



City of Sanibel

800 Dunlop Road
Sanibel, FL 33957

Meeting Minutes - Draft City Council

Monday, September 23, 2024

5:30 PM

BIG ARTS - 900 Dunlop Road

Final Budget Hearing

PLEASE NOTE THAT THE CITY COUNCIL AGENDA IS SUBJECT TO CHANGE.

**A COPY OF THE AGENDA PACKET IS AVAILABLE ON THE CITY'S WEBSITE AT
WWW.MYSANIBEL.COM**

"The Rules of Civility for Public Participation" as adopted by City Council can be found on the last page of this agenda. Reminder: Please turn all cell phones on to vibrate while in BIG ARTS.

1. CALL TO ORDER

The meeting convened at 5:31 p.m.

2. INVOCATION AND PLEDGE OF ALLEGIANCE (Councilmember Smith)

Councilmember Smith encouraged preparedness and alertness for the forecasted storm, gave the Invocation, and led the Pledge of Allegiance.

3. ROLL CALL

Present: 5 - Mayor Richard Johnson, Vice Mayor Mike Miller, Councilmember Laura DeBruce, Councilmember John Henshaw, and Councilmember Holly Smith

4. SET THE AGENDA

City Manager Souza spoke to items 20 and 21 being carryover from a standard agenda, requesting a storm update at that time.

Public Comment:

- Chet Sadler - Sanibel Resident - spoke to concerns with implementing a round-about at the main intersection, recommending making two lanes for exiting the island.

5. CONSENT AGENDA

a. BUSINESS ITEMS

- i. Ratification of an Emergency Purchase Authorization of a Truck for Transportation

Councilmember Smith moved, seconded by Vice Mayor Miller, to ratify the Emergency Purchase Authorization of a Truck for Transportation. The motion carried.

6. INFORMATIONAL ITEMS

- a. Sanibel Causeway Traffic Counts for August and Fiscal and Calendar Year 2024

- b. Finance Department Reports
 - i. General Fund quarterly financial report for the third quarter of fiscal year 2024
 - ii. Recreation Fund quarterly financial report for the third quarter of fiscal year 2024
 - iii. Building Fund quarterly financial report for the third quarter of fiscal year 2024
 - iv. Sewer Fund quarterly financial report for the third quarter of fiscal year 2024
 - v. Beach Parking Fund quarterly financial report for the third quarter of fiscal year 2024
 - vi. Fiscal Year 2024 3rd Quarter Investment Report prepared by the City's investment manager

No discussion was held on the informational items.

7. OLD BUSINESS

- a. Sanibel Sewer System Rate Increase

**RESOLUTION 24-055 OF THE CITY COUNCIL OF THE CITY OF SANIBEL
CONFIRMING THE ESTABLISHED SCHEDULE OF RATES FOR THE SANIBEL
SEWER SYSTEM RELATING TO RESIDENTIAL, COMMERCIAL, AND
RECLAIMED WATER RATES; AND PROVIDING AN EFFECTIVE DATE**

Attorney John Agnew read into record the title of Resolution 24-055. Deputy City Manager Steve Chaipel provided a brief background for the annual resolution and summarized the memorandum included in the agenda packet. Mr. Chaipel provided a supplemental budget report to be added to the record.

Discussion ensued regarding considering changing the method of charging from a flat fee to a usage rate. Mr. Chaipel noted that the City does not do meter readings; advising the meter readings could be obtained. A Councilmember recommended transitioning to charging by usage as opposed to a flat rate. Mr. Chaipel advised that the Consultant would be engaged in the research.

Discussion ensued regarding keeping the 3% increase as opposed to the 4.5% increase. Council inquired if the 3% increase would cover the covenant requirements. Mr. Chaipel responded that the current plan would sufficiently cover and exceed the requirements.

Council inquired as to the history of the flat rate billing as opposed to by usage. Mr. Chaipel responded that the study would be recreated based on a usage model and the Consultants would be involved. City Manager Souza asked Council for a consensus to allow for planning a scope of service and having clear direction.

Further discussion ensued regarding the possibility of transitioning to a usage rate method of billing. Mr. Chaipel advised that the history could be brought back at the November meeting.

Vice Mayor Miller moved, seconded by Councilmember Smith, to adopt Resolution 24-055. The motion carried.

b. Ratifying Labor Agreements:

i. FOP Labor Agreement - Police Officers and Dispatchers

RESOLUTION 24-065 OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA, AMENDING THE LABOR AGREEMENT BETWEEN THE CITY OF SANIBEL AND THE FRATERNAL ORDER OF POLICE REPRESENTING POLICE OFFICERS AND DISPATCHERS; AND PROVIDING AN EFFECTIVE DATE.

Attorney Agnew read into record the title of Resolution 24-065. Crystal Mansell, Human Resources Director, provided a brief background for the Resolution.

Councilmember Smith moved, seconded by Mayor Johnson, to adopt Resolution 24-065. The motion carried.

ii. FOP Labor Agreement - Police Sergeants

RESOLUTION 24-066 OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA, AMENDING THE LABOR AGREEMENT BETWEEN THE CITY OF SANIBEL AND THE FRATERNAL ORDER OF POLICE REPRESENTING POLICE SERGEANTS AND LIEUTENANTS; AND PROVIDING AN EFFECTIVE DATE.

Attorney Agnew read into record the title of Resolution 24-066. Ms. Mansell provided a background for the item.

Vice Mayor Miller moved, seconded by Councilmember Smith, to adopt Resolution 24-066. The motion carried.

c. Amendment to the 2023 Loan Agreement and Promissory Note Related to the State of Florida Emergency Bridge Loan

Deputy City Manager Chaipel spoke to the purpose and background for the agreement amendment.

