



City of Naples

City Council Chamber
735 Eighth Street South
Naples, Florida 34102

City Council Workshop Meeting – May 18, 2026 – 8:31 a.m.

It is noted for the record that all: 1) documentation electronically appended hereto is also contained in the file for this meeting with the City Clerk's Office; 2) added items are referenced in red as "ADDED ITEM"; and 3) added attachments are referenced in red as "ADDED ATTACHMENT".

1) CALL TO ORDER AND ROLL CALL

City Council Members Present

Teresa Heitmann, Mayor
Ted Blankenship, Vice Mayor

Berne Barton
Bill Kramer
John Krol
Linda Penniman
Scott Schultz

Staff Present:

Gary Young, City Manager
Charlotte Loewel, Human Resources Dir.
Ben Copeland, Budget & Capital Project Mgr.
George Yilmaz, Deputy City Manager, Director of
Critical Infrastructure
Andrew Hunter, Information Technology Dir.
Chad Merritt, Community Services Director
Aaron Hopkins, Community Services Deputy Dir.

Matthew McConnell, City Attorney
Stefan Massol, Finance Director
Steve Beckman, Director of Building
Services
Erica Martin, Planning Director
Ciro Dominguez, Chief of Police
Phil Pennington, Fire Chief
Jessica Rosenberg, Deputy City Clerk

Others Present:

Joe Blomker
Joseph Tornincaso
Suzanne Klym

Jerald Maxson
Sean Murphy
Christian Bergstrom

2) INVOCATION AND PLEDGE OF ALLEGIANCE

Mayor Heitmann gave an invocation, then subsequently led in the Pledge of Allegiance.

3) SET AGENDA

City Manager Gary Young requested the addition of Item 7.D., an Executive Session announcement related to the Naples Airport Authority (NAA).

MOTION by Barton to SET THE AGENDA, subject to adding Item 7.D;
seconded by Kramer and unanimously carried, all members present and
voting (Barton-yes, Blankenship-yes, Kramer-yes, Krol-yes, Penniman-yes,
Schultz-yes, Heitmann-yes).

4) ANNOUNCEMENTS AND PRESENTATIONS

None.

5) PUBLIC COMMENTS

Joe Blomker, a Planning Advisory Board (PAB) member appearing in his individual capacity as a private citizen, addressed the City Council regarding public engagement in the Comprehensive Plan update process. He stated that although a coalition of Homeowners Associations (HOAs) representing more than 70 percent of City residents had requested engagement with both the PAB and the City Council, neither body nor any elected official had formally responded. He reported that the PAB had voted unanimously to recommend denial the Ordinance proposing transmittal of the updated Comprehensive Plan and, by a vote of six to one, to recommend that

the City Council direct staff to engage with the HOA Coalition, allow additional public commentary on the current final draft of the Comprehensive Plan, and offer Collier County an opportunity to provide feedback.

Mr. Blomker encouraged regular neighborhood engagement meetings and offered assistance in preparation for the planned Joint Session with the County. Lastly, he suggested that Council Members acknowledge public speakers during meetings to signal that their input had been heard.

Mayor Heitmann responded that the City Council had supported restoration of neighborhood plans and neighborhood ride-alongs to assist with capital improvement priorities. City Attorney Matthew McConnell clarified that Member Blomker was speaking in his individual capacity rather than on behalf of the PAB. City Manager Gary Young stated that the Comprehensive Plan process would be added to a future City Council agenda for discussion and direction regarding next steps.

Vice Mayor Blankenship referenced the President's Council as an existing communication forum between HOAs and the City and expressed openness to improving the process. Council Member Kramer noted that the City Council typically addresses public comments through future agenda items rather than direct dialogue during meetings, while Council Member Schultz expressed interest in participating in any future joint City-County discussions.

6) BOARDS AND COMMITTEES

6.A) Interview One Applicant for the Community Redevelopment Agency Advisory Board; One Applicant for the Community Services Advisory Board, and One Applicant for the Design Review Board.

