

MINUTES OF THE COLLIER COUNTY  
DEVELOPMENT SERVICES ADVISORY COMMITTEE MEETING  
Naples, Florida  
April 3, 2024

LET IT BE REMEMBERED, the Collier County Development Services Advisory Committee, in and for the County of Collier, having conducted business herein, met on this date at 3 P.M. in REGULAR SESSION at the Collier County Growth Management Community Department Building, Conference Room #609/610, 2800 Horseshoe Drive North, Naples, Florida, with the following members present:

Chairman: William J. Varian  
Vice Chairman: Blair Foley  
James E. Boughton  
Clay Brooker (excused)  
Jeff Curl  
David Dunnavant  
John English  
Marco Espinar (excused)  
Norman Gentry  
Mark McLean  
Chris Mitchell  
Robert Mulhere  
Laura Spurgeon-DeJohn  
Jeremy Sterk (excused)  
Mario Valle  
Hannah Roberts—AHAC non-voting (excused)

ALSO PRESENT:

Amy Patterson, Collier County Manager  
Trinity Scott, Department Head, Transportation Management Services  
Jaime Cook, Director, Development Review  
Thomas Iandimarino, Director, Code Enforcement  
Christopher Mason, Director, Community Planning & Resiliency  
Drew Cody, Supervisor-Project Management, Public Utilities  
Cormac Giblin, Director, Housing Policy & Economic Development  
Lorraine Lantz, Manager, Transportation Management Services  
Linda Naples, North Collier Fire Review  
Bryan Horbal, Captain-Life Safety & Fire Prevention, North Collier Fire  
Michael Stark, Director, Operations & Regulatory Management  
Jason Badge, Supervisor-Project Management, Ops & Regulatory Management  
Richard Long, Director, Building Plan Review & Inspection, GMCD  
Joseph Bellone, Director, Utilities Finance, Public Utilities  
Diane Lynch, Management Analyst II/Staff Liaison GMCD  
Rey Torres Fuentes, Ops Support Specialist I, GMCD

*Any persons needing the verbatim record of the meeting may request a copy of the audio recording from the Collier County Growth Management Community Department.*

**1. Call to Order – Chairman**

**Chairman Varian** called the meeting to order at 3 p.m.

A quorum of 10 was present in the boardroom; two members joined later.

**2. Approval of Agenda**

*Mr. Curl moved to approve the agenda. Mr. Mulhere seconded it. The motion passed unanimously, 10-0.*

**3. Approval of Minutes**

**Chairman Varian** said there was a small change on the attendance page, so we need to note that there was a change.

**Mr. Curl** said that at the bottom of page 10, it also should say Mr. Curl said: the roadway he's on is a 20-foot road that functions as our multi-use path.

**a. DSAC Meeting – February 7, 2024**

*Mr. Curl made a motion to approve the March 6, 2024, DSAC meeting minutes, as amended. Mr. Mitchell seconded it. The motion passed unanimously, 10-0.*

**b. DSAC-LDR Subcommittee Meeting – March 13, 2024**

*Mr. Foley, chair of the subcommittee, made a motion to approve the March 13, 2024, DSAC Utilities Subcommittee meeting minutes. Mr. Mitchell seconded it. The motion passed unanimously, 2-0.*

**4. Public Speakers**

(None)

**5. Staff Announcements/Updates**

**a. Development Review Division – [Jaime Cook, Director]**

*Ms. Cook provided a legislative update:*

- Staff is working on changes due to Senate Bill 812, which was passed on March 6. It specifically is in reference to expedited review of building permits and will affect some planners and engineers.
- There's language to allow applicants to identify up to 50% of the homes or building permits that can be issued before a plat is recorded. That goes into effect October 1.
- By the end of 2027, it would be 75% of the building permits that can be issued prior to plat reporting.
- There are provisions that say if an applicant will be requesting permits, they need to request them at the time of submittal, so with your plat application for your PPL or your final plat, a bond must be in place.
- Currently, you're not providing the bond until you go to plat recording, but it's required with your PPL approval.
- Additionally, you cannot get a TCO or CO until the plat is recorded.

- The governor hasn't signed it yet, but it's imminent and will require some updates from staff so within the next six months we're going to update the applications and make some program changes in CityView to monitor how many building permits we're issuing.
- There will be code changes to the LDC and Administrative Code because they currently say that you cannot get building permits, except for model homes.
- All of this may require some fee changes.
- She wanted the DSAC to be aware of this as we work through it over the next six months. As we get closer and have a final process, she'll update the DSAC again.

**Mr. Mitchell** asked if the bonding is the state's or Collier County's requirement.

**Ms. Cook** said it's a state requirement. The language in the statute says I can request to bond up to 130%. Collier County is currently 110. She doesn't foresee going to up that, but it's required in the statute.

**Mr. Mitchell** asked if the language says "can" or "shall."

**Ms. Cook** said it says I can charge up to 130%.

**Mr. Mitchell** asked if it says you have to bond.

**Ms. Cook** said yes. You have to bond and you can charge up to 130% of that.

**b. Code Enforcement Division – [Thomas Iandimarino, Director]**

***Mr. Iandimarino provided a March update:***

- In Contractor Licensing, about 55 new cases were opened, 66 were closed and 10 citations were issued.
- For staff training, we're sending six investigators to Cape Coral next week for fundamentals and code enforcement. We won't have to pay additional travel, other than the comp time to travel to Cape Coral. We normally only send two or three employees.

**Chairman Varian** asked what the citations were for.

**Mr. Iandimarino** said unlicensed work, working outside the scope of their license, or a combination of the two. He didn't get details but provide that if you want to know.

