

**FORT MYERS BEACH
TOWN COUNCIL MEETING
APRIL 23, 2001
WORKSHOP
Town Hall - Council Chambers
2523 Estero Boulevard
FORT MYERS BEACH, FLORIDA**

I. CALL TO ORDER

The workshop of April 23, 2001 was opened by Mayor Daniel Hughes on Monday, April 23, 2001, at 9:00 a.m..

Council members present at the meeting: Mayor Daniel Hughes, Vice Mayor Ray Murphy, Howard Rynearson - Council, Garr Reynolds - Council, Terry Cain - Councilwoman

Excused absence from meeting: None

Staff present at meeting: Deputy Town Manager John Gucciardo and Dick Roosa (Town Attorney)

II. PLEDGE OF ALLEGIANCE

All assembled and recited the Pledge of Allegiance.

III. DISCUSSION OF TOWN MANAGER EVALUATION PROCESS

Councilwoman Terry Cain began the conversation and asked for clarification of today's workshop. Is this in regard to the merit bonus and the salary? Mayor Hughes replied that "yes" this in regards to the merit bonus and salary. She has assumed that everyone has done their evaluations and handed them in. Mayor Hughes replied that he has only received Councilman Howard Rynearson and Councilwoman Terry Cain. He has just received Councilman Garr Reynolds evaluation.

Councilwoman Terry Cain feels that if you look at the merit of the job of what the Town Manager has done she feels that the bonus is applicable and also the increase in salary. Since the year 1999 the Town Managers salary has remained the same. Mayor Hughes commented that the last increase was in October 1998.

Mayor Hughes went on to comment that the Town Manager is contemplating the raise to go into effect now. All of the other employee's bonus and salary adjustments are made on their anniversary date.

Councilwoman Cain does not feel that this is such a large increase in pay considering the job that has been done. It would be one thing if the Town Manager had not brought in money or saved money. The Town Manager has brought in millions of dollars in grants. There has also been money saved by the Town as far as taxes and where not to spend money. She feels that the Town Manager has a very good handle on this. If the community decided not to give the Town Manager the bonus or the raise she feels the long-term affect would be substantial while searching for a new manager, cost of this along with no money being brought into the community during this interim period. Searching for a new employee would be very expensive for the community more so than what is being put on the table today.

Mayor Hughes clarified that Councilwoman Cain was in favor of the 7% bonus and salary increase. Councilwoman Cain agreed.

Councilman Garr Reynolds commented that they had in fact put out an advertisement for a Town Manager in the past. They had received about 63 applications. The committee narrowed it down to 7. All of those people were willing to accept the job at the advertised price of \$45,000.00 to \$55,000.00. Town Manager Segal-George came out as the winning person and somehow the salary got to \$78,000.00. It was approved at that rate and he is not sure how this happened. A bonus is an increase. The base went up to \$85,000.00 a couple of year's back and 10% retirement was added. The 5% bonus was then attached on. Last year it came before them for an increase from 10% to 15% for retirement, which is a

healthy boost. He was not in favor of this and voted against it. The bonus went up from 5% to 7% last year. It was decided this year that the whole staff would receive a 7% increase and this can be approved through the administrative manager without the approval of the Town Council. He wanted to add this and share for informational purposes.

Councilman Howard Rynearson agrees with Councilwoman Cain as far as the 7% bonus. He has done some figuring and has come up with a figure of 4 3/4% on a raise. He feels that this is a fair raise and fair percentage. He would like to go at 4 3/4. This year he feels compelled to go the 7% on this bonus. Next year he would like to see them put 4% on the bonus with a merit tied to it. He has a cap of \$8,000.00 and he thinks that this should be looked at every year. The more money Town Manager Segal-George brings in the more money she is worth. The salary needs to be started at 4% and they can look into it from that point. He definitely feels that at the next meeting they should make a Motion to where this comes back to the board. It should not be put on one person to make this decision. It should be put in front of the board and used as a workshop to be discussed.

