



City Council Chamber  
735 Eighth Street South  
Naples, Florida 34102

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**City Council Workshop Meeting – June 12, 2006 – 8:30 a.m.**

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Mayor Barnett called the meeting to order and presided.

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

**Present:**

Bill Barnett, Mayor  
Johnny Nocera, Vice Mayor

**Council Members:**

William MacIlvaine (arrived 8:32 a.m.)  
Gary Price, II  
John Sorey, III  
Penny Taylor  
William Willkomm, III

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**Also Present:**

Robert Lee, City Manager  
Robert Pritt, City Attorney  
Vicki Smith, Technical Writing Specialist  
Victor Morales, Assistant to the City Manager  
Cheryl Boutot, Network Specialist  
Chet Hunt, CRA Manager  
Tara Norman, City Clerk  
Robin Singer, Community Development Director  
Paul Bollenback, Deputy Building Official  
Ann Marie Ricardi, Finance Director  
Steven Moore, Chief of Police & Emergency Services  
Bob Middleton, Utilities Director  
Amy Taylor  
Richard Cobb, Vice Chairman, NAA  
Eric West, NAA  
Peter Manion, NAA  
Ron Wallace, Construction Management Director

Everett Thayer  
County Commissioner Fred Coyle  
Jim Boula  
Joseph McMackin  
Mary Ellen Hawkins  
Ted Soliday  
Henry Kennedy  
Don Wirth  
Dorothy Hirsch  
Kathi Bruce  
Charles Glisson  
Barbara Jean Moore  
Falconer Jones  
Terry Forshier

**Media:**

Aisling Swift, Naples Daily News  
Other interested citizens and visitors.

**SET AGENDA.....ITEM 2**

**MOTION by Nocera to SET THE AGENDA; seconded by Sorey and  
unanimously carried (MacIlvaine-absent, Nocera-yes, Price-yes, Sorey-yes,  
Taylor-yes, Willkomm-yes, Barnett-yes).**

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**It is noted for the record that Council Member MacIlvaine arrived at 8:32 a.m.**

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**PUBLIC INPUT .....ITEM 3**

**Jim Boula, 702 Broad Avenue South,** urged monitoring of the consultants hired to address the application for the Crayton Cove mooring field adjacent to the City Dock, particularly as it applies to meeting the August 1 deadline. He pointed out that the application sent to the Department of Environmental Protection (DEP) on April 1 had been returned for additional information. Mr. Boula also noted that the previous two permit applications had in fact failed due to a lack of all DEP required information. Mayor Barnett requested that an update on the status of the application be provided at the June 14 regular meeting.

**DISCUSSION WITH COUNTY COMMISSIONER FRED COYLE.....ITEM 4**

(It is noted for the record that documentation and exhibits pertaining to this item and referenced during the discussion are contained in the file for this meeting in the City Clerk's Office.) Collier County Commissioner Fred Coyle responded to a prior inquiry by Council Member Taylor regarding anticipated traffic impacts upon Seagate Drive from the Waterside Shops expansion. Miss Taylor had reported a Crayton Road Association requested eastbound exits only onto Seagate Drive and West Boulevard. Miss Taylor confirmed for Mr. Coyle that traffic circles would be an option.

Commissioner Coyle also reported that the beach renourishment project had been completed by the June 1 deadline.

Mayor Barnett requested information regarding the County's Haldeman Creek dredging project, noting that the Royal Harbor Association had requested that the portion of the waterway in the city limits also be dredged. City Manager Robert Lee indicated that he and staff had met with Norm Feder, County Transportation Administrator, to discuss a request by Collier County for funding and had been told by Mr. Feder that County ad valorem taxes provided \$1.6 million and that the City to underwrite \$201,421.63 as its portion of the project. However, he said he had pointed out to Mr. Feder via letter that the City had already funded approximately 20% through the ad valorem taxes City residents pay to the County, or approximately \$320,000. Mr. Feder had however responded by urging that a funding agreement for the City's participation be in place by August; otherwise it would be necessary for the City to pursue the project on its own, including permitting and securing a spoil disposal site. Commissioner Coyle however pointed out that the County considers the Haldeman Creek dredging project as stormwater management, not a navigational issue, a fact of which he said he had advised the Council on February 17, 2004, as noted in the minutes of that meeting. On this occasion, he said he had also stated the County hoped for Municipal Special Taxing Units (MSTU) to aid in the funding. During a subsequent discussion on May 17, no official commitment had been made by the City in this regard, although he said he had been told by Council that funds were available in the Royal Harbor MSTU. Having received no communication from the City regarding funding assistance, he said, the County believed that the City was therefore not interested in having its portion of Haldeman Creek dredged. Mr. Coyle also pointed out that Collier County does not undertake stormwater improvements in the city limits. Various Council Members questioned the distinction in this instance between navigational purposes and stormwater management, reiterating that the City is a part of the Collier County tax base. Council Member MacIlvaine pointed out that Haldeman Creek navigational hazards are well known, but Mr. Coyle stressed that silting in the upper reaches of Haldeman Creek is so severe that its elevation is actually higher than areas attempting to drain into it. Funding, he further explained, had been obtained