**Mr. Curl** said that in the past three weeks, he's fielded a few inquiries from land-use attorneys about when one or two trees come down, Code Enforcement is called and then it balloons into an SDPI. He doesn't know the policy, but why isn't it as simple as a tree comes down, put a tree back?

**Mr. Iandimarino** said that's not so much a question for him but he can direct you to someone who can answer, maybe Ms. Cook.

***A discussion ensued between Mr. Iandimarino and Mr. Curl and the following points were made:***

- Why can't it be as simple as replacing the same tree on the same spot?
- Code Enforcement gets a determination from Jaime's division and we inform the landowner that that's what they have to do.
- It could be for one tree or for multiple trees.

*[Mr. Gentry joined the meeting at 3:08 p.m.]*

- It involves only one or two trees and an HOA. It should have been an oak tree or hardwood and they don't want hardwoods anymore. They want a different species.
- If they change, it doesn't match the plan and you need a permit.
- But if you replace an oak with an oak, it matches the permit.
- Mr. Iandimarino said it's not always that easy.

*[Mr. Curl and Mr. Iandimarino agreed to get together to discuss this after the meeting.]*

**c. Community Planning & Resiliency Division [Chris Mason, Director]**

***Mr. Mason reported:***

- Mr. French asked him to provide an update on hot topic news in the CRS (Community Rating System) world and Lee County and tell you where Collier County stands.
- We worked with FEMA since the day after Hurricane Ian and had two meetings in-house with FEMA representatives, one with the county manager and one with staff.
- Subsequent FEMA requests date back to June. They requested 1,200 permit record files and we gave them to FEMA. That included 1,200 elevation certificates. They're looking for compliance issues. There were no issues with that request.
- In December, they requested permit reports and elevation certificates, anything permitting-related involving 133 properties they observed and thought work was going on. We put together a 240-page professional report and they were good with that.
- That doesn't mean we're 100% in the clear, but we've complied with everything they requested. If you read in the media or watched the Lee County commission meeting today, Lee County had three different requests for additional information and did not provide that, but Lee County is saying they did.
- Collier County complied 100% with every FEMA request. That doesn't mean it's the end of this discussion, but we're prepared for anything and are 100% in lockstep with what FEMA requested.

**Mr. Mulhere** thanked him for the update and said he saw what's occurring with Lee County on the news. Does FEMA have an enforcement arm, people in the field driving around and looking?

***Mr. Mason responded:***

- They do. They're often consultants FEMA contracted with to do that work through different firms nationwide. They've had them in the community since right after Ian.
- He believes FEMA still has a presence in Fort Myers and the Lee County area. They have a field office there now. He doesn't know if it's going to be a permanent field office, but typically, going back to Hurricane Ian, with events like this, the paperwork goes on for at least five years.
- The week before Ian, we were wrapping up Hurricane Irma paperwork and had a FEMA representative here. A week later, Hurricane Ian happened, so things like this have a long timeline.
- He wants to assure the DSAC that staff has done everything 100% in compliance with FEMA and complied with every FEMA request.
- Mr. Mulhere said he read that FEMA was pulling Lee County's 25% discount.

- Mr. Mason said unincorporated Lee County, Bonita Springs, Estero, and Cape Coral are in jeopardy of losing their 25% discount. They're a Class 5 Community like us and we enjoy that 25% discount. We have over 60,000 flood insurance policies enforced, which equates to over \$9 million of savings that stays in the community. With that large number of policies, we are always committed to doing what we're required to do, and there's been no oversight at all in this process as far as missing any variables.

**Mr. Curl** said he heard that after Ian, one of the municipalities made a determination to increase the FEMA valuation on your house to go from the Lee County Property Appraiser to market rate. Does that ring a bell? He's wondering if there's any cause and effect. Maybe this is how they went down that rabbit hole?

***Mr. Mason responded:***

- No, what they're looking at is that Lee County suffered a lot of devastation.
- FEMA is looking at unpermitted permit work. That's where this stems from. He won't judge them because they're dealing with a lot and are probably overwhelmed.
- What's concerning is that FEMA came down with really swift action without giving the community any option or opportunity to remediate the situation.
- As Mr. Mulhere explained, senators such as Byron Donalds are getting involved now so FEMA probably will back off and let them try to work it out and make good on it.

**Chairman Varian** asked where the cities of Naples and Marco Island fall. Was FEMA involved in any of those?

**Mr. Mason** said no, their city staff handles that because they're separate jurisdictions. They have their own separate community number. We often collaborate with the cities of Marco Island, Everglades City, and Naples so if they were looking for help or a consultation, we would help. They are separate from our operation. Everything we supplied FEMA involved unincorporated Collier County.

**d. Building Review & Permitting Division [Richard Long, Director]**

***Mr. Long reported:***

- The floodplain group has 605 reviews pending. They're about 22 days out from when it gets routed to them. That group is impacted by the flood map change and many people phoning in and asking how it's going to affect their insurance, etc.
- We're trying to resource sideways so they can keep focused on building permits.
- Structural has 99 pending and are six days out.
- Residential has 181 pending and are seven days out.
- Plumbing & Gas have 174 pending and they're 7-8 days out.
- Mechanical & Electric doesn't show up because they're on track.
- Inspections still average above 1,000 a day.

**Chairman Varian** said when it comes to FEMA, if you have 600-plus permits in the queue, they include my 10th-floor condo kitchen that's tied up. Is there a way of getting help on that?

