- He had worked on 'numbers' as it pertained to what Town Attorney Humphrey had suggested; and noted that it was not out of the question to consider the Town Attorney's recommendation.
- He asked if there was consensus to have the Town Attorneys, Town Manager, and himself work on that approach; and then come back to the Council after it had been 'tested', give the information to Council, and then have a meaningful conversation on the topic.

Council Member Andre noted the many millions of dollars spent on baseball in the County; the importance of Fort Myers Beach to tourism; and questioned why Estero Boulevard improvements appeared not to be a priority for the County.

Discussion ensued concerning the importance of Fort Myers Beach to area tourism; the 7,000 voters who lived on the Beach; and the recommendation for the Town to take the lead on design, construction, and funding of the improvements to Estero Boulevard or the concept of requesting the transfer of Estero Boulevard from the County to the Town.

Town Manager Stewart reviewed information concerning the County's offer to fund the first mile of the Estero Boulevard improvements; and how the Town's funding of the project might affect the residents' ad valorem taxes (i.e. adding \$1,000,000-1,250,000 to the debt service per year and potentially doubling property taxes).

Acting Mayor Mandel noted there could be other ways to fund the project other than ad valorem taxes, and reiterated his request to allow himself and the Town Manager and Attorneys to work on the matter and then come back to Council for further discussion.

Discussion was held concerning the potential ways or sources to fund the Estero Boulevard improvements.

Consensus agreed to allow the Mayor, the Town Manager, and Town Attorneys to work on the matter, explore other options for funding, and then come back to Council within the next 1-3 months with various scenarios for further discussion.

Recessed at 9:42 a.m. – Reconvened at 9:57 a.m.

IV. AUDIT PRESENTATION

Town Manager Stewart explained that this was the actual presentation of the audit and at the Regular Meeting later today the Council would be asked to take a formal action to 'accept' the audit. He noted the formal action would 'accept' the audit and then the Council, if they so desired, could forward the audit to the Audit Committee for review and comment.

Acting Mayor Mandel asked how much time the Audit Committee had to review and submit comments.

Finance Director Wicks reported it was 60 days.

Town Manager Stewart stated staff would review the timeline for review and comment and inform Council of the date.

Richard Hartley with Mauldin & Jenkins (Certified Public Accountants) complimented Town staff for their capability and cooperation as it related to the audit. He commented that the Council had received a memorandum from the Finance Director, a copy of the draft audit, and the Annual Audit Agenda. He

used a PowerPoint presentation, discussed the Basic Financial Statements for the Town, and reviewed the following:

- Required Communications – audit in compliance with Generally Accepted Auditing Standards in the United States
- No problems found in internal controls
- Mauldin & Jenkins was the ‘processing agent’ for the Financial Statements
- Basic Financial Statements issued by Mauldin & Jenkins was a ‘clean unqualified report’
- Financial Statements were presented in accordance with Generally Accepted Auditing Standards in the United States
- Significant Accounting Policies
- Management Judgments and Accounting Estimates
- Financial Statement Disclosures
- Audit Adjustments – General Fund #8 and Water Fund #1, 3, and 4 were the only entries the auditor proposed
- Accounting Recommendations & Related Matters – three findings
 - Restatements
 - Receivables & Revenues
 - Liabilities & Related Expenses
- Consultations with Other Accountants - none
- Significant Issues Discussed with Management
- Information & Documents Containing Audited Financial Statements
- Auditor Independence
- Charts – General Fund (historical), Other Governmental Funds
- Water Fund/Water Utilities – net assets, total revenue, actual operating income
- Component Units and how they were presented in the Financial Statements

Town Manager Stewart addressed the ‘enviable’ financial position and reserves of the Town; however, he noted how a ‘weather event’ could challenge a coastal town. He thanked the Finance Director and her staff for their work on the audit.

Acting Mayor Mandel noted that with respect to the previous Item (Recap of Joint Work Session/TC and BOCC) in the summary letter forwarded to the BOCC that he had acknowledged two items that the Town Manager and the County Manager would work on together (ILA Presentation and Animal Control Presentation) with a timeline of six months for a resolution on the topics; and on Seafarer’s there had not been a consensus since the BOCC had yet to vote on the matter.

