



City Council Chamber  
735 Eighth Street South  
Naples, Florida 34102

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**City Council Workshop Meeting – September 5, 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  
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  
Stephen Weeks, Technology Services Director  
Jessica Rosenberg, Deputy City Clerk  
Dan Mercer, Public Works Director  
Victor Morales, Chief of Police & PESD Director  
Robin Singer, Community Development Director  
Christine Carrera, Building & Zoning Technician  
Richard Yovanovich  
Ted Soliday  
John Allen  
Donald Peacock  
Matthew Kragh

Henry Kennedy  
Sue Smith  
David Buser  
Jason Stephens  
Jennifer Stephens  
Ray Allain  
Nicholas Kalvin  
Stella Hackel-Sims  
James Lennane

**Media:**

Aisling Swift, Naples Daily News

Other interested citizens and visitors.

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

**MOTION by Nocera to SET AGENDA AS PRESENTED; seconded by Price and unanimously carried, all members present and voting (MacIlvaine-yes, Nocera-yes, Price-yes, Sorey-yes, Taylor-yes, Willkomm-yes, Barnett-yes).**

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

**Henry Kennedy, Pelican Avenue**, reminded Council of the importance of City boards and committees, stressing that members must be full-time residents of the City. **Dr. David Buser, 5187 Starfish Avenue**, expressed concern regarding Clam Bay, noting what he described as permitting violations by Collier County and questioning the management practices of the Pelican Bay Services Division Board. (It is noted for the record that the documentation presented by this

speaker is contained in the file for this meeting in the City Clerk's Office.) Mayor Barnett announced that additional time could be allotted to Dr. Buser at a future meeting if necessary.

.....**ITEM 4**  
**INTERVIEWS WITH CANDIDATES FOR VARIOUS BOARDS AND COMMITTEES**

Deputy City Clerk Jessica Rosenberg stated that the following candidates were to be interviewed for the Citizens' Police Review Board: Stella Hackel-Sims (8:44 a.m.) and Nicholas Calvin (8:50 a.m.). Interviews with candidates for the Naples Airport Authority (NAA) were then conducted as follows: Donald Peacock (9:02 a.m.), James Lennane (9:15 a.m.) and John Allen (9:32 a.m.). Deputy City Clerk Rosenberg noted that NAA incumbent Richard Cobb had withdrawn his name from consideration.

It is noted for the record that following the above referenced interviews, Council entered into a brief discussion regarding term limits for all boards and committees and a recommendation was made to staff that this should be addressed at a future workshop.

**NAPLES AIRPORT AUTHORITY BUDGET PRESENTATION .....ITEM 5**

Naples Airport Authority (NAA) Executive Director Ted Soliday gave a brief electronic presentation (Attachment 1). He began with a review of the past fiscal year, noting the following major contributing factors. Damage from Hurricane Wilma amounted to just over \$6-million, which Mr. Soliday explained was roughly a quarter of the insured value of the airport. Legal issues were another key concern regarding the 2006 fiscal year budget although the restoration of federal funding aided in this regard. Mr. Soliday also listed the following: a new airfield lighting system; a fire truck which would be available for use by the City and Collier County if necessary; and completion of a master utility plan and the installation of utilities in the north quadrant, 50% funded by the federal government. He further noted that within the past three months, over \$9-million from Federal Emergency Management Agency (FEMA), insurance coverage, and federal and state grants had been applied to repairs and capital construction.

Mr. Soliday addressed the fiscal year 2007 budget (Attachment 2), reviewing key assumptions and major capital projects. During the presentation of the capital budget, he pointed out that outside funding included insurance payments and funding from FEMA, the Federal Aviation Administration (FAA), and the State. In conclusion, he stated that when the NAA originally began management the airport was valued at \$200,000; at the end of 2007 it is estimated that the facilities will be valued at nearly \$44-million, excluding the real property.