from the Big Cypress Basin for the purpose of trying to realize two additional feet of drainage capacity in the creek. In response to Vice Mayor Nocera, Mr. Coyle indicated that the County would consider negotiating the dredging cost as quoted if the City is willing to participate; however, County residents will in the future be responsible for maintenance of the waterway through a mandatory MSTU. Mayor Barnett noted that this topic would be discussed at that week's regular meeting and staff to make available to Council the minutes referred to by Commissioner Coyle

**Public Comment:** (8:59a.m.). **Don Wirth, 2425 Tarpon Road**, urged an agreement for City participation in the Haldeman Creek project, predicting that ending the dredging at the double-s curve in the waterway would cause silt to accumulate and create an even greater navigational hazard. **Terry Forshier, 1750 Sandpiper Street**, as a boater and resident of Royal Harbor, strongly urged that dredging occur both for navigational and drainage reasons. If not completed in its entirety, the conditions of Haldeman Creek could actually worsen, he added. Mayor Barnett agreed, stressing the need for an agreement between the two governmental entities. Council Member Sorey asked the staff to confirm, by obtaining hydrology information, that if the City portion were not dredged, the project would still be effective for stormwater management. **Henry Kennedy, Pelican Avenue**, said that his research of City records had indicated that a proposed diversion of \$150,000 from the East Naples Bay Special Taxing District fund for Haldeman Creek dredging had in fact not been done, although he said he maintains that the aforementioned monies are no longer in the East Naples Bay fund and questioned their whereabouts. Council Member Taylor asked that City Manager Lee make available at that week's regular meeting an accounting of the above referenced funds.

**HIRING OF LOBBYISTS DISCUSSION.....ITEM 5**  
Former State Representative Mary Ellen Hawkins stated that while lobbyists perform an important information function in the legislative process, she objects to any governmental institution using tax money to retain their services. Ms. Hawkins further expressed her opposition for a government to use a lobbyist to bypass or oppose the jurisdiction's duly elected legislators also funded by taxpayers. She therefore urged Council to instead initiate direct communication with members of the local legislative delegation to communicate the City's needs, but also recommended that these contacts be made well before the start of the legislative session so that sufficient time can be allocated for a thorough understanding.") (It is noted for the record that this discussion was continued later in the meeting (see Page 5).

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**Recess: 9:21 a.m. to 9:24 a.m. It is noted for the record that all Council Members were present when the meeting reconvened.**

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**JOINT MEETING WITH THE NAPLES AIRPORT AUTHORITY (NAA).....ITEM 6**  
(It is noted for the record that documentation and exhibits pertaining to this item and referenced during the discussion are contained in the file for this meeting in the City Clerk's Office.) Vice Chairman Richard Cobb and Airport Commissioners Eric West and Peter Manion represented the NAA during discussion only of the following: 1) review of airport utilization plan; 2) NAA quarterly report; and 3) questions regarding the lease between NAA and the City of Naples. Mayor Barnett suggested that regarding the utilization plan, the public be heard prior to the aforementioned discussion so that their points could be included in the review.

**Public Comment:** (9:28 a.m.). **Everett Thayer, 1690 Avion Place**, noted 1997 correspondence between Senator Connie Mack and the Federal Aviation Administration (FAA), in which North Road had been discussed (which extends along the southern and western boundaries of the airport) and the adjacent Avion Park subdivision. Mr. Thayer contended that

the text demonstrates the disagreement between the NAA and Avion Park, and that plans for development of the west quadrant of the airport have in fact existed for some years. (It is noted for the record that a copy of this letter is contained in the file for this meeting in the City Clerk's Office.) He also took the position that NAA should be held responsible for the impact on North Road from its rock hauling activities. **Barbara Jean Moore, 1585 Airway Drive**, stated her opposition to relocating aircraft to the west quadrant of the airport property which is adjacent to the homes of Avion Park. The reasons therefore, she said, were contained in the homeowners' petition to NAA, a copy of which is in the file for this meeting in the City Clerk's Office. Ms. Moore noted additional noise, traffic, pollution from fumes, the safety risk in the event of a crash, and loss of both property value and quality of life. **Kathi Bruce, 1680 Avion Place**, thanked Ted Soliday, Executive Director of the NAA, and the City staff for communicating with Avion Park residents, but asked that Council address the issues of completion and widening of North Road, providing residents with a schedule in this regard.

