



City Council Chamber
735 Eighth Street South
Naples, Florida 34102

City Council Workshop Meeting – November 3, 2008 – 8:29 a.m.

Mayor Barnett called the meeting to order and presided.

ROLL CALLITEM 1

Present:

Bill Barnett, Mayor
Penny Taylor, Vice Mayor

Council Members:

Teresa Heitmann
Gary Price, II
John Sorey, III
Margaret Sulick
William Willkomm, III

Also Present:

William Moss, City Manager
Robert Pritt, City Attorney
Tara Norman, City Clerk
Vicki Smith, Technical Writing Specialist
Roger Reinke, Assistant City Manager
Jessica Rosenberg, Deputy City Clerk
Michael Bauer, Natural Resources Manager
Katie Laakkonen, Environmental Specialist
Gregg Strakaluse, Engineering Manager
Ron Wallace, Streets & Stormwater Director
Joe Boscaglia, Parks & Parkways Superintendent
David Lykins, Community Services Director
Robert Middleton, Utilities Director
Ann Marie Ricardi, Finance Director
Denise Perez, Human Resources Director
Lori Parsons, Risk Manager
Linda Tanner-Bevard, Sr. Human Resources Generalist
Robin Singer, Planning Director
Roger Jacobsen, Code Enforcement Officer

Annette van Dongen
Marvin Easton
Don Vining
Jim Boula
Andy Woodcock
Dawn Deschene
Tom Tight
John Grady
Miriam Cleary

Media:

Jenna Buzzacco, Naples Daily News
Other interested citizens and visitors.

SET AGENDA.....ITEM 2

MOTION by Price to SET THE AGENDA as submitted; seconded by Taylor and unanimously carried, all members present and voting (Heitmann-yes, Price-yes, Sorey-yes, Sulick-yes, Taylor-yes, Willkomm-yes, Barnett-yes).

PUBLIC COMMENT.....ITEM 3

(8:30 a.m.) **Annette van Dongen, 655 16th Avenue South**, referenced photographs taken in her neighborhood (copies of which are contained in the file for this meeting in the City Clerk's Office) and explained that saltwater flooding during high tide, as well as stormwater flooding during the rainy season, results in standing water for weeks. Furthermore, she said, this inhibits many elderly residents' leaving their homes. Mayor Barnett indicated that staff would provide her with an update regarding ongoing stormwater issues. Ms. van Dongen said that she would be willing to fund drainage improvements to her property should the City wish to consider such a solution.

**.....ITEM 4
INTERVIEWS WITH TWO CANDIDATES FOR THE EAST NAPLES BAY CITIZENS
ADVISORY COMMITTEE.**

Deputy City Clerk Jessica Rosenberg explained that there was currently one candidate for the vacancy in the East Naples Bay Citizens Advisory Committee, Joanne Hussey having withdrawn and leaving Donald Fieldhouse for interview. Council expressed appreciation to Mr. Fieldhouse for his interest and Mayor Barnett noted that the appointment would occur during that week's regular meeting.

**.....ITEM 6
NAPLES BAY SPOIL ISLANDS: THE PRESENTATION WILL EXPLAIN THE
ECONOMIC AND ENVIRONMENTAL BENEFITS OF USING DREDGED SAND/SOIL
(SPOIL) TO CREATE SMALL ISLANDS IN NAPLES BAY.**

Natural Resources Manager Michael Bauer, utilizing an electronic presentation (a printed copy of which is contained in the file for this meeting in the City Clerk's Office), explained that spoil islands not only create much needed habitat, but improve water quality (due to filtering by oysters and plants) and are an economical method of disposing of dredged materials. With two impending Naples Bay dredge projects (East Naples Bay canals and the federal channel from Gordon Pass, north to US 41), foregoing the cost of removing the dredged material by truck could save over \$1-million.

Dr. Bauer further pointed out that the use of spoil islands is supported at both the state and federal level since they could address the three major ecological challenges of Naples Bay: the growth of seagrasses, propagation of oysters and mangroves, and a sanctuary for beach nesting birds. The islands also provide storm protection by lessening wave impact along the shoreline, he said.

Environmental Specialist Katie Laakkonen explained long-range suggestions for Naples Bay and detailed potential sites for spoil islands (Attachment 1), chosen through substrate and bathymetric mapping; historical coverage of oysters and seagrasses had also been taken into consideration, she pointed out. In response to Council Member Willkomm, she explained that the aforementioned map depicted the southernmost end of Royal Harbour (top of the map to the north), Port Royal to the west, and Windstar to the east, with the federal channel outlined.

In response to Council, Ms. Laakkonen noted that while riprap is used to stabilize the islands during construction it is somewhat obscured once mangroves begin to propagate, however, she said she was unsure whether the riprap could be removed once the islands are established. Council Member Sulick expressed concern regarding boat speeds in Naples Bay to the effect that wave action could negatively impact the expected results on the islands. Dr. Bauer clarified that only safety matters, not habitat impacts, can be taken into consideration in this regard.

Council Member Price commended Dr. Bauer and Ms. Laakkonen for their continued efforts with regard to habitat restoration, especially in light of past controversy associated with spoil islands. Mr. Price received clarification that, while hypothetical, suggested locales had been based upon water depths and not obstructing the view from waterfront residences. Dr. Bauer however agreed that the locations depicted near the junction of Haldeman Creek and the federal channel (south of Royal Harbor) could be eliminated since the habitat there is currently not as endangered.

Vice Mayor Taylor requested that staff consider using the rock derived from dredging as riprap along the shoreline of the Bay, perhaps designating an area for the rock to aerate, so as to mitigate its initial offensive odor. Council Member Sorey suggested the west side of the Bay because the odor would dissipate within a few days. In response to Council Member Heitmann, Dr. Bauer explained that the area in front of Windstar (see Attachment 1) is shallow primarily because it had been used for a spoil depository site in a 1990 Royal Harbor dredging project.

Council Member Sorey voiced his support for the proposed spoil islands, pointing out that a portion of the spoils from the upcoming federal channel dredging by the US Army Corps of Engineers would be removed if not used for spoil islands; the remainder being beach compatible, he urged that the City therefore be in readiness. Dr. Bauer noted that Gary McAlpin, Collier County Coastal Zone Management Director, would be attending the November 17 workshop for further discussion of this item.

.....**ITEM 7**
LAKE MAINTENANCE / IMPROVEMENTS: TWENTY-FIVE OF TWENTY-EIGHT LAKES LOCATED IN THE CITY ARE PART OF THE STORM DRAINAGE SYSTEM. THE PRESENTATION WILL FOCUS ON FUTURE MAINTENANCE REQUIREMENTS. Streets & Stormwater Director Ron Wallace, utilizing an electronic presentation, explained that 25 of 28 lakes scattered throughout the City are considered part of its stormwater drainage system. (It is noted that a printed copy of Mr. Wallace's electronic presentation is contained in the file for this meeting in the City Clerk's Office.) These lakes vary in size from one-half acre to 8 acres and are believed to be either artificially created for stormwater management or to obtain fill although some occurred naturally and were enlarged, he said. He further pointed out that the larger the lake, the more it can dilute pollution and while dredging does not increase volume due to the high groundwater table, it does aid with dilution by increasing the quantity of water.

Mr. Wallace also pointed out that some of the subject lakes were over 100 years old and had not been maintained properly, if at all. Nevertheless water quality had deteriorated with increased stormwater flows; in addition, copper sulfate, used to treat algae blooms is a further detriment to Naples Bay. Nutrients in runoff also stimulate algae and aquatic weed growth, increasing the biochemical oxygen demand (*BOD – a chemical procedure for determining how fast biological organisms use up oxygen in a body of water*) and further depleting dissolved oxygen levels as organic materials decompose. Silt build-up, Mr. Wallace said, generally results from roadway debris which is particularly pronounced in the vicinity of the stormwater outfalls.

Mr. Wallace listed the following maintenance requirements:

- Weed and algae control programs;

- Water quality testing to establish baselines and thresholds for various pollutant categories;
- Public / private partnerships or maintenance programs to address privately owned lakes; and
- Investigation of methods to achieve shoreline stabilization, dredging, and improve lake function with regard to the City's stormwater management.

Recommendations were as follows:

- Continue algae and weed control programs;
- Continue water quality testing and monitoring;
- Pursue water quality enhancements such as planting of littoral shelves and installation of aerators; and
- Incorporate lake remediation into the Stormwater Capital Improvement Program (CIP) which would provide water quantity improvements as well as lake restoration.

In response to Vice Mayor Taylor, Mr. Wallace agreed that recognition of lakes as ecosystems would allow maintenance to address overall health as well as wildlife habitat. Vice Mayor Taylor noted that her Lake Park neighborhood would be ready to mobilize to aid in the restoration of its four lakes once a plan of action was presented, indicating support for including remediation within the stormwater CIP.

Council Member Sorey said that he would support the above referenced testing if it allowed development of a five-year remediation plan; Council Member Sulick agreed suggesting prioritization of needs. Furthermore, Mr. Sorey predicted interest by the Big Cypress Basin Board (BCB) in funding assistance if a completed implementation plan were presented during its next budget cycle. Mr. Wallace pointed out however that costs could not be formulated without additional information due to differing condition scenarios, as well as the need for temporary maintenance easements and preliminary testing. However, a purchase order is being prepared to map the bottom of Spring Lake as well as accomplish water quality and silt testing.

Council Member Price supported developing a prioritized list as well as financial resource needs, further noting that this outline should be provided within the next two to three months and a five-year plan within six months; Council Member Heitmann agreed. Council Member Sorey suggested that lakes which staff can access without private property owner consent be reflected as a higher priority. Mayor Barnett noted that it should not however be difficult to access the lakes for preliminary testing.

Vice Mayor Taylor commended staff for its timely installation of swales in her Lake Park neighborhood, thereby allowing children to safely enjoy Halloween activities.

.....**ITEM 8**
UPDATES ON STORMWATER PROJECTS: PRESENTATION ON THE CITY'S FIVE-YEAR STORMWATER CAPITAL IMPROVEMENT PROGRAM. Streets & Stormwater Director Ronald Wallace provided an update regarding the City's stormwater Capital Improvement Program (CIP). (It is noted for the record that a printed copy of Mr. Wallace's electronic presentation is contained in the file for this meeting in the City Clerk's Office.) Mr. Wallace indicated that the focus was primarily on Basin II (location of most beach outfalls),

Basin III (Old Naples area), and Basin V, he said. (See Attachment 2 containing data referenced throughout this presentation.) The recently prepared Stormwater Master Plan, he said, identified a 10-year Integrated Stormwater Management Program which totaled \$70-million and included significant projects such as major basin improvements, citywide detention systems, restoration of Naples Bay, water quality initiatives, and lake restoration, as well as substantial operation and maintenance upgrades and repairs. Annual revenues are received from the Stormwater Utility Tax, which generates \$3,850,000 yearly, he stated, and grants from the Florida Department of Environmental Protection (FDEP) and South Florida Water Management District (SFWMD), the latter having been received that year in the amount of \$3,000,000. Annual expenditures are \$436,038 for personal services, \$722,303 for operating expenses, and \$4-million proposed for capital improvements, Mr. Wallace explained.