Council Member Taylor expressed concern regarding the approval process for possible development in the west quadrant, pointing out the necessity of review by the Design Review Board (DRB) as well as a Residential Impact Statement (RIS) due to proximity to residential areas. Mr. Soliday confirmed that because the airport lies within the C4 Zoning District, he believes all matters of this nature are to come before City Council. Miss Taylor then asked whether any airline carriers had approached the NAA for use of its facilities, or whether the NAA would solicit them. Mr. Soliday responded that the NAA aggressively pursues carriers, stressing the uncertainty of success in such an endeavor. Mr. Soliday indicated that for the past three years the Naples Airport has been within the top 300 of over 5,000 FBO's (fixed base operators) in the country. He further said that he feels passenger carrier service has improved over the past two years, emphasizing that improvement in this area is presently one of the

airport's most significant expenditures. Mr. Sorey commended the budget presentation and said the he believes NAA is performing well.

Council Member Price asked whether the decrease in airport usage could be seen as an indicator that perhaps usage had peaked, noting that usage had increased steadily over the past several years. Mr. Soliday responded that while usage growth had been consistent with projections, he agreed that it is perhaps leveling off and will remain somewhat steady. Also in response to Mr. Price, Mr. Soliday explained that due to the new fire truck (\$700,000) and lighting system (\$2.5-million), depreciation totals had increased substantially.

In response to Council Member MacIlvaine, Director Soliday said that although the possibility of lengthening runways may be allowed by the FAA, the Code of Ordinances set a limit on runway length; therefore, the NAA had not considered this as an option. He further stated that the possibility of relocating the airport is remote due to the need for at least four square miles that is not environmentally protected. Nevertheless he said, a move would be permitted by the FAA according to conditions contained within the lease document.

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**Recess: 10:21 a.m. to 10:34 a.m. It is noted for the record that all Council Members were present when the meeting reconvened except Council Member Taylor who arrived at 10:35 a.m.**

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(10:34 a.m.) It is noted for the record that City Attorney Robert Pritt requested an executive session be added to the agenda of the September 6, 2006, regular meeting at 11:55 a.m. regarding the following litigation: A&B Charters, Inc., Byron C. Thomas, and Jeffery Player v. City of Naples.

**NORTH ROAD IMPROVEMENT UPDATE .....ITEM 6**

Public Works Director Dan Mercer made an electronic presentation (a printed copy of which, along with exhibits, is contained in the file for this meeting in the City Clerk's Office). He explained that the North Road improvement project includes the following: 1) removal of Australian pines; 2) reconstruction of shoulders to meet state minimum requirements of six feet, with some areas wider to accommodate sidewalks; 3) resurfacing of approximately 1,500 linear feet to be in the later stages of the project due to various other construction activities and; 4) tree planting funded with a grant, 25% from the City and a contribution from NAA of \$15,000 for a total of \$71,500. Mr. Mercer further reported the possibility of relocating a portion of the walkway to the west side of the roadway to avoid interfering with mangroves extending in front of the marina property, northward to Avion Park. He concluded by saying that meetings will be scheduled for public input concerning all landscaping prior to the completion of the conceptual plans expected in December 2006.

In response to Council Member Sorey, Director Mercer explained that while a sidewalk must be 5 feet wide, at least 9 feet 2 inches is necessary for a pathway in order to accommodate both pedestrian and bicycle traffic. The City's right-of-way is 60 feet wide with the roadway being 20 feet, leaving approximately 19 feet on either side for other types of construction.

**SOLANA ROAD IMPROVEMENT PROJECT UPDATE.....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.) Public Works Director Dan Mercer provided an electronic update with reference to the status of this project (see Attachment 3) and noted that the box culvert was approaching completion. He

described efforts to coordinate the work with improvements being implemented at the intersection by both Collier County and the Royal Poinciana Golf Club (RPGC) at the intersection.

