

VILLAGE COUNCIL WORKSHOP OF JULY 10, 2015

The Village of Estero Council Workshop was held on this date at the Estero Fire Rescue District Meeting Room, 21500 Three Oaks Parkway, Estero, Florida.

Present: Mayor Nick Batos - District 6, Vice-Mayor Howard Levitan - District 2, Councilmember Bill Ribble, District 1, Councilmember Donald Brown - District 3, Councilmember Katy Errington - District 4, and Councilmember Jim Boesch - District 5.

Absent: Councilmember Jim Wilson - District 7 (excused absence).

Also present: Village Manager Peter Lombardi, Attorney Derek Rooney (attending on behalf of Village Attorney Burt Saunders), Village Clerk Kathy Hall, and Village Finance Director Lisa Pace.

1. CALL TO ORDER

Mayor Batos called the meeting to order at 10:00 a.m.

2. PLEDGE OF ALLEGIANCE

Mayor Batos led the Pledge of Allegiance to the Flag.

3. ROLL CALL

Village Clerk Kathy Hall called the roll; all members were present with the exception of Councilmember Wilson, whose absence had been previously excused.

4. APPROVAL OF AGENDA

Mayor Batos noted amendments to the positioning of agenda items: 5 (E) Discussion – FPL Franchise Agreement moved to 5 (A); 5 (A) 2016 Budget Workshop #1 moved to 5 (D); 5 (D) Discussion – Interlocal Agreement with County regarding Services moved to 5 (B) and remove from the agenda the original 5 (B) Discussion – Procedures and Protocols for Council Meetings; 5 (C) Discussion – Capital Projects 2016 remained the same.

Councilmember Ribble moved approval of the agenda as amended, seconded by Councilmember Errington, called and carried unanimously, with Councilmember Wilson absent.

5. COUNCIL BUSINESS

(A) Discussion - FPL Franchise Agreement (Village Manager and Village Attorney)

Village Manager Peter Lombardi stated that he met with Charlotte Miller, Florida Power and Light Southwest Florida representative this week to discuss the franchise agreement; Ms. Miller provided a draft ordinance for the franchise agreement, which he forwarded to Council. He said that he inquired what the Village could expect in franchise fee revenue; the estimate was approximately \$975,000 subject to usage, based on amount of electricity sold. He noted that they reviewed the draft document, he had questions, and Ms. Miller mailed a revised ordinance to him based on their conversation. He continued that Ms. Miller would be discussing the items that he brought to her attention with the FPL legal department, and she would be refining the revenue number. He said that he asked Ms. Miller to attend the July 22, 2015 Council meeting to discuss the franchise agreement and answer questions. Mr. Lombardi explained that he chose the July 22 date due to the revenue estimates that he asked her to provide were based on the

franchise agreement becoming effective October 1, 2015. In order to get the franchise for October 1st two readings and public hearings were required and tentatively set for September 3 and 16; however, the first revenue check would not be received by the Village until January 2016. Mayor Batos inquired whether the checks would be received monthly or quarterly. Mr. Lombardi responded that the Village would receive payment via direct deposit on a monthly basis. Mayor Batos inquired whether the draft ordinance had been given to the Village Attorney and Mr. Lombardi responded that he had. Attorney Derek Rooney responded that Tom Cloud, Gray-Robinson's franchise expert, would be reviewing the ordinance and would be able to provide revisions if necessary prior to the September 3, 2015 Council meeting.

Vice Mayor Levitan stated that he received a phone call from the Design Review Board Chairman regarding the ordinance. He stated the Chairman commented that the franchise agreement included a clause that incorporated the rules and regulations of FPL which related to trees within 20 feet of the right-of-way; FPL was becoming aggressive in rules for planting trees in the right-of-way that caused damage to their underground utilities; most of the gated communities in Estero have underground utilities as a requirement and the majority of the streets are lined with Live Oaks, which after 15 years of growth have started to cause some damage to the pavement and underground utilities. He asked that the Village Manager obtain a copy of the rules in order to show them to the Design Review Board Chairman, a landscape architect. Village Manager Lombardi stated that the issue of the applicability of the franchise ordinance within the gated communities was raised when he met with Ms. Miller. He noted that the franchise agreement provisions were only applicable to public rights-of-way, not applicable to private roads, and would not impact gated communities. Mayor Batos stated that revenue generated would include the gated communities. Mr. Lombardi agreed, and reiterated that the franchise agreement provisions regarding where the utility goes was not applicable to private roads. Vice Mayor Levitan believed that Village counsel needed to review the issue due to a difference between privately maintained road and a public right-of-way; even though it might not be realized, someone could go through the gate of a gated community. Mayor Batos added that there was some concern that if the rules were implemented, in the future there would not be a community that would have trees along the roads. Attorney Derek Rooney responded that counsel would review the issue. Councilmember Brown inquired whether the Village would receive franchise fees for the time period that the Village had been incorporated. Mr. Lombardi responded that the Village would not be receiving the franchise fees currently being collected by Lee County, due to the County's franchise agreement. He added that if the Village's franchise agreement goes into effect October 1, franchise fee revenue would be accruing as of October 1 and the Village would receive the first check in January 2016.