Mr. Wallace then compared the need for bond funding for the originally proposed 5-year Capital Improvement Program (CIP), to the current pay-as-you-go proposal contained in the budget; he also reviewed a 3-year pay-as-you-go CIP which would however be reduced by \$500,000 in Basin V should the City proceed with the Hole-in-the-Wall project. Furthermore, the Naples Bay/Broad Avenue water quality project had been delayed as well as the beach outfall pipes although engineering for the latter is scheduled for 2009, he said. In response to Council Member Sorey, Mr. Wallace explained that lake restoration would be considered a basin project and had not been separately referenced.

Major capital projects were noted as follows:

- Cove Pump Station (Basin III/Broad Avenue);
- Basin III;
- Basin V (Lake Park and north of Naples High School);
- Citywide improvements;
- Beach outfalls; and
- Naples Bay/Broad Avenue water quality park.

Projects for the current year were listed as:

- Cove Pump Station - \$1,750,000 (to be bid in November/plans 90% complete);
- Riverside Circle filter marsh - \$200,000 (currently under design);
- Basin V improvements - \$500,000 (a portion of the work near Naples High School currently advertised for bid);
- Upper Gordon River (Hole-in-the-Wall) - \$750,000 (on hold);
- Citywide improvements - \$450,000 (ongoing work); and
- Basin III - \$400,000 (not yet begun).

In response to Council Member Heitmann, Mr. Wallace confirmed that an additional pump station would eventually be needed. He also concurred with Council Member Willkomm's concern for the need to address the nine beach outfalls in Basin II, since the state is requiring removal and a location for approximately half of the Basin II stormwater flow from some 200 acres must be, in some manner, planned by 2015. Mr. Wallace pointed out that deep well injection in this area might be an unreasonable solution due to the volume of water. Mr. Wallace also confirmed for Vice Mayor Taylor that approaching the Naples Beach & Golf Club regarding additional detention lakes are among options yet to be researched.

With regard to Basin V, Mr. Wallace noted that the construction of Collier County's Freedom Park (located on the northeast corner of Goodlette-Frank Road and Golden Gate Parkway) will assist the City with issues in this basin because much of the water currently routed through the drainage ditch on the west side of Goodlette-Frank Road will be treated once it is diverted into the water quality park.

Ongoing maintenance programs were reviewed as follows:

- Swale/underdrains (perforated pipes surrounded by stones under the swales);
- Television-assisted inspection and cleaning;
- Sewer relining;
- Lake maintenance; and
- Repair and replacement of lines.

Mr. Wallace pointed out that because the City had been proactive with regard to water quality permitting, authorities recognize this through the granting of the water quality credits.

Future plans involve:

- Continued implementation of the Stormwater Master Plan;
- Continued system inventory and assessment;
- Active pursuit of annual maintenance programs;
- Identification and design of capital improvement projects;
- Balancing of water quantity/water quality benefits, coordinated with regulatory agencies; and
- Monitoring and development of system enhancements.

Mr. Wallace stressed the importance that discussion must involve level of service benefits with regard to stormwater compared with expenditures needed to maintain that level of service. Elevations of homes and roads however alter this level of service standard basin-by-basin making it difficult to define, he said, noting that as designs are developed they would be brought forward for Council to ascertain benefit versus expenditure.

In response to Council Member Sulick, Council Member Sorey explained that the greatest adverse impact to Naples Bay is the entrance of freshwater, therefore, the intent of recent legislation is to capture the stormwater, treat it, and store in aquifer storage and recovery (ASR) wells for irrigation use, or store above ground, treat in filter marshes, and release into the Gordon River.

Council Member Heitmann noted legislation proposed by the South Florida Regional Planning Council (SFRPC) and the State regarding retrofitting of stormwater systems, stressing the need to address this issue in the near future. Council Member Sorey however stated that he believed that priority had previously been given to those areas which flooded. Mr. Sorey further pointed out that originally 12.5 square miles drained into Naples Bay, while currently runoff from 125 square miles is received by the Bay, coupled with the removal of 90% of the surrounding mangroves and the construction of the Golden Gate Canal. He further noted that while advantageous from the standpoint of habitat, surface water storage is not viable for the City with its high water table; he also said that construction of a berm would be necessary and 50% inches

Scrivener's
error

of the water in open storage is lost to evaporation. Mrs. Heitmann requested that a workshop discussion regarding retrofitting of the stormwater system be scheduled; Council agreed. Mr. Wallace further responded to Mrs. Heitmann by explaining the water credit process and noted that rather than specific requirements, the City often negotiates with the State with regard to the amount of additional discharge under existing conditions. The State also takes into account the City's effort in attempting to provide benefits through best management practices such as its fertilizer ordinance, building codes and the ongoing installation of the swale program, Mr. Wallace pointed out.

Because removal of beach outfalls is an unfunded mandate, Vice Mayor Taylor suggested that this be an additional concern brought to the local legislative delegation in December; she also urged fellow Council Members to individually contact legislators regarding the issue. In response to additional comments by Miss Taylor, Council Member Sorey explained that the geology report from the ASR test well at the City's sewer plant had revealed a fracture in the substrata which would most probably become more prevalent the closer to the coastline; therefore, an ASR well, at a cost of \$1-million, at the proposed Broad Avenue site would most likely also prove to be impossible. The aforementioned report had been the driving force behind the City joining with Collier County in the ASR well exploration at Freedom Park, Mr. Sorey added.

Council Member Sulick also noted negative impact upon pervious surface when eaves were allowed to encroach into side yard setbacks; Council Member Sorey noted that new Federal Emergency Management Agency (FEMA) elevations also result in a major impact to flooding.

Council Member Price indicated his support of the three- and five-year pay-as-you-go option, that the City should not incur further debt with the current economic crisis, at least for the coming five years or more; Council Member Sorey agreed. City Manager William Moss confirmed for Mr. Price that only the stormwater utility tax provided revenue for these projects, not impact fees. Noting the original \$10-million expenditure for removal of beach outfalls in 2011 and 2012 (see Attachment 3, Page 1), Mr. Price questioned how this could be funded with the pay-as-you-go method. Mr. Wallace explained that the state requires that a plan, not actual removal, be in place by 2015. Mr. Price said he intended to contact the local legislative delegation and review these funding issues.

Council Member Sorey stressed that a level of service with regard to the stormwater system should be the first determination, that with a rainfall of 20 inches within 24 to 48 hours flooding will occur no matter what improvements had been undertaken. He also explained that he had contacted the County Attorney with regard to the possible use of Tourist Development Council (TDC) funding for the beach outfalls as part of the beach renourishment process.

Consensus reaffirming pay-as-you-go approach rather than issuance of bonds.

Recess: 10:18 a.m. to 10:32 a.m. It is noted for the record that the same Council Members were present when the meeting reconvened.

.....**ITEM 9**
IRRIGATION FOR PUBLIC PROPERTY: PRESENTATION ON THE CITY-WIDE LANDSCAPE IRRIGATION SYSTEM CONSISTING OF 500,000 FEET OF IRRIGATION LINES, CONTROLS, AND SPRINKLER HEADS. (It is noted for the record

that a printed copy of the electronic presentation is appended hereto as Attachment 4.) Parks & Parkways Superintendent Joe Boscaglia reviewed the City's irrigation system inventory and its use, citing challenges and future opportunities for reducing the City's current dependency on potable water for irrigation. He also reviewed future expansion of the irrigation system (reclaimed, reuse, or alternative).

In response to Council Member Sulick, Mr. Boscaglia explained that regular sod replacement is now rarely occurring apart from repair of blatant damage in areas such as the Cambier Park bandshell where mulch has been employed. Mrs. Sulick reiterated her concern about damage from events which draw thousands of patrons and cause excessive sod damage; this, she said, should also be a consideration. Later in the discussion Vice Mayor Taylor suggested a workshop be held to address the carrying capacity of Cambier Park. Council Member Sorey commended the use of mulch directly in front of the Cambier bandshell, pointing out that high use areas must be reviewed and designs altered when necessary.

In response to Council Member Heitmann, Mr. Boscaglia stated that areas which are currently irrigated with a mixture of potable and non-potable water would be the first consideration for possible conversion to dedicated non-potable service. Mrs. Heitmann commended Community Services for conversion to draught tolerant plantings.

.....**ITEM 5**
INVESTMENT PORTFOLIO OVERVIEW (11:00 a.m. time certain): INVESTMENT ADVISOR MBIA WILL PROVIDE A SUMMARY OF THE CITY'S INVESTMENT PORTFOLIO. INCLUDED ARE ACTIVITIES, PERFORMANCE, AND TYPES OF SECURITIES. (It is noted for the record that a copy of the electronic presentation as well as copies of other documentation referenced throughout this item are contained in the file for this meeting in the City Clerk's Office.) Tom Tight, Vice President of MBIA Asset Management provided the investment portfolio overview for the quarter ending September 30, 2008. He also provided a brief recap of what he characterized as the historic economic events that had occurred in the third quarter which had resulted in an investor flight to quality. This had then resulted in an increased demand for US treasury bonds and a corresponding decline in their yield. In fact, a drop of 200 basis points had occurred in three-month treasury bills since his firm had begun the oversight of the City's investments in April 2008, he said, as well as a 150 basis point drop in two-year treasury notes and a 60 basis point decline for the five-year. Referencing US economic data provided (Attachment 5), he stated that the most current GDP (*gross domestic product*) had subsequently been reported as -0.3% and reflected the impact of the financial markets on the country's economy due to consumer saving rather than spending, noting that three-quarters of the GDP is based upon consumer spending.

Mr. Tight then explained that the City's portfolio is of high quality consisting of 99.7% treasuries and agency securities and had realized a 0.22% return in the last quarter as opposed to a benchmark of 1.37%; year-to-date performance was reported as 0.37% versus a benchmark of 0.63%. The diversification of the portfolio currently reflects 40% treasuries, 55% agencies, and a small percentage in cash and corporate securities, he said. Following prior direction of Council, the City's amount of investment in Fannie Mae/Freddie Mac Security Backed Mortgages (SBM) had been decreased with the proceeds of these sales reinvested in treasuries and other guaranteed agencies which lessened the duration of the portfolio and increased the

projected yield over time. In response to Council Member Price, Mr. Tight explained that while the portfolio still reflected over 50% in the aforementioned agencies, as they mature, they will be sold and treasuries purchased. Mr. Tight also said that with revenues from ad valorem taxes, the intent would be to invest in the treasuries and extend durations bringing the portfolio back into compliance with City policy. Finance Director Ann Marie Ricardi added that the City had drawn from the portfolio over the summer which may have been funds from treasuries as they matured; without additional treasuries being acquired, this would have altered the allocation of the portfolio. Council Member Price nevertheless reiterated his prior concerns with regard to investing in any agencies, not just Fannie Mae and Freddie Mac; therefore, to limit the City's exposure, only treasuries should be utilized.