**DISCUSSION OF CHORD MEASUREMENT (*Requested by Mayor Barnett*) .....ITEM 8**

(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.) Community Development Director Robin Singer gave an electronic presentation detailing the history and implications of measurement from the chord line on cul-de-sac properties, citing what she described as the proper method of measurement which instead uses the property line. (It is also noted for the record that Ms. Singer was accompanied by Building & Zoning Technician Christine Carrera, who had recently joined the staff and will be responsible for zoning review of all permits before they are issued for single-family residences; local architect Matthew Kragh was also present.) Ms. Singer said that measurements should be taken parallel to the arc-shaped property line on a cul-de-sac; conversely, a chord measurement is a straight line and therefore takes in areas technically outside of the property boundary. Therefore, a chord measurement would accrue to a gain in buildable area and is not allowed by the City Code (Attachment 4). Research however indicates, Director Singer said, that since 2002 three cul-de-sac homes had been built in the City using the chord measurement. The reason for this is nevertheless unknown but could be attributed to errors that occurred due to an increased permit demand. Architect Kragh then responded to Council questions by indicating that the chord method of measurement, as used by other municipalities, does afford a larger area upon which to build; however, current technology can be readily utilized to design on a cul-de-sac using the more difficult property line method.

In response to Council Member Sorey, Director Singer said that staff hoped to expand the review process to include a spot survey requirement which must be reviewed for setback compliance prior to the project being allowed to proceed beyond the pouring of the slab. Mr. Sorey however suggested that in addition a spot survey be performed at the time the corners of the structure are delineated and the locations for the pilings are set. Director Singer agreed but stressed that the approved plans should also undergo an additional review at that time.

Council Member Price agreed with Mr. Sorey's suggested timing of the first spot survey and urged broader inspections when City staff is actually on the property. Council Member Willkomm also suggested implementation of a document acknowledging the owner's awareness of his or her responsibilities with regard to a construction project; however, Vice Mayor Nocera pointed out that undertaking such compliance measures is the reason responsible owners hire professionals, adding that he strongly approves of the spot surveys to avoid errors. Mr. Price also suggested an information packet be provided as a public service to aid residents in navigating the building/renovation process.

**Public Comment:** (11:19 a.m.) **Ray Allain, 260 Bay Meadows**, stated that, as a builder, it is his responsibility to detect any errors where setbacks are concerned. He however opposed a spot survey requirement as impractical because of insufficient City staff available to approve the spot surveys in a timely manner. He said that he nevertheless supported Council Member Sorey's suggestion of a spot survey in conjunction with setting corners and locating pilings. **Richard Yovanovich, 4001 Tamiami Trail North**, referred to photos of homes located on cul-de-sacs (copies are contained in the file for this meeting in the City Clerk's Office) and stated that

Collier County and the City of Marco Island both utilize the chord method of setback measurement. He said that it appears the chord method could in fact be used on cul-de-sac building sites if a requirement was added that the structure not be situated closer than the minimum front yard setback as measured from the edge of the pavement. Director Singer expressed doubt with regard to enforcement since pavement could be widened resulting in a structure being in violation of the Code. **Henry Kennedy, Pelican Avenue**, urged enforcement of the Code as written, recommending careful review of building plans before a permit is issued.

Mayor Barnett pointed out that the current discussion was intended to inform the public and clarify the issue of chord versus property line measurement. He recommended that should the Council wish to provide direction to staff regarding any Code amendments, a further workshop should be scheduled.

Architect Kragh further pointed out that the Florida Building Code allows non-architects to design single family and duplex dwellings, resulting in structures other than that produced by a licensed and insured architect.

***Consensus not to review or amend present procedure for measuring setbacks.***

City Manager Robert Lee responded to Council concerns by indicating that he would seek an opinion from the City Attorney with reference to the three aforementioned homes that were represented to not being in compliance with setback requirements.

**BRIEFING BY CITY MANAGER.....ITEM 9**

(It is noted for the record that a copy of material pertaining to this item and referenced during the discussion is contained in the file for this meeting in the City Clerk's Office.) City Manager Robert Lee noted various public meetings and events. He also mentioned that the City of Naples had received the Good Neighbor Award from the Florida Department of Environmental Protection (FDOP) for its assistance to other jurisdictions during the 2005 hurricane season.

