

City Council Budget Meeting
July 23, 2015
9:00 A.M.
Bonita Springs City Hall
Council Chambers
9101 Bonita Beach Road
Bonita Springs, Florida 34135
MINUTES

I. CALL TO ORDER.

Deputy Mayor Steve McIntosh called the budget meeting to order at 9:00 A.M.

III. ROLL CALL.

Present:

Steve McIntosh, Deputy Mayor
Janet Martin
Steven Slachta
Mike Gibson
Bill Lonkart

Absent:

Ben Nelson, Mayor
Peter Simmons

IV. PUBLIC COMMENT.

8:57:52 AM Dave Hanson, with Partnership in Housing, stated he was in attendance to respond to any questions Council may have.

8:58:11 AM Rick Steinmeyer suggested a rate cut, and supports a millage rate of .8000.

8:58:29 AM Deborah Maclean suggested people first read the budget and address specific items.

8:59:09 AM Nigel Fullick, present on behalf of the Art in Public Places Board, thanked Council for their continued trust and financial support over the last few years. He also addressed ongoing work by the Board. Monies requested for next year will allow for the placement of permanent markers at all of the outdoor sculpture sites. He also addressed other projects they are working on and their requested funding.

V. PRESENTATION OF UPDATED SALARY SURVEY.

9:02:38 AM City Manager Carl Schwing next introduced the City's HR consultant, Katie Busch, to address this agenda item. He

explained that Ms. Busch has been the City's compensation consultant for a number of years and is here to address compensation improvements proposed for this year. Recommendations include a market adjustment increase of 3% across the board for all employees, except for director levels and higher; and a continuation of the Pay for Performance plan of between 0 to 3%.

9:03:57 AM Ms. Busch next presented the Pay Plan update and pay recommendations as well as the goals of a classification and compensation plan. The recommendation today is to shift pay ranges by 2% to keep pace with the labor market. It also entails an across the board increase for employees of 3% to allow them to move further into the ranges, and a merit eligibility for STAR performers.

9:09:47 AM In response to Deputy Mayor McIntosh, Ms. Busch explained that the fact that the City has a plan in place provides good information to make great pay decisions. The City's general pay is still on the lower end of the competitive market, but overall, it is in the ballpark. Having a plan allows consistency in the administration of pay decisions. The City is on the right track and being consistent in evaluating jobs. As far as the labor market, the City is taking a conservation approach in terms of making sure the pay ranges are keeping pace with the market, without outpacing the labor market.

VI. PRESENTATION OF FIVE YEAR FINANCIAL PLAN.

9:15:12 AM Anne Wright, Finance Director, next presented the 5-Year Financial Plan (pages 6 and 7 of the budget meeting packet) to address the General Fund, and the Special Revenue and Debt Service funds.

VII. PRESENTATION OF FISCAL YEAR 2015-2016 PROPOSED DRAFT BUDGET.

9:27:55 AM City Manager Carl Schwing next presented the Memorandum from the City Manager via a PowerPoint presentation (copy in Clerk's file and contained within the budget meeting packet). He addressed revenues by source; expenditures by fund type - General Fund, Special Revenue, Debt Service and Capital Projects. He also addressed Expenditures by function as it relates to personal services, operating expenditures, debt service and capital projects. The Taxable Property Value City-wide reflects a projection for 2016 of \$8.3 billion. The taxable

property value in the downtown redevelopment area for 2016 is projected at \$376 million.

He next addressed the history of City millage compared to the rolled-back rate chart. He concluded by addressing the pie chart reflecting the allocation of the total tax bill, which reflects Lee County 30%, State School Board at 32%, Bonita Springs Fire & Rescue District of 15%, the Local School Board at 14%, Independent Special Districts at 4%, and the City of Bonita Springs at 5%.