**Mr. Long** said we try to triage that and when our structural and residential employees are at a good number, we have them jump in to help. The first thing they do is look for things that are

no-brainers or don't even apply. We try to weed them out. Andy, the group supervisor, also goes into that queue to weed that stuff out.

**Chairman Varian** said he keeps looking at the reviews and it's stuck.

**Mr. Long** said it's not stuck, it's in line.

**Chairman Varian** said when it's a 10th floor, he thinks, really? How many of those are like that within the 600-plus?

**Mr. Long** said they try to handle those.

**e. Public Utilities Department [Drew Cody, Supervisor-Project Management]**

**Mr. Cody provided an update:**

- One availability letter got misfiled and went four weeks without a response.
- Please don't wait four weeks to tell us we haven't gotten you something. We may have lost it. It was a one-off.

**f. Housing Policy & Economic Development [Cormac Giblin, Director]**

**Mr. Giblin provided a Live Local Act update:**

- We received two new applications that are being routed for pre-app scheduling.
- They're very small commercial infill properties, one in the Bayshore Gateway Triangle and one farther down on U.S. 41 East.
- Once they get in the process and see what their development standards are, they'll probably wind up not being able to move forward.

**Mr. McLean** said a couple of weeks ago there was a seminar at Avow. How did that get publicly noticed? He didn't find out about it until after it was over.

**Mr. Giblin** said it was a private meeting held by the Housing Alliance and the Community Land Trust. They put together the invitation list.

**g. GMD Transportation Engineering Division  
[Lorraine Lantz, Manager-Transportation Services]**

**Ms. Lantz provided an access management project update:**

- We spoke to you about what you wanted to include in that scope, so we're moving forward with the scope. We expect to have that start next month.
- The other project we're working on is we're developing the scope and refining it for Golden Gate Parkway, the congestion corridor study from east of Airport Road, where the overpass touches down, to just west of Santa Barbara/Logan Boulevard. That's a corridor study similar to the other corridor studies we've done on Pine Ridge and Immokalee roads.
- We're working on the scope and coordinating it now and it probably will kick off around June.

**Mr. Mulhere** said he noticed there were new flashing lights and significant pavement markings on Golden Gate Parkway around the Moorings project, four or five buildings that are seven or eight stories tall. It doesn't do any good and it's bumper-to-bumper traffic. If you want to make a left in there, good luck. If you want to get out and make a right, good luck. Is part of solving the congestion problem without widening? Are you looking at making it safer with some signalization somewhere?

**Ms. Lantz** said it would be looking at operations, what works better, but mostly at some major intersections like Golden Gate and Livingston. There also are several intersections, including I-75. We're looking at everything for capacity, safety, and operations.

**Mr. Mulhere** said it's rough for residents who live on those streets.

**Vice Chair Foley** asked for an update or opinion on how the light at Whippoorwill at Marbella Lakes has been operating.

**Ms. Lantz** said it's open and operational, but she can have Jay or Tony get back to you.

**Action Item: Jay or Tony will provide a report about how the light at Whippoorwill and Marbella Lakes has been operating.**

**Mr. Curl** said just north of the very last 90-degree roundabout, he drove through that community one day and traffic was backed up into Whippoorwill because they couldn't get into the community gate. Maybe there's a stacking issue or sometimes the gates simply go out for lack of phone service. It was an issue because they were blocking the road.

**Ms. Lantz** said she'll bring that up to the traffic officers group.

**h. Collier County Fire Review [Linda Naples]**

- We did 508 building reviews, with an average of four days.
- We did 37 planning reviews, with an average three days.
- We have three inspector positions and one plan review position available that will be advertised in about a month.

**Mr. Mulhere** said he noticed it says Collier County Fire Review, as opposed to Greater Naples Fire Review.

**Ms. Lantz** said that's because there's an interlocal agreement between them.

**Chairman Varian** said Greater Naples always gives the report, but it's called Collier County Fire Review.

**h. North Collier Fire Review [Bryan Horbal, Captain]**

(No report)

**i. Operations & Regulatory Management Division – [Michael Stark, Director]**

**Mr. Stark provided the March report:**

- We received 4,332 permit applications, with a fiscal year-to-date total of 22,983.
- 308 were related to Hurricane Ian.
- 1,510 (35%) were incomplete, requiring rework to ensure compliance with regulations. Staff resolved the incompletes through communication through the portal, emails, phone calls, and walk-in assistance.
- Staff maintains an average one-day turnaround time for applications.
- The team continuously monitors the time to complete reports to ensure resolution of permit intake process with our customers.
- 1,265 customers came to our business center and satellite offices.
- Staff answered 6,195 calls in our Call Center, with only 181 dropped calls.

- There are 311 permits in routing. That means fees are paid and intake staff is working through 471 permit applications.
- We met with the Productivity Committee a few weeks ago with several division directors to talk through some fees and process improvements.
- He appreciates everybody's participation and is looking into several issues to bring back to the DSAC, with other strategic team members. They're going to do presentations based on some discussions we've had.

**Chairman Varian** asked about the status of the CityView update with added text messages, numbers, etc. It's coming up in May. Is that on target?

**Mr. Badge** said we're getting ready to start testing for the new version, which will have the update in it, this Saturday, April 6. If testing goes off well, we can get it fully certified. After that, we're probably looking at delivery by the end of May or early June if everything goes according to plan.