Public Comment:

Dennis Cafaro, Bella Terra resident, inquired whether there would be revenue for products and services that FPL would sell to their Estero customer base. He also inquired whether there would be a detraction to the Village energy fee if residents began to generate their own power and sell back into the grid. Village Manager Lombardi responded that he asked Ms. Miller those questions and was informed that, for those people who had solar power or wind power, if they generated more electricity than they could personally use, there was a tariff that power gets sold back to FPL and was a fee that FPL paid for that power. He added that whole house surge protectors were available that FPL could provide; the cost was added to the monthly service. He also stated the Village franchise fee was based on the amount of energy sold, not including extra services.

**(B) Discussion - Interlocal Agreement with County regarding Services
(Village Manager and Village Attorney)**

Mayor Batos stated that negotiations were continuing with Lee County. He noted that things were going along fairly well; one item to bring up was the issue of the Community Development area, that there was a difference of opinion in how the reports would be prepared and who would make final determination on a recommendation. He reviewed that at a previous meeting it was stated that if they could not come to terms, Council would consider the possibility of outsourcing. He stated it appeared that this was the direction it was heading. He asked if any Councilmembers had any objections to proceeding along those lines and notifying the County that if there was no change in their position, this was the direction Council would take.

Councilmember Ribble said he noticed that permitting was not listed. Vice Mayor Levitan responded that, consistent with the authority that Council gave him to look at these services, he had met with two major companies and a Request for Qualifications was being prepared. He continued that it had been felt to be advantageous to reword the response so that the Village would be taking over all of the listed services in Community Development on October 1, 2015 with the exception of permitting, which would be taken over January 1, 2016, to allow time for a smooth transition. He agreed with Mayor Batos that it was appropriate to look at alternative sources.

Councilmember Ribble said he believed there was movement in a positive direction regarding the negotiations.

Mayor Batos stated that work with the County and attempting to get the best arrangement possible would continue, and it would be made known that, if the County position did not change, the Village's intention would be to take over all of the listed services in Community Development on October 1, 2015 with the exception of permitting, which would be taken over January 1, 2016.

Councilmember Errington inquired about maintenance of waterways. She noted that it was discovered last week that debris was blocking water flow in some areas of the Estero River. Mayor Batos responded that the arrangements that have been in effect in Lee County would continue under the Interlocal Agreement; the County program involved looking at the areas on a regular basis; however, County budget constraints over the last few years had reduced the amount of inspection and cleaning the County had done. He added that it would be the Village's responsibility to advise the County of areas that needed cleaning and then follow-up.

Councilmember Boesch questioned whether the boundaries of the Estero River were in Estero. Mayor Batos responded that the river went through a number of areas within Estero.

Vice Mayor Levitan noted that County representatives walked along Halfway Creek with representatives of Fountain Lakes and the County representatives reported that nothing had to be done. He and the residents of Fountain Lakes did not accept that as an appropriate response and that they were concerned about flooding; he believed there was a lot more to do regarding remediation, particularly culverts. Vice Mayor Levitan noted that he and the Village Manager would be going to the site. Mayor Batos stated that if anyone had a particular area that caused concern, they could contact the Village office and the Village Manager would contact Lee County Natural Resources Department. He noted that Council would be looking at the level of

services going forward to determine whether they were adequate to Estero's needs; if not, it would have to be negotiated separately.

