



City Council Chamber  
735 Eighth Street South  
Naples, Florida 33940

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**City Council Workshop Meeting - November 14, 1994 - 9:00 a.m.**

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Mayor Muenzer called the meeting to order and presided.

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**ROLL CALL**

**ITEM 1**

**Present:**

Paul W. Muenzer, Mayor  
Alan R. Korest, Vice Mayor

**Council Members:**

Ronald M. Pennington  
Marjorie Prolman  
Fred L. Sullivan (arrived 9:15 a.m./left 2:00 p.m.)  
Fred Tarrant  
Peter H. Van Arsdale (left 1:50 p.m.)

**Also Present:**

Dr. Richard L. Woodruff, City Manager  
Maria J. Chiaro, City Attorney  
Kevin Rambosk, Assistant City Manager  
Missy McKim, Community Dev. Director  
John Cole, Chief Planner  
Susan Golden, Planner II  
Dr. Jon Staiger, Natural Resources Dir.  
William Harrison, Finance Director  
Mary Kay McShane, Human Res. Dir.  
Mark Thornton, Comm. Services Dir.  
Richard Gatti, Engineering Manager  
George Henderson, Sergeant-at-Arms  
Tara Norman, Deputy City Clerk  
Marilyn McCord, Deputy City Clerk

**Media:**

Eric Staats, Naples Daily News  
Justyna Ford, Chamber of Commerce

See Supplemental Attendance List  
(Attachment 1)

**ITEMS TO BE ADDED**

**ITEM 2**

None.

**NAPLES AIRPORT AUTHORITY CHAIRMAN AND DIRECTOR**

**ITEM 3**

City Manager Woodruff asked that this item be deleted due to the length of time anticipated for Council to discuss other items on the agenda. It was the consensus of Council that Airport Authority representatives would appear at their next regularly scheduled date.

**CITIZENS' REPORT RELATED TO ANNEXATION OF PELICAN BAY**

**ITEM 4**

Mayor Muenzer explained that in addition to the citizens who had requested to be heard on this topic, a letter had been received from citizens of Pelican Bay also seeking permission to address Council. (A copy of this request, submitted by Frances Barsh and Robert Sommer, is contained in the file for this meeting in the City Clerk's Office.) After discussion, Mayor Muenzer noted that it was the consensus of a majority of Council Members present that the second group also be allowed to make a presentation.

Former Mayor Edwin Putzell, spokesman for "Let's Bring Our Community Together," the group requesting the above agenda item, thanked the Mayor and Council for an opportunity to be heard. He was joined at the table by Mary Ellen Hawkins, J. Dudley Goodlette and John Passidomo, also members of his group. Mr. Putzell listed the following additional members:

Kenneth Abernathy, Kim Anderson, William Barton, John Berlin, Joseph Freni, Robert Flynn, Marcy Flinn, Stanley Hole, Hubert Howard, Pamela Mac'Kie, George C. Mohlke, Richard Myers, David Nemore, Jerry Nichols, Robert Tiffany, Victor VonSchlagel, Henry Watkins and Michael Watkins.

Mr. Putzell made the following opening statement:

"Although the subject of bringing our community together by annexation or, on the other hand, the incorporation of Pelican Bay, has been in the media and talked about for several years, the Naples City Council, its governing body, has not to our knowledge spoken publicly as a group with respect to the matter. We are here today respectfully to urge the Council to do so, and promptly, for time is of the essence. A few of the supporting reasons:

"The citizens of Naples who would have to vote on bringing our community together need to know where its Council stands and so do the citizens of Pelican Bay. Naples as well as Pelican Bay, as separate municipalities, will face (an)ever diminishing voice in Collier County government as a result of the latter's dramatic population growth, even despite their constituting the major business and economic center and their contributing proportionately the largest share of County revenue. Further proliferation of separate, incorporated municipalities has been shown throughout this nation to be wasteful, expensive, inefficient, and not in the public interest. More specifically, because of the experience in a number of areas in this state, Dade and Broward Counties to name but two, Florida law prohibits incorporation of an area located within two miles of an incorporated municipality.

"There are many other aspects, both pro and con, which must be addressed, but

before they can be considered effectively, the public has a right to learn the collective view of the Council whether or not the City and Pelican Bay -- two areas having similar personalities -- should join. We sincerely hope and trust that those of us who will be the City inhabitants 20 and 30 years hence should not have to look back upon today's Council's decisions as missed opportunities.