Director Soliday then gave an electronic presentation, a printed copy of which is contained in the file for this meeting in the City Clerk's Office. He began by reviewing the history of the Airport Utilization Plan, referencing maps and timelines for future development (Attachment 1), including the following: 1) an additional hanger on the south side of the property; 2) the possibility of future improvements to a building on the east side of the airport property near Airport-Pulling Road; 3) continued monitoring and improvements of the City and County waste transfer and recycling sites on the northwest corner (accessed from Enterprise Avenue and a new road on the northern area of the property); 4) restoration activities in areas impacted by Hurricane Wilma; 5) replacement of shade hangers with traditional hangers; 6) fencing and gate relocation to address the hauling mentioned above; and 7) expansion of fuel containment areas to meet the new Environment Protection Agency (EPA) requirements. Mr. Soliday also clarified that various utilization plans had been formulated in past years and reflect the evolution necessary to address changes in the community.

With reference to the buffer on airport property across from Avion Park, Council Member Taylor sought assurance that mature trees would not be removed. Mr. Soliday said that only those impeding construction of the road and installation of the necessary fence would be cleared. He however reminded Council that most of the trees in this location had been lost in Hurricane Wilma. Miss Taylor asked who would be responsible for the wear to North Road resulting from the aforementioned rock hauling activities. Mr. Soliday explained that it had been deemed more cost effective to crush rock previously stored on the west side of the airport for roads, taxi lanes and the like than to purchase it from an outside source. Miss Taylor asked whether the NAA would then consider contributing to the repair of North Road and Mr. Soliday said that he would address this matter in the Quarterly Report (see below).

**Public Comment:** (9:59 a.m.) **Henry Kennedy, Pelican Avenue**, questioned the necessity of the rock hauling and new road mentioned by Mr. Soliday and urged cooperation between the City and NAA to restore North Road. Mr. Soliday replied that, in the future, if demand prompts it and the funds are available, the west quadrant would be developed, but that there were no immediate plans to do so.

Mr. Soliday continued his presentation with the Quarterly Report (Attachment 2), stating that the figures offered during this meeting come directly from the NAA 2006 approved budget, which

was brought before Council the prior September. He added that in July additional expenditures will be added that are necessitated by damage sustained from Hurricane Wilma.

Mr. Soliday stressed the importance of federal and state grant funds to supplement operational revenues used for capital improvements. He also explained that the \$1.5 million identified as Hurricane Wilma repairs includes a new roof design for the terminals to meet new code requirements, and two electrical generators for future storm events. With regard to a \$15,000 listing from the City under Hurricane Wilma repairs, Mr. Soliday recommended that this be returned to the City for use on North Road landscaping since it had been derived from the City's portion of a Federal Emergency Management Agency (FEMA) grant funds.

In response to Council Member Willkomm, Mr. Soliday explained that the reserve fund contained amounts for projects delayed due to the recent storm events, including to underwrite the \$1-million insurance deductible; in addition, no state or federal revenues were available for storm damage. City Manager Robert Lee pointed out that any changes to the airport proposed by NAA must undergo a GGDSP (General Development and Site Plan) review process before Council and that a general development site plan would be needed at that time. Mr. Soliday concurred, noting that airport zoning requires that the utilization plan come before Council also.

At this time, Council Member Taylor urged that any discussion of the airport lease be tabled until a future time, stressing the precedence of issues of immediate concern such as landscape screening along North Road, identifying the entity responsible, and outlining the work to be done. Vice Mayor Nocera said that since NAA representatives were present, he was inclined to hold some discussion of the issue. Council Member Price, however, took the position that lease discussions should not occur until additional information is available, citing the imminent City Council summer recess. Council Members Willkomm, MacIlvaine and Sorey each indicated no objection to continuing the lease discussion until a later date. Council Member Sorey also commended the members of the NAA for their accomplishments as reflected in the financial report just received. He further suggested that staff develop a joint master plan with the NAA regarding the vegetation surrounding the airport, including the west quadrant, doing so with input from Avion Park residents. City Attorney Robert Pritt suggested that official action regarding the lease issue however be taken at the regular meeting on Wednesday, the 14<sup>th</sup>.

