

JUNE 06, 2011

A Workshop Meeting of the Board of Lee County Commissioners sitting as the Board Management and Planning Committee was held on this date with the following Commissioners present:

Frank B. Mann, Chairman
John E. Manning, Vice Chairman
A. Brian Bigelow
Ray Judah
Tammara Hall

The Chairman called the meeting to order at 1:30 p.m.

1. **LEE COUNTY UTILITIES PROPOSED RATE INCREASE**

Present the results of Lee County Utilities FY 2011 Rate Review; provide information regarding recommended proposed rate increases and why the rate increases are needed and request direction to schedule item for August 9 Public Hearing.

OPTIONS:

Lee County Utilities has postponed recommended rate increases by cutting costs, improving solids handling technology, and reduction of personnel among other measures. Higher rates are needed to recover rising costs of providing service (primarily treatment chemicals and power) and maintain a strong financial profile and solid financial metrics. March 2011 Rating Agency reports rated LCU's financial profile (AA-, AA, Aa3) as relatively strong, with solid debt service coverage margins and operating profile. The ratings took into consideration proposed borrowing in FY 2013 for replacement of Green Meadows Water Treatment Plant. Future proposed rate increases are expected to support the Utility's creditworthiness and to maintain debt service coverage ratios with the proposed 2013 debt.

RECOMMENDATION:

Approval to move to Public Hearing on August 9, 2011.

Assistant County Manager for Public Works Doug Meurer presented the results of a FY 2011 rate review completed by Public Resources Management Group in a PowerPoint presentation format, and provided explanations for the proposed 4 year incremental rate increase. He identified cost cutting measures undertaken, resulting in an efficient operation that is facing cost factors beyond its control. Following response by Mr. Meurer and Assistant County Manager Pete Winton to Board questions, and agreement to provide Commissioner Bigelow with additional requested materials, there was consensus to direct this matter to a First Public Hearing on August 9, 2011.

2. **2011 LEGISLATIVE SUMMARY**

The presentation will include a summary of Lee County's 2011 legislative priorities. A written summary was emailed under separate cover.

State contract lobbyists Keith Arnold and Sarah Bleakley addressed the Board on the outcome of 2011 Legislative Session matters, with budgetary impacts to Lee County, each referencing their written summaries. Ms. Bleakley advised that the schedule for the next Legislative Session would be starting on January 10, 2012, which is much earlier than previous sessions. Ms. Bleakley and Mr. Arnold responded to Board comments and questions and Commissioner Judah requested the County Attorney to research whether Lee County has any options for appeal of unfunded mandates. Chairman Mann pointed out that the Florida Association of Counties may be planning some challenge action, and requested that the lobbyists research planned responses to the budgetary cuts and the volume of conforming bills and provide a summary to the Board. Ms. Bleakley responded to the question by Commissioner Hall that the legislature would not be calling a special session to deal with vetoed items.

3. **ANNEXATION AND INTERLOCAL SERVICE AGREEMENTS – ACTION PLAN AND TIMELINE**

The Board directed the following at the April 4, 2011 Management and Planning meeting: Return as soon as possible to a Management and Planning meeting with recommendations as to which Department will lead the interlocal agreement process; Timeframe that proposes either delivery of agreements or a move toward mediation/referendum as outlined in the Statute; County Attorney guidance/opinion.

OPTIONS:

1. Pursue and finalize interlocal agreements. If negotiations are not successful, other options can be considered as outlined in a memorandum from the County Attorney. .
2. Implement centralized Countywide (web-based) file system for existing interlocals.
3. Address interlocals on an as-needed basis for specific topics.

RECOMMENDATION:

Options 1 and 2.

Community Development Director Mary Gibbs provided the timeframe of anticipated meetings with each of the City staffs and subsequent status updates to the Board in order to finalize Interlocal Agreements by September 27, 2011. Ms. Gibbs continued that, if agreement is reached with the Cities, Ordinance adoption would be anticipated. She also outlined steps in the event agreement was not reached. Discussion ensued on whether a Commissioner could be included in meetings with the Cities. Chairman Mann requested that the County Attorney provide a legal opinion in the next several days on the request for Commissioner inclusion. Direction was given to staff to proceed with the scheduling of the meetings with the Cities. County Manager Karen Hawes mentioned the lack of a centralized location for our Interlocal Agreements, and noted the matter would require future discussion.

ITEM 4 WAS DEFERRED TO A LATER DATE

4. BUDGET STATUS UPDATE

Update Board on FY11-12 budget preparation status, efforts, and approach going into the first budget workshop on June 27. Also, inform Board of impacts of the recently released (June 1) preliminary property tax base assessment.

Due to time constraints, the Board advised that this matter would be undertaken immediately following the Regular Meeting of the Board of County Commissioners on Tuesday, June 7, 2011.

ITEMS 7, 5 AND 6 WERE HEARD SEQUENTIALLY - OUT OF AGENDA ORDER

5. FUEL HEDGING

Lee County Fleet Management and Lee Tran are investigating the usage of fuel hedging in order to control our fuel costs for the coming year.