(C) Discussion - Capital Projects 2016

(1) Estero Parkway Sidewalks (Councilmember Boesch)

Mayor Batos reviewed that Capital Projects was on the list of items that the Council had been working through during workshops for the past few months. He clarified that this was a process for creating and establishing a capital program; a process that the Council had to establish and work through. He noted that Council had been asked for input and that he had itemized what he felt was a starting point: establish a list of items that would be included in the capital program, including two categories - equipment and other; such as sidewalks, bike paths, roads (including repairs and widening), gateway signs, landscaping, road medians and shoulders, possibly a new entrance into the park, and possibly a future City Hall. He suggested getting this started by establishing a complete inventory of what exists; this would include having an understanding of what road transfers would take place between Lee County and the Village and the status of those roads; the inventory would also include the condition of the areas and what Council would like to do; establishing a list of those capital items and perhaps establishing maps that might indicate what the Village had now and what items Council might want to have. Mayor Batos suggested that the process include a number of public workshops to allow public input for thoughts and priorities; Council would need to obtain estimated costs to establish a workable process over the next five years. He also suggested that staff and Council prioritize the projects and take recommendations from staff and the public as needed; Council may schedule additional workshops after those priorities were established and prior to the Council establishing a fixed policy. He believed that this five year program would identify needed capital projects and additional ongoing project costs. Mayor Batos said he hoped that the Village Manager would take control of the project and get whatever help he needed, from either outside consultants, help from the university, or the Council. He estimated the project taking six months to a year to complete. He recommended that no capital funds be spent on these items until a plan was in place, except in the case of emergency. He also suggested establishing restricted funds for the future capital projects as well as any natural or financial emergencies; it was prudent that this was part of the future discussion and that Council not rush into something before fully understanding the program and long term effects.

Councilmember Ribble commented that he agreed regarding finances. He added that he was not negative on the sidewalk issue; however, was not sure that the funds should be spent right now.

Councilmember Brown addressed concern regarding the time line. Mayor Batos responded his recommendation would be that the Council work between 6 and 12 months; the Village Manager would have to find out how long the process was going to take to do it properly. He estimated that it would be done in time to include any items Council thought would be needed in the 2016-2017 budget. He added that, at this time next year, Council would be putting items into the budget. Councilmember Brown stated that Council needed to consider the safety issue, which was a huge concern along Estero Parkway; he was in favor of anything Council could do to expedite. Mayor Batos responded that he was not getting into individual projects at this time, however, this was part of the discussions and negotiations with Lee County. He added that whoever owns the road, there may be different responsibilities, and this should be taken into consideration.

Councilmember Boesch said that, since Estero Parkway was brought up, this project had been in process for three years, this was an emergency with the imminent opening of Walmart that would bring large amounts of traffic along a road that does not have complete sidewalks; even the County agreed that it was a number one priority and the issue was going to be funded. He believed that this project should be listed as a capital improvement project that would hopefully be funded by the County and Council should approach the County to see if the Village could get the funds in order to satisfy the safety issue; he strongly recommended that Council get this put on the list as a capital improvement and that Council was extremely positive and hopeful that the County would fund. Mayor Batos responded that he appreciated the comments, was not trying to diminish the importance of the project, however, this discussion was not on this one topic; it was on the overall topic of trying to establish a capital project program procedures.

Vice Mayor Levitan asked for an explanation of what the Council's responsibilities were with respect to capital in the first year's budget and an overall five year budget. He inquired whether Council was to come up with a capital budget as part of the budget process this year and at some point add to it and change it to the overall needs of the community. Village Manager Peter Lombardi responded that there was no requirement to have a capital budget at all. He added that the Comprehensive Planning statute required development of a five-year capital improvement program as part of the Village's Comprehensive Plan; the plan was updated annually. Vice Mayor Levitan stated that this could become part of the planning process for the first Estero Comp Plan. Mr. Lombardi stated that the 2015/2016 operating budget did not include any capital projects due to (1) because the Village needed to do a capital program as part of the Comp Plan and (2) it was not known which roads the Village would ultimately take control over and be responsible for; most of the capital projects that the Village would be dealing with other than parks and those types of things, would be road-related – either building, rebuilding, resurfacing roads, construction of sidewalks, storm drains, etc.; until the issue of roads has been settled it was difficult to establish a capital improvement program. He didn't believe that at this time the Village was ready to spend funds on any capital project because of not knowing which projects were out there and the cost.

