



City Council Chamber  
735 Eighth Street South  
Naples, Florida 34102

---

**City Council Special Meeting – September 5, 2001 – 5:05 p.m.**

---

Mayor MacKenzie called the meeting to order and presided.

---

**ROLL CALL ..... ITEM 1**

**Present:**

Bonnie R. MacKenzie, Mayor  
Joseph Herms, Vice Mayor

**Council Members:**

Gary Galleberg  
William MacIlvaine  
Fred Tarrant  
Penny Taylor  
Tamela Wiseman

---

**Also Present:**

Kevin Rambosk, City Manager  
William Harrison, Assistant City Manager

Anne Middleton, Budget & Investment Mgr.  
Tara Norman, City Clerk

---

**PUBLIC HEARINGS ..... ITEM 2**

Mayor MacKenzie made the following statements: This meeting constitutes a tentative budget and millage hearing for the City of Naples. It is a special meeting of the City Council so only the items on the agenda may be considered. State law requires that the first substantive issue discussed shall be the percentage increase in millage over the rolled back rate necessary to fund the budget, if any, and the specific purposes of which ad valorem tax revenues are being increased, if they are to be increased. During this discussion the City Council will hear comments regarding the proposed increase, if any, and explain the reasons for any proposed increase over the rolled back rate. The general public will be allowed to speak and to ask questions prior to adoption of any measures by the Council. The Council will adopt its tentative millage rate prior to adopting its tentative budget. Tax levies and budgets for Dependent Special Taxing Districts will be adopted at the hearing following discussion and adoption of levies and budgets for the City. The City may adopt tax levies for all of its Dependent Special Taxing Districts and may adopt budgets for all of its Dependent Special Taxing Districts by a single unanimous vote; however, if a member of the general public requests that the tax levy or the budget of a Dependent Special Taxing District be separately discussed and separately adopted Council will discuss and adopt that tax levy or budget separately. The date, time, and place for the final millage and budget hearing will be in City Council Chambers on Monday, September 17, 2001 at 5:05 p.m.

**RESOLUTION 01-9303..... ITEM 2-a-1**

**A RESOLUTION ADOPTING A PROPOSED MILLAGE RATE FOR THE CITY OF NAPLES, EXCLUSIVE OF DEPENDENT TAXING DISTRICTS, FOR FISCAL YEAR**

**COMMENCING OCTOBER 1, 2001, AND ENDING SEPTEMBER 30, 2002; AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the proposed operating millage rate to be 1.1500, the voted debt service millage rate to be 0.1023, and the percentage increase in property taxes to be 17.83% more than the rolled-back rate computed pursuant to Florida Statutes, Chapter 200.065(1) for fiscal year 2001-02.

**Public Comment:** (5:15 p.m.) None.

***MOTION*** by ***Wiseman*** to ***APPROVE*** Resolution 01-9303, as submitted; seconded by ***Galleberg*** and carried 4-3, all members present and voting (***Galleberg-yes, Herms-no, MacIlvaine-yes, Taylor-no, Tarrant-no, Wiseman-yes, MacKenzie-yes***).

**RESOLUTION 01-9304..... ITEM 2-a-2**  
**A RESOLUTION ADOPTING A PROPOSED MILLAGE RATE FOR THE EAST NAPLES BAY SPECIAL TAXING DISTRICT FOR FISCAL YEAR COMMENCING OCTOBER 1, 2001, AND ENDING SEPTEMBER 30, 2002; AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the proposed millage rate to be 0.5000, including debt service, for fiscal year 2001-02.

***MOTION*** by ***Galleberg*** to ***APPROVE*** Resolution 01-9304, as submitted; seconded by ***Wiseman*** and carried 5-2, all members present and voting (***Galleberg-yes, Herms-no, MacIlvaine-yes, Taylor-yes, Tarrant-no, Wiseman-yes, MacKenzie-yes***).