VIII. DISCUSSION AND DIRECTION CONCERNING FISCAL YEAR 2015-2016 BUDGET.

9:45:26 AM The City's Finance Director Ms. Wright and the Assistant City Manager John Gucciardo next addressed pages 31 through 118 and revisions and budget requests relating to the various cost centers.

10:46:25 AM Assistant City Manager Gucciardo began by referring to page 142 of the budget meeting packet titled "Council Member Items for Discussion." Some of the items depicted are already reflected in the budget, and others are not. There are also items that are not reflected on this list but address items that Council probably needs to be aware of even though there aren't any real dollars that can be associated with them at this point. He provided the example of property owners on U.S. 41 who are trying to get a traffic light at Riverview, and the City's involvement thus far in helping with getting that project going. At some point the property owners may come to the City and express the position that there is a public interest in placing that traffic signal there, and ask for some financial contribution. It's something the City does not know what the total cost would be, nor does he know the percentage they may request. Overall, there's nothing that Staff can do to reflect that in the budget.

There are also CDBG funds of approximately \$770,000 between new allocations and past allocations that have not been expended, to which the recommendations are reflected in the budget. The recommendation is for \$175,000 to go to Parks and Recreation for replacement playground, \$475,000 to Public Works for a sidewalk from Kentucky through Tennessee to Old 41, from Wisconsin to Old 41; and the balance of \$125,000 to go to the public/private partnership with Pueblo Bonito to expand their facility.

COUNCIL DISCUSSION:

10:58:51 AM Deputy Mayor McIntosh referred to page 6 relating to the Five Year Plan, specifically the \$1,000,000 budgeted for disaster reserves, and asked if Staff felt that was enough. Assistant City Manager Gucciardo responded that in emergency situations response and recovery will be coordinated through Lee County. The money flow in terms of equipment and needed resources are coordinated from the County level up to the State level. The monies the city would need would be on a relatively short term basis, and so Staff is comfortable with the \$1,000,000 which they believe provides enough flexibility. City Manager Schwing explained that even if the City was to utilize the full \$1,000,000, there's still extra buffer for the City to continue to operate in the gap period - between the disaster itself and getting reimbursement from either the State or the Federal government with regards to any kind of disaster relief. Assistant City Manager Gucciardo explained that there was really no way to predict the gap period and reimbursements.

11:01:44 am Deputy Mayor McIntosh next addressed the gas tax reflected on page 7. He feels this is not something that municipalities should depend on going forward with the country going to sustainable energy. He requested Staff keep an eye on this and keep reviewing that portion of the revenue.

11:02:52 am Council Member Bill Lonkart referred next to the drop in impact fees on page 18, which is dramatic in comparison to previous years. The reason for this relates to the east portion of the City and because of approved road projects, and things that were done years ago. It's something he wants to make sure Council is aware of. City Manager Schwing informed Council that the number shown is extremely conservative. If Staff confirms what they believe to be the case, perhaps the agreements with the County are not going to cost what they anticipated. It's something they will share with the Council as soon as they confirm that; however, it also means that number could well go up, and significantly.

11:06:21 AM Council Member Mike Gibson referred to page 33 and the façade program, and asked how long that program will continue. He asked if it would cover problems that may arise from the redevelopment project, i.e., when they are re-doing road and require people to get rid of asphalt and putting in landscaping, etc. City Manager Schwing responded that the façade program will

not cover things such as that. The original purpose of the grant was to get the downtown structures looking more like old Florida. The situation Council Member Gibson spoke of will have to be dealt with within the project. Council Member Gibson next questioned whether the façade program was something that should continue. City Manager Schwing stated he felt that answer was yes. There are a lot of facades that could be improved to look more like Old Florida. If that is still the goal of Council, he would recommend they continue the program as long as Council feels comfortable that is a priority for downtown. Council Member Gibson asked if they could shift the percentages to make owners pay a little more and the City less. City Manager Schwing responded yes, that could be done. Currently is 20% owner and 80% City, up to \$10,000., per applicant. Council Member Gibson suggested shifting it 50/50 instead of increasing the budget. City Council Member Janet Martin suggested getting more information from Arleen Hunter, Development Services Director.