In response to Council Member Sulick, Mr. Tight explained that another method of protecting the portfolio is to limit the treasuries to short term in maturity duration, which should also decrease exposure to interest rate fluctuations. He further noted that with the full faith and credit pledge of the federal government recently granted to agencies, and maturing of the double-A rated Wal-Mart bonds, the portfolio is 100% triple-A rated. He then reviewed the GASB 40 (*Governmental Accounting Standards Board Statement 40 – addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk and requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates; deposit and investment policies related to risks identified in this statement should also be disclosed*) (Attachment 6). He also reviewed the current asset allocation of the City's portfolio:

- Fannie Mae -1.7%;
- Freddie Mac - 6.6%;
- Federal Home Loan Bank (FHLB) - 23.7%;
- Federal Farm Credit Bank (FFCB) - 18.8%

Mr. Tight however also pointed out that the federal government had been reluctant to provide a timeframe with regard to duration of the full faith and credit guarantee and therefore risk does exist in the future. Council Member Willkomm requested the provision, in writing, of this guarantee; Mr. Tight said that he would comply. Council Member Price took issue with the reliability of rating agencies, especially with regard to the above referenced SBM's, questioning their triple-A rating. Mr. Tight agreed, but reiterated that the City's portfolio remained high quality especially so long as the government's backing remained in place. Mr. Price reiterated his belief that treasuries remained the safest investment at that time, so long as they were short term; Council agreed as reflected in the consensus below.

Consensus for advisors to provide quarterly reports and return with an update in early February and to direct City Manager to provide for approval at the November 5th regular meeting a memorandum detailing Council's direction to MBIA regarding portfolio. (Within next 12 months, agency allocations are to be lowered to 25% of portfolio; these are to be replaced with short term US treasury bonds of under one-year maturity. While confirming the associated benchmark, this direction is intended as strategic and preservative in nature.)

Recess: 11:55 a.m. to 12:05 p.m. It is noted for the record that the same Council Members were present when the meeting reconvened except Vice Mayor Taylor who returned at 12:06 p.m. and Council Member Willkomm who left the meeting during the recess and returned at 12:54 p.m. during consideration of Item 10 below.

.....**ITEM 13**
RECLAIMED WATER RATE: PRESENTATION ON UPDATED RATE STUDY. PROPOSAL TO INCREASE IRRIGATION (reclaimed, reuse or alternative) RATES FROM \$0.82 PER 1,000 GALLONS TO \$0.86 IN MARCH 2009, \$0.91 IN OCTOBER 2010, AND \$0.96 IN OCTOBER 2011. (It is noted for the record that a printed copy of the electronic presentation made with reference to this item is appended as Attachment 7.) Consultant Andy Woodcock, Tetra Tech, Inc., reviewed recommendations which had first been presented in September regarding maintaining irrigation (reclaimed, reuse or alternative) rates while increasing potable rates for tiers 3 and 4 by 14%. This was seen as a means of increasing the incentive to connect to the irrigation system as well as providing revenues to offset low irrigation rates. During further analysis of fiscal requirements, Mr. Woodcock said that the cost of Phase I of the irrigation system installation would be shared among all customer classes and alternative water supply project debt service would be reclassified to potable water rates. Therefore, the following new water rates were recommended:

- General - \$0.91/1,000 gallons as compared to the previously recommended \$1.50;
- Bulk - \$0.49 versus current \$0.33; and
- Institutional - \$0.62 which is currently \$0.39/1,000 gallons.

The following were then cited as necessary to encourage conservation while achieving full cost recovery:

- Increase rates in tiers 3 and 4 with a 15% surcharge for all water customers adjacent to irrigation transmission/distribution lines who do not connect; and
- Gradually increase the irrigation rates over the next 2.5 years.

In response to Council Member Heitmann, City Manager William Moss explained that the surcharge would not become effective until service was extended to the property line; at that point, however, customers would be responsible for any additional costs involved in connection.

Public Comment: (12:17 p.m.) **Marvin Easton, 944 Spyglass Lane**, indicated that, as long as consistency is maintained, his neighborhood would support either option of levying charges for irrigation infrastructure over the entire City or charging only those areas that benefit. This however does not apply to non-infrastructure factors, such as cost of production, delivery, administration and maintenance, as well as the amount of profit to be derived. He also expressed ongoing concern with chlorides in the irrigation water delivered and while currently down, a dry season must nevertheless be experienced in order to ascertain the quality of the product prior to setting a price. **Don Vining, 4115 Cutlass Lane**, agreed with the prior speaker's concerns, emphasizing his belief that it would be premature to increase the irrigation water rates prior to experiencing a dry season and possible elevated chloride levels, as well as determining whether a sufficient supply of irrigation water would be available to meet customer demand.

Council Member Price said that he would not support a rate increase absent justification as to general users being charged twice the amount as bulk users; therefore, he requested information on the incremental cost of providing irrigation water to the aforementioned classes of users. Mr. Woodcock noted that while the cost of production would be the same, the cost of delivery differs, as well as administrative cost allocations, which he would provide. City Manager Moss also pointed out while service to general customers could not be interrupted, bulk users could at times not receive irrigation water, although the implication of this on rate structures was unclear. Council Member Sorey observed that this interruptible service had in fact recently been included within the agreement between the City and the bulk users.

Mr. Woodcock explained that his firm's allocation methodology had been based on the cost to customer classes but Council Member Sorey expressed what he said was his continued concern with multi-family users being charged at a higher rate due to the size of the meter servicing the property.

Utilities Director Robert Middleton then reported that relining of sewer lines as well as grouting had been completed as planned and that chloride levels were currently lower than ever before; however, in the Gulf Shore Boulevard North area additional review of the condition of the lines would be needed. Mr. Middleton noted that he would at the November 17 workshop provide an update of the goals and objectives of the integrated water plan for the coming five years which includes connection of the City's potable water system to the irrigation system at the wastewater treatment plant location by the end of this year (to provide a supplemental water source as needed). Mr. Sorey noted that a March 2009 implementation date allowed time for further review as additional information is provided.

Following additional discussion of the above issues, the consensus reflected below was forthcoming.

Consensus to delay moving forward with rate increases to allow consultant and staff to present additional information during 11/17/08 workshop.

It is noted for the record that Council Member Willkomm returned to the meeting at 12:54 p.m. during Item 10 below.

.....ITEM 10
URBAN TREE PROGRAM: PRESENTATION OF THE PROGRAM TO INVENTORY AND MAINTAIN 21, 452 TREES IN THE CITY'S RIGHTS-OF-WAYS AND PARKS.

Parks & Parkways Superintendent Joe Boscaglia provided a presentation which is summarized in the October 21 memorandum by Community Services Director David Lykins (Attachment 8). (It is also noted for the record that a printed copy of Mr. Boscaglia's electronic presentation is contained in the file for this meeting in the City Clerk's Office.) Mr. Boscaglia noted that the following recommendations had been unanimously supported by the Community Services Advisory Board (CSAB), which also serves as the City's Tree Board:

- Continue current practice of staff evaluation and selection of trimming area and selecting needed trimming with the understanding that the City budget is limited;
- Annually request increased funding for the tree/palm trimming budget City-wide; as well as the following recommendations for privately planted trees/palms within the City's rights-of-way:
 - Plantings matching designated street tree remain and adopted into the City's inventory; and
 - Plantings that do not match designated street tree would either: 1) remain the responsibility of the private property owner including ongoing maintenance; 2) be relocated by the private property owner away from the City's right-of-way at owner's expense; or 3) removed at the private property owner's expense.

Consensus to support recommendations as presented.

.....ITEM 11
ALCOHOLIC BEVERAGES AT SPECIAL EVENTS: PROPOSAL FROM THE COMMUNITY SERVICES ADVISORY BOARD AND STAFF TO ALLOW ALCOHOLIC BEVERAGES ON CITY PROPERTY AT SPECIAL EVENTS SUCH AS THEATER PRODUCTIONS, CONCERT EVENTS, ART SHOWS, AND PRIVATE RENTALS. City Manager William Moss stated that the administration and the Community Services Advisory Board (CSAB) had initiated the concept of allowing consumption of alcoholic beverages on City property at specific events approved by Council. Community Services Director David Lykins reviewed his memorandum dated October 22 (Attachment 9) which outlined suggestions by the CSAB and examples of requests commonly received for such activity. He however cautioned that further review by the City Attorney would be required relative to the appropriate amendment of the Code of Ordinances in this regard. Mayor Barnett commended the CSAB and staff for their effort, noting his support of the proposal. In response to Council Member Sorey, Mr. Lykins explained that beverages in the proposal had not been limited to beer and wine and that a petitioner would be responsible to obtain and comply with State of Florida alcoholic beverage regulations (Chapter 562 Florida Statute). Council Member Sulick questioned the extent of the City's liability should an intoxicated person attending an event be involved in an accident or otherwise causes injury. She also questioned how others attending a park event who are in the proximity of an event would be prohibited from consuming their personal alcoholic beverages. Council Member Heitmann said she shared Mrs. Sulick's concern. Council Member Price requested an opinion from the City Attorney with regard to the City's liability as referenced by Mrs. Sulick.

Consensus to proceed with recommendations but to seek opinion from City Attorney with regard to liability (5-2 / Heitmann and Sulick dissenting).

.....ITEM 12
HEALTH INSURANCE LIFESTYLE INCENTIVES: DISCUSSION CONCERNING POLICIES THAT MAY REDUCE EMPLOYEE HEALTH INSURANCE COSTS WHILE PROMOTING HEALTHY LIFESTYLES. City Manager William Moss explained that this item had been in response to Council's concerns with regard to employee health insurance options. Risk Manager Lori Parsons reviewed her memorandum dated October 20 (Attachment 10) regarding lifestyle incentives and health plan enhancements. Dawn Deschene, representing AON (the City's benefit consulting firm), explained the benefits of consumer driven healthcare and an option currently being utilized by other municipalities to reduce health insurance costs. (It is noted for the record that a printed copy of Ms. Deschene's electronic presentation is contained in the file for this meeting in the City Clerk's Office.)

In response to Council, Risk Manager Parsons pointed out that 72% of the City's employees were over the age of 40, as well as a higher percentage being female; she also noted that demographics do play a key role in healthcare costs. City Manager Moss indicated that the incentives suggested would be reviewed by the employee health committee and then options would be returned to Council for its further consideration.

.....ITEM 14
AD HOC BLUE RIBBON FINANCIAL PLANNING COMMITTEE FISCAL POLICY RECOMMENDATIONS: CITY COUNCIL MAY APPOINT A NINE-MEMBER COMMITTEE TO DEVELOP FISCAL RECOMMENDATIONS FOR THE NEXT FIVE YEARS BY MARCH 30, 2009. DISCUSSION WILL CONSIDER SUBJECTS TO BE

STUDIED BY THE AD HOC COMMITTEE. City Manager William Moss stated that two previous workshop discussions had taken place and that a resolution to establish the committee and appoint members would be considered at that week's regular meeting. Mr. Moss referred to his memorandum dated October 24, (Attachment 11) containing 12 recommended topics which had been provided by Council Member Sorey and staff at Council's prior direction. Vice Mayor Taylor noted that while she agreed with many of the recommendations listed, she had envisioned a broader scope, suggesting country-wide economic projections, especially with regard to federal taxation, and addressing the City's pension funding issues. Furthermore, she said that her intent had been that the committee would project impacts of economic changes from the federal and state levels resulting in a loss of City revenue. Council Member Price cautioned that in the approximately eight hours of committee discussion which had been anticipated (four meetings, two hours in duration each) a very specific scope must be forthcoming. He also pointed out that as the Council's liaison to the committee, he had not been noted within the draft resolution as a member.