**PUBLIC COMMENT.....**  
(5:19 p.m. to 6:01 p.m.) **Hank Bryan, 4401 Gulf Shore Boulevard North**, read a prepared statement into the record (Attachment 1). Assistant City Manager Harrison clarified that the tax revenue increase represents approximately \$1.5-million; and that \$1-million is necessary to fund payroll increases mandated by three employee union contracts, healthcare costs, and a 15% increase by Florida Power & Light charges. Council Member Wiseman expressed concern that the budget would not be adopted at Second Reading due to the absence of Council Member MacIlvaine. Anne Middleton, Budget & Investment Manager advised that according to Florida law, Second Reading must occur within 15 days of First Reading, otherwise revised TRIM (Truth in Millage) notices must be mailed to previous recipients. During further discussion, Council Member Galleberg noted that City Council extensively reviewed the budget during the summer months which resulted in lowering the millage rate to 1.15. Vice Mayor Herms proposed a total increase of 10-12%, acknowledging concerns expressed by residents. Mayor MacKenzie however characterized it as astonishing that three Council Members would recommend further reductions at that time. Council Member Tarrant pointed out that residents are also subject to significant County and School Board tax increases. **William Collins, 1 Sabre Cay**, explained that his property taxes had increase 100% from the prior year; and that he had not homesteaded his property until that year due to prior tax advice. He also expressed concern that non-homesteaded property owners will be forced to move if taxes continued to rise. Council Member Tarrant noted that the City tax represented only 8-9 cents out of every ad valorem dollar. Mr. Collins acknowledged that the major tax increases are from the County and School Board, but expressed concern that City taxes had in fact doubled. **Erika Hinson, 347 Central Avenue**, also expressed concern with individuals whose primary residence is not in Florida; and described school taxes as amazing. She praised City staff for the excellent services provided to residents, and praised the City's recycling program. **William Marshall, 155 1st Avenue South**, noted that

individuals owning homesteaded property in other states cannot apply for a homestead in Florida; information, which he said, is not readily available to newcomers/residents. In response to Mayor MacKenzie, Vice Mayor Herms reiterated that the average increase over the past five years is approximately 10%; he therefore recommended a total increase within 10-12%. Assistant City Manager Harrison clarified that \$1-million is necessary to meet contractual obligations for current employees; however, Vice Mayor Herms noted that the budget proposes hiring additional employees (493 to 505) and suggested a reduction in that number. Mayor MacKenzie offered to relinquish her salary, and called on Council Members to do the same.

**RESOLUTION 01-9305..... ITEM 2-a-3**  
**A RESOLUTION ADOPTING A PROPOSED MILLAGE RATE FOR THE MOORINGS BAY SPECIAL TAXING DISTRICT FOR FISCAL YEAR COMMENCING OCTOBER 1, 2001, AND ENDING SEPTEMBER 30, 2002; AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the proposed millage rate to be 0.0250, including debt service, for fiscal year 2001-02.

***MOTION*** by Galleberg to ***APPROVE*** Resolution 01-9305, as submitted; seconded by Wiseman and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**RESOLUTION 01-9306..... ITEM 2-b-1**  
**A RESOLUTION ADOPTING A TENTATIVE BUDGET FOR THE CITY OF NAPLES, EXCLUSIVE OF DEPENDENT TAXING DISTRICTS, FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2001, AND ENDING SEPTEMBER 30, 2002; AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison.

Public Comment: (6:09 p.m.) None.

***MOTION*** by Wiseman to ***APPROVE*** Resolution 01-9306, as submitted; seconded by Galleberg and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**RESOLUTION 01-9307..... ITEM 2-b-2**  
**A RESOLUTION ADOPTING A TENTATIVE BUDGET FOR THE EAST NAPLES BAY SPECIAL TAXING DISTRICT FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2001, AND ENDING SEPTEMBER 30, 2002; AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison.

Public Comment: (6:10 p.m.) None.

***MOTION*** by Wiseman to ***APPROVE*** Resolution 01-9307, as submitted; seconded by Galleberg and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**RESOLUTION 01-9308..... ITEM 2-b-3**  
**A RESOLUTION ADOPTING A TENTATIVE BUDGET FOR THE MOORINGS BAY SPECIAL TAXING DISTRICT FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2001, AND ENDING SEPTEMBER 30, 2002 AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison.

Public Comment: (6:10 p.m.) None.