Deputy City Clerk Jessica Rosenberg reviewed the agenda memorandum and introduced the applicants for various City Board appointments, each of whom was subsequently interviewed by the City Council: Joseph Tornincaso, Community Redevelopment Agency Advisory Board (CRAAB); Suzanne Klym; Community Services Advisory Board (CSAB); and Jerald Maxson and Sean Murphy, Design Review Board (DRB). Deputy City Clerk Rosenberg announced that current Alternate DRB Member James Knafo was unable to attend the morning interviews but anticipated he would be available for an interview later in the day.

During the interviews, Vice Mayor Blankenship expressed concern regarding the appearance of a Miracle Mile redevelopment project, citing the visibility of a large wall and exposed transformers near Gulf Shore Boulevard North, and emphasized the importance of DRB members being willing to challenge developers on architectural and landscaping issues. Council Member Kramer clarified that the project remained under construction and stated that planned landscaping, lattice features, and vegetation had not yet been installed. He cautioned against judging the project before completion and noted that City code already requires architectural variation and screening elements.

Mayor Heitmann stated that appointments were scheduled for Wednesday, May 20, 2026.

[Amended Agenda Memorandum \(ADDED ATTACHMENT / Staff\)](#) [Agenda Memorandum CRAAB - Joseph Tornincaso Application](#) [CRAAB Code](#) [CSAB - Suzanne Klym Application](#) [CSAB Code](#) [DRB - James Knafo Application](#) [DRB Code](#) [Picture of transformers \(ADDED ATTACHMENT / Vice Mayor Blankenship\)](#)

7) DISCUSSION ITEMS

7.A) Employee Health Plan Overview Presentation.

Human Resources Director Charlotte Loewel and City Benefits Administrator Amy Foster introduced the item. Christian Bergstrom, Director and Senior Benefits Consultant at Gehring Group, presented the annual health plan overview.

Director Bergstrom reported that the City's overall healthcare plan costs increased by only 2.8 percent compared to the previous year, reaching \$741 per member per month, which remained below the national average of \$827 per member per month. He noted that this occurred despite a 43.5 percent increase in specialty pharmacy costs. He attributed this favorable performance to the City's wellness incentive program, which achieved a 56 percent population engagement rate,

significantly above the norm of 45 percent. He noted that 72 percent of the covered population had a physician visit in the past year and 52 percent completed an annual physical. He further stated that key condition adherence rates substantially exceeded norms for management of high blood pressure, diabetes, depression and elevated cholesterol. He also noted that the City received continued recognition through the Bell Seal Award, the American Heart Association's Healthiest Employer in Florida designation, and the Cigna Healthy Workforce designation.

Director Bergstrom stated that, based on current claims experience and fund balances, the recommendation for fiscal year 2026–27 was for no increase in either the City's or employees' contribution rates. He noted that the 85/15 premium split, with the City paying 85 percent regardless of coverage tier, compared favorably to peer municipalities. Director Bergstrom noted that rate caps negotiated into the dental contract limited the premium increase to five percent for the upcoming fiscal year, compared to a projected market increase of 12 to 13 percent, and that the dental cap is in place through fiscal year 2029. He added that vision insurance rates were guaranteed through 2029, medical rates through September 30, 2029, and life and disability rates through September 2028.

City Manager Gary Young noted that the zero-increase recommendation was contingent on the current fund balance and cautioned that a second consecutive high-claims year could result in a rate increase in fiscal year 2027–28 for the first time in five years.

In response to Vice Mayor Blankenship, Director Loewel stated that the City's single-coverage cost of \$56.47 per month was not affecting recruitment, with many applicants citing the health benefits as a reason for seeking City employment. Vice Mayor Blankenship raised the question of GLP-1 medications for weight management, noting that obesity was the leading health risk in the employee population at 17 percent. Director Bergstrom explained that GLP-1 medications currently cost between \$1,000 and \$1,200 per member per month through a health plan, making coverage fiscally prohibitive at this time; however, he noted that oral alternatives entering the market in the near term were expected to reduce costs to potentially below \$200 per month by fiscal year 2027, at which point coverage may become feasible. Vice Mayor Blankenship also inquired about the City's catastrophic claim reinsurance structure; Mr. Bergstrom confirmed the deductible is \$175,000 per person per fiscal year, beyond which costs are reimbursed through the reinsurance arrangement.