During discussion of Council Member Sorey's recommendations contained in the aforementioned memorandum (see Attachment 11), Council Member Sulick cautioned against the committee's mandate being too broad and that the majority of the items listed are in fact the responsibility of Council and would take months to evaluate; what is actually needed is a projection of the economy on national, state, and local levels. Council Member Price agreed and suggested the following topics, as well as recommending that the committee meet an additional month, sunsetting in April 2009: economic outlook, healthcare, pensions, asset allocation, revenue and expenses. He also offered to provide a summary to Council following each of the committee's meetings to keep it abreast of discussions. Mr. Sorey suggested incorporating his recommendations with Mr. Price's into an outline on which to base the committee's discussions. Mr. Price suggested that while an outline of topics would be helpful, a white paper from each member on a strategy of choice would also prove most useful.

Consensus to amend proposed resolution to reflect sunset of April 30, 2009, and Council liaison as Chair. Council agreed to the following topics for committee discussion: economic outlook, pension, healthcare, asset allocation, revenue and expenses; also committee members are to provide a white paper on the strategy of their choice.

Following the above consensus, Council Member Price explained that following the appointment of members that Wednesday, he would review the credentials of each to determine areas of expertise that may be lacking among the committee's representatives. Once these areas are noted and qualified individuals identified, appointment of the two alternates could take place during the November 19 regular meeting, he said.

Discussion of the provision of meeting minutes and advertising of the meetings followed; additional discussion was scheduled to occur at the aforementioned regular meeting.

.....**ITEM 15**
CITY OF NAPLES CHRISTMAS PARADE (requested by Vice Mayor Taylor):
DISCUSSION REGARDING A FLOAT COMPETITION AND LIMITATIONS ON
ENTRIES TO REDUCE THE SIZE OF THE PARADE. Referencing her memorandum dated October 22 (Attachment 12), Vice Mayor Taylor explained that while delighted with community interest, her concern remained with the size of the parade and therefore her request

for discussion. In response to Mayor Barnett, Community Services Director David Lykins confirmed that his staff could indeed follow suggestions regarding a viewing stand and entry competition should Council direction regarding same be forthcoming at that time. During review of his memorandum dated October 27 (Attachment 13), Mr. Lykins cited a list of suggested entry criteria, stressing that while the number of entries to be allowed must be decided upon, all other suggestions would be secondary if Council's intent remained to reduce the volume of entries and the duration of the parade.

During discussion of various criteria, Council Member Sulick stated her belief that local civic groups and local bands should have top priority, that commercial entries should be limited to those within the city limits and should be decorated adhering to the holiday theme. Vice Mayor Taylor explained that she considered the parade an opportunity to create county-wide goodwill and embrace the spirit of the holiday. Mr. Lykins pointed out that music is what makes the parade enjoyable and local high school bands are usually given first priority, reiterating the suggestion that the number of motorized entries be limited and no tractor trailer trucks be allowed.

Due to the date proximity of the December 9 event, it was determined that no limitation as to the number of entries be set; additional amendment to the criteria are reflected below, with the policy to be reviewed in detail in the coming year.

Consensus regarding the criteria were noted as follows: only two vehicles per entry, delete #2 (maximum number of entries); delete #7 (commercial entries); #8 delete sanitation vehicles from list of prohibited vehicles; and amend #11 to reflect Collier County bands. Policy to be reviewed next year.

Recess: 2:47 p.m. to 2:57 p.m. It is noted for the record that the same Council Members were present when the meeting reconvened except Vice Mayor Taylor who returned at 3:01 p.m. during discussion of Item 16 below.

.....ITEM 16
TRANSIENT LODGING: DISCUSSION ON POTENTIAL ORDINANCE AMENDMENTS TO FURTHER LIMIT CERTAIN TRANSIENT LODGINGS IN SINGLE-FAMILY NEIGHBORHOODS. City Attorney Robert Pritt referenced Page 5 of his memorandum dated October 29 (Attachment 14), noting Florida Statute 509.013(4)(a), and 509.013(4)(b)(4), as those definitions most applicable to the proposed amendment with regard to transient lodging. The aforementioned subsection (4)(a) "Public lodging establishment" includes, he said, a transient public lodging establishment and the City's ordinance definition would reflect premises rented to guests more than three times per year for less than 30 days (one month) or advertised/held out to the public as a place regularly rented to guests. In short, he explained, an owner would be allowed three short-term rentals in a calendar year without the transient lodging definition becoming applicable, noting that Attorney Charles Tunnicliff, State of Florida Division of Hotels and Restaurants, had agreed with this interpretation. Mr. Pritt also reviewed exclusions as contained in subsection (4)(b)(4) above cited and contained in Attachment 14 (Page 5). Therefore, he said he recommended adhering to the State's definitions as they actually lend clarification to the City's intent in amending the ordinance with regard to transient lodging prohibitions.

In response to concerns voiced by Council regarding the advertising prohibition (see Attachment 14, Page 9), consensus was forthcoming as reflected below to allow the advertisement of long-term rentals (greater than 30 days or one month) for no more than three times per year.

Consensus to amend draft ordinance as follows: Section 44-8: “...rented to guests for periods of less than 30 days or one calendar month.”.

BRIEFING BY CITY MANAGER.....ITEM 17

(It is noted for the record that a copy of the City Manager’s report is contained in the file for this meeting in the City Clerk’s Office.) City Manager William Moss provided a brief overview of his report as referenced in his memorandum dated October 29 (Attachment 15). Referencing correspondence from Representative Matt Hudson regarding the upcoming Collier County State Legislative Delegation Public Hearing, Vice Mayor Taylor suggested that instead of one resolution detailing Council’s topics of concern, perhaps related items should be grouped together within separate resolutions. Council Member Price stated that it had been his understanding that the City’s resolution was to be merely a format for presentation of the City’s priorities and recommended that the issue regarding utility rate surcharge (see Attachment 15, second item) be added to the existing resolution; Council agreed. In response to Vice Mayor Taylor, City Attorney Robert Pritt agreed to review the aforementioned resolution and amend it to reflect the surcharge issue.

REVIEW OF ITEMS ON THE 11/05/08 REGULAR MEETING AGENDAITEM 18

With regard to Item 7-b(2) (Bayfront Chef’s Market special event), Council Member Sulick questioned whether the music timeframe requested would overlap with other live entertainment permits. The following were then removed from the Consent Agenda for separate discussion: Item 7-b(14) (St. Patrick’s Day Parade) by Mrs. Sulick who also questioned the number of entrants; Item 7-b(15) (Third in Bloom) by Vice Mayor Taylor; and Item 7-b(17) (“Up on the Roof” special event) by Council Member Price who also questioned the City’s sponsorship and funding of the event. Council Member Heitmann requested details of the types of entertainment to be provided with regard to Item 8 (Sea Salt live entertainment permit) and with regard to Item 9 (Hamilton Harbor Marina, Inc. conditional use and live entertainment petitions), Council Member Sulick asked whether notification letters had been provided to Port Royal residents. Mr. Price questioned the need for Item 10 (after 5:00 p.m. rezone hearing for proposed Bridges of Gordon River development) in that the item had been continued from a prior meeting. Referencing Item 16 (Eighth Street and Sixth Avenue South City parking garage public art agreement), Vice Mayor Taylor expressed concern with regard to safety issues of the selected art project and Council Member Sorey recommended the addition of Item 17 (investment policy memorandum) as discussed above (see Item 5).

CORRESPONDENCE / COMMUNICATIONS.....

(3:41 p.m.) Council Member Willkomm expressed appreciation to Mayor Barnett for his letter to the Naples Airport Authority (NAA), as well as its response regarding the possibility of the NAA providing additional funding for portions of the Gordon River Greenway which transverses its property. In response to Mr. Willkomm, City Manager William Moss indicated that an update of the proposed Keewaydin Island annexation had been scheduled during the November 17 workshop. Council Member Sulick noted concern with the number of taxicabs apparently cruising the Fifth Avenue South and Third Street South areas; City Attorney Robert Pritt stated his belief that the City had never adopted cruising prohibitions, that many municipalities in fact have such regulations and Council could impose them if it so desired. Council Member Price stated that he wished to offer information to Council during this item at Wednesday’s regular

City Council Workshop Meeting – November 3, 2008 – 8:29 a.m.

meeting regarding harnessing wind power on the beaches, noting that to implement the use of wind powered generators would require Council action and pointing out that three such generators could fully power a substantial home such as those along the beachfront; Council Member Sorey suggested a workshop regarding alternate power saving options. Council Member Heitmann requested information regarding pensions and their investment policies; City Manager Moss explained that while Council had no control over these policies, he would provide a summary of recent details and Council Member Price suggested that a summary of that Friday's Pension Board meeting be provided also.

ADJOURN.....
3:50 p.m.

Bill Barnett, Mayor

Tara A. Norman, City Clerk

Minutes prepared by:

Vicki L. Smith, Technical Writing Specialist

Minutes Approved: 12/3/08





5 Year CIP

(Requires Bonding)

PROJECT DESCRIPTION	DEPT REQUEST 2008	DEPT REQUEST 2009	DEPT REQUEST 2010	DEPT REQUEST 2011	DEPT REQUEST 2012
Cove Pump Station	2,050,000	-	-	-	-
Citywide Drainage Improvements	750,000	850,000	850,000	850,000	850,000
Drainage Basin III	1,000,000	3,000,000	3,000,000	500,000	1,500,000
Basin V	250,000	3,000,000	3,000,000	3,000,000	3,000,000
Drainage Basin II - Beach Outfalls		500,000	-	5,000,000	5,000,000
Naples Bay Broad Ave Water Quality		300,000	2,200,000	-	-
Street Sweeper	-	-	-	220,000	-
Gulfshore Blvd Sidewalk/Seawall Repair	-	50,000	400,000	-	-
	\$ 4,050,000	\$ 7,700,000	\$ 9,450,000	\$ 9,570,000	\$ 10,350,000

5 Year CIP

(pay as you go)

STORMWATER FUND (Fund 470)									
07V15	Cove Pump Station (Basin III)	1,750,000	0	0	0	0	0	0	0
09V02	Citywide Drainage Imps(All Basins)	450,000	850,000	825,000	745,000	700,000			
06V14	Basin III Stormwater System Imp	400,000	1,500,000	1,450,000	1,300,000	1,200,000			
06V26	Basin V Stormwater System Imps	1,250,000	1,500,000	1,185,000	1,150,000	1,000,000			
09V03	New Upper Gordon River	750,000	750,000	0	0	0			
09V01	Riverside Circle Filter Marsh	200,000	0	0	0	0			
08V03	Beach Outfall Removal (Basin II)	0	325,000	0	0	0			
	Broad Ave Filter Marsh (Basin III)	0	0	0	400,000	0			
	Street Sweeper (All Basins)	0	0	0	225,000	0			
	Outfall Repairs: GSBN (Basin II)	0	0	0	100,000	400,000			
	Vac-Truck (All Basins)	0	0	0	0	350,000			
	Service Truck Replacement	0	0	70,000	0	0			
FUND TOTAL STORMWATER		4,800,000	4,925,000	3,530,000	3,920,000	3,650,000			

3-Year C.I.P. (Pay as you go)

	<u>2008</u>	<u>2009</u>	<u>2010</u>
Cove Pump Station	\$ 1,750,000	\$ 0	\$ 0
Citywide Drainage Improvements	450,000	850,000	825,000
Drainage Basin III	400,000	1,500,000	1,450,000
Basin V	500,000	1,500,000	1,185,000
Drainage Basin II – Beach Outfalls	0	325,000	0
Naples Bay Broad Ave Water Quality	0	0	0
Hole in the Wall	750,000	750,000	0
Truck Replacement	0	0	70,000
Riverside Circle Filter Marsh	<u>200,000</u>	<u>0</u>	<u>0</u>
Total CIP	\$ 4,050,000	\$ 4,925,000	\$ 3,530,000