V. MOORING FIELD MANAGEMENT, REVENUES & EXPENDITURES

Town Manager Stewart offered a general report on the services provided several years ago to the Town by a different provider than the present provider; and how the present provider had to make some capital investment in order to be able to accomplish some of the services that were necessary to the Town. He noted that the current contract was nearing an end and would be ‘put back out on the street’. He explained that staff wanted to learn from the Council today what their expectations were for the contract:

- Were they satisfied with the current service, in general?

- Did they want to continue to provide a service that mirrored current service, or does it need enhancement, or was it too much?
- Comments on the net revenue split?
- Comments or suggestions for preparation of the Request for Proposal?

Council Member Andre noted his concern that the Town was paying 70 cents of a dollar to Upland Services, and the Town was paying all the expenses. He asked if the WCIND Grant would be ending soon.

Town Manager Stewart noted one grant was for law enforcement and one was for mooring field maintenance; and that there had been evidence of a reluctance to continue the grant for the mooring field maintenance. He added there was a request in the coming year to allow the Town to utilize leftover funds in this year.

Council Member Andre asked if the Town Manager had received a response from Captain Powell.

Town Manager Stewart responded in the negative.

Discussion was held concerning Exhibit 'B', Payment Obligation, net revenue; and the Mooring Field Revenue/Expenses FY12 and FY13 [accounting sheet], Harborage User Fees.

Town Manager Stewart stated he would request staff to find a 'descriptive accounting mechanism' that was clearer.

Council Member List questioned the lucrativeness of the mooring field.

Council Member Andre noted the mooring field was operating at a loss.

Town Manager Stewart stated the mooring field was a subsidized service; noted that the Town did not own where the mooring field was located since it was submerged land which the Town leased from the State; and mentioned there were certain requirements and limitations in the lease with the State about what the Town could charge, as well as limitations created by the 'market' in other municipalities for things such as dockage/mooring fees. He reviewed the historical background regarding the Town's decision on this matter due to issues such as but not limited to problems with derelict boats, issues with 'flotsam and jetsam', and concerns about the health of the bay.

Council Member Andre suggested seeking a more favorable or equitable 'amount on the dollar' received by the Town.

Town Manager Stewart asked if the Council wanted staff to first negotiate with the current provider.

Council Member Andre responded in the affirmative.

Discussion was held concerning the operational costs to the Town and the service provider for the mooring field services; services necessary to keep the bay clean; marine patrol services by the County in the mooring field and back-bay; and WCIND Grant funds for marine patrol services.

Acting Mayor Mandel questioned the Mooring Field Revenue/Expenses FY12 and FY13 accounting sheet with respect to gross revenues, sales tax, operations and maintenance, and capital expense. He suggested asking if the LCSO would consider accepting the only the amount the Town received from the WCIND grant.

Town Manager Stewart explained it was his understanding that WCIND required some type of matching funds.

Acting Mayor Mandel expressed his belief that the mooring field was part of tourism and asked if the Town could charge a 'bed tax' as part of the fee which would be remitted to the TDC, and then ask the TDC to fund the maintenance expenses so the mooring field would 'break even'. He added that the Town should work to negotiate a more favorable arrangement with the provider.

Town Manager Stewart reviewed the Mooring Field Revenue/Expenses FY12 and FY13 accounting sheet as it related to expenses and revenues.

Discussion ensued concerning the Town mooring field fees as compared to similar services offered by other area municipalities; expenses submitted by the provider to the Town; and Page 3, Item 11 (Maintenance of Records) of RFP No. PW-07-02 Municipal Anchorage.

Town Manager Stewart recommended that the Town obtain the service provider records and have Town staff perform the audit as outlined on Page 3, Item 11 (Maintenance of Records) of RFP No. PW-07-02 Municipal Anchorage.

Discussion was held regarding verification of provider expenses.

Town Manager Stewart recapped and clarified the discussion, questions/answers, and directives from the Town Council as it pertained to the discussion of the Mooring Field Management, Revenues, & Expenditures:

- Questioned the definition of 'net revenue' in the contract and requested staff to provide a clearer description of 'net revenue'
- Questions about marine law enforcement and what the Town's payment provided
- Question regarding the cost of marine law enforcement that was tied to grant matches
- Determine if the 'bed tax' could be charged, and if so, remit a payment to TDC, and would it qualify for maintenance compensation
- Determine if provider records are kept properly, and what did they reveal
- Explain the maintenance number, maintenance and operation, and capital charge listed on the Mooring Field Revenue/Expenses FY12 and FY13 accounting sheet

Discussion was held concerning the 'bed tax' as it related to the mooring field fee.