Mayor Heitmann requested utilization data for vision care, noting that the plan is fully employee paid and not included in the wellness incentive program, and asked staff to report back on employee utilization of vision services. Mayor Heitmann also expressed concern about declining mammogram and colon cancer screening rates compared to prior years and asked that those areas receive targeted outreach. Director Bergstrom explained that the Cigna medical director attributed the lower mammogram participation figures to normal screening schedules rather than a declining trend, noting that many employees may have completed screenings in earlier years and would not yet be due for another exam. He stated that participation rates were expected to rebound within the next one to two years.

[Agenda Memorandum](#) [Health Plan Overview and Update Presentation](#)

7.B) Discussion on Increasing Building Department Building Permitting Fees for the Purpose of Cost Recovery.

City Manager Gary Young introduced the item, explaining that it continued a prior Workshop discussion regarding potential increases to building rates and fees that staff had been directed to present for further consideration.

Director of Building Services Steve Beckman noted that the department's base permit fee of \$0.50 per square foot had not been adjusted since 2001. He explained that the Building Department operates on a cost-recovery model governed by Florida Statute Section 553.80, which limits fee revenue to the actual cost of enforcing the Florida Building Code and prohibits use of those revenues for unrelated functions. He stated that inflation, wage increases, software and consultant costs, as well as expanded staffing needs had created a growing gap between

revenues and operational costs, making the proposed adjustment necessary to maintain staffing, technology, consultant support, and service levels.

Director Beckman said the City would continue utilizing its square-footage-based fee structure rather than a valuation-based model, and clarified that only the base per-square-foot fee would increase, while inspection, review, and permit fees would remain unchanged. He stated that the proposed rate of approximately \$0.79 per square foot remained below the Consumer Price Index-adjusted ceiling of \$0.91 and emphasized that the increase was intended for cost recovery rather than revenue generation. He further noted that, even after the proposed adjustment, City permit fees would remain competitive with surrounding jurisdictions. For example, on a typical 2,500-square-foot residential project, City fees would increase from approximately \$4,100 to \$5,125, compared to \$5,043 in Collier County and \$5,786 in Marco Island.

Council Members discussed permit processing, staffing, private provider inspections, technology upgrades, and challenges associated with expired or unclosed permits. Director Beckman explained that the department continues to provide next-day inspections, utilizes supplemental consultants when necessary, and is implementing technology enhancements, including AI-assisted permit application sufficiency review tools through the Blitz software platform. He added that the new public-facing testing portal had recently been made available through the City's website.

Council Member Schultz inquired whether excess Building Department revenues could be transferred to the general fund. Director Beckman confirmed they could not, as Florida Statute Section 553.80 expressly prohibits the use of building permit fees for non-building-code enforcement functions. Council Member Schultz also asked whether impact fees could serve as an alternative funding mechanism. City Manager Young explained that impact fees are restricted by state law to capacity-increasing capital expenditures and cannot be used for departmental operations or maintenance.

In response to Vice Mayor Blankenship, Director Beckman clarified that stormwater reviews and inspections are conducted by the Stormwater Division, which assigns and collects its own fees through the permitting system, separate from Building Department revenues. City Manager Young noted that the prior City Council had suspended mandatory five-year stormwater system evaluations and stated that staff would return in the fall with proposals regarding future inspection trigger mechanisms, potentially tied to building permits or property transfers.

Council Members also discussed coordination challenges between departments during the permitting process. Council Member Barton expressed concern regarding applicant frustration with navigating multiple departments, inconsistent communications, and permits being reopened after partial approvals, and suggested consideration of a liaison or case-manager-style position to serve as a single point of contact for complex applications. Director Beckman acknowledged the concept, noting that the Building Department already serves as the central intake point for permit applications and coordinates routing among departments, but stated that identifying an individual with sufficient expertise across all permitting disciplines would present challenges. City Manager Young acknowledged the feedback and stated that he intended to further evaluate the concept with Director Beckman, noting that inconsistent responses to unchanged permit submissions represented a frequent source of applicant frustration.