11:09:38 AM Council Member Gibson referred next to street lighting improvements on page 34, and asked if that was part of the \$10,000., street light replacement. Assistant City Manager Gucciardo addressed City's Street Light Committee as they relate to street light improvements. He next addressed the Historic preservation Board's Historic Village concept. Direction from Council was to put together more detail and an RFP, etc., informing Council that the estimated costs to be as high as \$200,000. It's something that has not been budgeted because the direction is that they are going to try to finalize the RFP and see what kind of response they get and then bring it back to Council to see if it's something Council wants to act on - the Historic Village. Again, it's not reflected in the budget.

11:12:25 AM Council Member Martin referred to page 41 and the Bonita Building Blocks program which she fully supports. She would like to see the \$5,000 shown increased to \$10,000.

11:13:59 AM Council Member Steve Slachta referred to page 40 regarding private security for parks, and asked if they also monitor City Hall. Ms. Perino explained they do not patrol City Hall. They do patrol all 20 City parks. The reason for the increase is that during the downturn in the economy when they made cuts, Staff cut the patrols back to 1:00 a.m. Since that time, however, there has been an increase in issues in the park system between 1:00 A.M. when they leave and 6:00 A.M. when Staff arrives. The increase covers that 5 hours to now allow the parks to be covered 24 hours a day.

11:14:49 AM In response to Council Member Lonkart, Ms. Perino explained that graffiti is the largest issue. The cost varies because it goes into operating costs and entails mostly staff time of removing the graffiti. There have also been issues with theft in the parks during that timeframe as well. The Sheriff's Office has helped, but they aren't the City's security that would patrol all the parks every night. They do help when there are issues. Council Member Lonkart recommended that she let the Sheriff's office know that these things are occurring. Ms. Perino explained that they do work really closely with a lieutenant of the Sheriff's Office, who has been working with them on some park issues they have, and so they are working with them in coordination currently.

11:18:22 AM In response to Council Member Gibson's question relating to the increase reflected for DRGR monitoring, Mr. Gucciardo responded that was to take effect after the first of the fiscal year. Matt Feeney, Director Public Works, next furnished an overview of bridge maintenance and improvements, along with the associated costs.

11:28:01 AM Deputy Mayor McIntosh addressed "surveillance" and concerns raised by citizens relating to River Park and inappropriate behavior occurring. Even though the Sheriff's Office does patrol it, he questioned whether they should consider surveillance. Ms. Perino explained that River Park does not have electricity at all, so they can't put cameras in. It also does not have water. Part of that \$35,000 for increased security is to help towards River Park and the surveillance of issues that are occurring there overnight. It's the reason they increased security. Council Member Lonkart stated that sometimes it helpful to park a police car there. Deputy Mayor McIntosh asked that Staff keep an eye on the situation.

11:31:12 AM Deputy Mayor McIntosh next addressed the dog park, and stated that the medium dog area is in need of shade. While he is aware that trees are to be put in, he asked if it was possible to put in a canvas type structure of some sort meanwhile. Ms. Perino responded that they were trying to do it as natural as possible by adding additional trees. She explained that the Tree Advisory Board has allocated funds for the rest of this year to install trees. They have also received donations on relocating some other trees to that area as well. They will be utilizing shade trees and installing mature trees.

11:32:49 AM In response to Council Member Gibson's question relating to cleaning, Ms. Perino explained that the current vendor gave them a very large increase, and so they are going out now and looking at other vendors.

11:33:43 AM Council Member Lonkart addressed cost center 615 on page 98 relating to the high maintenance costs for the fountain at the Liles Hotel. Ms. Perino explained that they actually lowered this costs quite a bit. They use to have an outside contractor who they paid between \$5,000 and \$6,000 per year. Now those costs have decreased to \$3,000 and \$3,500 as the pool Staff is now maintaining it. The biggest issue regards people going into the fountain and Staff having to clean up afterwards.