**j. Zoning Division – [Mike Bosi, Director]**

(No report)

**6. New Business**

**a. Pending Legislation on Building Regulations [Rich Long]**

*Mr. Long reported:*

- House Bill 267 has a lot of things that affect us, but not really. It looks pretty extensive.
- They're allowing us to provide an internship program to qualify inspectors and plan reviewers. That's going to be part of the way you can get licensed to do what we do. It's similar to a four-year internship program and it has to be state-approved.
- Doug, our deputy building official, applied and we are now a certified education service for that program. He's putting together the four-year internship. You can take somebody without hands-on hammering, educate them, and get them licensed. That will help because we're having a hard time getting people to do what we do.
- The next change involved windows, doors, and garage doors, replacement of existing single-family, two-family, and townhouse. They no longer need a design professional involved. That's because of the new flood map so now some of those zones are more extensive and require it but now they're taking that out. You still need to provide the wind load, design pressures, and instructions at application.
- They also changed some things in the private provider statute. They've defined a private provider firm, which the private provider used to be, as either a licensed architect or a private provider firm that can be a business, an agent, or an entity that hires licensed workers to provide that service. It's like a qualifier.
- They've changed where the private provider is supposed to give notice to the building official within two days or the day before an inspection. The language now says the private provider needs to give an approximate date and time for when the inspection will be performed. It doesn't say you have to do it before you do the inspection, but they left language that says you still have to give us the report within two days after you perform the inspection.
- Now if a private provider is a licensed architect or engineer and they perform plan review and they put their stamp and seal on the acknowledgment form and affidavit



saying that they've performed the plan review and it meets the building code, we now have 10 business days to issue that permit.

- They're also eliminating the fee owner from the process. Now the contractor can give us the notice that he's hiring a private provider to perform inspections. It used to be that the fee owner had to give us a form saying someone has been authorized and hired, but now the fee owner doesn't have to do that.

**Mr. McLean** said it says 10 days to issue the permit but where we get hung up now is we issued a letter, the letter goes out to say these plans have been reviewed by NOAA are reviewing these plans, but then we're told that excludes planning, FEMA and fire. So is that 10 days building only, and we're still subject, or is that 10 days for the departments as a whole?

**Mr. Long** said if the submittal package is complete, which means a complete submittal package is all entities have already been reviewed and signed off and approved.

**Chairman Varian** said it didn't change anything.

***A discussion ensued and the following points were made:***

- We're only allowed to audit four times. They went from four times a month to four times a year to audit a private provider.
- We also need to put a process and a manual together that spells out how we're going to do it, why we're going to do it, etc., so we're working on that.
- Audit means auditing and inspections.
- The more these companies get established, it seems like they're reviewing plans, and then they come into the building department and they get re-reviewed just like a standard set of plans.
- Mr. McLean advises his clients against them. Builders love them because they save time in inspections, but it's not clear that they save time.
- The county does a pretty extensive plan review, even though a private provider has reviewed it, but the county still has to verify all the zoning and floodplain requirements.
- The county is responsible for regulating the private provider industry.
- They revised all the time constraints for permitting and processing a permit by taking it out of one section and putting it into another. All of the 10-day corrections went away and now it's 30 business days when it used to be 30 calendar days.
- Buildings under 7,500 square feet are 30 business days, which includes single-family, accessory structures, and others.
- For buildings greater than 7,500 square feet, you have 60 business days to do and it includes some other things.
- It's 60 days for buildings that are multi-family, less than 50 units. They leave out the high rise with 100 units so he assumes it goes back to what's already in there, 120 days.
- Then there's 12 business days, which we already do.
- Intake was changed to five business days.
- That's the big change, but it's not really going to change because the last House bill that changed all of our time frames, it was 30 days, not 30 business days. Our setup is designed for the maximum of 30 days, which is 42 business days. We're still trying to keep to the 5-10 days, as we did years ago, but volume and staffing doesn't allow that.
- We're running 7-8 days on most, so it works pretty good.

- The only thing we might have to change in CityView would be the five business days for intake to verify that the original submittal is sufficient to move on to the review phase. We're probably going to have to make some tweaks to stay on track.
- The failure is 10% per business day, but they left in all the things where the applicant can agree to a longer period. That way he doesn't get denied and has to start all over again. They left that language in so he doesn't know why they did all of that.

**Chairman Varian** asked if we will leave our application system the way it is or will we accept or rewrite that section?

***Mr. Long responded:***

- We won't have to change that because most of the industry can't turn around stuff as quick as they would like to.
- We don't have to give the 10% back if it's caused by the applicant. We track everything in days so if you had 30 days and we had it for five, now we're past the 30 days and it's moot. Technically, we should have kicked it out and made you start over. We don't do any of that.
- We're in good shape for a lot of verbiage, cross-outs and underlines and new statute language. He doesn't believe it changes things. It's written for other jurisdictions that don't have anything in place and don't care, so they're trying to get their attention. (Chairman Varian said they'll get it.)
- The last thing in the House bill involved unvented and vented attic spaces and how it relates to energy efficiency. It gives direction to the Florida Building Commission to look at that and make technical or other statements by December 31, 2024, and to implement something next July.
- Eventually, we'll work it into a building code change.
- They're saying their opinion is that unvented attics with isocyanates and all that is good for this environment here because you're not going to import moisture into the attic. He'll rely on our structural guys to figure it out. We'll see what the building commission puts in the building code for that.
- That was the biggest bill with a lot of changes in it.
- All the Senate Bill 812 information Jaime discussed references only what we do. We already follow the state statute for processing master permits. We do have to put a program together with her to address how we're going to accept these things. He doesn't see the industry wanting to submit 75 or 50% of the buildings all at once in a PUD. That doesn't make sense with the supply chain and labor force.