**Recess: 10:35 a.m. to 10:49 a.m. It is noted for the record that all Council Members were present when the meeting reconvened.**

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**HIRING OF LOBBYISTS DISCUSSION (continued/see also Page 3) .....ITEM 5**

Council Member Taylor characterized Former Representative Hawkins' comments as sound advice, stressing that regular communication on the state and federal level could only be advantageous to the City. In lieu of engaging the services of a lobbyist, City Manager Robert Lee related the following recommendations: 1) continue to maintain a good working relationship with the local legislative delegation; 2) allocate City staff and elected official time to establish and maintain relationships with departmental secretaries and key government staffers on the state and federal level in order to communicate City initiatives and seek appropriation opportunities; and 3) consider hiring of lobbyists or other specialists on an as-needed basis to assist the City on costly and specialized projects, such as the mooring field permitting matter and City Dock issues mentioned earlier in this meeting (see Item 4, public comment). Council Member Price expressed the view that lobbyists should function as someone to help guide municipalities

through certain processes with their expertise and also help bring to light opportunities that would otherwise go unused.

**SCHOOL CONCURRENCY UPDATE DISCUSSION.....ITEM 7**

(It is noted for the record that documentation and exhibits pertaining to this item and referenced during the discussion are contained in the file for this meeting in the City Clerk's Office.) Amy Taylor, Long Range Planner for the Collier County School District, gave an electronic presentation explaining Senate Bill 360, which requires all cities to implement a school facilities element in their Comprehensive Plans. Schools, which are now considered public facilities, must adopt concurrency plans by December 1, 2008, she added. Because the state's rapidly increasing population makes it difficult for schools to keep pace, the Department of Community Affairs (DCA) is to establish a phased schedule which will develop a tighter link between development and school capacity. Comprehensive Plan amendments will therefore be needed in both capital facilities, capital improvement, and intergovernmental coordination elements. Community Development Director Robin Singer explained that this will impact the City's future decision making in such areas as rezoning, annexation and high density developments likely to generate students; she further indicated that Ms. Taylor's presentation is an update and therefore required no action at that time. Ms. Taylor concluded by saying that the goal is to provide a uniform school system by correcting deficiencies, ensuring adequate school capacity and coordinating school locations with residential development. This would include procedures for school site selection, ensuring the necessary supporting infrastructure and a proportionate share of environmental mitigation. Council requested a joint meeting with the School District after summer recess.

**.....ITEM 8  
DISCUSSION OF THE IMPACT OF LOCATING MECHANICAL EQUIPMENT IN  
SETBACKS**

Mayor Barnett requested public comment before the staff presentation to enable responses if required. (It is noted for the record that a printed copy of the material contained in a subsequent electronic presentation by staff is contained in the file for this meeting in the City Clerk's Office.)

**Public Comment:** (11:26 a.m.). **Dorothy Hirsch, 626 Regatta Road**, reported on the issuance of a certificate of occupancy (CO) at a neighboring home even though mechanical equipment in the side yard had not been installed pursuant to code requirements. City Attorney Robert Pritt clarified that this particular CO had in fact been issued in error, although any violations found must be corrected. Ms. Hirsch said that placing equipment within the building envelope and ensuring that it meets noise requirements will prevent this from continuing to become an issue. Another issues raised by Ms. Hirsch is the need for passage by emergency services and utility personnel to rear yards. **Charles Glisson, 625 Regatta Road**, next door neighbor to the above referenced home, said that while code violations have been largely rectified, the issues of noise from mechanical equipment must be addressed by Council. He said he is researching acoustical shielding because the amount of equipment now next to his home is almost at an industrial level. He therefore urged that generators and other equipment be required to be placed in the rear and not in the limited side yards. **Henry Kennedy, Pelican Avenue**, while urging enforcement of current codes, also suggested that the amount of required setback in general also be reviewed. Noise from equipment has increasingly become a factor as homes are built to the maximum size allowable.

Community Development Director Robin Singer explained that, based on a local survey and contact with other communities, staff is of the opinion that equipment in the side yard setbacks could remain but be limited without negatively affecting the building footprint of future construction. Deputy Building Official Paul Bollenback said that most communities require shielding for mechanical equipment, including generators, in the side yard setback. He therefore suggested the following amendments to Section 110-54, Yards:

- Expand the text to “air conditioning compressors and pool equipment,”
- Increase the allowable encroachment from 36 inches to either 42 or 48 inches to accommodate newer equipment; and
- Insert language requiring that equipment in the side yards be shielded from view of both the front and adjacent side yards by using either large shrubbery or walls, fences, latticework or similar architectural design elements.

