

**MINUTES OF THE MEETING OF THE COLLIER COUNTY
DEVELOPMENT SERVICES ADVISORY COMMITTEE**

February 2, 2011

LET IT BE REMEMBERED that the Collier County Development Services Advisory Committee, having conducted business herein, met on this date at 3:00 PM in REGULAR SESSION in Conference Room #610, Collier County Growth Management Division/Planning & Regulation, 2800 N. Horseshoe Drive, Naples, Florida, with the following Members present:

CHAIRMAN: William Varian
Vice Chair: David Dunnavant
Ray Allain
James Boughton
Clay Brooker
Laura Spurgeon DeJohn
Dalas Disney
Marco Espinar (Excused)
Blair Foley
Reagan Henry
George Hermanson (Excused)
David Hurst
Reed Jarvi
Robert Mulhere
Mario Valle

ALSO PRESENT: Nick Casalanguida, Deputy Administrator, GMD Planning & Regulation
Judy Puig, Operations Analyst – Staff Liaison
James French, Director – Operations & Regulatory Management
Jay Ahmad, P.E., Director – Transportation Engineering
Ed Riley, Fire Code Official – Fire Code Office
Nathan Beals, Project Manager – Public Utilities
Claudine Auclair, Manager – Business Center
Mac Hatcher, Senior Environmental Specialist - Stormwater
Joe Bellone, Manager – Public Utility Billing & Customer Service
Pam Libby, Manger – Water Operations
Fred Reischl, Planner – Operations & Regulatory Management

I. Call to Order:

Chairman William Varian called the meeting to order at 3:00 PM and read the procedures to be observed during the meeting.

II. Approval of Agenda:

Mario Valle moved to approve the Agenda as submitted. Second by Dalas Disney. Carried unanimously, 11 – 0.

III. Approval of Minutes – January 5, 2011 Meeting:

Dalas Disney moved to approve the Minutes for the January 5, 2011 meeting as submitted. Second by Clay Brooker. Carried unanimously, 11 – 0.

IV. Public Speakers:

(Will be heard when Item is discussed.)

(David Dunnivant arrived at 3:05 PM.)

V. Growth Management Division – Staff Announcements/Updates:

A. Public Utilities Division Update: Nathan Beals, Project Manager, Public Utilities

Q. Is the County planning to operate the Orange Tree Utility Plant in 2012?

A. The Plan is in the reviewing phase. As noted, the demand for services has declined..

B. Fire Review Update: Ed Riley – Fire Code Official, Fire Code Office

- The Monthly Activity Report for December 2010 was submitted.
 - A total of 662 reviews were conducted.

Q. Concerning fire separation walls in a proposed built-out – the Fire Department inspects the framing, insulation, and drywall. Is it a duplication of efforts for the Building side to perform the same inspections?

A. The Fire Code Office and the Building Department have different points of view and may not require inspections of the same items, i.e., the Building Code may require an inspection of a wall but Fire will not, and vice versa. It depends on which Code is in effect. If there is only one inspection, something may be missed.

(Reed Jarvi arrived at 3:07 PM.)

C. Transportation Planning Division Update: Jay Ahmad, P.E., Director, Transportation Engineering

- The Davis and Collier Projects were sent to the Purchasing Department to advertise for bids on February 9th.
 - Davis – from Radio Road to Collier
 - Collier – under I-75 (from Davis north to the Golden Gate canal)
- The plans for both projects have been finalized – Permits have been obtained and Rights-of-Way have been acquired.
- Bids will be opened in March and construction will begin in June/July.

- Q.** What is the status of the White Boulevard Bridge? Is it going forward?
- A.** The Public Information Meeting was held last week. The attendees were advised of the improvements on 23rd Street. Two bridges are planned. The 23rd Street Bridge will be a new bridge over the Canal and the new White Boulevard Bridge will replace the current FDOT bridge which is in need of repair.

Some of the comments received were concerning the intersection of White and 23rd. We have proposed 3-way Stop Signs. Comments suggested realigning the curb and installation of traffic signals. Various options will be examined to determine a solution for the intersection situation. The target date to begin construction of these projects is December.

- Q.** Was there any discussion or plans to install a temporary traffic light at 23rd and the Boulevard?
- A.** Yes. During construction of the first project – the 23rd Street Bridge – a temporary traffic light will be installed.