**b. Collier County FY24 Water & Wastewater Impact Fee Study [Joseph Bellone, Director]**

***Mr. Bellone told the DSAC:***

- He thanked the subcommittee, Chris, Mario and Blair, for the time they took to go through the report and the time they took with him on March 13<sup>th</sup> to go through this in detail. It was a great meeting.
- In the minutes, on page 28, Chairman Foley had some action items listed for me to go through with the DSAC.
- Subcommittee Chairman Foley asked that Mr. Bellone needs to provide the full DSAC with the history of the impact fee, show the fluctuations and big swings in the market,

given the time differences, and then what will be needed. You'll find that in your packet on page 142, an Excel chart.

- On the left side of the chart, it starts in 2005. On Easter weekend 2000, the utility was running out of water capacity and had to manage demand by reducing pressure. It wasn't a good situation for a utility or community due to health and public safety issues.
- In the early 2000s, we entered into the design phase for the facilities on the northeast, a water plant, a water treatment facility and a wastewater reclamation facility. The impact fees in that time frame were growing as we went through the designs.
- In 2008, for ordinance 2008-202, we had a high of \$7,339 based on what we thought those facilities would cost.
- As we continued design into 2008, we all know what happened that year and no one was happy. As we started to review the plans, we asked the board to put them into hibernation. Through the recession and until 2015-2016, they were declining and we were representing the market conditions and the plans.
- We always look at a 10-year horizon for planning for the utility. We were removing those plans and moving them further out.
- To our surprise, people wanted to come to Collier County and growth started to pick up at a rapid pace. The last time we did this in 2009, impact fees started to increase again.
- In 2019, they were up to \$6,696 for combined water and sewer.
- Blair wanted us to talk about where that leads us to today, what's needed, where are we today compared to where were we when we were doing these initial plans.
- It begins with the AUIR and the AUIR planning. We're looking at population growth and managing capacity.
- What's currently the Golden Gate Wastewater Plant, a 1.5 MGD (millions of gallons per day) plant we acquired from FGUA, will become a regional plant. We'll add 4 MGD of wastewater treatment, which also will produce irrigation-quality water. We expect to start construction in 2025 and be online in 2027.
- Next in line is a 4 MGD full wastewater-reclamation facility, which will be on the northeast site, to the north and east of the new park. According to the AUIR, construction will start in 2027 and it will be online in 2030.
- Also in the 10-year planning horizon is the Northeast Regional Water Treatment Plant, a planned initial 10 MGD plant on the northeast site. Construction is set to start in 2030 and it will be online in 2033.
- The last time we added capacity to the utility system was our RO (reverse-osmosis) plant at the South Water Treatment Plant. We added 8 MGD of RO treatment in December 2004, and in January of 2007, we permitted to add the last 12 MGD to that. That was 17 years ago and it's at a point where we need to do that now.
- Blair also asked him to discuss where the numbers come from and how we got to these numbers.
- In the AUIR, there are two key charts in the report on pages 17-18 that talk about the water capital-improvement program and the wastewater capital-improvement program.
- The way consultants do this is they take the entire capital improvement plan for all capital improvements, whether they're repair and rehabilitation or expansion and growth-related. Then they back out excluded expenditures, those that don't represent expansion. Then they back out those that aren't considered system improvements. As

we build those, those plants will retire over time and they back out some of that to get to the net amount that's included in the impact-fee calculation.

- Table 3 is about water capital. Table 4 is wastewater and looks at capital expenditures and the investment in capital for the utility over a 10-year period. It backs out anything that's not expansion-related and then looks at only investments that are either transmission for wastewater or only things that are the treatment itself.
- You start with all of it and then start excluding things that should not be included in the impact-fee calculation. This went through our impact fee legal counsel at Nabors Giblin & Nickerson to ensure that everything included in this is includable in an impact-fee rate study and is legally defensible.
- What that does is the column that says estimated capital cost at the top of the page, they exclude and take the adjustments. Footnote 2 says we are excluding these. They look at only things that are treatment, including wastewater treatment and wastewater disposal, which would include deep-injection wells.
- Then they look at anything that is transmission, so transmission force mains (not gravity mains) that are part of the transmission system and those that are expansion-related to come to a net capital that's included in the calculation. That's where those numbers come from.
- In terms of impact fees and how the utility works and finances these expansions, we collect impact fees at the time we pull the CO and there's no way a utility wants to wait until the demand is there to have the capacity available. We've got to build the capacity in advance of demand.
- How do you do that if we don't have the impact fees for that? He takes out a loan. Generally, it's a bond and we go to the bond market for that. He first has to do a bond-feasibility report, which looks at the bond cover and revenues, and the bond market looks at all revenues the utility earns. No matter where the revenues come from, they look at all of it to get their money.
- They'll look at user fees, impact fees and will say how much of that is available after you pay your existing debt service and operating expenses. They look at margins and say how much of that is available for any bond that you're trying to issue.

*[Mr. Dunnivant left the meeting at 3:59 p.m.]*

*[Mr. Valle joined the meeting at 3:59 p.m.]*

- They're looking at six years of history to ensure you've been able to do it, and then they look at revenue projections and operating expenses for six years. We've just done a user-rate study, so the information is available.
- Then they look at how much coverage we have and issue a report to say it's feasible to do this for the utility. We then take that bond-feasibility report and we have a surveillance call with our rating agencies, Fitch Ratings.
- Toward the end of the agenda packet are the Fitch ratings that came after that bond feasibility report when we were about to issue the last bond in 2021.
- The bond-rating agency looks at revenue, defensibility, how favorable are your rates, and how easily does your board adopt changes to ensure that the revenues are sufficient. That's how they identify whether this is an AAA-rated utility. Then they look at the margins and liquidity. Liquidity is how much debt you have compared to

how much money you have. The more debt, the higher the leverage ratio. They're looking for a low ratio. If you look at all the revenues coming in, net that's left, and the debt that's available and the debt that you have, the lower the liquidity rate that you have, the better the bond rating. That's what they look at.