Council Member Andre asked the Town Manager to verify if the submerged land agreement required the marine law enforcement presence.

Town Manager Stewart acknowledged the request.

Discussion ensued concerning marine patrol enforcement within the mooring field and Lee County waters; and the extension of the Town boundaries from the shoreline out into the water.

Recess at 10:55 a.m. – Reconvened at 11:09 a.m.

VI. DISCUSSION REGARDING BRIDGE ALTERNATIVES

Council Member Kosinski noted the many discussions that had been held in the past about the idea of adding another bridge, and the potential need for an additional bridge to serve the island. He mentioned that Winkler Boulevard was originally intended to extend to Fort Myers Beach. He pointed out that another bridge would be the most controversially project to do and that there was a need; however, he noted the matter would need to be approached cautiously due to environmental issues. He reviewed various aspects of an additional bridge and how it would relate to various situations which included but were not limited to the following:

- Tremendous amounts of traffic along Bonita Beach Road, the Matanzas Pass Bridge, and along Estero Boulevard during ‘season’
- 23 square miles of back-bay estuaries and an estimation that a bridge would take up less than 1% of that area
- Emergency evacuation of the Island and emergency response time
- Age of the north bridge, structural integrity of the pilings
- Impact of **Ebtide** on Town traffic
- Impact if the Matanzas Pass Bridge was ‘out of commission’ for an extended period of time

He explained that he was seeking Council’s support to pursue the matter of another bridge; and that he would like to be able to speak to the appropriate parties to investigate a feasible plan. He discussed his views on how to address environmental issues such as ‘run-off’ from the bridge.

Discussion ensued concerning the idea of a ‘mid-island bridge’, the potential for controversy with the bridge, ideas about parking and a parking garage.

Acting Mayor Mandel discussed his support to have Council Member Kosinski begin exploration about ideas for another bridge, investigate the condition of the bridge at the north end, and what could be done so that bridge was not shut down.

Council Member Kosinski explained the difference between bridge caissons and pilings, and what information he would be looking for from FDOT.

Town Manager Stewart recapped Council Member Kosinski’s discussion which included but was not limited to:

- A parking recommendation, two Council Members agreed so that should go on Agenda Management

Council Member Kosinski stated he would investigate the various aspects of another bridge and prepare a report for Council. He noted he would also like to research if the north bridge could hold three lanes.

Discussion ensued regarding various traffic scenarios as it related to a parking garage, a mid-island bridge, and three lanes on the north bridge.

Council Member Kosinski mentioned that he would need the assistance of some Town staff as it related to statistical work and some writing requirements for his report.

Consensus and the Town Manager approved staff to assist Council Member Kosinski as requested.

Town Manager Stewart briefly noted some of the historical background of the Mid-Point Bridge between Cape Coral and Fort Myers.

Council Member Andre requested the investigation of the elimination of the left-hand turn to north Estero Boulevard in an attempt to reduce traffic.

Council Member List suggested investigating the opening of Center Street.

VII. BAY OAKS RECREATIONAL CAMPUS REPORT

Town Manager Stewart reminded Council there was an item on the Regular Meeting Agenda later today about corporate memberships. He noted the increase in memberships since Council decided to make the Bay Oaks membership free to residents; and reported that *'Every Resident a Member'* was advertised in the newsletter and the Town website.

Parks & Recreation Director Evans added that *'Every Resident a Member'* was added onto the staff shirts and media releases; and that the current membership was 470 since January 1st.

Acting Mayor Mandel requested that Director Evans include information that would show what the percentage increase represented in dollars (i.e. the 59% increase in class participation).