"Therefore, we respectfully urge the Council to do the following: First, to take a public position promptly whether it believes it to be in the City's interest to explore with our fellow Pelican Bay citizens the bringing of our community together through annexation. Two, if the Council's action is in the affirmative, to publish for the benefit of the (public) in both the City and Pelican Bay all information, both pro and con, concerning the possible joining together of the two areas. Such report should be as factual and objective as possible. As of today no resident of the City or of Pelican Bay has been afforded full disclosure and discussion in public meetings of all the implications, positive and negative, of annexation, nor in the case of Pelican Bay have those driving for incorporation given their voters opportunity in public sessions to be informed and to discuss the myriad aspects of such a move, including for example the many obligations of an incorporated municipality to state government. And, three, invite the citizens of Pelican Bay to explore the subject fully and attempt to resolve any differences as has been done so successfully in joining Bear's Paw, Park Shore, the Moorings, Seagate and several other areas with the City of Naples in the recent past.

"In closing, we urge the Council promptly to consider the matter and take a position on the City's behalf with respect to it. The coming few weeks are probably the last opportunity to do so. Thank you."

J. Dudley Goodlette cited two areas of governance which he said he felt were important in this instance; namely, timing due to the intent of the Pelican Bay Property Owners Association to move ahead with incorporation, and the fact that it is in the best interests of both the City of Naples and Pelican Bay to move forward as one municipality. John Passidomo urged the Council to send a signal to Pelican Bay that not bringing the two communities together would be a divisive action. The boundaries between the two are artificial, not logical, he added, noting the positive effects upon the community which had come from annexation of areas such as Park Shore.

Mayor Muenzer explained that it would be necessary for the Council to authorize staff to participate in information gathering with reference to Pelican Bay annexation, should this course of action be approved.

Council and the group then discussed the rationale behind the state law which requires municipalities to be a minimum of two miles apart. Mary Ellen Hawkins pointed out that this frequently results in poor planning because county enclaves are formed between municipal boundaries. However, regardless of this provision, she said, the Legislature may still take action on Pelican Bay incorporation. Messrs. Passidomo and Goodlette underscored the importance of the City making its views known to its legislative delegation on both the possible repeal of the two-mile limit and annexation of Pelican Bay. Council Member VanArsdale and Vice Mayor Korest spoke in favor of the City taking a position on Pelican Bay annexation with Mr. Korest pointing out that there

were valid concerns on both sides such as beach access and general responsiveness of government. History will judge the action by the Council on this issue, Vice Mayor Korest said.

Francis Barsh, representing a group called "Interested Friends and Neighbors in Pelican Bay" spoke in favor of retaining the status quo; namely, Naples remaining small in size and Pelican Bay neither incorporating nor annexing. Both annexation and separate incorporation would increase governmental costs and result in urban sprawl, she said.

Council Member Pennington said he would support certain staff work that would provide information, but because the issue of annexing Pelican Bay is emotional, he said he questioned the advisability of providing anything beyond basic financial data. Mr. Pennington also pointed out that Pelican Bay and its developer, the Westinghouse Corporation, had previously approached the City to consider annexation when a dispute between Collier County and Pelican Bay had arisen over expansion of sewer treatment facilities. The result of those annexation discussions, Mr. Pennington recalled, was that Westinghouse withdrew its interest, and since Pelican Bay was not in the City's sewer service area, Pelican Bay was ultimately not included in the City's annexation policy. Nevertheless, annexation of Pelican Bay had never actually been voted on by the City Council, he added.

Mr. Putzell disagreed with Mr. Pennington's recollections, however, stating that not dealing with the annexation of Pelican Bay had been a strategic decision of the Council in order to concentrate on annexing two other areas by referendum. He said that the City had hired a consulting firm to study annexation of Pelican Bay, and had his term as Mayor not expired, a referendum on Pelican Bay annexation would have been held. Westinghouse had in fact been a very vocal supporter of annexation, Mr. Putzell concluded. Mayor Muenzer also recalled that the issue of Pelican Bay annexation had not been dropped but deferred when the request for consideration was withdrawn. Therefore, some issues such as parks and affordable housing had never actually been addressed.