- They also look at favorable growth trends. They're also looking at the ability of the utility to not only cover its debt, but to cover all its other issues, like repairing and rehabilitating aging infrastructure that needs to be replaced. They look at that as a growing customer base to ensure you have the financial stability to do that on a cash-and-carry basis.
- That's what is financially required to fund expansions. Because we've got to build the capacity ahead of time, we've got to jump through financial hoops to ensure we have it.
- Both the user rates and impact fee rates are critical to providing the revenues for that debt coverage.

**Ms. DeJohn** asked if there were checks and balances to ensure user rates are adequate to cover repair and rehabilitation.

***Mr. Bellone responded:***

- Yes, we've historically been able to cash and carry since he started here in 2003.
- We were hit with a substantial rehabilitation project, the headworks at the North Wastewater Plant. It's getting pretty dilapidated. It's where all the wastewater comes in. You need the headworks, a critical part of the plant treatment that handles all the pre-screening of everything coming into the plant.
- It's a \$58 million project, which hit him for a loop, but we it was included in the user-rate study that we did, and the board approved that. It's fully funded now through user rates.
- There's a Fitch surveillance call coming up and they've sent us a questionnaire. He and Derek Johnson are working on the responses. They're asking a lot of questions, but they're looking at rates.

***Mr. Bellone continued his presentation:***

- The chair also wanted him to talk to the DSAC about the fact that we're looking for a substantial increase in the rates.
- The rates reflect current market conditions and current needs based on the AUIR.
- We look the 2024 AUIR to see if it's consistent. Is that demand still there for those facilities? Do we need to pull any of those plants closer in? Does that northeast plant have to come in online earlier than 2030? He may have to update a study.
- If the water plant gets pushed out beyond the 10-year planning horizon, that's obviously a big wad. We can do an update again. He'd look at those things.
- That generally takes place in the summer and usually goes to the Planning Commission in October or November and to the Board of County Commissioners in December.
- That would necessitate using January, February and March to do an impact-free update and bring that to the board. Rather than waiting three years, that's something that we'll look at in terms of the AUIR, as well as any change in the economic environment. If he leaves here today and two days from now we go into a recession, you won't be happy, but we're going to need to move some of these out of the 10-year planning horizon.

That would probably necessitate another full impact-free rate study. Those are the recommendations he'd have to answer the question about when we'd do the next impact-free rate study and how we adjust it.

**Chairman Varian** asked if subcommittee members wanted to enlighten the full DSAC about anything.

***Vice Chair Foley, the subcommittee chair, told the DSAC:***

- We talked about a lot more detail than a brief summary. The action items we listed that Joe went through were important to talk about. We don't have to wait three years. We can address these conditions. It gets more fluid than the history has been.
- Could you talk again about the multifamily side, how that's a more affordable issue? That's important, too.
- We need to say you can look at a chart's numbers, but the 80% increase is paid for primarily by impact fees with new residents entering the community.
- You touched on some of the history when we couldn't do flow tests, we didn't have any pressure and the utility was inadequate to serve the community. That's important.
- As long as growth continues, we need to do a lot of these.
- We didn't address the multifamily issue today.

***Mr. Bellone responded:***

- It's in the agenda packet.
- On the residential side, it's based on demand of a typical three-quarter-inch meter for a single-family home.
- Units that are 0 to 750 square feet get about one-third of the full charge.
- Units that are 751-1,500 square feet, that's roughly two-thirds of the fee.
- As we're trying to build for the community in terms of what it's demanding, our fee schedule is geared to that and always has been.
- It's important as these fees get to these levels that we understand that we have breaks.

**Mr. Curl** said everyone loves the Live Local Act, but it probably sends shudders down your spine. How do you account for units potentially coming online, maybe a glut of them coming online quickly?

***Mr. Bellone responded:***

- The county keeps a checkbook of the available capacity and of everything that's built.
- We subtract from the available capacity, and then anything that's been approved but hasn't been built yet and we take that into consideration to see how much capacity we'd have if it's all built.
- That's called the checkbook and is included in the AUIR.
- If you want a copy, we can get that for you.

**Mr. Mulhere** said he doesn't have exact numbers, but the rate of growth has slowed down over the past few years. He believes the information provided through BEBR (UF's Bureau of Economic and Business Research) has shown it's 1.3%. That'll fluctuate and will pick up and slow down a bit. Many new projects are coming online, so if there's still demand, you're

going to see substantial demand from what's been approved but hasn't been built yet, if it goes forward. It's thousands of units. Out east, about 12,000 new units, maybe more, are coming online.

***Mr. Bellone responded:***

- Activity Center 9 alone between Great Wolf, Uline and the park will go to the South Plant.
- The South Plant is not expandable. It's a small footprint. We need to relieve the South Plant and move some of that. At the same time, we're envisioning the eventual septic-to-sewer conversion in Golden Gate City.

**Mr. Mulhere** asked for the timeline of planning, design and permitting. How long does it take to take a new regional plant from start to functional? Seven years?