Regarding other items included with the report, Community Development Director Robin Singer responded to Council Member Taylor by stating that staff would be recommending a text amendment with reference to mechanical equipment. She explained that existing air conditioning (a/c) and pool equipment would be grandfathered prior to the effective date of the amendment, but new equipment would be allowed only within the building envelope. Council Member Sorey however stated that his main concerns remain with the fact that permits are still being denied even though new pool heaters are taller than the present maximum in the Code of 30 inches, and secondly, that a transition period will be necessary when any new amendment becomes effective. Director Singer also explained that staff's suggestion is that pool equipment be regulated in the same manner as a/c equipment in that it be positioned at the finished floor elevation as required by FEMA (Federal Emergency Management) flood elevation guidelines.

Council Member Sorey questioned whether a timeline would be available for the local project addressing FEMA floodplain mapping, suggesting that mapping for the City be separated from the Collier County effort. In this regard he cited a memorandum from Robert C. Wiley, Project Manager for Collier County, stating the belief that the work may never be completed. City Manager Lee responded that the November 13 workshop agenda would include a report and that an attempt is being made to have both FEMA and Collier County representation. Mr. Sorey however reiterated his desire for a timeline to be presented and also to ascertain whether the City

could be a separate entity in the mapping effort. Council Member Taylor pointed out that the City and the County are both funding a portion of the consultant fee in this regard. Mr. Sorey also requested an assessment of usage of City park facilities by Collier County residents, thus enabling the City to more accurately make a request to the County for future cost-sharing. City Manager Lee suggested that staff research and then provide information to Council for a workshop to enable the above noted cost-sharing request to be formulated before the coming year.

**REVIEW OF ITEMS ON THE 09/06/06 REGULAR MEETING AGENDA.....ITEM 10**

City Manager Robert Lee requested that Item 8 be renamed Item 8-a (executive session regarding Biasella v. City of Naples) and City Attorney Robert Pritt requested that Item 8-b (executive session regarding A&B Charters, Inc., Byron C. Thomas, and Jeffery Player v. City of Naples) be added at 11:55 a.m. Council Member Taylor requested that Item 9-b(1) (Outdoor Family Movie Night) be removed from the Consent Agenda for separate discussion, and information provided regarding the cost if cancellation became necessary. Council Member Sorey asked that Item 9-c (funding for development of the Pulling property) be removed from the Consent Agenda for separate discussion while Council Member Taylor sought information regarding the commencement date of Anthony Park improvements (Items 9-d and 9-f) and Council Member Sorey requested information regarding restroom facilities referenced in these same items. Item 9-j (picnic tables and benches) will be withdrawn from Consent Agenda pursuant to a request by staff. With reference to Item 9-k (contract regarding water production wells), Miss Taylor asked whether there was any prohibition against building on land which covers aquifers. Both she and Council Member Price then asked that Item 9-m (renewal of Cigna employee health insurance) be removed from the Consent Agenda for separate discussion as well as providing information on the previous carrier, identification of the carrier used by the School System and Collier County, and the report from the consultant who recommended Cigna. In addition, Mr. Price asked that Item 9-r (amend 2005-06 Budget regarding Legal Department) be removed from the Consent Agenda for separate discussion and that more legible drawings be provided for Items 11 and 12 (Outdoor dining and other permits at 868 Fifth Avenue South). With reference to these items, Council Member MacIlvaine requested a copy of the original ordinance authorizing dining on public property and Council Member Taylor asked that the petitioner be notified of an incomplete application as well as requesting information regarding the extent of the encroachment and previous decisions by Council regarding this issue. Council Member Price noted that Item 21 (closure of alley between 868 and 878 Fifth Avenue South to vehicular traffic) should be heard before Item 11 and 12 (see above). Mayor Barnett and Council Member Taylor asked to review resolutions reflecting changes in Item 14 (Live Entertainment and Residential Impact Petitions at 1100 Sixth Avenue South), and Miss Taylor noted Item 16 (Text Amendment Petition 06-T7 regarding outdoor dining) on which she requested clarification on whether grocery stores are included.

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

Council Member Taylor noted the October 24, unveiling of the Bonnie MacKenzie memorial plaque at the Garden of Hope and Courage at Naples Community Hospital; she asked whether the City had fulfilled its commitment towards this endeavor.