Mayor Heitmann also raised questions regarding coastal construction setback line (CCSL) permits, right-of-way permits, and technology modernization efforts. Director Beckman explained that CCSL permits associated with construction projects are processed through the Building Department intake system, while reviews and fees are administered by the Natural Resources Division. City Manager Young noted that right-of-way permit fees had not been substantially updated in many years and stated that staff anticipated scheduling related workshop discussions in June 2026.

After discussion, the following consensus was reached:

Consensus to direct staff to proceed with preparation of the fee adjustment Ordinance, with anticipated First and Second Readings scheduled prior to the upcoming fiscal year with an effective date of October 1, 2026.

[Draft Agenda Memorandum](#) [Draft Base Fee Adjustment Ordinance](#) [FY24 to FY26 Compared Naples Fee Comparison Excel Version](#) [Naples Fee Comparison PDF Version](#)
[Recent Collier County Fee Increases](#) [Marco SF Home Example](#) [Collier SF Home Example](#)

Recess: 11:00 a.m. to 11:14 a.m. It is noted for the record that the same Council Members were present when the meeting reconvened.

7.C) Discussion and Direction regarding City of Naples Five-year Capital Improvement Plan for Fiscal Years 2027-2031.

City Manager Gary Young introduced the item. Finance Director Stefan Massol utilized an electronic presentation to provide an overview of the five-year Capital Improvement Plan (CIP) for fiscal years 2027 through 2031. He noted that the plan is ambitious, with total five-year expenditures of approximately \$600 million and proposed fiscal year 2026–27 expenditures of \$103.3 million, subject to final budget adoption. He cautioned that the timing of many projects, particularly in the stormwater fund, would likely shift due to the time required for design, permitting, and grant procurement. He also noted that while the first two to three years of most funds showed sufficient fund balance, the out years reflected deficiencies that would need to be addressed through future annual budget processes. Director Massol further noted that stormwater rate increases previously approved at 25 percent annually over four years beginning October 1, 2026 were incorporated into the plan, and recommended that an updated water and sewer rate study also be conducted. He noted that a task order for the rate study was planned to be brought before the City Council for consideration on September 3, 2026.

Director Massol also noted that the telecommunications services tax, historically shared among three funds, had been redirected entirely to the Streets Fund in recent years to offset the sunset of the one-cent sales tax in December 2023, and that the Streets Fund would still show a deficit in the out years without additional revenue sources.

On debt financing, Director Massol noted three anticipated financing actions: \$29 million in bond proceeds for Fire Station 2 construction (fiscal year 2026–27), backed by pledged public services tax revenue at an estimated annual debt service of \$1.95 million over 20 years at a three percent interest rate; and two separate \$50 million stormwater enterprise revenue bond issuances anticipated in fiscal years 2027–28 and 2029–30, contingent on project timing.

City Manager Young emphasized that governmental fund revenues available for non-enterprise capital needs, after accounting for the Fire Station 2 financing, amounted to approximately \$6.5 million annually, underscoring the importance of pursuing grant funding and supporting the County's proposed infrastructure one-cent sales tax if and when it is advanced for voter approval.

Stormwater Fund

Budget and Capital Project Manager Ben Copeland, utilized an electronic presentation to present the Stormwater Fund, which carried a proposed fiscal year 2026–27 request of \$21.7 million. He described a strategic shift from the original five-basin implementation plan to a Citywide "basin by basin" approach, referred to as the "Three Bs", encompassing all 12 drainage basins rather than only the five priority sub-basins previously targeted. City Manager Young explained that this approach was driven by new leadership's assessment of Citywide stormwater deficiencies following storm seasons associated with Hurricanes Ian, Helene, and Milton.