D. Planning and Regulation Update: James French, Director, Operations and Regulatory Management and Claudine Auclair – Manager, Business Center

- Re: SDP and SDP-I process in Land Development Review
 - The “Kaizen” Event (Study) was completed.
(Definition: Japanese for "improvement" or "change for the better." When used in business and applied to the workplace, Kaizen refers to activities that continually improve all functions, and involves all employees from the CEO to assembly line workers. It also applies to processes, such as purchasing and logistics. By improving standardized activities and processes, Kaizen aims to eliminate waste.)
- Claudine Auclair served as the Project Team Leader
 - Other participants included Tatiana Gust – Building Manager, the County Engineer, the Director of Land Development Services, and Melissa Ahern from CBIA, in addition to members from several companies.
 - Reports were made to Industry on a daily basis and feedback was obtained.

Ms. Auclair reported the following:

- The Team consisted of 14 members for the five-day Event
 - Each step of the current Site Development Plan Review Process was examined to determine which documents could be eliminated to improve the process.
 - The Implementation Phase is beginning – a new process for SDPs and Insubstantial Changes will be ready in approximately two months
 - 50% of current applications are classified as “Insubstantial Changes”
 - The current Land Development Code will be reviewed
 - Goal: to reduce the steps, the number of reviews, and to decrease the amount of time spent in reviewing documents
- The participation of the Fire Code Office staff was noted

Q. Is a summary (of the results) available?

A. (*Claudine Auclair*) A questionnaire is being developed to determine where an application fits in the Insubstantial Change process. The applicant will save money because the correct number of copies required for submission will be known in advance.

An option under consideration is to schedule a group meeting to review the application rather than circulating it. This will speed up obtaining an approval – if there are only minor changes, the applicant can log onto his laptop, make the changes to the document and submit it. The Records Room will print the document, and it will be stamped, signed, and the process will be completed.

Mr. French noted Digital Plan Submittal, which has been requested by the County Manager, the Board of County Commissioners and Industry, will be available within the next six months.

Q. You said applicants will be required to provide “more information” upfront – please explain.

A. Some applicants are better than others concerning submittals.

Nick Casalanguida stated the way questions are framed will be more concise and clear. If a project does not impact environmental sensitive land or preserve areas, then an environmental review may not be necessary. A set of questions will be developed to help Staff automatically filter the applications and route them to the correct reviewer.

Ms. Auclair noted the questions will help eliminate “grey” areas (“pre-documentation”). The reviewers will determine whether or not they need to see a specific application.

Q. Did anyone address the fact that, in an SDP-I or Amendment, the information to be provided by the applicant is already contained in the County’s files?

A. Yes. The questionnaire will be key in providing the information to help Staff determine which way to go.

Q. When is the questionnaire to be completed – prior to or at the Pre-Application Meeting?

A. Yes – prior to pre-app.

It was noted due to reduced Staff levels, the time frames are not necessarily met all the time.

Claudine Auclair stated there were 69 SDP-I applications submitted between July through December 2010 and there are 50 currently in process. By categorizing the applications into Levels, approximately ten could have been settled by a simple correction. The goal is to reduce paperwork and time. There are 31 steps in the current SDP-I Process that may be reduced to six (81%), and Staff time should be reduced from 33 to 11 hours, or from 4 – 13 days to 5 days.

Q. What qualifies as an “Insubstantial Change” in the Land Development Code? Has there been any discussion of relaxing the criteria listed in the LDC so more applications will fall on the “Insubstantial” side?

- A. Nick obtained comments from Industry and revising the LDC was a top priority. It was agreed the key issue is the LDC.

It was noted “as built” corrections were also discussed. The Kaizen Event for Building Permit Applications was very successful and that process has improved. Implementation of the new process will take approximately six months and will be “tweaked” as appropriate.

A formal presentation of the Kaizen Event will be made at a future DSAC meeting.

Other Items:

- **Jamie French** announced John Blackburn, Building Inspector, passed away recently. John worked for the County for approximately 13 years and was a knowledgeable, valued colleague and dear friend.
 - **Nick Casalanguida** noted one of the Commissioners commented on Fire Review asking why a bill was not sent to the Fire Code Office for the service provided by the Business Center. It is a value-added service. One option is to amend the Inter-Local Agreement to state that Fire Review is included in the Business Center’s fees.
- Mr. Casalanguida** asked for direction from DSAC.

It was noted the functions (cashiering, final typing, etc.) do not exist in the Fire Code Office and for Fire Code to do so would be a duplication of services, which did not make economic sense.