11:36:39 AM Deputy Mayor McIntosh referred to page 123, the Grant Fund, and addressed the River Park Capital grant. He asked if the \$250,000 has been entirely expended. Ms. Perino responded that there is about \$227,500 that is going towards a fishing platform to be located close to the U.S. 41 bridge. That is currently in design, and they are in the process of getting their ACOE permitting renewed to allow them to start work within the next couple of months.

Deputy Mayor McIntosh continued on River Park and asked if Staff was in the process of trying to figure out how to get water and electricity out there. Ms. Perino responded that they have not, as it would be rather costly to get utilities out there, as the utilities end at the Bonita Boat Center. Deputy Mayor McIntosh stated it was something he would like to know. City Manager Carl Schwing explained that was not something they have been working on, as that park was originally established to be a passive park, which means they would not be moving utilities and additional park facilities into that area. If it's something Council would like Staff to pursue, they will. Council Member McIntosh stated that they have already had two conversations about security, and that park if there is additional boat ramps and docks, it's going to get more use. He asked Council to taking a look at what a proposal on a cost estimate would be for facilities out there. Council Member Lonkart stated that security is very important. Ms. Perino clarified direction, which is for estimates for electric and water - the facilities. Deputy Mayor McIntosh clarified that what he was asking was how they would go about making that a full service park. If they need to get electricity, water and sewer out there, then he would like to see what that would cost. City Manager Schwing stated that will look into it, noting that

will just be the limit of it, as they will look at what it will take to bring utilities to the facility. Direction to Staff to look at the costs. Ms. Perino added that it's also an environmental sensitive park, thus, there may be things they may not be able to do through DEP permitting, etc. Overall, they may not be able to make it a full service park. They can look into electric and water, but building other facilities is something they may not be able to do. Direction to Staff to look at costs.

11:43:14 AM Council Member Lonkart referred to page 101, the gopher tortoise platform for \$6,400. Ms. Wright added that there is \$3,100 from Mr. Price's retirement fundraiser. Also, the film festival designated \$1,400 for a total of about \$4,500 designated funds now. It is \$6,400 total.

11:43:49 AM Deputy Mayor McIntosh next referred to Paving unpaved streets, to which Assistant City Manager Gucciardo furnished an overview of the unpaved roads project.

11:48:37 AM Council Member Gibson referred to the East Terry wall and a previous discussion on using landscaping instead. Assistant City Manager Gucciardo explained that was something Staff was still working on per direction from City Council. For now they will stick with the \$130,000 shown.

11:50:34 AM Council Member Slachta stated he wants to ensure that the \$10,000 for Bonita Beach beautification be carried over.

11:50:58 AM Assistant City Manager Gucciardo next addressed page 142 which reflects items that have not been included in the budget, either because Staff is in the process of evaluating the options, or what might be done. The biggest item regards item 11, Bonita Beach Road Visioning. He next addressed Arroyal Pond and items in the budget, including additional improvements to be done, FDOT, etc. What's not included in the budget are any additional improvements beyond those items that have been penciled in.

11:52:41 AM In response to Council Member Martin's question relating to page 138, the dog park, "additional trails/entrance," Ms. Perino addressed plans.

- A. City Council Member Items for Discussion-see "Other Information" Tab.
- B. Fund Balance Allocation.