Council Member Sorey pointed out that the Big Cypress Basin Board had budgeted \$1,610,000 in grant funding to the City to aid with various projects.

**ADJOURN** .....  
12:15 p.m.

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Bill Barnett, Mayor

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Tara A. Norman, City Clerk

Minutes prepared by:

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Vicki Smith, Technical Writing Specialist

Minutes Approved: \_\_\_\_\_

## FY 2007 Key Assumptions

- No catastrophic hurricane
- Stable economy
- Operations increase
- Fuel gallons remain flat
- Airline service continues
- Litigation expense decreases
- Start landscaping east/west portion of North Road
- Major capital projects completed on schedule
- Increase reserves to \$2 M

## Major Capital Projects

- |   |         |
|---|---------|
| • T-Hangars – Design Phase II &<br>Construction Phase I | \$4.7 M |
| • Realign Taxiway B – Phase I                           | \$2.0 M |
| • Emergency Generators for<br>Both Terminals            | \$1.0 M |
| • Non-Licensed Vehicle Roadway                          | \$0.8 M |
| • Security Upgrade – Phase II                           | \$0.3 M |



## FY 2007 ~~Capital~~ Capital Budget

Outside Funding	\$ 6,831,000
Authority Funds	<u>2,428,000</u>
Total Capital Budget	\$ 9,259,000

\* 5 Year Capital Improvement Plan = \$45 M

## FY 2007 Operating Budget

Operating Revenues (Net)	\$ 10,344,000
Operating Expenses	<u>(7,801,000)</u>
Operating Income	2,543,000
Other Revenues (Expenses)	796,000
Depreciation Expense	<u>(1,765,000)</u>
Net Income	\$ 1,574,000

## FY 2007 Expenses and Expenditures

	Estimated FY 2006	Proposed Budget FY 2007
Total Available Resources at Beginning of Year	\$ 5,137,000	\$ 4,871,000
Revenues and Receipts	<u>15,301,000</u>	<u>17,983,000</u>
Total Available Resources, Revenues and Receipts	20,438,000	22,854,000
Expenses and Expenditures	<u>16,067,000</u>	<u>17,393,000</u>
Total Available Resources at End of Year	\$ 4,371,000	\$ 5,461,000

## FY 2006 and FY 2007 Summary

	Estimated FY 2006	Proposed FY 2007
Net Income	\$ 1,613,000	\$ 1,574,000
Capital Contributions	<u>2,168,000</u>	<u>6,800,000</u>
Change in Net Assets	3,781,000	8,374,000
Total Net Assets - Beginning	<u>31,722,000</u>	<u>15,538,000</u>
Total Net Assets - Ending	\$ 35,503,000	\$ 43,912,000
Unallocated Cash	\$ 2,375,000	\$ 2,481,000
Restricted Cash	162,000	30,000
Operating and Capital Reserves	<u>1,590,000</u>	<u>2,000,000</u>
Cash & Equivalents at Year End	\$ 4,027,000	\$ 4,511,000