RECOMMENDATION:

Allow staff to continue exploring options for reducing the County's financial exposure to rising fuel costs.

Fleet Management Director Marilyn Rawlings briefed the Board on Fleet Management's exploration of ways to control the fuel budget and implementation of cost cutting measures. Ms. Rawlings explained the fuel hedging concept and options, and outlined costing models. She advised of other entities using one of these hedging options and that the County Attorney's Office was reviewing the option from a legal standpoint. Commissioner Hall recommended that Fleet Management work with County Management Staff to run some models. Ms. Rawlings stated that she would have recommendations prepared for presentation to the Board prior to budget meetings. There was consensus to continue exploring these options.

6. NORTH FORT MYERS SURFACE WATER MANAGEMENT PLAN

In accordance with The Lee Plan, Lee County has developed and provided updates to a Surface Water Management Master Plan, addressing the needs for flood protection, water conservation and water quality on a watershed basis. The existing plan for North Fort Myers had been over 15 years old and needed to be updated to reflect recent development activity and to incorporate more accurate topographic and hydrologic information. The County hired AECOM to map the existing storm water conveyances and control structures and identify the extent of roadway flooding along main creeks and streams of the watersheds. Flood prone areas are identified and conceptual improvement projects are proposed to reduce roadway flooding to acceptable levels of service as defined by The Lee Plan. The projects are also recommended to improve water quality. The project boundary includes the area north of the Caloosahatchee River, lying between US41 and SR31. A significant portion of the study area extends into Charlotte County.

OPTIONS:

1. Prioritize projects and request funding through CIP process:
2. Create an MSTU or other funding source for implementing projects.
3. Do nothing

RECOMMENDATION:

Adopt the North Fort Myers Surface Water Management Plan of March 2010 and implement projects recommended therein on a prioritized basis. Adopting the plan provides important criteria for development review by both the County and the South Florida Water Management District. Further, adoption of the plan provides a road map for implementing projects that are necessary to reduce flooding and reduce total maximum daily load discharge into the Caloosahatchee River.

Natural Resources Director Roland Ottolini updated the Board on the North Fort Myers Surface Water Management Plan utilizing a [PowerPoint presentation](#). He addressed the objective of the study, the study area, background information, the scope of work, and findings and recommendations from the study as well as implementation plans. He advised of several workshops that were held to respond to community questions. Mr. Ottolini concluded that he would like to bring back a proposed planning process, and pointed out that funding for these projects is a separate issue. Commissioner Hall spoke in support of moving forward, and the Chairman noted concurrence to proceed under Option 1.

7. COUNTY LAND'S INTERNAL AUDIT – REPORT 1

An Internal Audit was released by the Clerk's Office on May 20, 2011 critical of the County's land purchasing practices and specifically critical of six prior non-Conservation 20/20 purchases. Staff would like the opportunity to speak with the Board concerning the Auditor's findings.

County Lands Director Karen Maguire narrated a [PowerPoint presentation](#) that addressed recent audit results critical of six (6) non-Conservation 20/20 County Land purchases over the last five years. Ms. Maguire pointed out areas she believed to be incorrect and also spoke to the appraisal process utilized under Florida Statutes. It was advised that an audit of Conservation 20/20 land purchases would also be released shortly. Discussion ensued noting that while it was the role of the Clerk of Courts to perform audits of various County functions, there appeared to be inaccuracies within this audit. County Manager Karen Hawes advised that a response to the draft audit was submitted in accordance with procedure, while the question remained whether the audit would be amended. County Attorney Michael Hunt agreed to look into the specific legal questions, and he and Assistant County Attorney Michael Jacob responded to Board questions on Attorney Jacobs' memorandum of June 3, 2011. Commissioner Judah expressed his dissatisfaction with the audit and supported attendance by the Board Chairman, County Manager and County Lands Director at a meeting scheduled with the News Press Editorial Board to address the flaws. Commissioner Hall suggested a review of policy parameters on property acquisitions that would go above and beyond State statute.

ITEM 8 WAS DEFERRED TO A LATER DATE

8. ROAD IMPACT FEE UPDATE

On December 7, 2010, the Board directed that the road impact fee study be updated on an expedited basis. The County's consultant prepared the study which was completed in mid-April and made available for public review. Various County committees reviewed the study in May. A public hearing is scheduled for June 14, 2011 at 5 p.m.

OPTIONS:

1. Adopt fee decreases recommended by the consultant
2. Adopt different fee schedule

RECOMMENDATION:

Option 1

Due to time constraints, the Board advised that this matter would be undertaken immediately following the Regular Meeting of the Board of County Commissioners on Tuesday, June 7, 2011.

The Chairman adjourned the meeting at 3:59 p.m.

ATTEST:
CHARLIE GREEN, CLERK

Deputy Clerk

[Chairman, Lee County Commission](#)