***MOTION*** by Wiseman to ***APPROVE*** Resolution 01-9308, as submitted; seconded by Galleberg and unanimously carried, all members present and

*voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).*

**FIRST READING OF TAX LEVY AND MILLAGE RATE ORDINANCES.....ITEM 3  
ORDINANCE (First Reading).....ITEM 3-a  
AN ORDINANCE DETERMINING AND FIXING THE 2001 TAX LEVY AND MILLAGE  
RATE FOR THE PURPOSE OF PROVIDING SUFFICIENT FUNDS FOR THE  
GENERAL FUND OPERATIONS EXCLUSIVE OF DEPENDENT TAXING DISTRICTS;  
PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN  
EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the total assessed valuation of real and personal property for fiscal year 2001-02 to be \$8,505,955,599; operating millage rate, excluding dependent taxing districts, to be 1.1500 (\$9,292,756); voted debt service millage to be 0.1023 (\$826,651); and current year aggregate millage rate of 1.1659 which exceeds the current year aggregate rolled back rate of 0.9895 mills by 17.83%.

**Public Comment:** (6:11 p.m.) None.

**MOTION by Galleberg to APPROVE this ordinance on First Reading, as submitted; seconded by Wiseman and carried 4-3, all members present and voting (Galleberg-yes, Herms-no, MacIlvaine-yes, Tarrant-no, Taylor-no, Wiseman-yes, MacKenzie-yes).**

**ORDINANCE (First Reading)..... ITEM 3-b  
AN ORDINANCE DETERMINING AND FIXING THE 2001 TAX LEVY AND MILLAGE  
RATE FOR THE PURPOSE OF PROVIDING SUFFICIENT FUNDS FOR THE EAST  
NAPLES BAY SPECIAL TAXING DISTRICT; PROVIDING A SEVERABILITY  
CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the total assessed valuation of real and personal property in the district to be \$222,208,285 and the tax levy and millage rate to be 0.5000 (\$105,549) for fiscal year 2001-02.

**Public Comment:** (6:13 p.m.) None.

**MOTION by Wiseman to APPROVE this ordinance on First Reading, as submitted; seconded by Galleberg and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).**

**ORDINANCE (First Reading).....ITEM 3-c  
AN ORDINANCE DETERMINING AND FIXING THE 2001 TAX LEVY AND MILLAGE  
RATE FOR THE PURPOSE OF PROVIDING SUFFICIENT FUNDS FOR THE  
MOORINGS BAY SPECIAL TAXING DISTRICT; PROVIDING A SEVERABILITY  
CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the total assessed valuation of real and personal property in the district to be \$818,440,897 and the tax levy and millage rate to be 0.0250 (\$20,150) for fiscal year 2001-02.

**Public Comment:** (6:14 p.m.) None.

**MOTION by Wiseman to APPROVE this ordinance on First Reading, as submitted; seconded by Galleberg and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).**

**FIRST READING OF BUDGET ORDINANCES .....ITEM 4  
ORDINANCE (First Reading).....ITEM 4-a**

**AN ORDINANCE ADOPTING THE FINAL BUDGET FOR THE EAST NAPLES BAY SPECIAL TAXING DISTRICT FOR FISCAL YEAR COMMENCING OCTOBER 1, 2001 AND ENDING SEPTEMBER 30, 2002; APPROPRIATING FUNDS FOR OPERATING EXPENSES OF THE CITY OF NAPLES FOR THE GENERAL OPERATION OF THE EAST NAPLES BAY SPECIAL TAXING DISTRICT FOR AND DURING FISCAL YEAR COMMENCING OCTOBER 1, 2001 AND ENDING SEPTEMBER 30, 2002; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the special revenue fund at \$66,920 for fiscal year 2001-02.

**Public Comment:** (6:15 p.m.) None.

***MOTION*** by Galleberg to **APPROVE** this ordinance on First Reading, as submitted; seconded by Wiseman and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**ORDINANCE (First Reading)..... ITEM 4-b  
AN ORDINANCE ADOPTING THE FINAL BUDGET FOR THE MOORINGS BAY SPECIAL TAXING DISTRICT FOR FISCAL YEAR COMMENCING OCTOBER 1, 2001 AND ENDING SEPTEMBER 30, 2002; APPROPRIATING FUNDS FOR OPERATING EXPENSES OF THE CITY OF NAPLES FOR THE GENERAL OPERATION OF THE MOORINGS BAY SPECIAL TAXING DISTRICT FOR AND DURING FISCAL YEAR COMMENCING OCTOBER 1, 2001 AND ENDING SEPTEMBER 30, 2002; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced the special revenue fund at \$21,250 for fiscal year 2001-02.