Council Member Sorey however concurred with Ms. Hirsch’s recommendation that mechanical equipment be within the building footprint, although screening should nevertheless be a requirement. Council Member Price said that his two key issues were compliance with noise limits and some sort of required screening; otherwise equipment should be the rear of the structure. While stating that generators are a separate issue, Mr. Bollenback said that staff is attempting to assist contractors with suggestions on noise compliance. In response to Council Member Taylor, Ms. Singer said that the Planning Advisory Board (PAB) would be asked to refine regulations regarding the actual level of noise allowed for various pieces of equipment. Miss Taylor pointed out that often those constructing the larger homes have little regard for those living nearby. Council Member Willkomm agreed with other Council Members that the equipment should be in the building envelope, adding that in doing so it would make the side setback an entirely separate issue.

Discussion followed regarding the code compliance process and examples were given by Ms. Singer and Mr. Bollenback as to how violations may be rectified and the timelines involved. Mr. Bollenback said that he would research whether sound buffering is successful when mechanical equipment is placed within the building envelope in an alcove area and then screened with acoustical materials. Ms. Singer pointed out that acoustical expert Steve Wise (see minutes of May 1, 2006, regular City Council meeting) had mentioned lining the alcove area with sound absorbent materials, and also using some type of screening to aid in deflecting the sound. Mr. Sorey noted that generators should be limited to propane and be of a reasonable size, thus enabling all mechanical equipment to be installed within the building footprint. Council reached the *consensus that staff should develop recommendations regarding equipment installation within the building envelope with proper screening.*

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**It is noted for the record that Council Member Taylor left the meeting at 12:24 p.m.**

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In conclusion, Mr. Bollenback urged residents to use portable generators safely and in accordance with manufacturers’ guidelines.

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**Recess: 12:26 p.m. to 3:56 p.m. It is noted for the record that all Council Members were present when the meeting reconvened.**

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City Manager Robert Lee reminded Council that the above referenced recommendations would be presented to the PAB and then to the Council following the summer recess.

**FIVE YEAR CAPITAL IMPROVEMENT PROGRAM .....ITEM 9**

Finance Director Ann Marie Ricardi gave an electronic presentation, a printed copy, along with the actual Capital Improvement Program (CIP), is contained in the file for this meeting in the City Clerk's Office. She stated that this plan includes all funds of the City such as the utility taxes, grants, and such revenues as impact fees, gas taxes, water/sewer revenues, stormwater fees and inspection fees. Ms. Ricardi also stressed that, this being a plan for upcoming programs, just the first year will be incorporated into the 2006-07 general operating budget. Nevertheless, projects already underway will be automatically carried forward, while those not began must be re-encumbered. Citing aging infrastructure, Director Ricardi noted such major needs for funding by the utility tax fund as replacement of police patrol vehicles, police station air conditioning upgrades, US 41 median south of Fleischmann, Fleischmann Park Community Center, Sandpiper Street Master Plan, and the US 41 lighting project. Council Member Taylor however disagreed with reference to the US 41 lighting, saying that she felt the project was not a priority at this time. Ms. Ricardi also noted the Pulling Property and the Gordon River Greenway as funded by the utility tax fund. Miss Taylor questioned the funding of the Gordon River Greenway project and Construction Management Director Ron Wallace noted that this item would come before Council on Wednesday, and also that the Pulling Property is awaiting permitting. Director Ricardi next listed those to be funded by the water and sewer fund as, contact time improvements (mixers, diffusers, piping), Solana Road/East Naples pump station upgrade, water supply/quality improvement program, reuse expansion, RDP building enhancement, ASR (aquifer storage and recovery) wells, replacement of sewer mains, laterals, and manholes, and the purchase of a combination jet vacuum truck. Utilities Director Bob Middleton gave a brief explanation of the water transmission mains project, which is also funded by the water and sewer fund.

Ms. Ricardi continued by listing an air conditioning upgrade for the Community Development building from the building permits fund. From the Community Redevelopment Agency (CRA) fund she listed a new parking garage, 41-10 Master Plan implementation, Park Street project and road resurfacing. From the streets fund she noted Mooringline Drive and Park Shore bridge upgrades, Harbour Drive bike lane, and a carry-forward for the joint City/County traffic signal system which is reimbursed by the Florida Department of Transportation (FDOT). Ms. Ricardi then noted stormwater projects which, in addition to ongoing repairs, include restoration of swales and drainage systems, and design and engineering for major projects, including mapping of the system inventory and systemic master planning. A rear loading and a front loading refuse truck and a dumpster repair building will be funded by the Solid Waste Division. Technology Services will provide computer replacement, recovery/disaster systems, phone replacements and an integrated time clock system, she said. Council Member Willkomm stated that he feels providing notebook computers to Council Members is not necessary at this juncture. In conclusion, Ms. Ricardi noted that Equipment Services is proposing such facilities projects as replacement of an oil change pit with an above-ground lift, addition of an oil containment center, and replacement of doors.