Dalas Disney moved to approve forwarding a recommendation to the Board of County Commissioners to amend the Inter-Local Agreement to acknowledge the service provided by the Business Center to the Fire Code Office for collection of fees and cashiering continue as a value-added service through the GMD’s Fee Schedule. Second by Robert Mulhere. Carried unanimously, 13 – 0.

VI. Old Business:

A. Update: LDC Amendments – Nick Casalanguida, Deputy Administrator, Planning & Regulation & Fred Reischl, Planner – Opr. & Regulatory Management

- A meeting is scheduled for February 9th with CBIA
- The requests provided by CBIA have been provided to the County Manager’s Office via an “Executive Summary of Staff Analysis for CBIA.”
- The final version will be distributed to the DSAC members via email.
- DSAC Members’ comments should be sent to the Staff Liaison, Judy Puig, who will forward them to Mr. Casalanguida.
- Suggestion: revive the Land Development Regulations Subcommittee to review and vet the Executive Summary (Clay Brooker is the Chair; Members included David Dunnavant, Marco Espinar, George Hermanson, Reed Jarvi, and Robert Mulhere).
- LDC Amendments have been requested by the CRAs and the Immokalee Master Plan, as well as the Administrative Code.

- Q.** Have there been any discussions about creating a new LDC (from scratch) since the current Code is so confusing and has been amended so many times? It is very difficult to use.
- A.** In order to do that, a group of professionals would have to devote themselves totally to developing a new Land Development Code but no one is available.
- Q.** What did the outside consultant do?
- A.** He developed the Administrative Code by removing portions from the LDC.

It was noted that the LDC can only be amended twice a year.

B. Recommendation: Fire Line Service Charge – Nathan Beals

- The Administrative Stay concerning the issue of implementation of meters and backflow devices is still in effect.
- The Fire Districts and the Fire Code Office have chosen several sites for review and monitor with a goal of increasing the design pressure from 50-psi to whatever it may be.
- Monitoring began six weeks ago. The period of review is one year.
- The question of changing the design criteria is currently unknown. It will be determined at a later date after the data has been collected.
- A copy of the proposed fee schedule was distributed to the Members. The new billing will charge a monthly fee to all connections based on the size of the service connection and is in line with 23 – 24 other communities for Potable Water Supplies in Florida.
- The new fees will place Collier County in the middle of those communities.
- If the billing schedule is approved, Utilities will remove the issue of line size meters from consideration.

(Blair Foley left at 4:00 PM.)

- Q.** What are we supposed to do – where are the other pages – where is the rest of the information?
- A.** The Agenda title is confusing and should have stated “Update” – no recommendation is requested at this time. Nothing will be done until the pressure study is completed.
- Q.** Is this for new connections only?
- A.** It is for all connections.
- Q.** Will this policy become retroactive for the entire County?

Joe Bellone, Manager – Utility Billing & Customer Service:

- Page 1 outlines the potable water rates and Page 2 outlines the sewer rates.
- The Fire Service section begins on Page 3.
- This is the proposal that Utilities made to the Subcommittee in lieu of the current billing structure – a fixed charge will be assessed to all connections to the County’s potable system.

- Q.** For what?
- A.** To have water available.

Q. Because we are tapped into your line? I have a six-inch line on a complex on Immokalee Road and you [Public Utilities] want \$60 per month for what?

A. To have the water available when you need it.

Q. It's already there. I don't understand – it's already there.

[Member comment: "With 40% excess capacity."]

A. It's there because Pam Libby's group maintains the valves, the lines, and the pressures. There are fixed costs and this has been discussed with the Subcommittee.

Q. As paid for through our property taxes.

A. No – property taxes have nothing to do with Utility rates.

Q. User fees?

A. Yes – user fees. Only people connected to the system pay for the system.

Q. You said "in lieu of the current fee structure" – what does that mean?

A. This is a proposal to change the billing fee structure for Fire Service connections. Right now, Fire Service connections that are metered – if you use less than 5,000 gallons in any month, you do not pay anything. If you use more than 5,000 gallons in any month, you pay for all consumption plus a full availability charge which is 12 times what you see on this document.

Q. That's a contradiction suggesting that only Fire Services pays that now, your document says this will be *in addition* to having a meter on your line.

A. That's correct.

Q. So this is not "in lieu of" the old – but in addition to what currently exists?

A. This is the proposal that's on the table.

In answer to your question – "yes" – everyone that's connected to the potable water system – every Fire connection.