***Mr. Bellone responded:***

- The design is about three. There are changes in permitting rules that may not have been approved yet that could add some time. Permitting takes a good amount of time, so it's probably in the six- to eight-year range to get it online.
- The good thing is a lot of that is already designed. Corollo designed the northeast plants in 2008. We're now doing a redesign to make sure they're meeting new technical standards.
- We're required to ensure we're removing PFAS, the chemicals that are hard to get rid of. Reverse osmosis and membranes do that but lime softening does not. We've got to be careful about that.
- That's one of the questions that Fitch asked. How are you moving PFAS from the water?
- The utility is addressing many things at the same time.

**Mr. Mulhere** noted that Fitch specializes in utility bonds but Moody's is not as specific.

**Mr. Mitchell** said based on the information at that meeting, he understands why there's such a large increase. Nobody wants that, but we have a need for service and don't have the infrastructure. Based on the subcommittee meeting, he understands why. This was boiled down today but the subcommittee spent more than two hours going over it and he understands why we're at that number.

**Mr. Valle** said we talked about all the issues related to affordability and where we are and that's where we landed with the multi-family portion.

***Mr. Bellone explained:***

- That's where it's going to be much more beneficial in making that component. It's a factor of where we are and the way the Florida legislature doesn't allow you to segregate single-family homes by size anymore.
- When you look at construction costs, anything we looked at in 2019, you can take that number today and double it. It's painful.

- Moving forward, what we need to do is more regular and ongoing because he'd hate to see a sudden big crunch. We need to be mindful about how we do studies moving forward.

***A discussion ensued and the following points were made:***

- The current fee for a 1,000-square-foot multifamily unit is about \$4,000 and as proposed, it would be about \$8,000.
- We're managing the impact on affordable housing.
- We probably have to consider how to subsidize the cost of impact fees for affordable housing because we're getting more. There may be ways to subsidize that. You're not waiving the impact fee, you're subsidizing it.
- The plan is to get these to the BCC for the first meeting in May, but we don't want the board to get it all at once.
- The water and sewer impact fees are exempt from any of the rules in terms of regulations, but the last time we did this, we waited 90 days to put it into effect.
- When the board approves it, we will wait 90 days before it goes into effect.
- Even if it's May, we have to advertise it and by the time he gets the resolution or the ordinance, it's June, so it should go into effect in October 1, the new fiscal year.
- If you're building something and you started it a year ago and you don't have a CO yet, and you get a CO in November, and these went into effect in October, you're paying these fees. If you get your CO in September, you're paying the current fees.

***Amy Patterson, County Manager, told the DSAC:***

- The rates are set by building permit application date so everybody in process will be locked in at the current rates.
- That would be when the permit is applied for, when the application comes in.
- Once a complete application is assigned a permit number, it's accepted at the rate at the time of the application, so it provides protection.
- Once we start the 90-day window from board adoption, it gives people who may be close to applying for building permits a chance to get permits in and lock in under the old rates.

**Mr. Mulhere** said that usually prompts a crunch to get permits.

**Ms. Patterson** said when we experienced crunches, Community Development informs applicants about what's needed to get a complete building permit application. They usually have more hands on deck to receive permits because we're trying to facilitate as many people as possible coming in under the wire who have been planning this. Obviously it's tough to make room in their budgets for this increase so that's why the 90-day notice period and the ability to get those permits in is incredibly important.

**Mr. Valle** said it's to help folks who were through the financing portion. We had folks in tears at the county commission office who were saying their loan doesn't close for another two weeks and you put this into effect today. If they don't close, they can't qualify for their house anymore. People were on the edge and that was when it was still affordable, so the county has



done a phenomenal job of letting folks know and ensuring they have a time frame, a published date. The county gets the information out, telling them they have X amount of time to get it in.

**Mr. English** asked if other impact fees were scheduled to increase in the foreseeable future.

**Ms. Patterson responded:**

- That depends on what time frame you consider the foreseeable future.
- Utilities and transportation are fortunate and their fees have remained relatively current compared to other fees, in part due to a couple of things. There were a couple of administrative holds by prior administrations on impact fee increases or studies tied to COVID and some other uncertainty in the economy.
- We also had a series of changes by the legislature, so we started the study now because we know what the legislature has done and now we've got to make adjustments to our process.
- Unfortunately, you get started with that and the next year they make more changes so there have been four to five years of consecutive changes at the statutory level that trickle down, affecting how the county administers the impact-fee program.
- We feel confident now that the impact fees in the study – all except for FHIR – will be coming forward.
- The legislature has put significant constraints, other than utilities, on how we manage impact-fee updates. Ties to phase-ins that are required on percentages of increase. If you increase the fee, you're tied to a phase-in and then the phasing extends depending on how large the increase is. There are abilities for the board to preempt that, however, it's not likely that they won't accept the phase-in prescribed in statute.
- The definition of what we can spend on impact fees on has changed. For a library, it's not just the library construction, as well as walls and the roof, it's everything it takes to open – the books, furniture, fixtures, and equipment, everything it takes brand new to open it up at one time. All of that's gone.
- For everything except for public safety and utilities, you are looking at vertical construction only, site and vertical. No furniture, no fixtures, no equipment, no vehicles. All the definitions have to change, as well as the structure of those studies.
- Now we're up against a time crunch from this legislative session, which is saying if your study is in process, you have a year to get it done. We're probably grandfathered in for at least this round, but there's a four-year look-back period for the data we can include in the study. Sometimes that's good, sometimes that's bad.
- To answer your question, impact fee studies are working their way through the process and the increases on those studies for many of the smaller fees are not going to be anywhere near this. For the big fees, transportation, parks, and schools, schools is the outlier for big fee increases. She doesn't know the school board's tolerance about making a recommendation on a sizable increase in the school impact fee.
- Once we have documents, we'll get them to you before we schedule a subcommittee so everyone can get their arms around it. It's going to be a group effort on how we manage this going forward because of mandated phase-ins. Otherwise, it's going to be mass chaos and trying to manage that for budgets, etc. We're going to have to think about how we might approach fees and set up a cycle so it's predictable.