Council Member Sorey addressed various items for staff to reconsider, especially noting that if stormwater projects are to move forward, a fee increase should perhaps be considered. In addition, he mentioned needed funding for obtaining greenspace and also future funding for affordable housing.



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In response to Council Member Taylor, Finance Director Ricardi explained that FEMA (Federal Emergency Management Agency) reimburses 75% of City expenditures for Hurricane Wilma recovery and that an additional 12.5% provided by the State which, with a percentage of the administrative costs, totals approximately \$6-million.

Discussion then returned to the US 41 lighting, with Construction Management Director Wallace explaining that the existing lighting would remain until landscaping and other related work progressed. If the lighting project were to be deferred, he explained, it is likely that any prior landscaping that was to be installed would be damaged. In response to Council Member Sorey, Mr. Wallace confirmed that the process could in fact progress to the point where a light fixture could be subsequently installed. However, Council Taylor urged that the need for decorative lighting must be researched further.

**Recess 5:02 p.m. to 6:01 p.m. It is noted for the record that all Council Members were present when the meeting reconvened.**

.....**ITEM 10**

**REVIEW OF GENERAL OPERATING BUDGET FOR FY 2007 BUDGET AND MAXIMUM MILLAGE RATE**

City Manager Robert Lee noted that staff would identify for Council key expenditures in the upcoming budget. Finance Director Ann Marie Ricardi gave an electronic presentation, a printed copy of which is contained in the file for this meeting in the City Clerk's Office, pointing out that the millage rate is currently 1.14 and provided the following figures which appear in Attachment 3.

**Preliminary Property Values:**

Current Assessed Value	\$16,598,224,405
Less Tax Increment Financing (TIF) Value	<u>\$704,713,759</u>
2006-07 General Fund Taxable Value	\$15,893,510,646

Revenues based on 1.14 millage rate	\$17,212,672
2005-2006 Budget	<u>\$14,315,020</u>
Revenue Increase	\$2,897,652

**Millage Change Impact:**

Amount derived per mil	\$15,099,000
Amount derived from one-tenth mill gets \$1.5 million	\$1,500,000

(One-tenth would increase millage from 1.14 to 1.24; two-tenths to 1.34; therefore, City taxes on a \$750,000 home would increase from \$855 to \$930, or \$75/year.)

**Expenditure Increases (exclusive of proposed new positions):**

Pensions	\$558,000
Wages Increases	\$1,500,000
Health Insurance Increases	\$460,000
Right-of-way maintenance contracts	\$400,000
Tree Canopy maintenance and replacement	\$600,000
(annual financing -\$2.6-million bank loan)	

Expenditure increases approximate \$6.1 million, Ms. Ricardi said, without consideration for the several new positions requested. Ms. Ricardi said that while other revenues would offset some of the increases, a millage rate of 1.34, up from the 1.14, would fund these items, therefore staff was requesting an increased millage rate not to exceed 1.34. In response to Council Member Sorey, City Manager Lee said he hoped that this millage rate would allow reserves to recover from the impact of Hurricane Wilma. Responding to Council Member MacIlvaine, City Manager Lee said that alternatives do exist to the increase in millage rate, such as bonding and borrowing in some instances. Council Member Price suggested seeking grants or State funds that could offset some of the cost increases to which Ms. Ricardi responded that the amended projects noted above are actually capital projects and are not supported by the general fund, which receives revenue from various taxing. Council Member Willkomm questioned the wisdom of considering a tax increase when Council had earlier in the session declined to consider renegotiating the airport lease, stressing this as a source of revenue from one of the taxpayers' most valuable assets

Ms. Ricardi clarified that Council was at this time merely being asked to concur with a maximum millage rate and that the final decision is to be reached in September. City Manager Lee noted that the City of Naples has one of the lowest millage rates in the State, noting that Collier County has a millage rate of 3.9. Vice Mayor Nocera however urged staff to closely examine the budget in the intervening weeks to seek any avenue available to lower the amount of revenue needed. Council Member Sorey pointed out that the property value component of ad valorem tax computations results in individuals paying more taxes even when the millage rate remains the same.

*Consensus was given to support the 1.34 maximum millage rate at this time 5-2, Council Members Nocera and Willkomm dissented, and all members urged that a close examination be made to determine whether any other avenues for funding exist.*

**Public Comment:** (6:32 p.m.). **Henry Kennedy, Pelican Avenue**, stated that he believes the Council consistently underestimates needed revenue and that a 1.34 millage rate increase may not be sufficient.