**Public Comment:** (6:16 p.m.) None.

***MOTION*** by Galleberg to **APPROVE** this ordinance on First Reading, as submitted; seconded by Wiseman and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**ORDINANCE (First Reading).....ITEM 4-c  
AN ORDINANCE ADOPTING THE FINAL BUDGET FOR THE CITY OF NAPLES, EXCLUSIVE OF DEPENDENT TAXING DISTRICTS, FOR THE FISCAL YEAR 2001-2002; APPROPRIATING FUNDS FOR OPERATING EXPENSES OF THE CITY OF NAPLES FOR THE GENERAL OPERATION OF THE SEVERAL DEPARTMENTS OF THE CITY, INCLUDING UTILITIES, AND FOR CONTRIBUTING TO THE SINKING FUNDS OF THE CITY TO PAY INTEREST ON AND PROVIDE FOR THE RETIREMENT OF THE OUTSTANDING BONDS AND OTHER FIXED OBLIGATIONS OF THE CITY AND THE UTILITY TAX FUND FOR AND DURING THE FISCAL YEAR 2001-2002; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced total appropriations to be \$64,558,123 and total internal services funds to be \$8,013,145 for fiscal year 2001-02. Mayor MacKenzie questioned whether a portion of the unrestricted funds could be allocated to commence undergrounding utilities instead of using the entire amount for road repairs. Assistant City Manager Harrison clarified that heavy construction truck traffic had

severely damaged City streets; therefore, staff recommends transferring the \$350,625 in available funds immediately to the Streets & Traffic Fund; however, if the desire is to retain flexibility, this ordinance must be amended, he added.

**Public Comment:** (6:25 p.m.) None.

***MOTION*** by Galleberg to ***APPROVE*** the ordinance on First Reading, as amended, to retain the flexibility to use a portion of the General Fund available funds for street repairs and commencement of undergrounding utilities throughout the City; seconded by Wiseman and carried 4-3, all members present and voting (Galleberg-yes, Herms-no, MacIlvaine-yes, Taylor-no, Tarrant-no, Wiseman-yes, MacKenzie-yes).

Council Member Galleberg sought clarification from other Council Members regarding the unanimous vote on the budget and dissenting votes on adoption of the millage. Council Member Tarrant noted that although the country is moving toward a recession, Naples continues to operate as if isolated from external influences; and although undergrounding utilities is an excellent suggestion, statistics have not yet been presented to City Council regarding costs.

**UTILITY RATE CHANGES.....ITEM 5  
RESOLUTION 01-9309.....ITEM 5-a**

**A RESOLUTION AMENDING SUBSECTION 54-71 APPENDIX “A” – FEE SCHEDULE OF THE CODE OF ORDINANCES OF THE CITY OF NAPLES, TO ESTABLISH RATES FOR THE COLLECTION AND DISPOSAL OF SOLID WASTE REFUSE TYPE I AND II; AND PROVIDING AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison.

**Public Comment:** (6:30 p.m.) None.

***MOTION*** by Wiseman to ***APPROVE*** Resolution 01-9309; seconded by Galleberg and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**ORDINANCE (First Reading)..... ITEM 5-b**

**AN ORDINANCE ADDING SUBSECTION (D) TO SECTION 54-71, "ESTABLISHMENT OF TYPE I AND TYPE II REFUSE FEES", OF THE CODE OF ORDINANCES IN ORDER TO PROVIDE FOR ANNUAL ADJUSTMENTS FOR INFLATION; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison.

**Public Comment:** (6:30 p.m.) None.

***MOTION*** by Galleberg to ***APPROVE*** this ordinance on First Reading, as submitted; seconded by Wiseman and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).