Mr. Passidomo then clarified that his group was seeking much more than information from the City. Responses are needed to various concerns expressed by Pelican Bay residents such as beach access and police protection. There is a need for the Council to make a clear statement that the objective is bringing the two communities together, he said.

Council Member Tarrant said he had no objection to investing City staff time in obtaining the facts involved in annexation of Pelican Bay as long as the information was even-handed, fair and unbiased. Then the issue should go to the voters. Nevertheless, Mr. Tarrant expressed concern about the growth of government.

Both Council Member Prolman and Council Member Sullivan supported the staff's assistance in data gathering. Mrs. Prolman also pointed out a need to update the City's annexation policy, and Mr. Sullivan said he was much more concerned about another city abutting the boundaries of Naples than he was about the impact of annexation of Pelican Bay.

In discussion of population issues, statistician George C. Mohlke (a member of "Let's Bring Our Community Together") indicated that although the anticipated population of a built-out Pelican Bay would be over 13,000, only about 40% of the residents would be domiciled here and therefore only 40% could be registered voters. Domiciled population is used for revenue sharing calculations, he

pointed out, so that it would therefore be more advantageous to have a larger entity to support the revenue stream.

Council Member VanArsdale said he supported not only the staff's data gathering but the Council's taking a positive position on annexation of Pelican Bay. He said he would welcome the input of Pelican Bay residents in shaping the overall community and noted the positive effect which diversity of neighborhoods has already had on the City of Naples. He said it was not healthy from a community standpoint for the area to be fragmented. Vice Mayor Korest said he had always supported annexation of Pelican Bay and that it was important for the community to know that the Council supports this as the preferred course of action. He said that he, too, was highly concerned about the proliferation of communities and called for revision of the City's annexation policy, noting that the population of the County had grown significantly since that policy was drafted in 1987.

Mayor Muenzer said that he was satisfied that the various issues which appear to be obstacles to annexation could be handled comfortably. He pointed out, for example, that the concerns which had been expressed about the City acquiring beach areas in Pelican Bay through condemnation were illogical because beach areas were already amply supplied by the eight miles of expanse now in the city limits. He said that among the advantages of annexation, preliminary estimates had actually shown that a slight ad valorem savings would accrue to both City and Pelican Bay residents.

Council Member Tarrant, however, clarified his position that he was not in favor of annexation and noted that if the Council indicated support for annexation, it would be likely that the data provided by City staff would be biased in that direction. Council Member Pennington also expressed concern that taking a position of advocacy would be divisive.

Mayor Muenzer summarized the foregoing discussion in that it was Council's consensus to approve exploring and sharing information on annexation of Pelican Bay as an alternative to small governments in the area. The staff would not be asked to do a study, however, all departments would cooperate fully, including the City Clerk's and City Attorney's Offices.

**It was the consensus of Council that an item be placed on the December 7, 1994, regular meeting agenda to discuss input to the Collier County Legislative Delegation both with reference to annexation of Pelican Bay and the current state regulations requiring municipalities to be two miles apart.** (Mr. Goodlette indicated that he would provide staff with an analysis of the legislative issues so that this information could be transmitted to the Council.)

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**Break: 11:05 - 11:15 a.m. It is noted for the record that Deputy City Clerk Tara Norman acted as recording secretary for the preceding portion of the meeting and that Deputy City Clerk Marilyn McCord acted as recording secretary until adjournment.**

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## ITEM 5

### REVIEW OF AGENDA ITEMS - NOVEMBER 16, 1994, REGULAR MEETING

**Item #11/Slip rental rates at Municipal Dock:** Staff will provide private slip rates from area marinas, for comparison purposes.

**Item #15/Agreement to exchange property for land on Goodlette Road and Item #16/Purchase of land from John Pulling:** The City Attorney will provide more detailed information.

**REPORT ON SYSTEM DEVELOPMENT FEES**

**ITEM 8**

Mr. Gerald C. Hartman of Hartman & Associates, Inc., introduced other company representatives present. Mr. Hartman reported that his firm had performed over 200 rate studies in Florida. He described the purpose of establishing system development fees. The City's current fees have remained the same for six years; since then Florida has been faced with many mandated changes. Mr. Hartman informed Council that many other communities are considering adjustments to their charges, and recommended that Naples do the same. Even with the recommended adjustments, Naples' fees will still be the lowest in the area. If the system development charges as recommended are not implemented, water and sewer rates will need to be increased.

