



City Council Chamber
735 Eighth Street South
Naples, Florida 33940

City Council Workshop Meeting - June 10, 1993 - 9:00 a.m.

Mayor Muenzer called the meeting to order and presided.

ROLL CALL

ITEM 2

Present: Paul W. Muenzer, Mayor

Council Members:

R. Joseph Herms
Alan R. Korest
Ronald M. Pennington
Peter H. Van Arsdale

Absent: Kim Anderson
Fred L. Sullivan, Vice Mayor

Also Present:

Dr. Richard L. Woodruff, City Manager
Kevin Rambosk, Assistant City Manager
John Johnson, Auditor
James J. Byrne, Police Captain
William Harrison, Finance Director
Dan Mercer, Utilities Director
Leighton Westlake, Engineering Manager
Mike Whitcavage, Utilities Analyst
Bob Middleton, Operations Supt.
David Graff, Utility Maintenance Supt.
David McNair, Supt. Water Dstr. &
Wasterwater Collections
Mark Thornton, Community Services Dir.
Terry L. Fedelem, Parks & Pkwy. Supt.

Rebecca Couchman, Recycling Coordinator
Elijah McCoy, Residential Refuse Super.
Sylvester Cotton, Horticulture Operations
Supervisor
George Henderson, Sergeant-At-Arms
Katie Gibson-Jones, Admin. Asst. I
Marilyn McCord, Deputy City Clerk
Mr. & Mrs. Fred Tarrant
Justyna Ford
Other interested citizens and visitors

Media:

Eric Staats, Naples Daily News
Traci Griffith, WNOG

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Prior to beginning discussion of the scheduled items, City Manager Woodruff gave an update of the Gordon River Bridge Study and noted that the City would receive 18%, approximately \$800,000 to \$900,000 a year, as a result of Collier County implementing a \$.05 cent gasoline tax. Dr. Woodruff explained that restrictions would require that monies collected be used for road-related purposes such as highway lane expansion, etc. He recommended that Council take a supportive position relative to the adoption of the gasoline tax.

ITEM 1

ITEMS TO BE ADDED

There were no items to be added to this agenda.

ITEM 2

DISCUSSION OF GORDON RIVER BRIDGE FATAL FLAW STUDY

City Manager Woodruff indicated that signing of the contract was a major key in propelling this project forward. He added his recommendation to that of Mayor Muenzer's, to authorize approval of this contract when presented at the June 16, 1993 Regular Meeting.

Engineering Manager Leighton Westlake stated that the toll bridge analysis would take approximately 45 days to complete. In response to Council discussion, Mr. Westlake said that data gathered from other similar municipalities with toll facilities would be included in the analysis. He further reviewed information (Attachment #1) provided by George Archibald, County Director of Transportation and added that even though the project had been in existence for a number of years, it had never been included in the CIP (Capital Improvement Program). Dr. Woodruff explained that as the level of service standards change and traffic statistics exceed a certain point, a conflict between land use and traffic generation is introduced. As this occurs, plans are recommended based on statistical models that include such information.

With respect to traffic projections, Dr. Woodruff stated that he would direct staff to set up a meeting with the District Secretary of the DOT (Department of Transportation) to begin discussions on these

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issues. He suggested that the MPO (Metropolitan Planning Organization), City staff and County staff combine forces to consider the redesign of City and County roads to make them more user friendly to pedestrians.

BREAK: 10:10 A.M. - 10:30 A.M.

ITEM 3

TAX EQUITY UPDATE

Assistant City Manager Rambosk stated that during the study of the tax equity issue evidence surfaced revealing a more complex issue of taxation than originally anticipated. The study included information about levels of services versus how much citizens were paying in taxes, etc. As a result, the following primary areas were studied: (a) cause and effect of the double taxation suit of 1980; (b) the original agreement and what it contained; and (c) options available for the future. (For reference, a copy of the City of Naples Tax Equity Update is available in the original meeting file in the City Clerk's Office.)