Manager Copeland reviewed key projects proposed for fiscal year 2026–27, which include: a Swan Lake pump station pilot project (\$5 million) to provide a permanent wet well and pump station for gravity conveyance to Naples Bay, with a design task order anticipated for City Council consideration after the summer recess; a 17th Avenue South pilot stormwater collection system (\$500,000) to convert a temporary bypass pump installation from the 2025 storm season into a permanent solution; the basin-by-basin Citywide improvements program (\$6 million) addressing

all 12 basins with a current project list valued at approximately \$4.4 million and growing; Beach Outfall Phase Three (\$750,000) to repurpose existing infrastructure at eight outfall locations between Lowdermilk Park and 3rd Avenue South to provide redundancy for the Naples Beach Outfall Project; Citywide stormwater improvements (\$3 million) for ongoing in-house pipe replacements, outfall cleaning, and pipe lining; Cove pump station design (\$1.2 million) for replacement of a station constructed in 1964; a street sweeper replacement (\$500,000); a television inspection vehicle (\$590,000) to allow in-house televising and cleaning of stormwater outfall pipes; and the Lake Suzanne restoration project (\$3.3 million) for silt and muck removal, littoral area restoration, and erosion stabilization.

Manager Copeland noted that the \$65 million placeholder previously shown in year three of the current CIP had been redistributed into the specific identified projects shown in the updated plan, and that \$50 million placeholders in years four and five reflected anticipated future phases of stormwater improvements not yet fully designed.

Vice Mayor Blankenship inquired about the rationale for prioritizing Lake Suzanne over Devil's Lake or Forest Lake. Manager Copeland confirmed that the selection was based on the City's lake management plan ranking, with Lake Suzanne first, Forest Lake in year three, and Devil's Lake in year five. Vice Mayor Blankenship also questioned the need for Beach Outfall Phase Three given the prior investment in the Alligator Lake backup generator and pump station; he suggested that the item might be considered for deferral and requested a more detailed explanation outside the meeting to understand why a backup-to-the-backup was necessary at that cost.

Vice Mayor Blankenship raised a concern that the \$100 million in projected stormwater bond proceeds might be an unrealistic planning figure and suggested adding a footnote to clarify that grants would be the primary target. City Manager Young agreed that the figure was a placeholder contingent on project timing and that the stormwater rate structure, generating an additional \$8.8 million by the end of year four, was designed to support corresponding debt service if financing became necessary.

Council Member Krol raised the question of whether the Florida Department of Transportation (FDOT) or other agencies might contribute to Lake Suzanne restoration given that the lake's watershed is closely tied to U.S. 41. City Manager Young confirmed that the state had contributed to prior lake restoration projects through legislative appropriations and said that staff would engage FDOT to determine whether any projects were planned on U.S. 41 north of Golden Gate Parkway. City Manager Young also noted that seven inflows into Swan Lake originate from the U.S. 41 commercial corridor, reinforcing the potential for FDOT cost-sharing.

Council Member Schultz noted that flooding in the Seagate and Naples Cay areas was a recurring problem even with routine rainfall, identifying the north end of the City as another area of stormwater concern.

Water and Sewer Fund

Budget and Capital Project Manager Copeland presented the Water and Sewer Fund, which carried a total five-year request of approximately \$109 million above the current year's budget, driven largely by the interrelationship between stormwater improvements and the water and sewer infrastructure that must be addressed concurrently. He noted that major components included approximately \$84.5 million in water and sewer work necessitated by the stormwater Three Bs program, the Community Redevelopment Agency (CRA) River Park East initiative, and future stormwater phases; a \$12 million increase in the septic-to-sewer project cost based on updated engineering estimates; and \$12 million in new compliance initiatives. He stated that the septic-to-sewer project area encompasses approximately 835 properties, with the City's water main component estimated at \$26 million and the special assessment sewer component at approximately \$42 million, for a combined project cost of approximately \$68 million.

City Manager Young recommended deferring the septic-to-sewer project by at least two years, citing the following concerns: the water and sewer fund lacked sufficient reserves to simultaneously absorb the \$26 million water main expense and support the stormwater-related utility work within the corporate limits; the special assessment obligation for property owners was estimated at \$47,500 to \$50,000 per parcel, a significant increase from the approximately \$21,000 per parcel charged in the prior round; the liquidity risk to the fund if a large percentage of property owners elected the 20-year deferral option; and the need to prioritize stormwater infrastructure within the City's corporate boundaries, which had been severely impacted by recent storm events. City Manager Young stated his preference for a two-year deferral but would consider a minimum one-year deferral.