Bill Williams, The Cascades Homeowner's Association President, a retired City Manager and current member of ICMA, said that he was fully supportive of the recommendations of the Village Manager and Mayor regarding a capital budget process. He stated that, having worked with capital budgets and being familiar, knew it was a long process and involved a lot of citizen input. Mr. Williams stated that the sidewalk project has existed for many years and certain issues were coming to a head with the development of Walmart. He continued that the project was listed as a number one priority on the Lee County Bicycle and Pedestrian Advisory Committee list and, according to Lee County Department of Transportation, the scheduling of the department was dependent upon availability of funding, in this case, as a result of the Interlocal Agreement; actual funding was also dependent on Lee County revenue projections. He said that the project sponsors were The Cascades, Belle Lago, Reserve, Rookery and Osprey Cove; working together they secured the approval necessary from the Bicycle and Pedestrian Advisory Committee. Mr. Williams continued that, with the rapid development in the northern section of Estero and the opening of Walmart, vehicular traffic and bicycle/pedestrian would be dramatically impacted. He indicated that photos demonstrating safety conditions were provided that included cost estimates prepared by Lee County Department of Transportation for the Bicycle and Pedestrian Advisory Committee, which needed to be worked out further. He stated that residents residing along the Estero Parkway were looking for the Village Council to support the project in the interest of public safety; they were not seeking Estero funds; they believed Lee County should step up and eliminate the unsafe conditions caused by past omission of sidewalks.

Mayor Batos extended appreciation for the work that people have done over the last few years. He wanted everyone to know that from the day of incorporation entity and negotiations with Lee County began, this has been an issue that Council had been working on; it was a tenuous situation because of the various negotiations underway; however, it was something that would continue in discussions with the County in an effort to find the best way to get this resolved.

Doug Saxton, resident of The Reserve, stated that he echoed what the Mayor said regarding having a plan for capital improvement projects. He stated the Village had an opportunity for a bikeable, walkable community by having a vision. He suggested putting money in the budget for consultants, in order to help plan a bikeable, walkable community so that people can be safe. Mr. Saxton stated that Estero Parkway was originally Koreshan Parkway and had been in the County's hands since 1989. He did not expect the Village to put any money into the sidewalks and believed that the residents should be putting pressure on the County Commissioners for funding. Discussion ensued.

Adele Amico, resident of Osprey Cove, noted that Walmart had been great with the community by installing sidewalks and inquired about the responsibility of the developers as it related to sidewalks, specifically Corkscrew Road (east), and whether there was a possibility of requiring bike paths as well. Mayor Batos responded that there was a requirement currently in Lee County that any new development must install sidewalks. He added that he was not certain whether Corkscrew would ever be a Village road; the County wanted to maintain possession and if so, the County would be responsible for improvements.

Councilmember Boesch stated the people were asking for the support of the Council to solicit the County Commissioners so that they would provide funds to commit to the sidewalks on Estero Parkway. He believed that Council should go forward with the request.

Mayor Batos said that he and the Village Manager had already brought these assumptions up and were supporting the items and discussing them. He stated that, due to this being a Council workshop, it would not be appropriate to take a vote to approve or to support a request.

Discussion followed regarding which Council meeting agenda to put on Councilmember Boesch's request for Council action; July 22 was chosen.

Vice Mayor Levitan stated that he welcomed groups to come before Council to discuss issues and hoped that they would support Council's efforts as a municipality to get this done with the County. He said he believed that this was a municipal function now, not a group function, to negotiate with the County. He noted the Mayor said that he was already negotiating with the County and he believed there was good consensus that Council was in favor of pushing the County.

Mayor Batos reiterated that discussion had taken place and that they continue to work on the issue. He believed that everybody had the opportunity and right to have discussions and bring up their ideas; however, if efforts were not consolidated, it would confuse the issue and break down the possibility of getting something accomplished. Discussion ensued.

Councilmember Ribble believed that Mayor Batos had a lot more material now to drive the case home as he continued the negotiations. He also believed that this was a hot issue within the community.

Councilmember Errington stated that about a month ago it was indicated that Estero Parkway was number one on the list and inquired what happened in the interim. Mayor Batos responded that the project was actually number three on the list recently and that the County decided to take care of items one, two, and four. He assumed that the County had \$750,000 to work on sidewalks and bike paths, they were able to do one, two and four for the \$750,000; number three would have been \$1.3M and they would have only had half the amount for that project; they probably were able to get three projects done rather than half a project. He indicated that another possibility was the open discussion on the ownership of the roads.

Brief discussion followed related to an inquiry by Councilmember Brown regarding developers being mandated to put in sidewalks or shared use walkways and whether that was part of the Complete Streets Initiative.

Mayor Batos inquired whether there were any objections to asking the Village Manager to move forward with the capital budget. No objections were noted.

The meeting went into recess at 11:02 a.m. and reconvened at 11:12 a.m.