Parks & Recreation Director Evans continued to review her financial report; and discussed the participation and attendance numbers for the various programs, weight room, classes, contractual programs, walk-ins, Club Rec and Fun Days, pool use, senior programming, soda machine expenses and revenues, new programs, and the pre-registered classes. She reported that Parks & Recreation was planning to venture into 'specialty' camps this summer in order to increase attendance (i.e. tennis camp and golf camp with contracted instructors or Town staff depending upon the class). She added that there was one teen who had already registered for the 'Counselor in Training' Program. She reported staff would participate in the Fort Myers Beach Film Festival by hosting a 'family fun night' again this year; and they planned to have a 'poker crawl' as a fund raiser for the senior and youth programs.

Council Member Andre questioned the 'year-to-date' revenue and expense amounts; and if something could be done with the pool as it related to revenue and expense amounts.

Town Manager Stewart discussed how community pools were known for losses, and his belief that staff would work to mitigate the gap.

Council Member Andre mentioned his concern regarding year-to-date total revenues and expenses, and the percentage of the expenses associated with payroll.

Town Manager Stewart addressed Council Member Andre's questions.

Council Member Andre asked Director Evans if she could include the Mound House and Newton Park in her future reports as it pertained to 'expense and revenue'.

Parks & Recreation Director Evans responded in the affirmative.

Consensus agreed to have the Mound House and Newton Park included in future reports as discussed.

Town Manager Stewart indicated to Director Evans that there should be information available from the National Parks Association that would help identify the average 'subsidy' of parks and recreation departments across the country.

Council Member List reported that at the latest BORCAB meeting the issue of dumpster locations was discussed.

Town Manager Stewart pointed out that the Town had limited sites for the dumpsters, and questioned, if it were possible, that the Town could lease a better location would the Council be interested in that option.

Discussion was held concerning the dumpsters; and Council Member List agreed that they might be interested in leasing an alternate location.

Council Member List discussed the comments she received from a group who visited the Sanibel recreation facility and how the group felt the Sanibel facility appeared to look more open and sunny, the group's dislike of the 'institutional blue' used at Bay Oaks; and parking issues for seniors at Bay Oaks. She questioned if the Town could discuss with the school a change to the layout of the athletic fields in order to improve the entrance and use of the space at Bay Oaks.

Council Member Kosinski mentioned the Council had a previous discussion about taking the layout of Bay Oaks and the school property site to a Florida Gulf Coast University class as a project to reconfigure the site.

Discussion was held concerning the potential to reconfigure the Bay Oaks property to improve the entrance and use of the space.

Acting Mayor Mandel suggested moving the 'Every Resident a Member' to the top of the newsletter.

Parks & Recreation Director Evans noted the newsletter was distributed electronically and copies were at the Chamber of Commerce and some other locations in Town.

Town Manager Stewart added the newsletter was sent to the condominium associations and was offered on the Town's website.

Acting Mayor Mandel suggested a newspaper column that highlighted the Bay Oaks membership and what was going on in Parks & Recreation similar to the library's newspaper column.

Town Manager Stewart indicated he would be discussing with Council a request to have an expenditure item for marketing and public relations during the upcoming budget process.

Council Member Andre asked when the Council would be meeting individually with departments as it related to the budget process.

Town Manager Stewart reported the schedule was being arranged and they should be contacted by his staff shortly about the meetings.

Parks & Recreation Director Evans stated she was not prepared for that update, but reported she had spoken with Lee County staff and the information should be ready in a few weeks.

Acting Mayor Mandel asked for consensus approving a proclamation to be prepared for a paddler who would be landing at Snook Bight tomorrow from Tallahassee as part of Viva Florida 500.

Consensus agreed to approve the request for a proclamation to be prepared for a paddler who would be landing at Snook Bight as part of Viva Florida 500.

Council Member List reported the Estero Bay Management Group was hoping to receive \$1,000 from the Town to support their group.

Town Manager Stewart stated he had asked Finance to verify if the Town had paid that request or not, and he was informed that the Town did not. He added that had not seen where it had been included on a prior Council meeting.

Council Member List asked for that matter to be added to the agenda.

VIII. COUNCIL MEMBERS ITEMS

Council Member Kosinski – no items.

Council Member Andre – no items.

Council Member List – no items.

Acting Mayor Mandel – no items.

Mayor Raymond – excused.

IX. ADJOURNMENT

Meeting adjourned at 12:00 PM.

Adopted _____ With/Without changes. Motion by _____

Vote: _____

Michelle D. Mayher, Town Clerk

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