**ORDINANCE (First Reading).....ITEM 6**

**AN ORDINANCE AMENDING THE FINAL BUDGET FOR THE FISCAL YEAR 2000-01; RE-APPROPRIATING FUNDS FOR OPERATING EXPENSES OF THE CITY OF NAPLES FOR THE GENERAL OPERATION OF THE SEVERAL DEPARTMENTS OF THE CITY, INCLUDING UTILITIES, AND FOR CONTRIBUTING TO THE SINKING FUNDS OF THE CITY TO PAY INTEREST ON AND PROVIDE FOR THE RETIREMENT OF THE OUTSTANDING BONDS AND OTHER FIXED OBLIGATIONS OF THE CITY AND THE UTILITY TAX FUND FOR AND DURING**

**FISCAL YEAR 2000-01; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.** Title read by Assistant City Manager William Harrison, who announced original appropriations to be \$65,276,487; total budget amendments to be \$49,342,014; total final budget to be \$114,618,501; internal service funds original appropriation to be \$7,647,361; total budget amendments to be \$960,569; and total final budget of \$8,607,930. Mr. Harrison explained that this ordinance formally enacts budget amendments previously approved by the Council during the course of the current fiscal year, deriving from capital projects as yet not completed.

**Public Comment:** (6:35 p.m.) None.

***MOTION by Wiseman to APPROVE this ordinance on First Reading, as submitted; seconded by Galleberg and unanimously carried, all members present and voting (Galleberg-yes, Herms-yes, MacIlvaine-yes, Tarrant-yes, Taylor-yes, Wiseman-yes, MacKenzie-yes).***

.....

Council Member Galleberg asked staff to report to Council at the next meeting on the cost of mailing revised TRIM notices in the event the budget is not approved due to the absence of Council Member MacIlvaine and the possibility of a tie vote. Council Member Tarrant suggested that Council Member MacIlvaine instead cancel his plans in order to attend the meeting. Mayor MacKenzie then called it irresponsible to recommend further reductions in the millage rate at that stage. Council Member Wiseman called it a political ploy to propose additional reductions without outlining specifics. Council Member MacIlvaine called Council Member Tarrant's and Vice Mayor Herms' prior comments political hypocrisy. Vice Mayor Herms indicated that following attendance at prior budget hearings and subsequent review of his taxes, he found many areas where further reductions could be made; he also took issue with what he called an unwillingness on Council's part to heed concerns expressed by City residents. Council Member Galleberg noted for the record that an example of a 25% increase in the budget had been discussed in June. Council Member Tarrant noted for the record that the accusations by the majority of Council against Vice Mayor Herms, Council Member Taylor and himself are the same members who were willing to set aside \$0.75-million in the City's budget to beautify a road in Collier County not within the City limits. Council Member Wiseman recommended that if an alternate budget is proposed, it be without the assistance of City staff; City Attorney Beverly Grady confirmed that City Council could in fact direct staff in this regard.

**Public Comment:** (6:41 p.m.) None.

***MOTION by Wiseman that CITY STAFF NOT TO BE USED IN PREPARING AN ALTERNATIVE BUDGET; seconded by Galleberg and carried 4-3, all members present and voting (Wiseman-yes, MacIlvaine-yes, Tarrant-no, Galleberg-yes, Herms-no, Taylor-no, MacKenzie-yes).***

During the vote, Council Member Tarrant described the meeting as simply an endorsement of the budget. Vice Mayor Herms sought a compromise to ensure that a tie vote at Second Reading would not occur and incur the cost of mailing additional TRIM notices. He also took issue with some Council Members reproaching others for desiring a reasonable budget. Council Member Taylor expressed concern with a budget increase of 24% and acknowledged concerns expressed by citizen Hank Bryan (see Attachment 1) as well as noting receipt of many phone calls from concerned residents. She also took issue with being precluded from discussing additional budget reductions with staff, and the presumption that Second Reading will result in a tie vote, calling the actions of some Council Members shameful. Mayor MacKenzie noted that she had in the past

**City Council Special Meeting – September 5, 2001 – 5:05 p.m.**

---

expressed concern for cumulative budget increases, but described it as irresponsible to propose further reductions at the conclusion of the budget process.

**ADJOURN .....**  
**6:45 p.m.**

\_\_\_\_\_  
Bonnie R. MacKenzie, Mayor

\_\_\_\_\_  
Tara A. Norman, City Clerk

Prepared by:

\_\_\_\_\_  
Brenda A. Blair  
Senior Administrative Specialist

Minutes Approved: 4/3/02