Mayor Batos noted that there was a mistake in the discussion regarding the upcoming meeting dates. Village Manager Peter Lombardi stated the next Council meeting was scheduled for July 15 and that agenda had already closed and was posted; the next meeting after that was July 22, which was a workshop. He indicated that the first meeting that he could put Councilmember Boesch's item on for Council action would be September 3.

(D) 2016 Budget Workshop #1

Village Manager Peter Lombardi began with the Budget Calendar on page 1, and pointed out that a resolution to approve the proposed millage rate and set the public hearing dates would be on the July 15 Council meeting agenda. Mr. Lombardi then proceeded to page 4 in order to review each of the General Fund revenues, indicating revisions to Ad Valorem Taxes, Local Communications Services Tax, Franchise Fees-FPL Electric, Shared Revenue-Sales Tax Portion, Shared Revenue-Fuel Tax Portion, Half-cent Sales Tax; the revised Total General Fund Revenues was \$10,909,720.

Vice Mayor Levitan inquired regarding the footnote related to Road Impact Fees and whether there were issues that were still being negotiated. Village Manager Lombardi responded that all of the impact fees were fine; all figures were provided by Lee County. Mayor Batos added that these were the numbers Lee County provided; however, the Village had not received any funds for the current year. Vice Mayor Levitan questioned why Estero was not receiving impact fees beginning with January 1, 2015, noting that the Fire District had been paid on a monthly basis. Village Manager Lombardi responded that they continue to ask Lee County that question. Mayor Batos inquired whether other cities received impact fees on a monthly or quarterly basis. Village Finance Director Lisa Pace responded that information from the County indicated that the Village would be paid quarterly; her experience was that other cities were paid on a quarterly basis; however, when the Village begins to collect impact fees, the Village could decide to collect monthly. She added that staff had been following up on everything that the County requested in order to receive payment. Ms. Pace also said that the County did not dispute payment; however, payment had not begun. Brief discussion ensued.

Village Manager Peter Lombardi resumed discussion on the budget. Page 6, Expenditures – Village Council. No revisions were noted.

Page 7, Expenditures – Village Manager – Mayor Batos inquired regarding the assumption of 10% for retirement contributions, which pertained to all the department pages, and whether there was a specific reason for choosing 10%. Village Manager Lombardi responded that was the amount he was recommending in the budget; whether Council agreed and approved was their decision. He added that this would be the time for discussion if they chose to do so in order for revisions to be entered. Mayor Batos inquired whether a fringe benefit analysis from other cities had been received. Mr. Lombardi responded that a survey was not conducted and added that the Florida Retirement System was paying 7 ½%. Vice Mayor Levitan inquired about the availability of fringe benefits with Florida League of Cities. Mr. Lombardi responded that the amount under Group Insurance was a quote from Florida League of Cities through United Health Care; proposed coverage was for 100% of employee premium for medical, dental, vision, and life. Mayor Batos indicated that he would like a better understanding of proposed plans and what was available as a group; regarding the retirement package, he assumed that the Charter was being followed regarding defined contribution plan. Mr. Lombardi responded that the Florida League of Cities plan was a defined contribution plan.

Mayor Batos requested that detailed information be provided regarding the proposed benefits, establishing a policy for the employees, and, if possible, comparable information from some of the neighboring cities. Village Manager Lombardi indicated that information from other cities would be difficult to obtain. He stated that the health insurance quote was high due to the relative age of the employees. Vice Mayor Levitan inquired whether there was an intention to adopt a retirement plan, match employee contributions, and provide employees the ability to decide how the money was invested. Mr. Lombardi responded that typically, in the case of the FLC or ICMA plan, the plan was a group of investment options and employees would choose investments; upon budget approval, an RFP would go out to obtain plan proposals.

Mayor Batos reiterated the importance of obtaining information from other cities regarding fringe benefits. Mr. Lombardi said that we would ask, but having done salary surveys in the past, it would be more difficult getting that information than it was to get information from Florida League of Cities. Mayor Batos stated that he would like to see the details and Councilmember Boesch agreed. Councilmember Brown addressed concern regarding insurance deductibles, which were a reflection of premium rates. He added that he wanted to make certain that the best plan was provided in order to maintain a long-term relationship with the employees. Mr. Lombardi stated that he had information on four plans from Florida League of Cities, which he would provide to the Council.