Mr. Rambosk noted that the proposal for the resolution of the double taxation suit with the City evolved primarily from the Frank Spence & Associates, Inc. report. The report included analyses of services, functions, and programs, and a comparison of summaries of services benefiting unincorporated areas only. The proposal offered by Collier County included the creation of two MSTD's (Municipal Services Taxing Districts), one for road and bridge and one for urban services. He further explained that the creation of these MSTD's would result in a reduction of County-wide millage rates. Mr. Rambosk referred to "Exhibit 2", page 40 of the Tax Equity Update, and stated that it was this proposal that the Mayor and Council voted to approve as settlement over dual taxation between the City and the County.

City Auditor John Johnson reviewed County revenues and expenditures from the unincorporated areas. He referred to the chart on page 49 of the Tax Equity Report and further explained how those figures were determined. Following this explanation, further discussion ensued concerning millage rates.

Mr. Rambosk indicated that every service should be evaluated. It should also be determined whether the City is paying for any services not beneficial to Naples. He listed the following

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recommendations from the Florida League of Cities, pages 53 and 54, Tax Equity Update:

- 1) Analyze expenditures from the County's general funds to insure they meet all legislative or precedent case criteria, as a follow up to that which was originally done in 1980.

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- 2) Support and align our interests with that of other cities through the State of Florida and their pursuit toward improving the reduction and/or elimination of double taxation impacts on municipalities.
- 3) Seek to align our philosophies with that of the intent of the Florida League of Cities in the pursuit of improved legislation.
- 4) Become involved in an active role with the Florida League of Cities as a member of the Taxation and Finance Committee.
- 5) Continue to seek towards accomplishing the implementation of alternative/remedies as directed by the Mayor and Council.

Mr. Rambosk stated that the City might take an active role with the Florida League of Cities. He further explained that the draft resolution (Attachment #2) exhibited City support of State examination of dual taxation.

Dr. Woodruff recommended that Council read the Tax Equity Report and be prepared for detailed discussion in July, after the summer recess. In response to Council Member Herms' inquiry as to whether the tax base in 1977-78 made up 60% or 30% of the tax base, Dr. Woodruff explained that the City budget had not significantly grown since 1980, but that the budget of the County had grown from 15 million to 75 million dollars, thus generating the challenge to determine what is fair for the City's contribution in 1993.

Dr. Woodruff noted, for the record, that the costs of the Fatal Flaw Study was \$35,000.00. Mayor Muenzer noted that on page 9 of the Tax Equity Update, there is documentation to show where he had requested the City Manager to provide an update relative to the double taxation agreement between the City and the County. Dr. Woodruff noted that staff did report this information verbally at either the third or fourth session of the 1990 summer budget sessions. In conclusion, Dr. Woodruff asked that Council consider this document an update and that it was not intended to draw a bottom line or conclude whether there is or is not a tax equity or inequity. Finally, Dr. Woodruff directed that this issue be added to the July 21, 1993, meeting agenda.

Deputy City Clerk Marilyn McCord acted as recording secretary for the preceding portion of the meeting while Administrative Assistant Katie Gibson-Jones acted as recording secretary until 4:30 p.m.

LUNCH RECESS: 12:00 NOON - 12:40 P.M.

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ITEM 4

BUDGET REVIEW

ITEM 4-a

**PRELIMINARY 1993-94 OPERATING BUDGET FOR WATER/
WASTEWATER/EQUIPMENT SERVICES/SOLID WASTE**

City Manager Woodruff referred to a memorandum, dated June 8, 1993, prepared by Finance Director Bill Harrison (Attachment #3), which describes a computer analyzed report of revenue increase due to the repair of the large meters. Dr. Woodruff told Council that within two weeks a report would be furnished with the results of revenue increase since the master meter repair. Other handouts distributed by Utilities Director Dan Mercer concerning meter change outs are included in the original meeting file in the City Clerk's Office.