11:58:24 AM Discussion followed on page 142 of the budget packet titled "Council Member Items for Discussion." Council Member Martin referred to item 5., the dog park playground. She explained that this item was discussed the previous year and was placed in the budget. The budget includes \$75,000 for the new entrance and \$15,000 for the exotic removal, however, she would like to change the priority to have the playground first and then work on the new entrance. Ms. Perino responded. The playground was in last year's budget, but they had to use those funds to finish the trail itself. It wasn't put in this year because of logistical issues - where do they locate it now that they are adding a new entrance, and secondly, where will the parents be. Council Member Martin stated that it was packaged to include a dog park, walking trails and a playground. City Manager Schwing asked if Council was prepared to add money to the budget to put the playground there this year. Deputy Mayor McIntosh stated that there are two more meetings before they finalize the budget, and suggested that Staff look at what it would cost - to look at it at the next budget meeting to see if Council wants to include it. City Attorney Vance to look into liability per the request of Council Member Lonkart.

12:04:05 PM Council Member Martin next expressed her support for the Historic Village Study (item 8.).

12:05:00 PM Council Member Gibson referred to the Terry Street project and stated that nothing has been included for traffic calming. The intersection at Pine Street with the traffic light is a big issue, and he questioned what it would cost for a turn lane, roundabout, etc., to alleviate the traffic problem. Mr. Feeney responded, explaining that as they design the project, they will have a better understanding, as right now they are including dollars to address the pedestrian and bicycle improvements along the corridor. A brief discussion was held.

12:07:50 PM Ms. Perino next responded to Council Member Gibson's question relating to item 9., the Expansion and/or improvement of Riverside Park.

12:09:06 PM Deputy McIntosh furnished a brief overview of item 2. and the \$1,000 budgeted for a "Community Health Maintenance Strategy."

12:10:34 PM City Manager Schwing addressed item 8., the Historic Village Study, and the presentation the Historic Preservation

Board gave to Council, whose recommendation is for the next step to go out and do a study for the Historic Village location. He was concerned about the amount of space they think they needed for that, which was around 10 to 15 acres. Although he is not sure where they would be able to assemble that kind of property, the next step would be a study, or at least to go out for a consultant to do a study. He asked if Council is inclined for Staff to take those steps and put money in for that, or is it something Council would want to consider more. Council responded no.

City Manager Schwing next addressed item 7., regarding Race Track Road Improvements, which was brought up by Mayor Nelson. Staff has provided some estimates for a 5-foot sidewalk for \$250,000 for a certain length of road, and then a 10-foot wide to allow for bicycles and pedestrians for \$500,000. Staff is working with the attorney's office on what they might be able to accomplish. Council Member Slachta stated he feels it's something we could hold off on. Deputy Mayor McIntosh suggested Staff leave this item in to allow discussion for the next meeting. City Manager Schwing stated that the money is not in the current proposed budget anyway, and perhaps Staff will have additional time to refine the numbers to determine whether Council wants to include it.

12:14:29 PM Assistant City Manager Gucciardo referred to item 3 on page 142 titled "Land for Citizens Water Taskforce," the \$200,000 included in the CIP budget. He feels this is appropriate and that the \$200,000 would give enough flexibility, however, they will most likely change the wording. He clarified that it's money for land acquisition from willing sellers for water quality work on the projects in the DRGR.

City Manager Schwing noted that item B. on the agenda has been covered in Ms. Wright's presentation.

12:14:36 PM Assistant Gucciardo stated that there is also a list of other items that are not reflected on page 142 that Council should be aware of, i.e., the request for funding from those pursuing the traffic signal at Riverview. Another initiative regards the access road near the CVS of approximately \$120,000, adding that he did not know if they were going to come to the City and ask for a financial contribution. There will also be changes to fees for parks and recreation, with Ms. Perino to furnish a presentation to City Council at a future City Council meeting.