- Indexing is gone, except for utilities. They used to buy a CPI or other adjustments used to smooth out, increases or decreases. The legislature also wipes that out.
- Utilities was on the block this year to be brought in underneath all of these interesting dynamics. They were able to escape this year. She doesn't know if it bodes well for utilities next year. They may be doing the same thing with these strange data sets, timing, etc., so we'll see where that goes.

**Mr. Valle** asked how that impacts overall the total general revenue budget because we've still got to pay for that, right? Is that going to come out of general revenue? Where does that come from?

**Ms. Patterson responded:**

- Absent this legislative piece, the idea that we could adopt less than a full fee is possible. But it's new revenue coming, the infrastructure sales tax that just expired. We'll see over the next 1½ years the appetite for bringing it back. Right now, that appetite is minimal.
- The general fund is the other choice and has been used to help offset debt incurred for capital facilities where the impact fees might have fallen short, when we had down times. Competition for the general fund has taken on a new element with the rollback so this is going to be a balancing act that will play out through the budget this year through our priority-based budget, as well as when we look at the AUIR next year.
- She doesn't have answers because the actions the legislature took limit our ability to pay for a full-growth project, limiting the ability to buy vehicles for the school district, for growth vehicles, no replacements. We're talking straight growth. It doesn't make a lot of sense, but the legislature felt strongly about this, other than public safety.
- We'll see what ramifications these have on capital budgets and what our options are to balance that out because nobody living here wants to pay more taxes, and they definitely don't want to pay for growth. It's a balancing act that the board's will have. We have a \$500 million shortfall in the capital plan between transportation and stormwater, so no one knows what's going to happen there.

**Mr. Valle** asked **Mr. Bellone** what he needed.

**Mr. Bellone** said to accept the Water and Wastewater Impact-Fee Study, as delivered, so he can present it to the board.

**Vice Chair Foley made a motion to accept the Wastewater Impact Fee Study, as submitted. Second by Mr. Valle. The motion passed unanimously, 11-0.**

## 7. Old Business

### a. Sidewalk Payment in Lieu Provisions [Jaime Cook]

**Ms. Cook** said there was a discussion at the last meeting about payments in lieu, where the funds go and how they're allocated toward future projects, so she asked Trinity Scott to be here to answer those questions because that's done by her team.

**Ms. Scott told the DSAC:**

- The practice, which started in 2005, allocated them to road impact-fee districts because it was an area that was consistent and didn't change.

- Currently, when payment in lieu of funds go in, they go into a revenue account for that road impact-fee district.
- To utilize them on a project, we go before the board and do a budget amendment to move them into a project. They're used within the road impact-fee district they fall within, or in an adjacent district. We were consistent about how we did things across-the-board.
- Road impact-fee districts are static. There were early discussions about using commission districts, but those change over time due to redistricting.
- We go to the board for every dollar we take out of those revenue accounts to put toward projects.

**Mr. Curl** said the discussion last month involved Golden Gate Estates. Looking at the profile of these lots, some are sideways fronting on a right-of-way, so their typical frontage might be narrow, but the payment in lieu numbers were killing projects. That's why that discussion started. There wasn't any question of where it went or how the fees were used.

***Ms. Scott responded:***

- She listened to last month's discussion and talked to Jaime afterward.
- There is a provision in the code. In the instance that was brought up, the person was coming in for a Site-Improvement Plan and had a code issue so the payment in lieu is limited to 25% of the improvement. The improvement was \$800 or \$900 for shrubs so the payment in lieu amount would have been limited to 25%.
- There was something put in when Stan Chrzanowski and Russ Muller were here in the 2005-2006 time frame to address those issues when people came in for Site-Improvement Plans. We were dealing with many issues in the Immokalee area and trying to get them to come into some code compliance. We didn't want to overly burden the project to where it would make it unattainable for them but allow them to work toward compliance. That's why that 25% was in there.

**Mr. Curl** asked if it's 25% of the engineer's OPC (Opinion of Probable Cost).

**Ms. Scott** said correct.

**Ms. Cook** said it's in the fee schedule and also in LDC 6.06.02.C.2. Somebody's OPC was less than \$400, so their 25% is less than \$100.

**Mr. Mulhere** said it's a code-driven issue. It's not expensive, but it has to go through a process and 25% is low. If you're building a new building, it's not going to help.

**8. Committee Member Comments**

**Mr. McLean** noted that Clay isn't here because John Passidomo passed away today. He's a giant in our industry, so put Clay and the Passidomo family in your thoughts and prayers, if you want.

**9. Adjourn**

**Future Meeting Dates:**

**3 p.m. May 1, 2024**

**3 p.m. June 5, 2024**

**3 p.m. July 3, 2024**

*Mr. Curl made a motion to adjourn. Second by Mr. Mulhere. The motion passed unanimously, 10-0.*

**There being no further business for the good of the County, the meeting was adjourned by the order of the chairman at 4:33 p.m.**

**COLLIER COUNTY  
DEVELOPMENT SERVICES ADVISORY COMMITTEE**



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**William Varian, Chairman**

These minutes were approved by the Committee/Chairman on 5/1/24, as presented (choose one)  , or as amended \_\_\_\_\_.