Page 7, Regular Salaries and Wages, Vice Mayor Levitan inquired how many employees were included. Mr. Lombardi responded three full time equivalent positions, consisting of the Manager, Assistant Village Manager, and Administrative Assistant, which were in the feasibility study. Vice Mayor Levitan inquired whether the Village Manager was recommending filling the Assistant Village Manager position in the 2015-2016 fiscal year and what the role would be. Mr. Lombardi responded “yes” and the role would be contract manager. Discussion ensued regarding the types of contracts the Assistant Village Manager would manage.

Page 8, Village Attorney, including retainer for the attorney as well as contractual services, Mayor Batos inquired whether there was any reason to believe that the amounts in the proposed budget would change. Attorney Derek Rooney responded that he believed the contract estimate

was accurate and the retainer was a realistic figure. Vice Mayor Levitan noted that work on the Comprehensive Plan would begin in the Fall and suggested adding additional funds into the attorney budget. Discussion ensued regarding whether the amount proposed was sufficient. Mr. Lombardi suggested that Council negotiate a retainer with Nancy Stroud for the work that she would be performing on the Comprehensive Plan and development regulations. Vice Mayor Levitan stated that the Council had not yet determined what Ms. Stroud's role would be related to the Comprehensive Plan. Discussion followed regarding whether to put additional funds in Village Attorney expenditures or another category. Mayor Batos suggested that the Village Manager review the numbers with the attorneys to determine if the legal fees were accurate; if additional legal fees were needed, another line item could be added based on recommendations from legal counsel. Discussion ensued regarding the amount that was in the Feasibility Study for legal fees, which did not include the Comprehensive Plan. Councilmember Errington inquired whether it was typical to have two attorneys working for a Village the size of Estero. Mr. Lombardi responded that there would typically be one Village attorney; however, the attorney may not always have experience in all areas. He added that he felt the recommended amount in the attorney expenditures budget at \$480,000 would be adequate; if it was believed that the \$120,000 in the Community Development budget was inadequate, he suggested increasing that number as well as charging legal fees to the same account because it was related to Community Development, i.e., planning, zoning, etc. He added that through internal accounting systems it would be known on a month to month basis how the expenditures were coming out. In conclusion, Mayor Batos asked that the Village Manager review the numbers, Councilmembers could make suggestions, hold discussions with the attorneys, and come up with a number that was realistic.

Page 9, Village Clerk – Village Manager Lombardi stated that this was the first cost center where the Interlocal Agreement with Lee County came into play; under Contractual Services – Elections March 2015, \$78,830, the cost of the Village election to be paid, which depended upon the final outcome of the Interlocal Agreement. Mayor Batos inquired whether it was customary for the total cost of the election to be expensed in the year the election occurred or could the expense be pro-rated over a two year period. Mr. Lombardi responded that it could be done either way. Vice Mayor Levitan noted that he did not have a problem creating an expenditure; however, he objected to the amount in the budget for March 2015. He added that the Legislature clearly stated that Lee County would pay for the election cost; however, creating a reserve for the 2017 election would be appropriate. Discussion ensued regarding whether to leave the amount in the budget. Consensus was to remove the election expense. Vice Mayor Levitan inquired regarding the line item for legal notices, noting concern whether \$500 would be sufficient. Mr. Lombardi responded that there was an additional legal notices line item in the Community Development budget. Village Finance Director Lisa Pace called attention to footnote #4 on page 9, explaining that this line item represented the cost as required for ordinances, Truth in Millage Compliance and other required advertisements. Vice Mayor Levitan recommended increasing the allocation in the Community Development budget.

Page 10, Finance – Mayor Batos inquired about the auditing fee. Vice Mayor Levitan inquired regarding the timing on hiring an auditor. Village Manager Lombardi responded that an RFP would go out in August and a recommendation would go to Council in September. Discussion ensued regarding (1) the necessity of getting an auditor on-board and (2) training expense. It was noted that, for the initial budget and until the Village has history of these types of expenses, Travel, Per Diem and Training line items were combined for a total of \$2,000 for all cost centers (footnote #4, page 10).