12:19:20 PM Ms. Perino next Nicole addressed the skate park and the need to replace the underling this fall at an estimated \$55,000 to \$65,000. She informed Council that usage of the skate park has declined, and addressed two options for use of the skate park (reflected in the PowerPoint presentation; copy in Clerk's file). Discussion followed on the skate park and possible changes to the park. The question to City Council is, do they want to put in the \$50,000 - \$65,000 to redo the current skate park, or do one of the two options. Today they are seeking direction and asked if Council feels comfortable with pursuing a scenario to replace the skate park with the covered playground near the recreation center, and the year beyond next year, to propose the pickle ball addition, both of which would be funded by CDBG funds. Council Member Martin questioned where they can find another space to locate an area with little ramps and other things where the kids could still enjoy their skateboards, but one that wouldn't be to such a grand scale since the usage doesn't warrant it. It's something that could come back to see if there is a way to meld in some of that. Ms. Perino stated that there are options they can look into of smaller scaled skate parks. She will also look at available property in the City's inventory where they can place it.

12:30:54 PM Assistant City Manager Gucciardo provided an overview of direction provided today for the next budget meeting. Staff to look at the options relating to the skate park, with direction to potentially tear down the existing skate park, with the new playground at that's budgeted would be placed at that location, and in future years potentially with some replacement for a skate facility and/or the tennis/pickleball facility at the location where the playground is now. Also, Ms. Perino will be getting back to Council on research relating to the fees and rate schedule. Staff will also be bringing back some cost estimates on some of the options regarding Race Track Road, understanding that there are still some variables out there in terms of ownership and what the City can and can't do. Staff will also be looking at whether there are options regarding the playground at the dog park, and whether CDBG funds would be appropriate. Staff will also be putting together cost estimates on placing utilities to River Park - water and power only. They will be asking Ms. Hunter to bring back information on the façade grant and what options there might be per Council Member Gibson's suggestion that we may not need to increase the amount. Lastly, he asked for direction on adding an additional \$5,000 to the Bonita Building Blocks program.

12:33:12 PM Council Member Martin motioned to include an additional \$5,000 to the Building Blocks program; Council Member Gibson seconded; and the motion carried unanimously.

12:33:50 PM Council Member Lonkart requested the costs for the skate park from the beginning, including maintenance for City Council.

12:34:08 PM Council Member Martin addressed the Lemon Tree Lot, and questioned a parking lot, as it should be going on in conjunction with what's going on downtown. Ms. Perino stated it would probably be easier to construct, and there are only preliminary plans to which changes could be made. The plan that is in place right now in terms of parking, is that you cap splash pads so during events can be parked on, and still allows all the other uses. City Manager Schwing stated he felt they needed more time to think about it. However, when you are looking at \$800,000 that is significant. He suggested more time to allow Staff to look at it.

IX. ESTABLISH THE PROPOSED OPERATING AD VALOREM MILLAGE RATE FOR 2015 TAX YEAR AND SET DATE FOR THE FIRST REQUIRED PUBLIC HEARING FOR THURSDAY, SEPTEMBER 10TH, 2015, AT 5:01 P.M.

12:36:55 PM Council Member Slachta motioned to set the ad valorem millage rate at .8173; Council Member Martin seconded; and the motion carried unanimously.

X. PUBLIC COMMENT.

12:39:39 PM Rick Steinmeyer commented on maintenance items. The water tower near the Liles Hotel is in bad shape. He also questioned the possibility and need to resurface Arroyal Road.

12:40:41 PM Bobbi Bird encouraged Council to increase the Special Events budget. To her knowledge all events have experienced increased participation with no incidents. She also questioned whether temporary shade could be put at the dog park until the trees are put in. Also, the playground at dog park needs to go in before a second entrance happens. Also, anything can do to increase the long term health for the community is great - the blue zone concept.

12:44:10 PM Deborah Maclean commented on bridges, which are too narrow to accommodate safety. They have no sidewalks.

IX. ADJOURNMENT.

There being no further items to discuss, the meeting adjourned at 12:45 P.M.


Respectfully submitted,



Debra Filipek, City Clerk

APPROVED:
BONITA SPRINGS CITY COUNCIL:

Date: August 22, 2015
AUTHENTICATED:



Steve McIntosh, Deputy Mayor