



City Council Chamber  
735 Eighth Street South  
Naples, Florida 33940

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**City Council Special Meeting - August 31, 1992 - 9:00 a.m.**

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Mayor Muenzer called the meeting to order and presided.

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**ROLL CALL**

**ITEM 2**

**Present:** Paul W. Muenzer, Mayor  
Fred L. Sullivan, Vice Mayor

Council Members:  
Kim Anderson  
R. Joseph Herms  
Alan R. Korest  
Ronald M. Pennington  
Peter H. Van Arsdale

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**Also Present:**

Dr. Richard L. Woodruff, City Manager  
Maria J. Chiaro, City Attorney  
Ann (Missy) McKim, Community  
Development Director  
William Harrison, Finance Director  
Mark Thornton, Community  
Services Director  
Leighton Westlake,  
Engineering Manager  
George Henderson  
Sergeant-at-Arms  
Tara A. Norman, Deputy City Clerk

Burt Saunders, Collier County  
Commissioner  
Richard Siegel, Greater Naples Civic  
Association  
Bradley Estes, Greater Naples Civic  
Association  
J. Dudley Goodlette  
Werner Haardt

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Other interested citizens and visitors

**ORDINANCE NO. 92-6718**

**ITEM 2**

**AN ORDINANCE AMENDING SECTION 21A-11 OF ARTICLE II OF THE CODE OF ORDINANCES OF THE CITY OF NAPLES, FLORIDA, ENTITLED "UTILITIES SERVICES TAX", TO INCREASE THE TAX ON EACH AND EVERY PURCHASE OF ELECTRICITY, METERED OR BOTTLED GAS (NATURAL, LIQUIFIED PETROLEUM OR MANUFACTURED, WHETHER BOTTLED OR OTHERWISE), TELEPHONE AND TELEGRAPH SERVICE IN THE CITY OF NAPLES, TO EIGHT (8%) PERCENT OF THE PAYMENTS RECEIVED BY THE SELLER THEREOF; PROVIDING SAID INCREASE TO BE DEPOSITED DIRECTLY TO THE CITY'S STREETS FUND; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.**

Title read by City Manager Woodruff.

Dr. Woodruff summarized the action proposed at this meeting. He said that the ordinance submitted to the Council would increase utility tax rates from 7% to 8%, and passage at this meeting would allow the City to comply with the 30-day notification policy of various utilities, enabling revenue collections to commence by October 1st. Should the City Council wish to postpone passage, this would result in a corresponding month-to-month delay in revenue. Dr. Woodruff also reported that, as requested by the Council at its last Regular Meeting, the staff had met with representatives of Naples Civic Association to discuss their concerns with reference to the increased utility tax rate.

Dr. Woodruff also explained that although the proposed ordinance referred to the use of revenue for a street overlay program, there would be times when revenues would also fund certain reconstruction work. (It was also clarified after further discussion that appropriate drainage work in conjunction with these projects would be funded.) Another point, he said, which had been raised at the previous Council discussion was being addressed by an accompanying resolution (Agenda Item #2). This was the appropriateness of gasoline taxes over utility taxes as the source of revenue for street work because of the more direct relationship between gasoline tax and roads. Although this resolution would not be legally binding, he said, it would call for repeal of the additional one cent of utility tax should the City receive statutory ability for local based taxing or should the City receive revenue from any state increases in gasoline tax.

It was also clarified in further discussion that remittance to the City of gasoline tax from the State of Florida is not on a direct basis, but depends upon a formula which takes into consideration both population and assessed valuation. The result is fewer dollars going to counties which are considered more financially well off than others.

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**Public Comment:** One individual registered to speak.

**Richard Siegel, President of the Greater Naples Civic Association**

Mr. Siegel requested that the City Council not adopt this ordinance and the resulting one cent increase in utility taxes until another review of the entire Capital Improvement Program (CIP) was accomplished. This review, he said, should prioritize all projects -- streets as well as others such as parks, medians and computers -- so that the current total revenue could be redistributed, although he conceded that the street program should be among the top priorities. Mr. Siegel also pointed out that State Representative Mary Ellen Hawkins had predicted State passage of an additional two cents of local option gasoline tax during the next legislative session. In addition, a study by his group of previous CIP's had indicated that much street work had been deferred, he concluded

The Council then entered into a discussion of Mr. Siegel's proposal; each member, however, indicated that the CIP review had been done in such a way as to carefully prioritize needed projects such as improvements at Anthony Park and computerization. It was also learned that the current mainframe computer is approximately six years old with the average useful life of such equipment being five years. In addition, the software being used is approximately 12 years old and is no longer supported since the authoring company was no longer in business. Finance Director Harrison also pointed out that it would be more costly to have new software written to run on old equipment than to acquire compatible hardware and software simultaneously.

Both Vice Mayor Sullivan and Council Member Van Arsdale also pointed out that the City's aging infrastructure had not been effectively maintained in the past several years, necessitating the road rebuilding and overlay program which is proposed. Mr. Sullivan also pointed out that other unforeseen expenses, such as repair of damage from Hurricane Andrew, would cut into capital funds and that the residents of the City had come to expect, and seemed willing to fund, a certain level of service.

**MOTION:** To **ADOPT** this ordinance, as amended, on Second Reading with the addition of the words "and road improvement program" in the third Whereas clause and in Section 2, with the result being, "... and used exclusively to fund an annual streets overlay and road improvement program."

City Attorney Chiaro noted that this amendment did not represent a substantive change and therefore no additional public advertisement would be necessary.

Anderson	S	Y
Herms		Y
Korest		Y
Pennington	M	Y
Sullivan		Y
Van Arsdale		Y
Muenzer		Y
(7-0)		
<b>M=Motion S=Second</b>		
<b>Y=Yes N=No A=Absent</b>		

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**RESOLUTION NO. 92-6719**

**ITEM 2**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO REQUEST THE REPEAL OF THE ONE CENT UTILITY TAX LEVIED IN ORDINANCE NO. 92-6718 IN THE EVENT THE STATE OF FLORIDA PERMITS LOCAL GOVERNMENTS TO ENACT LOCAL OPTION GAS TAXES; AND PROVIDING AN EFFECTIVE DATE.**

**Public Input:** No one registered to speak for or against this item.

**MOTION:** To **ADOPT** this resolution as presented.

Anderson		Y
Hermes	M	Y
Korest		Y
Pennington		Y
Sullivan	S	Y
Van Arsdale		Y
Muenzer		Y
(7-0)		
<b>M=Motion S=Second</b>		
<b>Y=Yes N=No A=Absent</b>		

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**CORRESPONDENCE and COMMUNICATIONS**

None

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**ADJOURN**

9:49 A.M.

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Paul W. Muenzer, Mayor

Janet Cason  
City Clerk

Tara A. Norman  
Deputy City Clerk

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These minutes of the Naples City Council were approved on 9/16/92.



*City of Naples*

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**Monday, August 31, 1992**

Convened 9:00 am / Adjourned 9:49 am

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