**BRIEFING BY CITY MANAGER.....ITEM 11**

It is noted for the record that a copy of the City Manager's written report is contained in the file for this meeting in the City Clerk's Office. Additionally, City Manager Robert Lee noted the completion of over \$300,000 in sidewalk repairs to areas which had sustained damage from Hurricane Wilma.

**REVIEW OF ITEMS ON THE 06/14/06 REGULAR MEETING AGENDA .....ITEM 12**

Council Member Price requested clarification of the renewal status on Item 6-i (live entertainment renewal for Handsome Harry's Third Street Bistro) as well as renumbering Item 15 (renewal of recycling contract with Waste Management) and requesting that a representative from Waste Management attend the meeting. Council Member Taylor requested addition of Item 16 (discussion of Naples Airport Authority) and a possible resolution. It was also noted that Item 15 (executive session for discussion of domestic security issues would be renumbered as Item 17).

**Public Comment:** (6:38 p.m.). **Henry Kennedy, Pelican Avenue**, it is noted for the record that this speaker waived comment when called.

**CORRESPONDENCE/COMMUNICATIONS** .....

(6:38 p.m.) None.

**ADJOURN** .....

6:39 p.m.

\_\_\_\_\_  
Bill Barnett, Mayor

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

Minutes prepared by:

\_\_\_\_\_  
Vicki L. Smith, Technical Writing Specialist

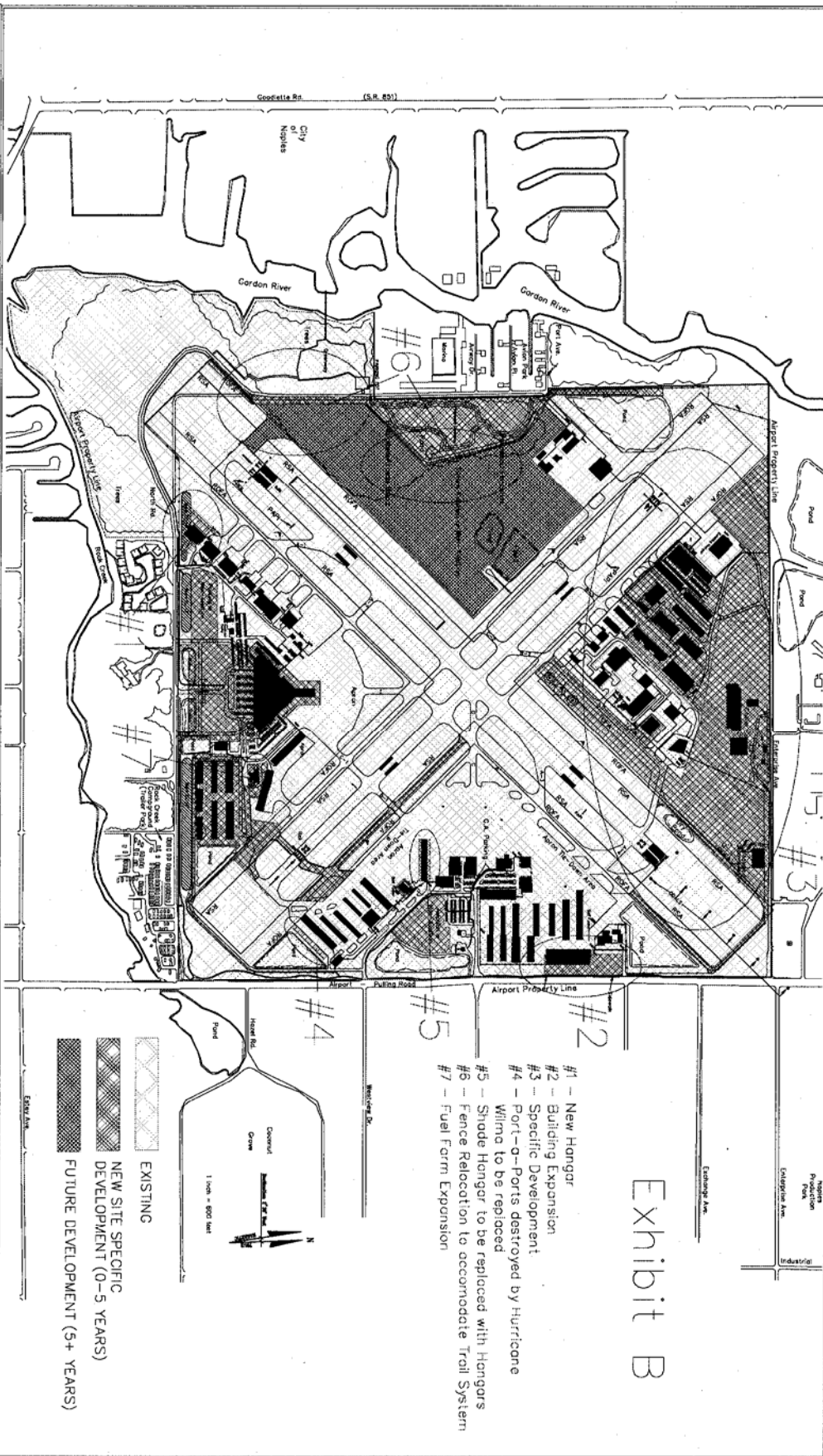
Minutes Approved: 9/6/06

# 2006 UTILIZATION PLAN UPDATE



City of Naples Airport Authority  
180 Aviation Drive North  
Naples, Florida 34104

DRAWN: J.S.V.  
SCALE: 1" = 800' ft  
CHECKED: L.M.  
DATE: JANUARY, 2006  
DWG: J2006-01





# City of Naples Airport Authority Quarterly Report



# ●●● | FY 2006 Operating Budget

<b>Operating Revenues (Net)</b>	<b>\$ 9,567,000</b>
<b>Operating Expenses</b>	<b><u>(7,393,000)</u></b>
<b>Operating Income</b>	<b>2,174,000</b>
<b>Other Revenues (Expenses)</b>	<b>305,000</b>
<b>Depreciation Expense</b>	<b><u>(1,600,000)</u></b>
<b>Net Income</b>	<b>\$ 879,000</b>

# ● ● | FY 2006 Capital Budget

## Outside Funding:

	Budget	Estimated Actual
FAA	\$ 5,529,000	\$ 3,011,083
FDOT	145,500	1,512,901
PFC	80,000	85,000
Authority Funds	<u>697,400</u>	<u>1,512,901</u>
Total Capital Budget	\$ 6,451,900	\$ 6,121,885

# Hurricane Wilma Repair, Improvements and Funding

Hurricane Repair	\$ 4,172,500
Related Improvements	<u>1,500,000</u>
Total Cost	\$ 5,672,500

Insurance	\$ 2,133,300
FEMA	1,336,700
FAA	1,280,000
City	<u>15,000</u>
Total Outside Funding	\$ 4,765,000

Authority Funds	\$ 907,500