Mayor Hughes asked what 4 3/4% translated to in terms of dollars? \$4,037.50 per year and a total of \$10,093.75. This was number was based on the \$85,000.00

Councilman Rynearson would like to take the bonus off from the LPA and tie it directly to the Town salary itself. This is why he feels that they should go to the merit bonus. This way it is a proven bonus.

Mayor Hughes asked if his recommendation is for the 7% based on the \$85,000.00? Councilman Rynearson suggested that they drop back to the 4% and drop off the LPA starting as of next year as something to work from.

Councilman Rynearson does not feel that they can go out and find someone with Town Manger Segal-George's qualities and abilities to do the job that she is getting paid for today. He also feels as an attorney of the LPA that it is very helpful to them, because she sees these cases before they ever have to look at them.

Councilman Garr Reynolds commented that he couldn't get the Council to recognize that the 5% is a salary increase every year based on the base. It is part of Town Manager Segal-George's job to get grants and he does not feel that anyone should be rewarded twice for doing their job. The bonuses he feels are not needed. He is surprised to learn that the staff received a 7% increase without their knowledge; if for no other reason than out of courtesy. He is not as enamored with the job of the Town Manager as some of the Council is. Things have not gone as well as they somehow believe that they have. He would like for someone to number all the accomplishments that she has made over the last 5 years. He listed some of things that have not been done that should have been done. He commented that when they became a Town they did so for one reason and this was to make a Development Plan. This has not been done.

Mayor Hughes questioned as to the relevance of this in terms of Town Manager Segal-George's evaluation. What is being referred to was approved by the LPA and Town Council and he does not feel that she should be criticized for what the Town Council decided to do as a majority vote.

Councilman Reynolds responded that this was mentioned because Town Manager Segal-George is the architect of overlay Times Square and overlay District. The Council has give her authority to do anything that she would like by way of signs, construction and approval of those projects, if she so desires. She has decided to bring these, before they get to the final stages, back to the Town Council.

Councilman Reynolds went on to add that nothing has been done to enhance the traffic problem. When they became a Town one of the first things that they wanted to do was to work on the drainage issue. Some of the side streets have up to 1 foot of water. One of the main items was to beautify Estero Blvd.. These are some of the items that he sees problems with. He disagrees with the thought that \$85,000.00 is not enough along with another 7% on top of this and a 5% raise in retirement last year. He thinks that they need to keep things in perspective. He does not feel a merit bonus is needed on an annual basis. He does not feel that they need an additional 2 employees. Most of the work is contracted out. One of the biggest problems that he has with the Town Manager is by her letting the contractors do the work as they see fit instead of it being geared to the way she would like it done.

The Town Managers cash take home this fiscal year 2000/2001 will be approximately \$120,000.00. They are a small Town and it is an embarrassment to respond to visitors, tourists and townspeople when they inquire as to how much the does the Town Manager make. This Town Manager has done very well as compared to the standards of Town Managers elsewhere in the U.S.. Although his views about this subject may be different from the four other members, it does not mean that his view is inferior to theirs. Please give some thought to what he has said before casting a vote and leading to the increase in the Town Managers salary. He has tried to be honest. He feels that Town Manager Segal-George and himself started off as friends, but he does not feel this is the case today. He referred to a letter he provided to the Council members explaining the events that lead up to the present day situation. He has expressed his views and knows that most members are against him. He would hope that they would take into consideration the comments and input that he has made.

Vice Mayor Ray Murphy commented that they had listened to Councilman Reynolds for one half hour and not one recommendation has come forward. The Councilman discussed everything that he disagreed with regarding the Town Manager and his history with the Town Manager. Nothing was brought forward. He obviously does not agree with any of the increases, but they did not hear that there should be no increase. This is what he is looking for if they are trying to get a consensus today.