Page 11, Community Development – Village Manager Lombardi noted that the Planning Initiative line item was the contract with Mr. Spikowski. Vice Mayor Levitan believed that the full \$79,180 would not be spent this fiscal year and inquired whether the Village Manager wanted to roll some of the funds from this fiscal year to the next fiscal year. Mr. Lombardi responded that, when the budget closes on September 30, staff would be presenting budget adjustments to Council in October, which would include adjustments for funds not spent that were anticipated for this fiscal year. Councilmember Errington asked for an explanation regarding Comprehensive Plan, land development regulations, and community development services. After providing a detailed explanation of the reasons and undertaking of a Comprehensive Plan, Vice Mayor Levitan stated that the \$695,740 reflected the initial proposal from Lee County and was now up to \$713,000. He added that there was no revenue amount in the budget on a contractual basis; however, if the Village took over the services, the Village would be entitled to revenues including fees for planning and zoning, code enforcement, animal control, plus building permit fees. He said the County's revenue estimate for an annual basis for fiscal year 2014 was approximately \$1.7M, which would have a tremendous impact on the Village's budget. Mayor Batos added that the budgeted \$695,740 would be more than sufficient. Mr. Lombardi stated that he would recommend changing the \$695,740 to \$713,290, reflecting the latest amount in the Interlocal Agreement.

Page 12 – Animal Control – Village Manager Lombardi stated that the \$194,140 was the figure that the County provided in the Interlocal Agreement first draft; however, the amount was now \$193,720. Mayor Batos added that the County would bill the Village on that amount and whatever history they gain over the first year would establish what the second year fee would be. Discussion ensued regarding the fee amount, the possibility of subcontracting, the lack of history on the number of calls, and the possibility of a retroactive adjustment.

Page 13 – Public Works – Village Manager Lombardi stated that this was another area that had Interlocal Agreement ramifications; the new total expenditures were \$288,750. Brief discussion ensued.

Page 14 – Public Works Transportation – Village Manager Lombardi stated that this was another area that had Interlocal Agreement ramifications; the new total expenditures were \$2,322,260.

Page 15 – Information Technologies – Vice Mayor Levitan inquired whether the Village had migrated to its own server. Village Manager Lombardi responded that the server had been delivered; however, he was not certain whether installation was complete. Vice Mayor Levitan acknowledged the helpfulness of Assistant Fire Chief Wahlig and inquired whether the Village should retain a technician. Mr. Lombardi responded that the \$30,000 contract amount for the IT Services line item was for the technician that would be responsible for the system. Discussion ensued regarding the contractor the Fire District has used for a number of years, which was the same contractor that provided a proposal to maintain the Village's system. Vice Mayor Levitan addressed concern regarding the Village being on a virtual server with the Fire District and believed that, since the Village had the equipment, it should be installed. Mr. Lombardi explained that there were three separate servers that the Fire District provided the Village to use; the new Village server will replace the three borrowed servers. Councilmember Errington inquired regarding security. Mr. Lombardi responded that there were various levels of security on the system and the new server would have higher security than the three current servers. Councilmember Boesch spoke regarding the concept of internships through FGCU. Mayor Batos responded that he had been speaking with the FGCU regarding interns.

Page 16 – General Government Operations Expenditures – Village Manager Lombardi noted that no additional personnel was listed; however, if Councilmembers believed there was a need due to work load, an additional \$135,000 could be entered for additional personnel on an as needed basis. Vice Mayor Levitan responded that there were many volunteers available in Estero and the Village should explore that opportunity prior to hiring part-time employees. He inquired whether the Village was in a position to begin discussions with potential landlords. Councilmember Ribble responded that information will be placed on the July 22 workshop agenda. Vice Mayor Levitan believed that the Village should begin budgeting for a lease. Mayor Batos explained that funds were budgeted in Capital Outlay.

Vice Mayor Levitan inquired about budgeting for charitable contributions, economic development, Chamber of Commerce or other Estero groups that would request funds to help citizens, as well as contributions for emergencies and money available for economic development needs. Councilmember Ribble believed that agencies were available to fill some of the needs. Discussion ensued regarding the Bonita Springs Estero Economic Development Council. Councilmember Boesch believed that funds needed to be budgeted for economic development. He also spoke to a new economic development program in the business department at FGCU and suggested that Mayor Batos speak with the FGCU President. Councilmember Errington stated that there were many non-profit organizations in Estero that provided service; it would be nice to recognize them, however criteria would need to be developed. Mayor Batos noted the Contingency line item on page 16, and spoke to the reserve in the budget, which would be available if needed; however, that did not preclude the fact if Council wanted to have a line for economic development. Consensus was to add a line for economic development. Regarding the charitable aspects, Vice Mayor Levitan stated that Council had been approached already and believed that there should be a process in place. Mayor Batos directed the Village Manager to schedule the topic of the Council's role for a workshop. He added that he would try to contact other cities for information regarding how they handle economic development and charitable requests.