In response to Council Member Herms' previous inquiry concerning water audits, Mr. Mercer noted that the Utilities Department could take care of the meter problems. However, he added that a water audit involved much more than simply looking at the meters. Mr. Mercer distributed additional information relevant to leakage control and detection (available in the City Clerk's Office) and stated that he would not recommend that the City pay an outside person to inspect the water meters for leaks.

Finance Director Harrison next referred to a memorandum dated June 9, 1993, (Attachment #4) which responds to previous Council discussion concerning bi-monthly meter reading as opposed to monthly meter reading. He noted that monthly readings would increase operating expenses by an estimated \$32,300.00 plus \$5,000.00 for overtime expenses, and capital expenses estimated at \$15,000.00. Mr. Harrison stated that revenues would increase approximately one to two percent when large meter repair is completed.

Discussion ensued concerning accuracy of the meters as well as other related issues and problems. Mr. Mercer referred to the calibration report from State Instruments, Inc. (Attachment #5) and added that all meters were tested for calibration on a regular basis. Mr. Harrison stated that the fire meter audit was being performed through the Finance Department office and was moving along on schedule. Dr. Woodruff told Council that according to results of the preliminary audit review, 28 of 319 fire meters were believed to be fire lines without meters. He reported that staff was continuing to examine the situation.

In response to Council Member Herms' recommendation to install meter cover boxes, Utilities Director Mercer said that his department was in the process of properly boxing all meters to render

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them more accessible. Dr. Woodruff reported large amounts of usage in the following areas: Collier County Courthouse, Tin City, and 4619 Kelly Road. He added that those customer claims indicated that the high readings were due to leaks which have since been repaired. As a result, a program has been established to read the meters on a semi-annual basis. Dr. Woodruff stated that indication of continual usage of water in an area metered by a fire meter would result in the installation of an above ground compound meter. He also assured Council Members that when water usage could be tracked back and documented at any of the locations in question, the accounts would be billed by the City. In response to further discussion by Council Members, Mr. Harrison stated that the reading of these meters would be placed as a high priority and would be read before the work week ending June 11, 1993.

In response to Council Member Pennington's inquiry concerning cost of the replacement vehicles (CIP/pg. 75), Mr. Mercer explained that previously the City had no policy for operators' maintenance accountability, therefore, these costs represent a result of erratic vehicle maintenance. Currently, an established policy with maintenance accountability is in place.

City Manager Woodruff began review of the Preliminary Operating Budget. He explained the increase in personnel and addressed pg. 12, Line 340, Other Contractual Services, directing City Attorney Chiaro to bring Council up to date on this item.

City Manager Woodruff reviewed Line Item 703, Amortized Bond Sale Expense, and Line Item 495, S.T.A.R. Changes and Obligations,

Engineering Director Westlake discussed Line Item 550, Duplicating Charges, and Item 630, Improvements Other than Buildings. In response to Council Member Pennington's questions and other discussion on aerial photos (CIP/ pg. 44) Mr. Westlake provided background information. Mr. Herms recommended the possibility that aerial photos requested for the beach renourishment project use be coordinated with the City's use in other projects.

City Manager Woodruff continued the review of the 1993-1994 budget as it applied to the Wastewater Collection Department and Utilities Maintenance Department.

NOTE: MAYOR MUENZER LEFT THE MEETING AT 2:00 P.M.

In response to questions from Council Members Van Arsdale and Korest concerning the lift stations, Dr. Woodruff reviewed Line Items 430, Utilities Services; 464, Equipment Maintenance; and 466, Other Maintenance. He directed staff to further clarify the line assignment for electricity at lift stations.

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ITEM 4-b

1993-99 CAPITAL IMPROVEMENT PROGRAM

City Manager Woodruff began the Capital Improvement Program review with the Well Head Protection project, which involves the purchase of tracts of land next to the production wells. In response to Council Member Korest recommendation for an increase in this account, Dr. Woodruff directed staff to further analyze the possibility of putting additional funds into the program this year.