City Irrigation

- 2006-07 City staff conducted a Citywide irrigation infrastructure inventory
- 204 sites currently irrigated by City
 - Sites include City parks, medians, cul-de-sacs, traffic islands, rights-of-way, and open space

Irrigation System Components

- System Types
 - Drip Systems
 - Rotors
 - Pop-ups
- Controllers
 - Time Clock
 - Maxicom
 - Tbois

Potable vs. Reuse

- 158 sites irrigated with potable water
- 208 meters that provide potable water

- 41 sites irrigated with reuse water
- 56 meters that provide reuse water
- 5 sites mixed use (both potable and reuse irrigation)

- Meter quantities (264) and number of irrigated sites (204) are unequal due to multiple meters at some locations

Irrigation Infrastructure Inventory

- 492,356 linear feet of irrigation lines
- 69,000 linear feet of netafin (drip system)
- 15,800 pop-up heads
- 3,300 rotors
- 1,247 Valves
- 215 Backflow preventers

System Monitoring/ Maintenance

- Staff routinely conducts regular system maintenance
 - System repairs required due to aging infrastructure, vehicle accidents, etc.
- Systems are run for test periods, deficiencies are identified and repairs made
- Types of repair vary including mainline repairs, valve re-building or replacement, rotor head or pop-up head replacement

Reuse Irrigation Conversions

- Within the past year, the following Port Royal sites were converted to non-potable irrigation water:
 - Champney Bay cul-de-sac
 - Green Dolphin Lane traffic island and cul-de-sac
 - Ft. Charles Drive cul-de-sac
 - Spyglass Lane cul-de-sac
 - Galleon Drive cul-de-sac
 - Captains Place median
 - Lantern Lane right-of-way
 - Cutlass Lane cul-de-sac
 - Kingstown Drive (2 medians only)

Reuse Irrigation Conversions

- Within the last 6 months the Parks & Parkways Division converted the following sites from potable water to irrigation water
 - 6th Street South medians (5th Avenue South to 4th Avenue North)
 - Cambier Park

Big Cypress Basin Grant

- Grant approved September 3, 2008
- 50/50 matching grant totaling \$49,985.92
- Grant provides funding to upgrade 20 remote locations to be operated through a centralized computer database including the installation of a centralized weather station (referred to in this presentation as Maxicom)

2008-09 CIP Requests

- Removal of Tbios (battery operated units)
 - Units are unable to accommodate rain sensors
 - Require 9-volt batteries and excessive staff time to program and maintain
 - Unreliable
- Installation of solar irrigation controller
 - Units support installation of rain sensors
 - No cost for batteries
 - Minimal staff time

Current Consumption Rates

- 2007-08 potable water consumption rate for irrigation City-wide was 92 million gallons
- Staff anticipates approximately 25% reduction as part of system upgrades

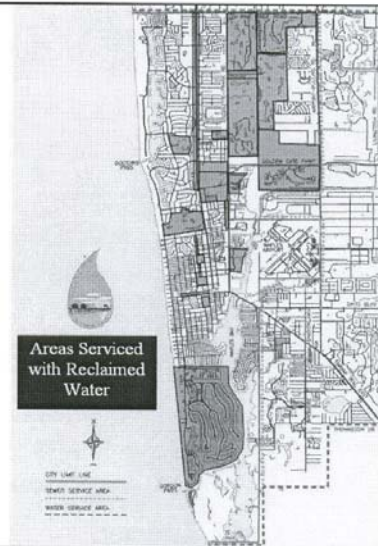
Irrigation Challenges

- Current water restrictions
- Soil composition
- Median locations and design elements
- Extreme environment conditions
 - Ambient and roadway generated heat
 - Inconsistent rain patterns
 - Stress, disease and pest management

Areas Currently Supplied With Reclaimed Water

Potential future locations for irrigation conversions:

- Cost
- Feasibility
- Infrastructure
- Challenges
 - System availability
 - System capacity
 - Cost



US Economic Data				
	<u>12/31/07</u>	<u>3/31/08</u>	<u>6/30/08</u>	<u>9/30/08</u>
Fed Funds Rate	4.25%	2.25%	2.00%	2.00%
Consumer Price Index (yoy)	4.10%	4.00%	5.00%	5.40%
Crude Oil	95.98	101.58	140.00	100.64
USD/EUR	1.459	1.579	1.576	1.405
US GDP	-0.20%	0.90%	2.80%	NA
Unemployment Rate	5.00%	5.10%	5.50%	6.10%

City of Naples
GASB 40 - Deposit and Investment Risk Disclosure
September 30, 2008

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moodys Rating	Paid Value / Shares	Historical Cost	% Portfolio Hed Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dsr (Yrs)
General Cash & Investment												
T-Note												
912828EL0	U.S. Treasury	4.375	11/15/2008		AAA	Aaa	2,000,000.00	1,992,500.00	3.56	2,008,440.00	3.58	0.12
912828FZ8	U.S. Treasury	4.625	11/30/2008		AAA	Aaa	1,000,000.00	999,257.81	1.79	1,006,480.00	1.79	0.17
912828GB0	U.S. Treasury	4.750	12/31/2008		AAA	Aaa	3,120,000.00	3,168,750.00	5.66	3,149,016.00	5.61	0.25
912828FE5	U.S. Treasury	4.875	05/15/2009		AAA	Aaa	1,000,000.00	1,009,648.44	1.80	1,018,980.00	1.82	0.61
912828GV6	U.S. Treasury	4.875	06/30/2009		AAA	Aaa	1,500,000.00	1,559,860.94	2.75	1,533,870.00	2.73	0.73
912828FP0	U.S. Treasury	4.875	08/15/2009		AAA	Aaa	1,000,000.00	1,010,703.13	1.81	1,025,550.00	1.83	0.86
912828CX6	U.S. Treasury	3.375	10/15/2009		AAA	Aaa	2,000,000.00	2,022,812.50	3.61	2,030,940.00	3.62	1.01
912828FX3	U.S. Treasury	4.625	11/15/2009		AAA	Aaa	1,000,000.00	1,000,078.13	1.79	1,030,470.00	1.84	1.08
912828HL7	U.S. Treasury	3.250	12/31/2009		AAA	Aaa	2,000,000.00	2,030,781.25	3.61	2,033,120.00	3.62	1.21
912828GP9	U.S. Treasury	4.750	02/15/2010		AAA	Aaa	1,850,000.00	1,856,359.38	3.32	1,922,457.00	3.43	1.33
912828EM8	U.S. Treasury	4.500	11/15/2010		AAA	Aaa	965,000.00	987,240.23	1.76	1,016,038.85	1.81	2.00
912828ES5	U.S. Treasury	4.250	01/15/2011		AAA	Aaa	1,690,000.00	1,778,857.03	3.18	1,778,201.10	3.17	2.17
ISSUER TOTAL												
							19,125,000.00	19,386,948.84	34.64	19,553,602.95	34.85	0.92
FHLB												
3133XFEQ5	U.S. Instrumentality	5.250	03/13/2009		AAA	Aaa	1,725,000.00	1,734,363.30	3.10	1,741,215.00	3.10	0.45
313385HQ2	U.S. Instrumentality	0.000	07/02/2009		NR		2,500,000.00	2,438,067.01	4.36	2,442,525.00	4.35	0.74
3133XBE20	U.S. Instrumentality	4.375	03/17/2010		AAA	Aaa	3,725,000.00	3,765,516.05	6.73	3,782,774.75	6.74	1.41
3133NR783	U.S. Instrumentality	3.375	09/10/2010		AAA	Aaa	2,000,000.00	2,000,980.00	3.58	2,001,660.00	3.57	1.86
3133XNIZ5	U.S. Instrumentality	3.625	12/17/2010		AAA	Aaa	2,400,000.00	2,440,317.60	4.36	2,411,136.00	4.30	2.09
ISSUER TOTAL												
							12,350,000.00	12,379,245.96	22.12	12,379,310.75	22.06	1.35
FFCB												
31331SFN6	U.S. Instrumentality	4.070	11/25/2009	11/25/2009	AAA	Aaa	1,883,000.00	1,874,590.52	3.35	1,901,453.40	3.39	1.11
31331YU12	U.S. Instrumentality	3.300	07/21/2010		AAA	Aaa	4,000,000.00	3,990,020.00	7.13	3,998,880.00	7.13	1.73
31331YGP9	U.S. Instrumentality	3.750	12/06/2010		AAA	Aaa	2,500,000.00	2,553,573.80	4.21	2,515,985.00	4.13	2.06
31331YNJ5	U.S. Instrumentality	3.500	01/18/2011		AAA	Aaa	2,400,000.00	2,427,312.00	4.34	2,404,128.00	4.28	2.18
ISSUER TOTAL												
							10,583,000.00	10,645,296.32	19.92	10,620,446.40	18.93	1.79
FHLMC												
3137EAAQ2	U.S. Instrumentality	4.750	03/05/2009		AAA	Aaa	1,500,000.00	1,497,973.92	2.68	1,509,180.00	2.69	0.42
3134A3M78	U.S. Instrumentality	6.625	09/15/2009		AAA	Aaa	1,745,000.00	1,821,242.91	3.25	1,801,520.55	3.21	0.93
ISSUER TOTAL												
							3,245,000.00	3,319,216.83	5.93	3,310,700.55	5.90	0.70
First Third Inst Gov												

GASB 40 - Page 1

MBIA Asset Management

Previous Recommendation

- **Maintain Irrigation rates at their current levels.**
 - General: \$0.82/1,000 gal
 - Bulk: \$0.33/1,000 gal
 - Institutional: \$0.39/1,000 gal
- **Increase the water rates for tiers 3 and 4 by 14%**
 - Increases incentive to connect to irrigation system
 - Provides revenues to offset the low irrigation rates

	Existing FY 08/09	Proposed FY 08/09
Block 3 (30,001 - 45,000)	\$2.85	\$3.25
Block 4 (45,000 +)	\$3.42	\$3.90

New Analysis

- **Reevaluate revenue requirements:**
 - Spread the cost of the Phase 1 transmission/distribution system among all customer classes.
 - Reclassify alternative water supply project debt service to water rates.
- **New calculated rates:**
 - General: \$0.93/1,000 gal
 - Bulk: \$0.49/1,000 gal
 - Institutional: \$0.62/1,000 gal

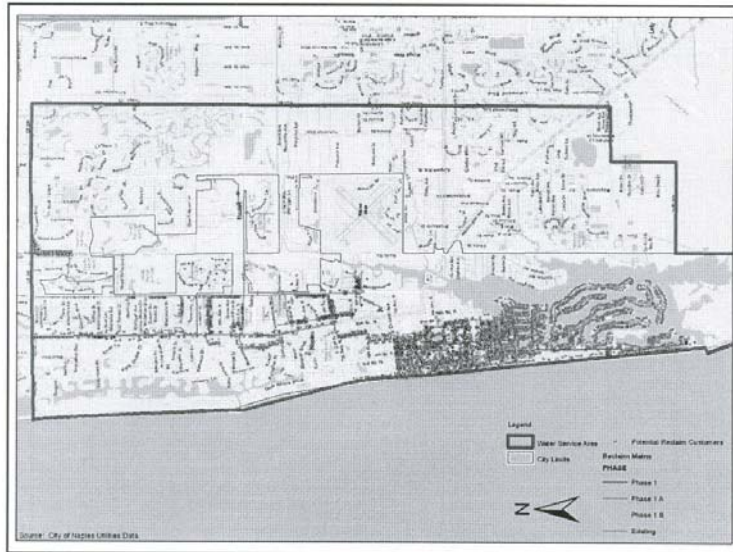
New Recommendations

1. Increase water rates in tiers 3 and 4 for all water customers adjacent to irrigation transmission/distribution lines.
2. Gradually increase the irrigation rates over the next 2.5 years to achieve full cost recovery.