Mr. Hartman explained that system development fees are imposed on new customers only, in order to defray the capital cost of constructing new public facilities necessitated by the impact of growth. This practice has generally been labeled as "growth paying its own way."

In reply to Council Member Tarrant's question regarding waiving fees for affordable housing, City Manager Woodruff explained that those fees cannot be waived. System development fees must be paid by the developer, or Council must find an alternative funding source, such as Community Development Block Grant money. Any revenues collected through system development fees would not be used as part of leveraging new debt.

Dr. Woodruff stated that if the fees are not adjusted, it will have a negative impact on City customers. Staff will schedule first reading of an ordinance raising the fees for the next regular meeting, on December 7, 1994. An escalator clause cannot be built into the system development fees; those fees must be based on the adopted capital improvement program.

**LUNCH RECESS: 12:15 p.m. - 1:30 p.m.**

**NOTE: Roll call was taken; Vice Mayor Korest was not present.**

**REPORT ON WATER AUDIT**

**ITEM 7**

~~Mr. Hartman provided a report on the water audit results. He began by noting what has been accomplished:~~

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- ☐ Comprehensive water meter testing and replacement
  - ☐ Comprehensive leak detection and correction program
  - ☐ Comprehensive unmetered usage survey and correction
  - ☐ Billing and accounting review
  - ☐ Unaccounted for water determination (water loss report)

Mr. Hartman then went on to describe what the Utilities Department has done regarding the water audit:

- ☐ Established meter change-out program for small and large meters.

- . Identified and changed out all "bad" meters
- . Raised all large meters above ground for annual testing and maintenance.
- . Replaced water treatment plant effluent meters for accuracy.
- . Identified and corrected any illegal/improper connections.
- . Established policies and procedures to track all authorized unmetered water (street sweeping, main clearances, hydrant flushing, etc.)
- . Established policies and procedures to assure no building permits are issued until all system development fees have been paid.

Unaccounted for water is 8.72%, which is an excellent rating. In 1991 water loss was 19.21%.

Utilities Director Dan Mercer provided information about the meter change out program. Council Member Sullivan noted the need to continue impressing upon people the importance of repairing leaky faucets.

Dr. Woodruff pointed out that a 100% audit of every customer had been accomplished. Staff would recommend a random yearly audit, and a 100% audit every five years. Mr. Sullivan remarked that the City auditors were most impressed with that fact. Finance Director Harrison will forward the audit results to the bond rating representatives in New York.

**Council Member Van Arsdale left the meeting at 1:50 p.m. Council Member Sullivan left at 2:00 p.m.**

Council and staff continued discussion about the meter change out and leak detection programs. ~~Three finished water meters were replaced. Dr. Woodruff noted that the system had suffered some~~ sensational small problems, but the real culprit was the large finished water meters. Dr. Woodruff concluded his comments by stating that staff has taken extra steps to reduce water loss and is ~~actively working on several programs. Staff is committed to work on this every day, he promised.~~ Every year staff will do a random internal audit, and every five years do a 100% audit. This is not the final chapter, said Dr. Woodruff, however the bad phase is over.

Council commended staff for the efforts put into this matter.

#### **STAFF REPORT ON STATE REVOLVING FUNDS**

#### **ITEM 6**

Dr. Woodruff announced that during the past sixty days, staff has been analyzing an alternate funding source for the City's upcoming expansion and rehabilitation of the wastewater treatment plant. The State Revolving Loan Fund could be utilized as an alternative to conventional bonding. Finance Director Harrison is investigating every avenue to locate funds at a new rate and will continue to keep Council informed.

#### **ITEM 9**

#### **CONSIDER PURCHASE OF WATER SAVING DEVICES FOR LAVATORIES**

Item 9 will be continued, at staff's request.

**ITEM 11**

**REPORT ON CITY POSITION FOR NEW RADIO CONTRACT AWARD BY COLLIER COUNTY**

Item 11 will be continued, at staff's request.

**ITEM 12**

**CONTRACTS FOR CITY MANAGER AND CITY ATTORNEY**

Mayor Muenzer asked for Council's approval to begin meeting with the City Manager and City Attorney. He will meet with each one separately, then report back to Council.