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# Future Capital Improvements

(FY 2007 – FY 2010 & Unallocated)

## Outside Funding Possibilities:

FAA Eligible	\$ 19,657,400
FDOT Eligible	8,243,300
Authority Funds	<u>8,958,300</u>
Total Capital Improvements	\$ 36,859,000

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# **Budgetary Issues & Maximum Millage Discussion**

Council Workshop  
June 12, 2006

# Maximum Millage

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Statutes require City Manager to certify maximum millage by August. City has four millages:

- Current Operating Millage is 1.1400
- Moorings Bay/East Naples Bay will remain the same
- Debt Millage for Naples Preserve will be based on outstanding debt to property value.

# Maximum Millage

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Current Operating Millage 1.14

Discussion about committing for road improvements.

Discussion about committing for tree canopy.

Discussion about committing for other projects

# Property Values (Prelim)

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Current Value	\$16,598,224,405
Less TIF Value	<u>\$704,713,759</u>
2006-07 General Fund Taxable Value	\$15,893,510,646
Revenues based on 1.14	\$17,212,672
2005-2006 Budget	<u>\$14,315,020</u>
Revenue Increase	\$2,897,652

# Millage Change Impact

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Every Mill nets \$15,099,000

One tenth Mill gets \$1.5 Million

One-tenth would increase millage from  
1.14 to 1.24; two-tenths to 1.34

\$750,000 home would increase from  
\$855 to \$930, or \$75/year for one-  
tenth mill

# Key Expenditure Challenges

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- General Insurance Increases (\$1.3 million)
- Pension Increases (\$558,000)
- Wages Increase (\$1.5 million)
- Health Insurance Increases (\$460,000)
- Right of Way Contracts (\$400,000)
- Road Maintenance (\$1.3 million)
- Tree Canopy Maintenance and Replacement (\$600,000) –\$2.6 million bank loan

- That's \$6.1 million, without consideration for the several new positions requested or other general operating increases.
- Need another \$3.2 million in revenues than current tax rate will provide.
- This is more than two-tenths of a mil



# Other Revenues

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- Most revenue estimates are not available until after mid-June.
- Relying on tax rate – rate would be 1.34 mills, compared to current 1.14, just to fund these items
- Other revenues will offset some increases
- Request a consensus for a not-to-exceed millage of 1.34