Mayor Hughes addressed the issue of the concern regarding the violation of the Sunshine Law. Councilman Reynolds statement could be deemed an accusation that they are violating the law and he does not take this too kindly. He commented that he has never discussed a council issue with Town Manager Segal-George in the presence of another Council member. Councilman Reynolds is alleging a very serious violation under the laws of the State of Florida. Unless he has proof of this he really challenges him to tell him of a situation where this has happened. When he was first appointed to the Town Council for the first few meetings he would come to the meetings and raise questions, and have eyes rolled at him. He was told that if he had mentioned these things ahead of time they could have been cleared up and he would not have had to take time at Town Council meeting. He learned to do this. Other Council members told him to do this also.

Mr. Roosa replied that it is not a violation for any staff member to talk with the individual council members separately. The only prohibition is polling Council members. This would be determining a vote before the Council meets. When the issue is "what are your questions and here are the facts" these are most appropriate for the Town Manager, and it helps to avoid getting bogged down in a public hearing.

Mayor Hughes raised another point. The Sunshine Law relates itself to a discussion between two council members, in the case of a Town Council on a matter that is going to come before this Town Council for consideration. Mr. Roosa replied this is correct. Mayor Hughes commented that they do not hold mini meetings upstairs.

Councilwoman Cain replied to Councilman Reynolds comments about things that have not been accomplished. She mentioned that Estero Blvd. is being working on. The beautifying of Estero Blvd. has a Streetscape Plan, but now they most figure out how to pay for the great ideas they have. She sees two really great things that have happened to the community, since it was incorporated. The taxes have not increased compared to the other side of the bridge. The property values have gone up quite a bit. The next Town Manager they bring in will have to be able to afford a \$250,000.00 home to live there. The new Town Manager will have to have a higher pay scale to live than the current staff and Town Manager they have presently. She feels that the frustrating thing about government is that things take time to process. Councilwoman Cain does not consider Town Manager Segal-George a friend, but as a business associate. She is a competent business associate. She would suggest going to visit some of the new towns that have been recently established and sit through the Council meetings. She feels that the merit bonuses are necessary and the staff is very overworked. This staff is the best and she feels very strongly about the Town Manager. The next Town Manager that comes in has some big shoes to fill and they are going to be paying a high price.

Vice Mayor Ray Murphy agrees with a lot the statements from Councilwoman Cain. The compensation process is struggled with every year. He will not be on this Council next year. It would be

his recommendation that the Town hire a compensation specialist. He feels that they are not experts and they need someone to do the whole background. Someone needs to come in objectively. They could then bring back their recommendations to the Town Council and the debate can start from there. It is not his intention to get into a debate, but it was commented by Councilman Reynolds that Town Manager Segal-George was the architect of the Time Square and overlay districts. This is not true. Outside consultants were hired and spent a lot of time analyzing the problems. They came up with a plan and presented to Council and the LPA. If you want it redeveloped you must make it financially feasible for someone to go in and do it. This was the recommendation of the planners and no one could question the integrity of Bill Spikowski. He listens closely when Bill Spikowski makes recommendations because he trusts him. As far as the drainage problems go he has also been frustrated. Progress has been made and it has not been as fast as he wanted. Some construction will be done shortly. The wheels of government spin slowly and he knows this to be true. Lots of accomplishments have been made in 5 ½ years and to say that there have been very few or none negates a lot of service that a lot of people have done. He feels that this is not a fair thing to say. He does not have anything to bring forward regarding the recommendations. He will listen more and have thoughts when they discuss this again.

Mayor Hughes agrees with much of what has been said today and disagrees with some of what has been said. He commented that Councilman Reynolds indicated that four people are automatically against him and then included three more. He feels that this is not a clear approach to today's discussion. The discussion is in regards to the compensation for Town Manager Segal-George. Municipal government will never change. There are always people with a specific problem and you will never be ahead of all of them. The nice thing about being in municipal government is that there are a lot of people who come up and state that the Town is a much better community than it was 5 years ago. Town Manager Segal-George should not be held responsible for everything that is a problem and she should not get 100% of the credit. It is a team effort. The Committees serve as uncompensated staff and in other communities they would be considered paid employees. They are fortunate to have these people contributing.