Recommended Water Rates

- Only for customers adjacent to irrigation transmission/distribution lines.
- Provides an incentive to connect to irrigation system.
- Recommend a 15% irrigation availability surcharge on tiers 3 and 4.
- Recommended rates:

	Existing FY 08/09	Proposed FY 08/09
Block 3 (30,001 - 45,000)	\$2.85	\$3.28
Block 4 (45,000 +)	\$3.42	\$3.93



Recommended Irrigation Rates

- Seek to achieve full cost recovery of irrigation costs in 2.5 years.
- Phased rates will always be below the first tier of water rates.
- **Recommended Rates**
 - Includes inflationary adjustments in 2010 & 2011

	Existing	Mar. 2009	Oct. 2010	Oct. 2011
General	\$0.82	\$0.86	\$0.91	\$0.96
Bulk	\$0.33	\$0.38	\$0.45	\$0.50
Institutional	\$0.39	\$0.47	\$0.55	\$0.64

City of Naples

**NAPLES CITY COUNCIL AGENDA MEMORANDUM****Workshop Meeting Date: November 3, 2008**

Agenda Item:	Prepared By: David M. Lykins, Community Services Director	
10	Date: October 21, 2008	Department: Community Services
SUBJECT: City's Urban Tree Program – PowerPoint Presentation		
<p>BACKGROUND:</p> <p>The City's urban tree program consists of 21,452 inventoried plantings physically maintained by the City. This includes 67 species of hardwoods totaling 6,745 and 30 species of palms totaling 14,707. The diversity and volume of the urban tree program contributes to the distinctive character, culture and prized appearance of citywide streets and parks. Since 1998, a total of 6,513 trees have been installed as a part of an annual planting and replacement program including 728 replacement trees in 2007 specifically as a result of Hurricane Wilma.</p> <p>The urban tree program has been widely supported by City residents and scientific evidence shows there are numerous environmental benefits from trees including temperature modification and cooling, reduction of air pollutants, energy conservation and contributions towards sustaining and improving property values. During the past 11 years, the City has been annually recognized as a Tree City USA recipient and on June 15, 2004 was designated and awarded the 2003 Florida Tree City of the Year.</p> <p>A Citywide tree inventory was conducted earlier this year in order to fully identify all planted sites, vacant sites, total species count and provide the ability to manage and balance maintenance needs and future plantings with actual budget allocations and future funding requests. Identification of tree species is essential in order to formally designate and accept a selected species for each street for new or replacement plantings and to insure compliance and consistency with canopy selection, maintenance and protection.</p> <p>The Community Services Advisory Board, which also serves as the City's Tree Board, reviewed this presentation on October 14, 2008 and supported staff recommended changes to program management strategies to be forwarded to City Council for consideration. The Workshop presentation for City Council will essentially focus on the current inventory program, levels of maintenance, street tree species designation, privately planted ROW tree issues and a recommended process for future ROW planting selections to match the designated and accepted species for an individual street.</p>		
Reviewed by Department Director Dave Lykins	Reviewed by Finance N/A	Reviewed by City Manager A. William Moss
Council Action:		



NAPLES CITY COUNCIL AGENDA MEMORANDUM

Workshop Meeting Date: November 3, 2008

Agenda Item:	11	Prepared By: David M. Lykins, Community Services Director
		Date: October 22, 2008 Department: Community Services
SUBJECT:		
Review and Discussion of Alcohol in City Parks and Public Properties		
BACKGROUND:		
<p>Facility requests often include consideration for bringing alcohol to City parks, community centers and various public properties as a part of a facility rental or event. Reasons vary but include such purposes as private group meetings, parties or socials, receptions or special events, open houses or ribbon cuttings, etc. The purpose is typically not intended or requested for the sale of alcoholic beverages to attendees or the public unless some type of fundraising is involved, but is intended to permit serving and consumption for specific uses and isolated purposes.</p> <p>Examples of requests easily identified for integration of alcoholic beverages include but are not limited to: a) receptions during theatre, concert events and tennis tournaments; b) special functions at the Hedges Eco Center at the Naples Preserve; c) private group rentals at parks and community centers; d) art shows; e) open houses or special recognition type functions at City facilities.</p> <p>City Code is currently stated as follows:</p> <p>Sec. 28-34. Rules and regulations.</p> <p><i>No person shall, within any public park situated within the boundaries of the city:</i></p> <p><i>(11) Possess, consume or serve any alcoholic or intoxicating beverages in any park or facility therein, unless there has been specific prior authorization by the city council prior to December 2, 1998, pursuant to a written agreement or resolution.</i></p> <p>The Community Services Advisory Board (CSAB) supports the amendment of City Code to permit alcoholic beverage use for the examples previously cited. A concern noted by the CSAB was specific to how such use may be monitored or enforced and the following suggestions were supported for City Council consideration.</p> <p>Authorization for alcohol use may be granted by the City Manager on a case-by-case request and <i>Rules and Regulations</i> for users serving Alcoholic beverages may be controlled through examples as cited contingent upon further consideration.</p> <ol style="list-style-type: none"> 1. It is the responsibility of the user that no alcoholic beverage shall be allowed outside permitted location. 2. The user is responsible to ascertain that no alcoholic beverage shall be served to any person under the age of 21. 3. The user shall be responsible for the behavior of any parties with the user's group. 4. The user shall be responsible to assure that no alcoholic beverages are served during the last thirty minutes of user's scheduled event. 		

City of Naples



NAPLES CITY COUNCIL AGENDA MEMORANDUM

Workshop Meeting Date: **November 3, 2008**

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BACKGROUND (cont.):

5. The user will be responsible for supplying a Certificate of Insurance at least four weeks prior to the scheduled event and in compliance with City of Naples insurance provisions as determined by the City's Risk Manager.

6. The user will be responsible to comply with Chapter 562, Florida Statutes (Beverage Law Enforcement) and City Code or Ordinances Chapter 6 (Alcoholic Beverages).

7. The user must abide by all other operational policies and procedures determined by the City and violation of any of these can result in termination of event or future request.

8. The user must pay the cost of appropriate security personnel as appropriate to be determined and provided by the City of Naples Police and Fire Department.

The individual, group, or organization named on the Use Agreement and/or Special Event Permit will be solely responsible for the clean up and costs of trash removal.

Availability of alcohol in public facilities is not a unique consideration and standards vary among communities. The CSAB reviewed this topic during their October 14, 2008 meeting and unanimously supported the concept for permitting alcohol use as described.

Following City Council discussion, further review with the City Attorney will be required related to appropriate code changes recommended through the City Manager.

Reviewed by Department Director
Dave Lykins

Reviewed by Finance
N/A

Reviewed by City Manager
A. William Moss

City Council Action:



Memo

Human Resources

Benefits • Labor Relations • Recruitment • Risk Management • Training

TO: A. William Moss, City Manager
THROUGH: Denise K. Perez, Human Resources Director
FROM: Lori P. Parsons, Risk Manager
DATE: October 20, 2008
SUBJECT: Health Plan Enhancements and Lifestyle Incentives

On May 19, 2008, City Council was presented with an overview of the health insurance plan design changes which were ultimately implemented effective October 1, 2008. The plan design changes in conjunction with the implementation of an optional Consumer Driven Health Plan/Health Reimbursement Account were necessary to maintain the fiscal health of the plan and to motivate employees to be better consumers of their own health care. Both plans were developed with emphasis on preventative care, wellness and lifestyle choices.

For the plan year October 1, 2008 through September 30, 2009, employees were given the option to choose between two health insurance plans: A traditional point of service plan, offering lower deductibles and out of pocket maximums, co-pays for office visits and prescriptions, and co-insurance of 85%/15% with a higher premium cost, or, a consumer driven health plan. The consumer driven health plan offers a health reimbursement account partially funded by the City, higher deductibles and out of pocket maximums and co-insurance of 80%/20% in exchange for a 41% lower premium cost.

The final number of employees electing participation in the consumer driven/HRA plan was 82 (or 18%) and 378 (82%) elected the point of service plan. While falling slightly short of our 20% goal for participation in the consumer driven/HRA plan, it was our first year of implementation and people naturally resist change. In addition, the majority of new hires since October 1, 2008 have selected participation in the HRA plan (vs. the POS). So, I am confident that we will exceed our 20% goal for participation during Fiscal Year 2008-09 and realize plan savings that were initially projected.

Key goals for the coming year for the health plan include:

- ❖ Enhanced preventative care benefits (such as adding an annual skin examination with a dermatologist)
- ❖ Survey employees to determine what benefits are important to them, how much they are willing to pay in premiums, what type of incentive programs they would participate in, what kind of incentives would motivate them (monetary, paid leave, gas cards, etc.)
- ❖ Hosting a Benefits Fair in the fall (August/September 2009); providing employees direct access to a variety of health and medical services and free screenings.
- ❖ Implement a variety of qualifiers for reduce premiums (or increased contributions to HRA accounts).

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Other, more aggressive lifestyle incentives may include:

- Mandatory completion of a health risk assessment by every employee at Open Enrollment.
- Reduced monthly premium (and/or \$50 added to their HRA) for individuals who complete a health risk assessment.
- Additional reduction in monthly premium (and/or another \$50 added to their HRA) for successful completion of the recommendations from the health risk assessment.
- Consider offering employees and dependents no cost smoking cessation programs and/or counseling/therapy to overcome nicotine addiction. In addition, consider paying 100% of the cost for smoking cessation prescription medication.
- Implement a policy wherein smokers are no longer eligible for employment. *There would be an additional cost of \$25 per person for nicotine screening. That is in addition to the cost of a pre-employment physical and/or drug screen.*
- Offer employees a 25% reduction on their monthly premium if they reduce their body mass index (BMI) 10% or more (medical certification would be required).

Other cost saving strategies that could be evaluated include:

- Offering only the CDHP/HRA
- Limiting prescription coverage to generic only
- Mandating use of the mail order prescription service
- Increase cost sharing on the monthly premiums by decreasing the City's percentage toward premiums and increasing the employee's percentage.

With Council direction, I will work with our benefits consultant, Aon Consulting, and members of the Health Insurance Committee over the coming months to develop strategies which motivate our employees toward a healthier lifestyle and reduce plan costs.

