

**BURNT STORE ISLES  
CANAL ADVISORY COMMITTEE  
MEETING  
JUNE 9, 2008**

- MEMBERS PRESENT:** Joseph Gil, Chairman  
Leslie Totten, Charles Zajicek
- MEMBERS EXCUSED:** Gary Brewster
- MEMBERS ABSENT:** Frank Wiechec
- OTHERS PRESENT:** Richard Benson, Canal Maintenance Supervisor  
Dave Drury, Finance Director  
Rick Keeney, Public Works Director  
Dennis Murphy, Growth Management Director  
Stan Munson

**CALL TO ORDER/ANNOUNCEMENTS**

- A. Roll Call
- B. Next Scheduled Meeting - July 14, 2008 - 1:30 p.m.

**APPROVAL OF MINUTES**

- A. Regular Meeting - March 10, 2008
- Mr. Zajicek MOVED, Mr. Totten SECONDED approval of the March 10, 2008 minutes.  
MOTION CARRIED UNANIMOUSLY.

**CANAL MAINTENANCE MONTHLY REPORTS**

- A. Permits Authorized by City Staff for Installation of Docks, Lifts, Outpilings, etc.
- Mr. Richard Benson, Canal Maintenance Supervisor, reported four permits had been issued in March 2008, four in April 2008 and four in May 2008. He announced 1,625 feet of seawall cap work had been done thus far in the current fiscal year, adding crews were currently working at 3519 Marsala Court. He reported seawall replacement projects were underway on South Crete and San Pietro Courts, adding the next scheduled project would be done on St. Girons Court.
- Mr. Gil confirmed no seawalls had been lost from the rains on June 8, 2008.

**CURRENT BUSINESS**

- A. Budget Review - Fiscal Year (FY) 2008/2009
- Mr. Dave Drury, Finance Director, drew members' attention to the Proforma Schedules of Revenues and Expenditures for the Burnt Store Isles (BSI) Canal Maintenance District for FY 2007 through FY 2013, as delineated in the agenda material, stating the City Manager was not in favor of an increase in the annual assessment fee of \$400. He noted the BSI District was comprised of 1,073 equivalent units or lots; thus, an

increase of \$10, for example, would result in roughly an additional \$10,000. He described a scenario in which the \$400 annual fee remained unchanged for the next several years, resulting in less revenues than expenditures in 2011. He mentioned the budget included provision for a 3% operating growth factor for inflation. He pointed out the \$50,000 boat lock expenditure had been a one time expense in the current fiscal year.

- Mr. Totten asked if same had been a contracted price.
- Mr. Benson replied the total cost was \$45,000, leaving \$5,000.
- Mr. Gil commented that expense had been paid out of carry over funds.
- Mr. Drury commented on the Contract Services-Employees' line item, stating same represented salaries paid to Punta Gorda Isles (PGI) employees. He clarified the Committee did not approve same on a monthly basis.
- Mr. Gil noted those employees were paid at a rate of one and one half times their normal pay rate, roughly equivalent to normal payroll plus benefits.
- Mr. Drury agreed the current method of utilizing PGI employees on an as needed basis had proven to be cost effective. He then commented on Administrative Charges, explaining same paid for services provided to the District by other Departments and/or Divisions. He confirmed those costs had not changed significantly in a number of years.
- Mr. Zajicek requested clarification of the Equipment Leases' line item.
- Mr. Drury replied same applied to equipment leased for large jobs such as dump trucks, for example. He then pointed out a second Proforma Schedule, also provided in the agenda material, describing a scenario of maintaining the \$400 annual fee in the following budget year, increasing same to \$420 in FY 2010, \$450 in FY 2011 and \$480 in FY 2012 and beyond. He explained same would prevent reaching a deficit fund balance.
- Mr. Gil observed a 3% growth factor was applied to some but not all line items, questioning the basis for same, particularly with regard to the Seawalls' line item.
- Mr. Drury responded the inflationary factor was applied to operations, stating the amount of seawall work to be done in the future was unknown. He commented the fund balance was typically insufficient to repair numerous seawalls due to the \$300 per linear foot rate. He pointed out Federal Emergency Management Agency (FEMA) funds would be available for catastrophic seawall failures incurred during a declared emergency event.
- Mr. Gil agreed; however, he noted expenses for mangrove trimming and contract employees had not been projected to increase.

- Mr. Drury agreed significant increases would affect carryover and fund balances.
- Mr. Gil requested clarification of the anomaly in Tax Collection Commission.
- Mr. Drury replied the City had received a rebate from the Charlotte County Tax Collector as their estimate had exceeded actual costs.
- Mr. Totten asked what was covered by liability insurance.
- Mr. Drury replied same simply represented the District's share of the City's insurance.
- Mr. Zajicek questioned the reason for the large difference between what had been budgeted and what was projected in FY 2008 for Tax Collection, specifically \$7,570 and \$4,000, respectively.
- Mr. Drury replied same had simply been over estimated.
- Mr. Totten asked what was covered by Operating Supplies.
- Mr. Benson replied that line item represented sinkhole fill dirt, light bulbs, lumber, cement, steel, etc.
- Mr. Gil then commented on the previous year's discussion of the problem related to the perimeter canal behind Macedonia Drive, adding he believed same was reflected in the increase in the dredging contract. He asked if staff was prepared to give more attention to that area.
- Mr. Benson replied affirmatively.
- Mr. Gil spoke in favor of same, stating he received numerous complaints regarding that area. He then commented he had been a proponent of increasing the District's carryover in the past; however, he expressed understanding of City Council's opposition to large carryovers as they felt a 10% reserve was sufficient. He opined it would be difficult to obtain approval for any increase in the current year in light of the fact the reserves were projected to be well in excess of 10%; however, an increase the following year would essentially bring the reserves in line.
- Mr. Drury noted the City would take any appropriate action possible in the event of a catastrophic weather event which resulted in significant seawall failures.
- Mr. Gil stated he understood the PGI Canal Advisory Committee (CAC) had recommended a \$40 increase in their annual assessment to \$440. He mentioned the PGI District was dealing with two major dredging situations.
- Mr. Rick Keeney, Public Works Director, explained the dredging projects were related to the Pompano and Ponce de Leon Inlets, adding the PGI CAC had requested staff pursue permission from the Department of Environmental Protection (DEP) to dredge past the end markers; however, he noted it may be more difficult to achieve same in Ponce de Leon Inlet.