He went on to comment regarding the bonus and salary. He does agree with Councilman Reynolds that they have to look at the total picture. Town Manager Segal-George's compensation is base, compensation as LPA and her bonus. This is all part of a package. He feels along the same lines as Councilman Rynearson regarding the bonus. He can accept the bonus this year and take a careful look at it next year. She should have a bonus and is entitled to a salary increase. He does not want the Town Manager to feel that she is not appreciated due to not having a raise for 2 ½ years. He has filled out his evaluation and it will be upstairs for the Council members to look at. He gave her the best marks possible on most of the items. He feels that her legal background has been very valuable. He feels that she has a good relationship with her employees. The moral seems to be very good, not withstanding a very heavy workload on the staff members. Some areas he could be a little bit critical. He feels that she is overly sensitive to criticism and she should recognize that there would always be criticism. In general the community feels that she has done an outstanding job.

Deputy Town Manager John Gucciardo spoke in regards to the meeting on the 6th. He feels that based on the conversation he has heard he wanted to suggest that they break up into two different areas of discussion on the evaluation. 1. Specifics as to compensation and bonus for this year for the Town Manager. 2. The actual process of determining this on a go forward basis. Based on what he has heard from some of the Council he would take some of Councilman Rynearson's and Vice Mayor Murphy recommendations as a starting point of discussion on the 6th. The points would be: 1. To assume a 4% bonus based on Town Manager's salary only. 2. All Town Council members would be involved in the decision making process, and not just the Mayor. 3. Raises would not be automatic, but the suggestion of a raise could be brought forward by any of the Council members. 4. Written evaluations, while encouraged, are not mandatory. 5. The sitting Council, at this point next year, can consider hiring a compensation specialist. Mayor Hughes replied that this is a good idea and he asked if there was any objection. No objection was heard.

Councilwoman Cain wanted a point of clarification from Councilman Rynearson. She did not

understand what they wanted to do with the Town Managers bonus and the LPA bonus. She is thinking in the future. If a new Town Manager is hired they will probably have to hire an attorney for the LPA. She sees the LPA's salary and bonus as a different entity than the Town Managers salary. She cannot put these together because she sees them split apart. Councilman Rynearson replied that he commented to take them apart. He feels that they should pull the bonus away from the LPA's \$12,000.00 and put it on the \$85,000.00 base and this is what the bonus is paid on. It is a complete merit bonus. A merit bonus is for something that was done above and beyond, and he feels that Town Manager Segal-George has done this. The LPA's salary and bonus should be dealt with separately. If Town Manager Segal-George does leave you will be dealing with two people and not at this price.

Mayor Hughes feels that a bonus is part of the total compensation. It is not a raise if it is the same bonus as it was the prior year. Three years in a row she received the bonus, but it was not a raise.

Deputy Town Manager John Gucciardo feels that he has heard one issue that needs clarification. The issues of the drainage project were one of the top priorities and not much progress has been made. He is sensitive to this because it was one of his projects when he first started. In his opinion the reason for the delay should not be related to the Town Manager, lack of money, lack of priority or due to a lack of technical knowledge. The problem with the drainage issues has been a people problem with staff. When you work with a limited staff and they experience turnover it will stop your projects dead. Pam has done an excellent job, but if for any reason they should lose Pam they will experience another slow down.

Mayor Hughes commented that Town Manager Segal-George averages about 50 hours per week. This is about 2500 hours a year. He asked them to tuck this figure away in the back their minds when discussing what this equates to per hour on a salary increase.

IV. ADJOURNMENT

The Workshop was adjourned. No time was given.

If a person decides to appeal a decision made by the Council in any matter considered at this meeting/hearing, such people may need to ensure that verbatim record of the proceeding is made, to include the testimony and evidence upon which any such appeal is to be based.

Respectfully Submitted,

Shannon Miller
Transcribing Secretary

Janeen Paulauskis
Transcribing Secretary