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City of Naples

**NAPLES CITY COUNCIL AGENDA MEMORANDUM****Workshop Meeting Date: November 3, 2008**

Agenda Item:	14	Prepared By: A. William Moss, City Manager
		Date: October 24, 2008 Department: City Manager
SUBJECT: Ad Hoc Blue Ribbon Financial Planning Committee		
BACKGROUND: <p>On October 1, 2008, Vice Mayor Taylor proposed the establishment of an ad hoc Blue Ribbon Financial Planning Committee. City Council asked Vice Mayor Taylor to further define the mission of the proposed committee. At the Workshop of October 13, 2008, City Council reviewed the proposed mission statement and proposed tasks for the committee, and qualifications for appointment. City Council agreed to further consider the appointment of an ad hoc committee while recognizing that committee members should also be able to serve on other City boards or committees. Council Member Sorey offered, and Council agreed, to prepare approximately twelve subjects for fiscal policy recommendations. The recommended subjects are as follows:</p> <ol style="list-style-type: none"> 1. Forecast property valuation, ad valorem tax, and recommended level of ad valorem taxation. 2. Pension and Employee Benefits. 3. Review Debt Financing Policies. 4. Project state and local economy. 5. Content of monthly financial reports. 6. Administrative overhead allocation methodology. 7. Review budget and financial policies (Res. 08-12140). 8. Consider a local government infrastructure surtax (County referendum for a one-cent sales tax). 9. Consider the establishment of neighborhood dependent taxing districts. 10. Review Five-Year Capital Improvement Program priorities. 11. Consider expanded use of user fees. 12. Analyze economics of annexation. <p>A memorandum to the Mayor and City Council from Council Member Sorey is attached.</p> <p>This subject matter is presented for discussion and further direction. A resolution establishing the committee is on the agenda of November 5, 2008. Any changes to the above subjects should be reflected on the resolution considered by City Council.</p>		
Reviewed by Department Director	Reviewed by Finance	Reviewed by City Manager
N/A	N/A	A. William Moss
City Council Action:		



Memo

City of Naples, Florida

TO: CITY MANAGER A. WILLIAM MOSS
CC: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
FROM: VICE MAYOR PENNY TAYLOR *PT(m)*
DATE: OCTOBER 22, 2008
RE: CHRISTMAS PARADE

Probably about 2001-2002 the Christmas Parade became the topic of a City Council discussion. At that time Councilman Fred Tarrant brought the idea forward to have a theme for the parade and that theme was an old-fashioned Christmas.

Fred Tarrant was made Grand Marshall and he dressed up as Father Christmas, secured a vintage convertible car, and with his wife, rode in the parade.

As we look forward to the 2008 Christmas Parade, we have the opportunity in these dire economic times to instill a sense of community and good will with our parade. I would hope that staff will take the challenge, (AND I DO NOT WANT TO BE MOTHER CHRISTMAS). Maybe we'll have some volunteers for Father and/or Mother Christmas.

Your suggestion of a competition for the best decorated entry and a viewing stand is wonderful, City Manager Moss. And clearly, with staff's guidance, the Council should decide how long the parade should be (in terms of time) and then staff can determine the number of floats in that time period. In conversation with a local merchant this morning, the extra entry fee cost is not a concern. Their excitement was in the decorating of a vintage yellow VW to resemble a sleigh and to figure out how to add the reindeer.

One added thought. Perhaps the viewing stand could be composed of several folks (Council could determine the number of judges) that have lived here prior to 1960 (before Hurricane Donna), and who have made significant contributions to our community at large (County and City). The 1960 date is the criteria established by the "Old-Timers" organization.

Would it be possible to add this as an item at our next workshop?

Thank you .



Memo

Community Services Department

Parks and Parkways • Recreation • Facilities Maintenance

TO: A. William Moss, City Manager
FROM: David M. Lykins, Community Services Director
DATE: October 27, 2008
SUBJECT: Christmas Parade Entries

Please find below some suggested Christmas Parade entry criteria for consideration intended to reduce volume of entries and parade duration.

Entry Criteria

1. All entries must be decorated to parade theme.
Certain civic groups such as the Shriners may be exempted from this restriction.
2. A maximum of 60 individual entries will be accepted on first-come first-served basis.
Previous parades averaged 105-110 individual entries. Based on 60 individual entries duration is estimated between 60-75 minutes contingent upon actual pace/movement.
3. Only 1 individual entry form may be submitted by any one organization.
4. No individual entry/organization will be permitted more than 2 vehicles.
Certain civic groups such as the Shriners may be exempted from this restriction.
5. No individual vehicle (with/without trailer) may exceed 40 feet in length or 15 feet in height.
6. All entries must be civic, community, non-profit, service or military organizations.
7. No commercial entries will be permitted unless affiliated with groups identified in #6.
8. Construction vehicles & equipment, moving vans, sanitation vehicles, semi-trucks are prohibited.
9. Walking groups should wear costumes that reflect parade theme.
10. Music is encouraged and should reflect parade theme.
11. High school bands may have only 1 vehicle following marching unit.
12. Political entries not accepted for Christmas Parade.

Judging Criteria

Best Float – Anything which completely disguises the vehicle or is pulled behind a vehicle.

Best Vehicle – Any decorated vehicle (automobiles are not accepted as a float entry).

Best Group – Group or organization without a vehicle or float.

Grand Marshal's Choice – Selected by Grand Marshal from all parade entries.

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NAPLES CITY COUNCIL AGENDA MEMORANDUM

Workshop Meeting Date: November 3, 2008

Agenda Item:	Prepared By: Robert D. Pritt, City Attorney	
16	Date: October 29, 2008	Department: Legal
SUBJECT:		
Definition of Transient Occupancy from the State of Florida Division of Hotels and Restaurants		
BACKGROUND:		
<p>At the Council meeting of September 29, 2008, City Council requested that the City Attorney seek interpretations of the term "transient occupancy" from the State of Florida Division of Hotels and Restaurants.</p> <p>I spoke with Charles Tunnichiff, Attorney for the Division, who indicated that the Division did not have any formal decisions but who did indicate that the state statute has undergone amendment in 2008. I went to the Bill information and analysis (copy of relevant excerpts attached) for explanation. The bill and the analysis deal primarily with other issues, but there is an analysis of transient and non-transient public lodging establishments.</p> <p>The new state definition adds "within a single complex of buildings" to the definition of "transient occupancy" and creates a definition for "non-transient establishment". A copy of the full section is attached.</p> <p>It should be noted that 1 to 4 unit establishments are not included for UNLESS they hold themselves out as regularly rented to "transients".</p> <p>The definition of "transients" still contains the circular language:</p> <p>"Transient" means a guest in transient occupancy."</p> <p>"Transient occupancy" means occupancy when it is the intention of the parties that the occupancy will be temporary. There is a rebuttable presumption that, when the dwelling unit is not the sole residence of the guest, the occupancy is transient."</p> <p>For the 1-4 dwelling units, the keys will be in the long definition of "transient public lodging establishment":</p> <ol style="list-style-type: none"> the number of times per year, the number of days per month, and most importantly, regardless of the test in a., which is advertised or held out to the public as a place regularly rented to guests. 		
RECOMMENDATION:		
<p>For better or worse, stick with the statutory definitions (new) for purposes of determining whether there is the use for a "transient lodging facility" or a "transient public lodging establishment". A draft with the added language is attached.</p>		
Reviewed by Department Director	Reviewed by Finance	Reviewed by City Manager
Robert D. Pritt	N/A	A. William Moss
City Council Action:		

BILL: CS/CS/CS/SB 2016

Public Lodging Establishments

Section 509.013(4), F.S., defines a public lodging establishment as any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings, which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests. License classifications of public lodging establishments, and the definitions therefore, are set out in s. 509.242, F.S. For the purpose of licensure, the term does not include condominium common elements as defined in s. 718.103, F.S. Exceptions are provided for the following.

- Any dormitory or other living or sleeping facility maintained by a public or private school, college, or university for the use of students, faculty, or visitors.
- Any hospital, nursing home, sanitarium, assisted living facility, or other similar place.
- Any place renting four rental units or less, unless the rental units are advertised or held out to the public to be places that are regularly rented to transients.
- Any unit or group of units in a condominium, cooperative, or timeshare plan and any individually or collectively owned one-family, two-family, three-family, or four-family dwelling house or dwelling unit that is rented for periods of at least 30 days or 1 calendar month, whichever is less, and that is not advertised or held out to the public as a place regularly rented for periods of less than 1 calendar month, provided that no more than four rental units within a single complex of buildings are available for rent.
- Any migrant labor camp or residential migrant housing permitted by the Department of Health, under ss. 381.008-381.00895.
- Any establishment inspected by the Department of Health and regulated by chapter 513.²

Section 509.013(11), F.S., defines the term “transient establishment” to mean “any public lodging establishment that is rented or leased to guests by an operator whose intention is that such guests’ occupancy will be temporary.

Section 509.013(12), F.S., defines the term “transient occupancy” to mean:

Occupancy when it is the intention of the parties that the occupancy will be temporary. There is a rebuttable presumption that, when the dwelling unit occupied is the sole residence of the guest, the occupancy is nontransient. There is a rebuttable presumption that, when the dwelling

² Chapter 513, F.S., relates to the regulation of mobile home and recreational vehicle parks.

BILL: CS/CS/CS/SB 2016

unit occupied is not the sole residence of the guest, the occupancy is transient.

Section 509.013(13), F.S., defines the term “transient” to mean “a guest in transient occupancy.”

Section 509.242, F.S., requires that public lodging establishments must be classified as a hotel, motel, resort condominium, nontransient apartment, transient apartment, roominghouse, resort dwelling, or bed and breakfast inn, if the establishment satisfies the provided criteria.

Section 509.242(1)(d), F.S., provides that “a nontransient apartment is any apartment building in which 75 percent or more of the units are available for rent to nontransient tenants.”

Section 509.242(1)(e), F.S., provides that “a transient apartment is any apartment building in which units are advertised or held out to the public as available for transient occupancy.”

Preemption

Section 509.032(7), F.S., provides that the following activities are preempted to the state.

- The regulation of public food service establishments and public lodging establishments.
- The inspection of public lodging establishments and public food service establishments for compliance with the sanitation standards adopted under s. 509.302, F.S.
- The regulation of food safety protection standards for required training and testing of food service establishment personnel are preempted to the state.

Section 509.032(7), F.S., also provides that the authority of local governments or local enforcement districts to conduct inspections of public lodging and public food service establishments for compliance with the Florida Building Code and the Florida Fire Prevention Code, pursuant to ss. 553.80 and 633.022, F.S., is not preempted.

509.013 Definitions.—As used in this chapter, the term:

(1) "Division" means the Division of Hotels and Restaurants of the Department of Business and Professional Regulation.

(2) "Operator" means the owner, licensee, proprietor, lessee, manager, assistant manager, or appointed agent of a public lodging establishment or public food service establishment.

(3) "Guest" means any patron, customer, tenant, lodger, boarder, or occupant of a public lodging establishment or public food service establishment.

(4)(a) "Public lodging establishment" includes a transient public lodging establishment as defined in subparagraph 1. and a nontransient public lodging establishment as defined in subparagraph 2.

1. "Transient public lodging establishment" means any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests.

2. "Nontransient public lodging establishment" means any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings which is rented to guests for periods of at least 30 days or 1 calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests for periods of at least 30 days or 1 calendar month.

License classifications of public lodging establishments, and the definitions thereof, are set out in s. 509.242. For the purpose of licensure, the term does not include condominium common elements as defined in s. 718.103.