**CITY OF NAPLES AIRPORT AUTHORITY  
OPERATING INCOME  
FISCAL YEAR 2007**

	ACTUAL	ORIGINAL	AMENDED	ESTIMATED	BUDGET	Increase (Decrease) from Estimated FY 2006	
OPERATING REVENUES	FY 2005	FY 2006	FY 2006	FY 2006	FY 2007		
Fuel revenue							
Gross fuel sales	\$ 17,443,000	\$ 24,672,000	\$ 20,827,000	\$ 20,827,000	\$ 21,681,000	\$ 854,000	4%
Cost of fuel sales	11,191,000	17,898,000	14,855,000	14,055,000	14,990,000	935,000	7%
Net fuel revenue	6,249,000	6,772,000	6,772,000	6,772,000	6,691,000	(81,000)	-1%
Nonfuel revenue							
Concession fees	548,000	535,000	553,000	554,000	1,191,300	638,000	115%
Hangar/T-shelter/tiedown rents	1,009,000	1,037,000	1,120,000	1,120,000	1,046,000	(74,000)	-7%
Building rents	297,000	228,000	265,000	263,000	247,000	(16,000)	-6%
Land rents	572,000	656,000	600,000	606,000	684,000	84,000	15%
Line services	198,000	199,000	218,000	218,000	131,000	(113,000)	-52%
Other	54,000	140,000	104,000	104,000	144,000	40,000	38%
Nonfuel revenues	2,658,000	2,795,000	2,864,000	2,864,000	3,653,000	789,000	28%
Operating revenues	8,907,000	9,567,000	9,636,000	9,636,000	10,344,000	708,000	7%
OPERATING EXPENSES							
Authorized personnel - full time equivalents	61.4	66.6	66.7	66.7	71.5	4.8	7%
Salaries and wages	2,431,000	2,722,000	2,619,000	2,619,000	3,050,000	431,000	18%
Payroll taxes	183,000	208,000	195,000	195,000	237,000	42,000	22%
Health plan	353,000	426,000	395,000	395,000	527,000	132,000	33%
Pensions	129,000	174,000	136,000	136,000	197,000	61,000	45%
Uniforms and laundry	19,000	27,000	27,000	27,000	29,000	2,000	7%
Training	7,000	43,000	32,000	32,000	56,000	24,000	75%
Travel and meetings	50,000	58,000	57,000	57,000	78,000	21,000	37%
Employee recognition and affairs	6,000	10,000	10,000	10,000	10,000	-	0%
Legal fees	1,182,000	1,300,000	1,300,000	1,300,000	600,000	(700,000)	-54%
Audit services	41,000	45,000	45,000	45,000	60,000	15,000	33%
Other professional services	56,000	72,000	58,000	58,000	72,000	14,000	24%
Computer/ITIS services	26,000	57,000	40,000	40,000	54,000	14,000	35%
Engineering and planning services	7,000	38,000	102,000	102,000	83,000	(19,000)	-19%
Classified advertising	11,000	15,000	16,000	16,000	21,000	5,000	31%
Communications	112,000	158,000	155,000	155,000	308,000	153,000	99%
Insurance	963,000	366,000	432,000	432,000	506,000	68,000	16%
Telephone	64,000	65,000	64,000	64,000	61,000	(3,000)	-5%
Utilities	211,000	254,000	289,000	289,000	265,000	(24,000)	-8%
Environmental services	3,000	71,000	49,000	49,000	28,000	(21,000)	-43%
Office supplies	18,000	22,000	22,000	22,000	24,000	2,000	9%
Postage	6,000	10,000	8,000	8,000	12,000	4,000	50%
Postage	9,000	13,000	10,000	10,000	13,000	3,000	30%
Toner	41,000	51,000	51,000	51,000	52,000	1,000	2%
Airport operations	156,000	396,000	388,000	388,000	468,000	80,000	21%
Public services	117,000	166,000	128,000	128,000	171,000	43,000	34%
Overseas/subscription fees	70,000	33,000	33,000	33,000	15,000	(2,000)	-6%
Auto gas and diesel fuel	36,000	80,000	60,000	60,000	75,000	15,000	25%
Pilot services	27,000	25,000	23,000	22,000	24,000	2,000	9%
Miscellaneous	-	2,000	3,000	2,000	2,000	-	100%
Operating Expenses excluding R&M	5,875,000	6,907,000	6,745,000	6,745,000	7,157,000	407,000	6%
Building maintenance	96,000	156,000	132,000	132,000	183,000	51,000	39%
Hurricane recovery/repair	-	-	2,317,000	2,317,000	-	(2,317,000)	-100%
Airfield maintenance	46,000	66,000	40,000	40,000	46,000	6,000	23%
Grounds maintenance	48,000	77,000	89,000	89,000	182,000	93,000	104%
Vehicle maintenance	13,000	14,000	14,000	14,000	18,000	4,000	29%
Equipment maintenance	128,000	200,000	117,000	117,000	151,000	14,000	12%
Small tools, equipment and supplies	40,000	58,000	68,000	68,000	61,000	(7,000)	-10%
Cleaning supplies	20,000	21,000	22,000	22,000	25,000	3,000	14%
Repair & maintenance expenses	383,000	486,000	2,799,000	2,799,000	643,000	(2,150,000)	-77%
Operating expenses	6,240,000	7,393,000	9,544,000	9,544,000	7,801,000	(1,743,000)	-18%
Operating income	\$ 2,647,000	\$ 2,174,000	\$ 92,000	\$ 92,000	\$ 2,543,000	\$ 2,451,000	2664%