- Mr. Zajicek clarified the largest expenses were related to seawall caps and seawalls, asking what percentage the District had attained at this time.
- Mr. Keeney recalled the Growth Management Department had presented a Geographical Information System (GIS) survey to the Committee in 2007; however, the City's GIS person had retired. He explained there was no person currently employed by the City who was able to maintain that survey.
- Mr. Gil clarified the initial inventory was complete. He asked if staff had intended to utilize the survey as a future budgeting tool.
- Mr. Keeney replied affirmatively, stating staff had hoped to establish a three year program for both the BSI and PGI Districts.
- Mr. Gil countered he recalled this Committee had considered a seven year replacement program.
- Mr. Keeney explained staff arrived at an annual budget figure of \$300,000 to address seawalls in critical need of replacement.
- In response to Mr. Zajicek's earlier question, Mr. Benson expressed uncertainty with regard to the percentage attained for seawall cap and seawall replacements. He stated the current budget was based on 900 feet of seawall and 2,500 feet of seawall cap, adding same was based on what was discovered in November 2006. He offered to provide copies of the survey to the newer Committee members.
- Mr. Gil expressed dismay at the loss of the City's GIS person.
- Mr. Benson agreed continued updates of the survey would have been invaluable.
- Mr. Dennis Murphy, Growth Management Director, provided a brief description of how the GIS survey could be utilized following a damaging weather event and/or a declared emergency. He announced his intent to train existing staff on the GIS system, adding he was also conducting contract work with Charlotte County to aid in support of the system itself, albeit without the detail which had been available previously.
- Mr. Benson reminded members the Seawall Inspector continued to serve the District.
- Mr. Zajicek then asked if expenses could be reduced in any way.
- Mr. Gil replied the Committee could make that and any other recommendations.
- Mr. Drury interjected the only reduction of any significance would be in the area of seawall and seawall cap replacement/maintenance, adding any other reductions would have little overall effect.
- Mr. Gil summarized mangrove trimming and seawalls represented the largest expenditures, stating past reductions in the former had resulted in significant overgrowth of the mangroves into the waterway; thus, he would be opposed to reducing that line item. He continued the Seawall line item tended to be self policing

as replacement was conducted on an as needed basis. He pointed out a proposed reduction of \$28,530 in FY 2009, questioning the basis for same.

- Mr. Drury responded he believed \$28,530 had been left over from a previous year and had simply been added to the FY 2008 budget. He reminded the Committee any remaining funds remained with the District as opposed to being returned to the General Fund.
- Mr. Totten asked if the budget was a function of the per linear foot cost for both seawalls and seawall caps.
- Mr. Drury replied affirmatively if the linear footage was known, stating crews had seen some years where no seawalls were lost while other years had experienced significant losses.
- Mr. Totten requested documentation of the amount of seawalls replaced on a linear foot basis in the past.
- Mr. Drury confirmed Mr. Benson would provide same.
- Mr. Gil reiterated seawalls were replaced on an as needed basis while seawall caps were replaced on a more proactive basis, acknowledging the latter in turn may prevent seawall failures. He clarified the cost of \$300 per linear foot of seawall included replacement of the seawall cap. He questioned the cost for seawall cap replacement if the seawall itself was not replaced.
- Mr. Benson replied \$79.50 per linear foot.
- Mr. Drury then confirmed there were no other questions, requesting the Committee's recommendation to forward to City Council.
- Mr. Stan Munson recalled the annual fee had been \$80 10 years earlier, adding he personally understood the basis for the subsequent increases over the years up to the current rate of \$400; however, he opined the majority of BSI residents were not aware of the specific reasons behind same. He cautioned against comparisons between the PGI and BSI Districts due to the age of PGI's seawalls, stating PGI's annual assessment must be increased as those older walls began to fail. He opined horizontal cracking, for example, may never be an issue for BSI.
- Mr. Zajicek MOVED to recommend approval of the proposed budget and no change to the \$400 annual canal maintenance assessment fee.
- Mr. Zajicek urged continued close monitoring of the District's expenses.
- Mr. Totten clarified staff was not proposing an increase in the annual assessment until FY 2010.
- Mr. Totten SECONDED.
- MOTION CARRIED UNANIMOUSLY.

- Mr. Drury reminded members he was available for any budget related questions.

**ADJOURNMENT**

- Meeting Adjourned: 2:21 p.m.

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Joseph Gil, Chairman

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Mary Kelly, Recording Secretary