Councilmember Boesch suggested that the Village hire a one shift sheriff from the Sheriff's Department to be involved with traffic control. He addressed speeding concerns and the need for a police presence in Estero. Mayor Batos directed the Village Manager to place the topic of additional police needs on a workshop agenda for discussion. He also stated that information from the Sheriff's office could be obtained. Discussion ensued.

Mayor Batos referred to the Insurance line item on page 16 and inquired whether the amount should be increased to take care of the proposed increase in coverage. Village Manager Lombardi responded the amount reflected the estimated increase. Discussion ensued regarding the 6-month amount versus the 12-month amount. Village Manager Lombardi stated that he and the Village Finance Director would review the amount. Mayor Batos believed the 12-month figure was incorrect and he also wanted to make certain that the Village had the additional coverage Council would need to have the maximum coverage for potential lawsuits. Attorney Derek Rooney responded that generally there were standard exclusions for land use. Discussion ensued.

Vice Mayor Levitan inquired regarding an ordinance to create a magistrate system. Attorney Derek Rooney responded that the ordinance and process could be set up rather quickly. Brief discussion followed.

Public Comment:

Adele Amico, Osprey Cove resident, addressed concern regarding salaries in the Village Manager budget due to the size of the Village. Mayor Batos responded that the budget contained figures for two employees that have not been hired yet and salaries for those employees had not been determined. He added that, in reviewing competitive salaries in other communities, the size of the community is not taken into consideration due to trying to get the best person for the position, noting that they may have come from a larger community. Mayor Batos stated that the numbers were within the scope of the feasibility study, which took an average salary that was being paid within the areas. Ms. Amico believed that the numbers were high for administrative work and private sector employees were not being paid salaries that high. She also believed that small government should get in line with private sector. Ms. Amico inquired about the health insurance premiums and whether taxpayers were paying for the premiums. Mayor Batos responded that the proposed amount was 100% for the employees, with no employee contributions toward the premium. Mayor Batos reiterated that staff was asked to obtain a survey of benefits from other communities. Brief discussion followed.

6. PUBLIC INPUT ON NON-AGENDA ITEMS

Mayor Batos called for public input on any issue and no one came forward.

7. COUNCIL COMMUNICATIONS / FUTURE AGENDA ITEMS

(A) Council Comments

Mayor Batos reported on the progress of the Village Attorney's recuperation.

Councilmember Ribble understood Ms. Amico's comments. He added that most companies had a premium co-payment paid by employees.

Vice Mayor Levitan commented that the budget discussion was excellent, he appreciated it, and was looking forward to finalizing the budget.

Councilmember Brown echoed Vice Mayor Levitan's comments and inquired whether a letter could be written to the owner of an unattractive, large sign structure that was laying on the ground and causing issues with the sidewalk. Attorney Derek Rooney responded that he would reach out to the owner and work with the Village Manager if necessary. Councilmember Brown stated that constituents reached out to him regarding obtaining more information about the community over and above what was available on the website. He inquired whether Marilyn Edwards could add them to an email list. Ms. Edwards agreed to help.

Councilmember Errington stated that the Village shirts were a great idea and suggested purchasing ball caps. She noted that, after reading a *News Press* article regarding Estero Bay Preserve, she visited the new facilities; upon arrival, a fire truck and four rangers were there as well as news media reporting on the odor in the area, which turned out to be "muck" burning from the Everglades. She also was offered the opportunity to take a tour in a fire truck to view the Estero River; she noted that an invitation was extended to the other Councilmembers to take the same tour.

Councilmember Boesch stated that the budget was the most difficult and most important thing that the Council does and offered appreciation to the audience members.

Mayor Batos invited further public comment on any topic and no one came forward.

(B) Village Manager Comments

None.

(C) Village Attorney Comments

Attorney Derek Rooney extended appreciation to the Council. He noted that he was the counsel to the Metropolitan Planning Organization (MPO) and mentioned that there would not be an MPO meeting this month. He reported that the Governor's office signed off on the addition of Estero; they were preparing an Interlocal Agreement and once the agreement was executed, Estero would have a seat on the MPO.

8. ADJOURN

Mayor Batos adjourned the meeting at 1:05 p.m.

ATTEST:

By: Kathy Hall

Kathy Hall, MMC
Village Clerk

VILLAGE OF ESTERO, FLORIDA

By: Nicholas Batos

Nicholas Batos
Mayor

Minutes approved as presented: September 3, 2015