Q. The proposal references Sections 25 – 30.465 of the Florida Administrative Code ("FAC") for Private Fire Protection Rates which says that Utilities can charge 1/12th of the rate. The FAC also references three other Statutes for its authority – one of which was nullified in January 2011. Two others seem pretty vague and don't specify how you apply a rate or derive a rate. Also confusing is the statement, "... connections to Collier County's water system for the purpose of providing service on a stand-by basis for fire protection ..." I would think if you are going to propose a fee structure that's in place, we need to know what you're going to do with those fees and what's going to happen as you collect those. Will the fees go into the General Fund and you can spend them on whatever you want?

A. Utilities is a separate fund. Utilities has one "cup of costs" and has to retire it because there is no profit.

Q. What we're dealing with here is a system that already has enormous excess capacity and you're asking for a fee to provide a service of stand-by which we already have – so what are these fees going to be used for?

A. These are to cover the fixed costs – not the variable costs that we have if we are required to produce more water. It has nothing to do with consumption – it is all to do with fixed fees.

- Q.** There needs to be a study with regard to how much service is used by Fire. I don't think you can just apply another municipality's rate structure based on whether Collier County is lower or higher because it has to be – in its entire structure – you have to know everything that they pay and how their budgets are used and how their billing is done to say that this is appropriate. They may have this built into somewhere else which I think we also have now, as well, because the Estates don't have any fire service. They don't have any hydrants or anything. Is there something in the Ad Valorem taxes that covers this?
- A.** This has nothing to do with Ad Valorem or the Estates. The Estates is not serviced through potable water lines – which is the only thing that the proposal is referring to.
- Q.** This is going to roll to everyone because it is going to commercial sites and that just goes back into what it costs to do business which affects all the end-users as well. It does not make much sense if Utilities does not have a specific use for the funds. The Administrative Code cited was instituted in 1993. So why come back 18 years later and ask for these fees?

Pam Libby, Manager – Water Operations:

- Our rate study was just completed and discussed in the Subcommittee meeting.
- If the fees go through in one year, it will be factored into the next Rate Study and there would be an off-set to the existing fees.

Comment: The residential rate users will be receiving a subsidy from the commercial users having a potable water connection solely for the purpose of fire protection.

Joe Bellone stated everyone who is connected to the potable system through a Fire Service connection would be paying that.

Chairman Varian clarified if the proposal goes into effect, another Rate Study will be conducted and the across-the-board fees may be reduced.

Pam Libby noted there are as many residential Fire lines as commercial fire lines in use.

David Dunnivant, Subcommittee Chairman:

- This is something that I requested and thank Nathan for presenting it.
- The proposal is an attempt to eliminate the “Don Quixote” pursuit of requiring fire meters on lines.
- To do it on every new service from this point forward for the stated objective of trying to identify lost water revenue makes no sense.
- The only way to do that is to go to existing lines – and to do that would throw every calculation on every fire system that exists in this County completely into chaos.
- The proposal is not stated strongly enough that meters will “come off the table” if approved. The issue of meters would no longer be pursued by Utilities.
- The Subcommittee discussed that this would generate revenue and users should receive a corresponding credit.
- Utilities stated their next Rate Study is two years away.

- The Fire Code Officials have expressed dismay regarding stand-by service charges as has the Fire Sprinkler Association.
- But if there is a corresponding reduction in domestic water user rates, it makes sense – it's a net trade-out.
- The question is whether we want to consider that for the two-year period.
- The current Ordinance is not well-crafted. It went through in 2008 without any oversight. It states if a facility somehow uses more than 5,000 gallons in one month, it will be charged an annual rate. Projects that are being charged 12 times any of the listed rates on a monthly basis for using approximately \$20 worth of water.
- It is apparent that this is a complete error.
- The question is whether we allow that error to continue for two more years until there is a corresponding rate reduction. If this were a trade-off, the proposal would not be a "hard sell."
- I remain concerned about Utilities intended objective of increased pressure. Even if increased pressure is shown, I don't think Industry is going to be supportive of adding additional costs to the lines through reduced pressure backflows or through fire meters which I think is what we're heading toward.
- We have to start understanding the pressures.
- We're not going anywhere very fast – we can take a Subcommittee vote on whether it is a "good thing" or not but I don't think it would survive the Subcommittee as a recommendation.
- The Subcommittee does not have a recommendation for DSAC.