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**City of Naples Airport Authority  
Fiscal Year 2007 Operating Budget**

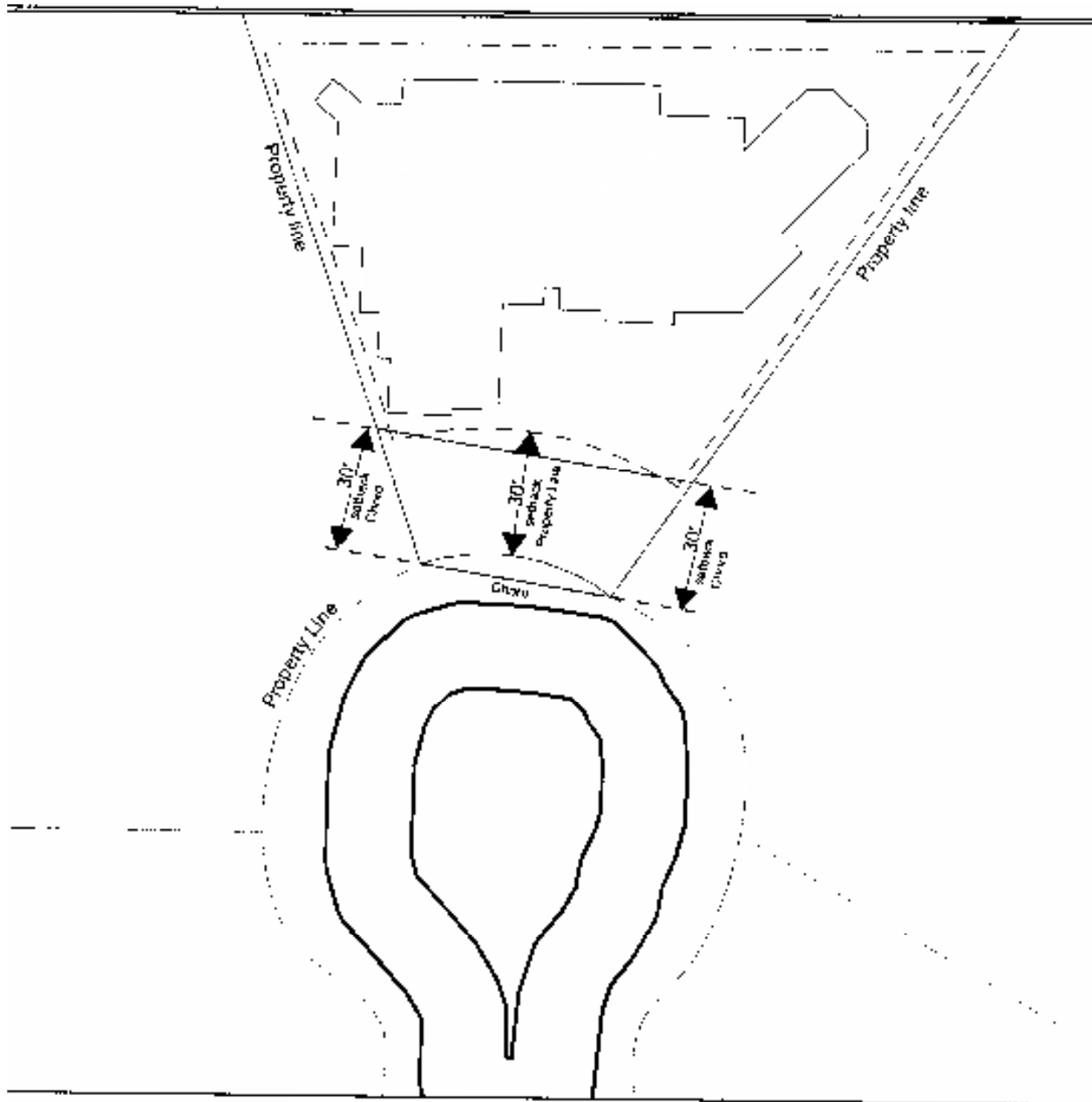
	Actual FY 2005	Original Budget FY 2006	Amended Budget FY 2006	Estimated FY 2006	Budget FY 2007	Increase (Decrease) from Estimated FY 2006
<b>Net operating revenues</b>	<b>\$ 8,907,000</b>	<b>\$ 9,567,000</b>	<b>\$ 9,636,000</b>	<b>\$ 9,636,000</b>	<b>\$ 10,344,000</b>	<b>\$ 708,000</b>
<b>Operating expenses</b>	<b>6,260,000</b>	<b>7,393,000</b>	<b>9,544,000</b>	<b>9,544,000</b>	<b>7,801,000</b>	<b>(1,743,000)</b>
<b>Operating income</b>	<b>2,647,000</b>	<b>2,174,000</b>	<b>92,000</b>	<b>92,000</b>	<b>2,543,000</b>	<b>2,451,000</b>
Customer facility charges	233,000	230,000	230,000	230,000	230,000	-
Passenger facility charges	1,000	-	-	-	-	-
Interest revenue	137,000	74,000	283,000	283,000	190,000	(91,000)
Insurance proceeds	-	-	924,000	924,000	-	(924,000)
State grant	16,000	25,000	784,000	784,000	357,000	(427,000)
Federal grant	-	-	225,000	225,000	-	(225,000)
ConocoPhillips marketing grant	-	30,000	-	-	45,000	45,000
Interest revenue - note	4,000	3,000	3,000	3,000	3,000	-
Other revenue	4,000	4,000	4,000	4,000	4,000	-
Interest expense	(94,000)	(27,000)	(24,000)	(24,000)	-	(24,000)
Rental credit expense	(35,000)	(34,000)	(34,000)	(34,000)	(33,000)	(1,000)
Contribution of capital asset to government agency	-	-	(588,000)	(588,000)	-	(588,000)
Gain (loss) on disposal of capital assets	(12,000)	-	1,000	1,000	-	(1,000)
Impairment gain on hurricane, net of insurance recovery	-	-	1,023,000	1,023,000	-	(1,023,000)