Discussion ensued regarding the repayment being due within 10 years.

Councilmember Smith moved, seconded by Councilmember DeBruce, to approve Amendment 1 to the 2023 Loan Agreement and Promissory Note Related to the State of Florida Emergency Bridge Loan. The motion carried.

d. Discussion - General Employee Wage Increase

City Manager Souza provided a brief background for the item and summarized the

memorandum included in the agenda packet.

Council requested City Manager Souza provide a recommendation for the increase. Mr. Souza recommended a 5% increase and a 1% lump sum bonus. Discussion ensued regarding support of Mr. Souza's recommendation and Council expressed their appreciation of the staff efforts and dedication to the City.

Councilmember Smith moved, seconded by Vice Mayor Miller, to approve the recommendation of a 5% increase and a 1% lump sum bonus for the General Employees. The motion carried.

City Manager Souza spoke his appreciation for the Staff and the support of the Council.

8. BUDGET DISCUSSION AND PUBLIC HEARINGS

a. Link to Budget Information from Prior Hearing

Deputy City Manager Chaipel demonstrated the updated link to the budget portal on the City's website and summarized the tentative budget.

Discussion ensued regarding the links that are labeled "view report". Mr. Chaipel advised those links would be active when the portal is made public and are a step toward better transparency.

Further discussion ensued regarding the \$84M budget amount including the debt services. Mr. Chaipel spoke to the process for financial reporting through the budget adoption.

Continued discussion ensued regarding the ease of access with the new budget software and Council inquired if there were capital improvement projects listed with each department. Mr. Chaipel demonstrated the way to access the capital outlay information on specific funds through the capital improvement plan.

Council inquired as to reinstating meetings at City Hall. Mr. Souza spoke to making updates to MacKenzie Hall with the expectation of moving the committee meetings back prior to moving City Council or Planning Commission meetings back.

Council expressed appreciation for the efforts made to implement the new budget software and improve transparency while demonstrating living within the means of the City. Mr. Souza spoke to Staff efforts to obtain grants and reimbursement opportunities to assist with recovery from Hurricane Ian.

Mr. Chaipel encouraged all to review the narratives and introductions provided throughout the budget.

b. Final Operating and Voted Debt Service Millage Rates

RESOLUTION 24-062 OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA ADOPTING THE FINAL OPERATING AND VOTED DEBT SERVICE AD VALOREM MILLAGE RATES FOR TAX YEAR 2024 (FISCAL YEAR 2025) FOR THE CITY OF SANIBEL, FLORIDA; AND PROVIDING AN EFFECTIVE DATE

Attorney Agnew read into record the title of Resolution 24-062 advising the blanks in Section 1 would be filled as 2.500 mills and .61%.

Public Comment:

- Steve Maxwell - Sanibel Resident - expressed appreciation for the budget software and inquired what the total ad-valorem was. Mr. Chaipel showed the details as published in the budget and spoke to the reporting process.

Vice Mayor Miller moved, seconded by Councilmember Smith, to adopt Resolution 24-062 with the blanks in Section 1 filled as 2.500 mills and .61% respectively. The motion carried.

c. Final Budget Adoption

RESOLUTION 24-063 OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025 FOR THE CITY OF SANIBEL, FLORIDA; AND PROVIDING AN EFFECTIVE DATE

Attorney Agnew read into record the title of Resolution 24-063, advising the amount in the blank as \$233,208,969.00.

Councilmember Smith moved, seconded by Councilmember Henshaw, to adopt Resolution 24-063 with the blank filled as \$233,208,969.00. The motion carried.

d. General Fund Committed Fund Balance

RESOLUTION 24-064 OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA ESTABLISHING COMMITTED FUND BALANCES FOR EMERGENCY RESERVES AND OPERATIONAL SUPPORT RESERVES FOR THE CITY OF SANIBEL; AND PROVIDING FOR AN EFFECTIVE DATE

Attorney Agnew read into record the title of Resolution 24-064. Discussion ensued regarding the process for reporting reserves.

Councilmember Smith moved, seconded by Vice Mayor Miller, to adopt Resolution 24-064. The motion carried.

20. CITY ATTORNEY'S REPORT

City Manager Souza thanked Deputy City Manager Steve Chaipel and Deputy Finance Director Jocelyn Upchurch for their hard work with the implementation of the online solution for the budgeting process. Council expressed appreciation for the implementation of the software as a response to public input for better transparency.

Mr. Souza provided an update regarding preparations for, and tracking of, the

upcoming storm known as Invest 97L, advising Staff would continue to prepare as needed, and recommending residents continue to prepare homes. He additionally spoke to where residents and business owners could obtain hurricane re-entry passes, and noted the Lee County EOC has not been activated at this time.

Discussion ensued regarding schools still being open tomorrow, following the updates regarding the storm, and ensuring the news feeds being accessed are accurate and official reports. Mr. Souza spoke to the situation being fluid and information being provided as swiftly as possible.

21. COUNCIL MEMBERS' REPORTS

22. PUBLIC COMMENT

Public Comments:

- Dr. Scott Crater - recommended the Mayor position be a paid position, thanked Council for holding the meeting at 5:30 p.m., spoke to funding received for raising homes on Pine Island, and spoke to Visit Florida no longer marketing to the LGBTQ community, recommending Council pass a resolution welcoming all visitors to Sanibel.

23. ADJOURNMENT

There being no further business, the meeting adjourned at 7:00 p.m.