In response to Council Member Herms' question referencing \$80,000.00 for the 1993-94 Computerization of Water/Sewer/Reclaimed Effluent Maps, Utilities Analyst Michael Whitcavage explained the Utility Department's need for electronically updated maps showing water line locations. He added that the equipment would be demonstrated on Friday, June 18, 1993, at 2:00 p.m. in the Council Chambers and invited anyone interested to attend. Dr. Woodruff directed staff to obtain an expanded explanation of the \$80,000.00 expenditure on this issue as requested by Mr. Herms.

Following further review of the Water Distribution System and related items, discussion ensued concerning the replacement of vehicles. As a result of this discussion, Council Member Herms requested additional information relevant to vehicle replacement. Dr. Woodruff directed staff to provide Mr. Herms with explicit information concerning the replacement of crew trucks with crew cabs for safe hauling.

NOTE: COUNCIL MEMBER HERMS LEFT THE MEETING AT 2:50 P.M.

It was the consensus of those Council Members present to recommend the word "Evaluation" be dropped from the Project Title on page 84 of the CIP.

Relevant to the reuse distribution system expansion project, Dr. Woodruff drew attention to the need for expansion of the City's customer base.

**NOTE: COUNCIL MEMBER VAN ARSDALE LEFT THE MEETING AT 3:00 P.M.
MAYOR MUENZER RETURNED TO THE MEETING AT 3:00 P.M.**

Dr. Woodruff continued review of the CIP Budget items, noting the major project replacement of sewer force mains and their locations. He added that further details relevant to this project explanation would be available to Council by Wednesday, June 16, 1993, if not earlier.

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BREAK: 3:20 P.M. - 3:30 P.M.

Changes to the billing procedure within the Equipment Services Department, page 25 of the Preliminary Operating Budget, were explained by Dr. Woodruff. In response to Mayor Muenzer's concern over the City's ability to provide adequate repair services during an emergency situation, Dr. Woodruff assured him that recent changes in staffing within the Utilities Department would not negatively affect their ability to perform in an emergency situation.

Community Services Director Mark Thornton gave a brief overview of the Community Services Solid Waste Division operation, noting personnel changes including the combining of the Administration and Recycling Divisions. Discussion among the Council Members ensued concerning horticultural debris and how it is to be contained for pick-up service. Dr. Woodruff directed staff to arrive at a solution for resident horticultural waste pick-up.

Deputy City Clerk Marilyn McCord acted as recording secretary from this point in the meeting (4:30 p.m.) until adjournment.

Dr. Woodruff noted for the record that during his two years as City Manager, he had not received one telephone call complaining about residential trash pickup.

Horticulture Operations Supervisor Sylvester Cotton informed Council that employee overtime increased in the summertime because of the large volume of work produced during the rainy season.

Dr. Woodruff noted that one trip to the County landfill to dump horticultural debris took one and a half hours. However, he added, as the Goodlette Road site is utilized a significant impact on the department's productivity will be realized.

Mayor Muenzer requested that the City Manager convey to all department heads appreciation for the excellent job done in preparation of this 1992-1993 budget.

NOTE: MAYOR MUENZER LEFT THE MEETING AT 4:50 P.M.

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Community Services Director Thornton reviewed information concerning the Solid Waste Operation Center. He informed Council that needs included a central meeting place in the utilities area, a shower, and bathroom facilities.

Dr. Woodruff summarized the budgets of the Water, Wastewater, Sanitation, and Equipment Services Departments by commenting that none would require funds that budget revenues would not produce.

ITEM 3

ANNOUNCEMENTS/CORRESPONDENCE/COMMUNICATIONS

There were no further announcements, correspondence or communications at this time.

ADJOURN: 5:00 p.m.

PAUL W. MUENZER, MAYOR

Janet Cason
City Clerk

Katie Gibson-Jones
Administrative Assistant I

Marilyn McCord
Deputy City Clerk

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These minutes of the Naples City Council were approved on July 21, 1993.



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Convened 9:00 a.m. / Adjourned 5:00 p.m.

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