**ITEM 13**

**NEED FOR ALTERNATE MEMBER FOR VACANCY ON COMMUNITY SERVICES BOARD**

Mayor Muenzer explained that only one individual submitted an application the last time vacancies on the Community Services Board were advertised. That individual, Jeffrey Reynolds, has already been interviewed by Council. The Mayor recommended that Philip de Pasquale be moved from alternate to regular member and that Mr. Reynolds be appointed as alternate member. Council Member Prolman requested that Council receive copies of all notices for advisory board vacancies prior to advertisement in the newspaper. It was the consensus of Council to not re-interview Mr. Reynolds.

**BREAK: 2:30 p.m. - 2:35 p.m.**

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**ITEM 10**

**TEMPORARY AGREEMENT FOR CITY CLERK**

~~Mayor Muenzer told Council that he hoped to begin scheduling interviews for the City Clerk position by late February, 1995. The Mayor said that having a temporary agreement with current City Clerk Janet Cason would allow for the transition and a training period. She would pay her own health insurance. City Attorney Chiaro explained that the agreement language would be adjusted to set forth specifically which benefits do and do not apply. The agreement will come back to Council for consideration.~~

**ITEM 14**

**DISCUSSION OF PROPOSED CHANGES TO THE UNITS IN JASMINE CAY AFFORDABLE HOUSING "PD" (PLANNED DEVELOPMENT)**

Mr. Ed Dering, of Robb, Dering & Associates, addressed Council with respect to some budget and cost overruns with the Jasmine Cay development. His firm's cost reduction goal is \$251,000.00, including substituting fiberglass roof shingles for a metal roof and substituting nonmetallic cable for City required nonmetallic conduit. City Manager Woodruff explained that because Council had chosen this particular development, out of four proposed, he believed Council needed to make some decisions about the fairly substantive changes proposed.

Mayor Muenzer commented that he would not be one of the Council Members to agree with Mr. Dering's proposal. Robb, Dering & Associates was chosen because of the quality development proposed. Since that time the City has waived land costs. Mayor Muenzer continued, "If we have to strike all these amenities and still strike out land cost, I believe we've changed it too much and I'm



not comfortable with it. We interviewed all of you in good faith and asked what you would provide." The Mayor said that at this point, he would be prepared to go back to the second choice and ask how he would develop the site. Council Member Tarrant said that he would echo the Mayor's comments.

Council Member Pennington stated that although he had been an enthusiastic supporter of Jasmine Cay, he had real problems with deleting all those things proposed by the developer.

City Manager Woodruff informed Council that the developer was required to put approximately four feet of fill on the parcel due to F.E.M.A. (Federal Emergency Management Act) regulations not previously counted on. In addition, approximately \$51,000.00 worth of wiring would have to be added because the City's electrical code applies differently than what the developer had assumed relative to other parts of the county. Mr. Dering said that when the Jasmine Cay plan was developed, it was assumed that the County would give an impact fee waiver; they did not. He did not know about the fill requirement and said that he did not believe the other developers did. It was also assumed that the City followed national Electrical Code Requirements. Mr. Dering went on to say that he wants to build a high quality affordable housing project in Naples, his home town. He noted also that construction in the County is up 20% this year, which accounts for a large part of the added project cost.

Discussion of changes to the Jasmine Cay development will be added to the agenda for the November 16, 1994, Regular Meeting.

#### **CORRESPONDENCE/COMMUNICATIONS**

Dr. Woodruff announced that an executive session of Council may be scheduled for 12:30 p.m. on November 16, in order to bring an update of the City's labor status.

**ADJOURN:** 3:00 p.m.

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**PAUL W. MUENZER, MAYOR**

Janet Cason  
City Clerk

Tara A. Norman  
Deputy City Clerk

Marilyn A. McCord  
Deputy City Clerk

These minutes of the Naples City Council were approved on December 21, 1994.

Attachment 1

Supplemental Attendance List

Edwin Putzell  
John Passidomo  
Mary Ellen Hawkins  
J. Dudley Goodlette  
Kenneth Abernathy  
Kim Anderson  
William Barton  
Marcy Flinn  
Stanley Hole  
Hubert Howard  
Pamela Mac'Kie  
George C. Mohlke  
Robert Tiffany  
Gerald C. Hartman  
Richard Copeland  
Ed Dering  
Other interested citizens and visitors.



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November 14, 1994

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