Provision expense	(1,370,000)	(1,600,000)	(1,312,000)	(1,312,000)	(1,265,000)	453,000
Non-operating revenues (expenses)	(1,096,000)	(1,295,000)	1,521,000	1,521,000	(969,000)	2,490,000
<b>Net income (loss)</b>	<b>\$ 1,551,000</b>	<b>\$ 879,000</b>	<b>\$ 1,613,000</b>	<b>\$ 1,613,000</b>	<b>\$ 1,574,000</b>	<b>\$ (39,000)</b>

## Background

- o Resolution #99-8634 (September 15, 1999) City Council entered into an annexation agreement with Royal Poinciana Country Club
- o Resolution #05-10813 (April 20, 2005) City Council authorized contract with FPL for the relocation of the existing utilities
- o Resolution #05-10891 (June 15, 2005) The Country Club granted an easement to the City for the planned improvements
- o Resolution #05-10948 (September 21, 2005) City Council authorized a contract with American Consulting Engineers (ACE) for engineering design and environmental permitting services for construction of the Solana Road improvements
- o Resolution #06-11194 (April 19, 2006) City Council authorized a contract with Bonness for construction of the street improvements in the amount of \$1,868,206
  - SFWMD/BCB grant funding - \$300,000
  - Collier County commitment - \$250,000
  - Utility Tax fund - \$1,318,206

## Multi-Phase Project

- o Phase I – Installation of a box culvert (approximately 1,200 Feet)
- o Phase II – Underground Utilities
  - Bury all other utilities (FPL, Sprint, Comcast)
  - 8" Water line
  - Storm drains
- o Phase III – Roadway Improvements
  - Construct divided median
  - Construct new lanes



The straight lines are the chord method.  
The curved lines are the property line method