(b) The following are excluded from the definitions in paragraph (a):

1. Any dormitory or other living or sleeping facility maintained by a public or private school, college, or university for the use of students, faculty, or visitors;

2. Any hospital, nursing home, sanitarium, assisted living facility, or other similar place;

3. Any place renting four rental units or less, unless the rental units are advertised or held out to the public to be places that are regularly rented to transients;

4. Any unit or group of units in a condominium, cooperative, or timeshare plan and any individually or collectively owned one-family, two-family, three-family, or four-family dwelling house or dwelling unit that is rented for periods of at least 30 days or 1 calendar month, whichever is less, and that is not advertised or held out to the public as a place regularly rented for periods of less than 1 calendar month, provided that no more than four rental units within a single complex of buildings are available for rent;

5. Any migrant labor camp or residential migrant housing permitted by the Department of Health; under ss. 381.008-381.00895; and

6. Any establishment inspected by the Department of Health and regulated by chapter 513.

(5)(a) "Public food service establishment" means any building, vehicle, place, or structure, or any room or division in a building, vehicle, place, or structure where food is prepared, served, or sold for immediate consumption on or in the vicinity of the premises; called for or taken out by customers; or prepared prior to being delivered to another location for consumption.

(b) The following are excluded from the definition in paragraph (a):

1. Any place maintained and operated by a public or private school, college, or university:
 - a. For the use of students and faculty; or
 - b. Temporarily to serve such events as fairs, carnivals, and athletic contests.
2. Any eating place maintained and operated by a church or a religious, nonprofit fraternal, or nonprofit civic organization:
 - a. For the use of members and associates; or
 - b. Temporarily to serve such events as fairs, carnivals, or athletic contests.
3. Any eating place located on an airplane, train, bus, or watercraft which is a common carrier.
4. Any eating place maintained by a hospital, nursing home, sanitarium, assisted living facility, adult day care center, or other similar place that is regulated under s. 381.0072.
5. Any place of business issued a permit or inspected by the Department of Agriculture and Consumer Services under s. 500.12.
6. Any place of business where the food available for consumption is limited to ice, beverages with or without garnishment, popcorn, or prepackaged items sold without additions or preparation.
7. Any theater, if the primary use is as a theater and if patron service is limited to food items customarily served to the admittees of theaters.
8. Any vending machine that dispenses any food or beverages other than potentially hazardous foods, as defined by division rule.
9. Any vending machine that dispenses potentially hazardous food and which is located in a facility regulated under s. 381.0072.
10. Any research and development test kitchen limited to the use of employees and which is not open to the general public.
- (6) "Director" means the Director of the Division of Hotels and Restaurants of the Department of Business and Professional Regulation.
- (7) "Single complex of buildings" means all buildings or structures that are owned, managed, controlled, or operated under one business name and are situated on the same tract or plot of land that is not separated by a public street or highway.
- (8) "Temporary food service event" means any event of 30 days or less in duration where food is prepared, served, or sold to the general public.
- (9) "Theme park or entertainment complex" means a complex comprised of at least 25 contiguous acres owned and controlled by the same business entity and which contains permanent exhibitions and a variety of recreational activities and has a minimum of 1 million visitors annually.
- (10) "Third-party provider" means, for purposes of s. 509.049, any provider of an approved food safety training program that provides training or such a training program to a public food service establishment that is not under common ownership or control with the provider.
- (11) "Transient establishment" means any public lodging establishment that is rented or leased to guests by an operator whose intention is that such guests' occupancy will be temporary.
- (12) "Transient occupancy" means occupancy when it is the intention of the parties that the occupancy will be temporary. There is a rebuttable presumption that, when the dwelling unit occupied is not the sole residence of the guest, the occupancy is transient.

(13) "Transient" means a guest in transient occupancy.

(14) "Nontransient establishment" means any public lodging establishment that is rented or leased to guests by an operator whose intention is that the dwelling unit occupied will be the sole residence of the guest.

(15) "Nontransient occupancy" means occupancy when it is the intention of the parties that the occupancy will not be temporary. There is a rebuttable presumption that, when the dwelling unit occupied is the sole residence of the guest, the occupancy is nontransient.

(16) "Nontransient" means a guest in nontransient occupancy.

History.—s. 1, ch. 73-325; s. 3, ch. 76-168; s. 1, ch. 77-457; ss. 1, 39, 42, ch. 79-240; ss. 3, 4, ch. 81-161; ss. 2, 3, ch. 81-318; s. 2, ch. 83-241; s. 3, ch. 87-117; s. 31, ch. 88-90; s. 2, ch. 88-275; ss. 2, 51, 52, ch. 90-339; s. 1, ch. 91-40; s. 4, ch. 91-429; s. 21, ch. 92-180; s. 1, ch. 93-53; s. 14, ch. 93-133; s. 36, ch. 94-180; s. 202, ch. 94-218; s. 42, ch. 95-210; s. 3, ch. 95-314; s. 2, ch. 96-384; s. 245, ch. 99-8; s. 7, ch. 2004-292; s. 1, ch. 2008-55.

Agenda Item _____
Meeting of / /08

ORDINANCE 08-

AN ORDINANCE RELATING TO INTERPRETATION OF THE CITY'S LAND DEVELOPMENT CODE AND TO THE DEFINITION OF "TRANSIENT LODGING FACILITY"; AMENDING SECTION 44-4 INTERPRETATION, SECTION 44-8 AND SECTION 58-1132, DEFINITIONS OF "TRANSIENT LODGING FACILITY AND TRANSIENT LODGING", OF THE CODE OF ORDINANCES, CITY OF NAPLES; PROVIDING A SEVERABILITY CLAUSE, A REPEALER PROVISION AND AN EFFECTIVE DATE.

WHEREAS, it is beneficial to clarify that uses not permitted by this Code are prohibited; and

WHEREAS, the City of Naples has for a long time regulated the location of transient lodging facilities and has prohibited such facilities in many zoning districts; and

WHEREAS, a question has recently arisen as to whether one, two, three and four unit dwellings are included within the definition of "transient lodging facility"; and

WHEREAS, it is the intention of the City that transient lodging facilities continue to be prohibited in most zoning districts; and

WHEREAS, the City desires to clarify that the definition of "transient lodging facility" includes one, two, three and four unit dwellings and certain multifamily dwellings; and

WHEREAS, the City, by adopting this ordinance is not adopting a regulation of public lodging establishments to the exclusion of the state, but only confirming the locations where transient lodging facilities may not operate; and

WHEREAS, it is beneficial to make the definition more closely coordinate with Section 509.013, Florida Statutes (2007); and

WHEEREAS, it is critical to preserve the residential character of the City's existing residential neighborhoods through an appropriate allocation of non-transient occupancy and restriction of transient occupancy in residential neighborhoods;

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NAPLES, FLORIDA:

Section 1. That Section 44-4. Interpretation. of the Code of Ordinances, City of Naples, Florida, is hereby amended as follows with underlining indicating additions and ~~strikeout~~ indicating deletions:

Section 44-4. Interpretation.

(a) In the interpretation and application of this land development code, all provisions shall be liberally construed in favor of the governing body, and deemed neither to limit nor repeal any other powers granted under state statutes.

(b) No use, structure, condition or development shall exist upon any property unless permitted in its district and location pursuant to this code or by applicable general law.

Section 2. That Section 44-8. Definition of Transient lodging facility, of the Code of Ordinances, City of Naples, Florida, is hereby amended as follows with underlining indicating additions and ~~strikeout~~ indicating deletions:

Section 44-8. Definitions.

Transient lodging facility means a hotel, motel, motor lodge, tourist court, or similar building or group of buildings in which sleeping accommodations in which sleeping accommodations and sanitary facilities are offered to the public and intended for rental to transients with daily, weekly or seasonal charge. A

transient lodging facility includes a unit, group of units, dwelling, building, or group of buildings, within a single complex of buildings rented to guests more than 3 times in a calendar year for periods of less than 30 days or one calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests. It does not include condominium common elements. A transient lodging facility is distinguished from multifamily dwellings (such as apartments) where rentals are for periods of a month or longer and occupancy is by residents rather than transients.

Section 3. That Section 58-1132, Definitions, of the Code of Ordinances, City of Naples, Florida, is hereby amended as follows with underlining indicating additions and ~~strikeout~~ indicating deletions:

Sec. 58-1132. Definitions.

Transient lodging facility means a hotel in which sleeping accommodations and sanitary facilities are offered to the public and intended for rental to transients for periods of time less than a month. A transient lodging facility shall require a conditional use approval per section 46-34 shall have the same meaning as in Section 44-8.

Section 4. If any word, phrase, clause, subsection or section of this ordinance is for any reason held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this ordinance.

Section 5. That all sections or parts of sections of the Code of Ordinances, City of Naples, all ordinances or parts of ordinances, and all resolutions or parts of resolutions in conflict herewith, be and the same are hereby repealed to the extent of such conflict.

transient lodging facility includes a unit, group of units, dwelling, building, or group of buildings, within a single complex of buildings rented to guests more than 3 times in a calendar year for periods of less than 30 days or one calendar month, whichever is less, or which is advertised or held out to the public as a place regularly rented to guests. It does not include condominium common elements. A transient lodging facility is distinguished from multifamily dwellings (such as apartments) where rentals are for periods of a month or longer and occupancy is by residents rather than transients.

Section 3. That Section 58-1132, Definitions, of the Code of Ordinances, City of Naples, Florida, is hereby amended as follows with underlining indicating additions and ~~strikeout~~ indicating deletions:

Sec. 58-1132. Definitions.

Transient lodging facility means ~~a hotel in which sleeping accommodations and sanitary facilities are offered to the public and intended for rental to transients for periods of time less than a month. A transient lodging facility shall require a conditional use approval per section 46-34 shall have the same meaning as in Section 44-8.~~

Section 4. If any word, phrase, clause, subsection or section of this ordinance is for any reason held unconstitutional or invalid, the invalidity thereof shall not affect the validity of any remaining portions of this ordinance.

Section 5. That all sections or parts of sections of the Code of Ordinances, City of Naples, all ordinances or parts of ordinances, and all resolutions or parts of resolutions in conflict herewith, be and the same are hereby repealed to the extent of such conflict.

Section 6. This ordinance shall take effect immediately upon adoption at second reading.

APPROVED AT FIRST READING THIS ____ DAY OF _____, 2008.

PASSED AND ADOPTED AT SECOND READING AND PUBLIC HEARING IN OPEN AND REGULAR SESSION OF THE CITY COUNCIL OF THE CITY OF NAPLES, FLORIDA THIS ____ DAY OF _____, 2008.

Bill Barnett, Mayor

Attest:

Approved as to form
and legality:

Tara A. Norman
City Clerk

Robert D. Pritt
Robert D. Pritt
City Attorney

Date filed with City Clerk: _____

Rev. 9/10/08 plr



Memo

Office of the City Manager

TO: Honorable Mayor and City Council
FROM: A. William Moss, City Manager
DATE: October 29, 2008
SUBJECT: City Manager's Report – Item 17

Federal Legislative Priorities

Attached is a copy of a letter from County Manager James Mudd requesting information on federal legislative priorities for the fiscal year 2010.

Utility Rate Surcharge

Attached is a memo from Assistant City Manager Roger Reinke regarding a utility rate surcharge that municipalities operating a water or sewer utility are allowed to charge.

Interlocal Agreement for Fund Sharing of the Pulling Property Project

Attached is a copy of a letter from County Manager James Mudd requesting confirmation of the City's intention on using the \$700,000 for the development of the Pulling property project.

Collier County State Legislative Delegation Meeting and Public Hearings

The attached notice from Representative Matt Hudson provides details on the upcoming Collier County State Legislative Delegation Public Hearing.

Ethics above all else... Service to others before self... Quality in all that we do.