Discussion ensued and some of the points made were:

- The Utilities Rate Study to be conducted in two years and may result in a rate adjustment.
- The proposal may not become effective until October 1, 2011.
- Is it fair to ask for meters on new connections and not ask for meters on existing connections?
- 5% loss is average in the Industry as "acceptable loss" -- is it necessary to try to recapture that 5% loss.
- The County's position is "no free service" - what can be done if meters are not required?
- The current fees cover the costs for 95% of the water that is produced.
- "User fees" should be charged only when water is used – not for the "potential" to use it.
- Suggestion: a "surcharge" for fire service rather than a user fee.
- It was thought the fee was to be distributed across all users – commercial as well as residential.

Pam Libby stated "those who benefit pay" – the people who have a dedicated fire service line are receiving a benefit that the individuals without a fire line are not receiving. Every meter in Collier County is charged an availability fee each month whether service is used or not – it has been built into the rates.

Public Speaker:

Melissa Ahern, CBIA:

- The issue began as a meter issue -- Utilities' goal was to recoup the 5% water loss which was assumed to have been caused by the fire lines
- It could not be definitely established that the fire lines caused the loss and when questioned, Tom Wides stated without meters on fire lines, he could not be sure what caused the loss
- In March, 2010, Utilities stated, "A one percent loss (for non-billed usage) equates to \$160,000 loss in water revenues" or approximately \$800,000 in lost revenues for the 5%.
- Using the rates (1,000 units for commercial/5,000 units for residential with fire lines), a calculation of the revenue generated will be approximately \$950,000 on the low side.
- The Subcommittee was told Utilities would examine the issue two years down the road when the Rate Study was conducted.
- CBIA is not confident that when the rates are re-evaluated in two years, something else will come up to take the place of the differential in the costs.
- CBIA opposed the water meters and the monthly charge.

After lengthy discussion, the consensus was that more discussion is necessary.

VII. New Business:

A. Update: Watershed Plan – Request to form Subcommittee – Mac Hatcher, Senior Environmental Specialist – Stormwater and Environmental Planning

(A copy of a January 26, 2011 Memorandum was distributed to the Members.)

- A request was made to form a Subcommittee to assist with recommendations from DSAC to affect policies and Ordinances for the Watershed Management Plan
- There is no direct connection with the Floodplain Committee or the Flood Damage Prevention Ordinance
- PBS&J ("Post, Buckley, Schuh & Jernigan") is the lead Consultant on the Project which has been in the works since 2007
- There will be some recommendations that relate to site planning and will be of interest to DSAC
- The County does not have a current Watershed Management Plan in existence
- Goal: to develop the most effective mechanisms to protect the County's water resources
- The County is required by the Federal government to enhance impaired water bodies (water quality)
 - Nutrient loading, evaluating discharge rates, improving recharge characteristics
- County's website provides a great deal of background information and a Powerpoint presentation from PBS&J is also on the website
- Board directed

Robert Mulhere disclosed he is a sub-consultant doing some work for PBS&J and will not sit on the Subcommittee

DSAC's engineers practicing in water management: Reed Jarvi, Blair Foley, David Hurst, George Hermanson, and Marco Espinar.

B. Update: Fee Ordinance – Jamie French

- **Jamie French** requested clarification from DSAC
- **Chairman Varian** asked if there are more than six months of Reserves, did the Ordinance require a reduction in fees.

(Robert Mulhere and David Hurst left at 4:55 PM.)

- A mixture of funds (#113, General, #131) supports Business Center employees
- It will take some time but he will return with the information on the true cost to operate business, i.e., Plan reviews and Building inspections
- **Mr. French** will be able to bring the figures back on a quarterly basis and will recognize the Statutory guidance regarding Reserves and fees may be reduced or increased, as appropriate

Chairman Varian stated his concern: that DSAC comply with its responsibilities as outlined in the Ordinance.

VIII. Committee Member Comments:

(None)

Next Meeting Dates:

(Meetings will commence at 3:00 PM unless noted below.)

March 2, 2011

April 6, 2011

May 4, 2011

June 1, 2011

There being no further business for the good of the County, the meeting was adjourned by order of the Chairman at 5:00 PM.

February 2, 2011

**DEVELOPMENT SERVICES
ADVISORY COMMITTEE**



William Varian, Chairman

The Minutes were approved by the Board/Committee on 4/6, 2011,
as presented [, or as amended [].