Vice Mayor Blankenship emphasized the importance of the septic to sewer project as a long term water quality initiative and expressed concern that it not be deferred indefinitely. Discussion included whether the project could be phased by sub area to reduce financial impacts; however, City Manager Young explained that economies of scale, encumbrance requirements, and conditions tied to the existing \$10.5 million federal and state grant award would likely require the project to be bid as a single contract. He noted that phasing might instead be limited to staggering special assessment commencement dates based on construction timing within each area, subject to further review by the City's special assessment attorney. City Manager Young recommended deferring the project approximately two years due to current workload demands, infrastructure priorities, staffing constraints, and financial considerations, while continuing design efforts so the project remains shovel ready for future funding opportunities. Council Members generally supported the delay and also discussed potential opportunities for future County participation and outside grant assistance. The following consensus was then proffered:

Consensus to direct staff to defer the septic-to-sewer project by two years while continuing design work and pursuing potential grant funding opportunities.

Council Members Barton and Kramer, and Vice Mayor Blankenship all confirmed their agreement with the deferral as a prudent stewardship decision while acknowledging the project's continued importance.

Mayor Heitmann raised the possibility of Big Cypress Basin or similar watershed-level funding partnerships and expressed the desire to ensure the project remained a priority in discussions with the County at the upcoming joint meeting.

Manager Copeland reviewed additional water and sewer fund projects, which included: raw water production well replacements at wells 403 and 414 (\$350,000 for design, with \$6 million for construction in year two); disinfection improvements at the water treatment plant (\$700,000 for design) driven by an FDEP compliance agreement; water and sewer transmission main replacements (\$6 million, incorporating River Park East in year two and stormwater Three Bs utility conflicts); Collier County joint projects including the Linwood interlocal agreement reimbursement (\$800,000) and a raw water main relocation on County Road 951 at Golden Gate Parkway (\$1.5 million in year two); a Class 5 recharge well conversion design (\$300,000) associated with the Riverside Circle wastewater treatment plant; sewer laterals, manholes, and pump stations (\$5.1 million); and a new jet vac truck (\$650,000) to improve the cleaning capacity of the sewer collection system from a current average of 11 miles per year toward the industry standard of 27 to 45 miles annually.

City Manager Young also highlighted the significance of Collier County-driven utility conflicts, including the Linwood project (\$2.5 million), a future Collier Boulevard widening project affecting the City's raw water transmission main (\$2.3 million), and the septic-to-sewer area work, as illustrations of why the City's corporate-boundary stormwater and utility work must remain the primary capital focus.

Council Member Schultz asked whether replacement pipes were being upsized during installation. George Yilmaz, Deputy City Manager, Director of Critical Infrastructure confirmed that pipe

upsizing is evaluated during all major renewal projects. He explained that upsizing is often impractical during isolated spot repairs because it can require substantial additional engineering and system modifications. However, for comprehensive renewal efforts, such as the River Park East demonstration project and the Three Bs basin by basin program, the entire drainage system is evaluated and capacity improvements are incorporated into the design from the beginning.

Manager Copeland and Council Members discussed the complexity, cost, and timing of the City's septic-to-sewer conversion program, including challenges associated with underground utility conflicts, phased construction, financing, and grant funding. Discussion highlighted that unforeseen underground conditions have significantly increased project costs and timelines, with the City having already expended between \$3 million and \$4 million on utility conflict resolution work that was not originally anticipated. Manager Copeland explained that while phasing the remaining sewer conversion areas could reduce near-term debt impacts, doing so could create legal, financing, and implementation complications, potentially reducing economies of scale and jeopardizing portions of the project's \$10.5 million grant funding.

Streets Fund

Budget and Capital Project Manager Copeland presented the Streets Fund with a proposed fiscal year 2026–27 capital request of just under \$2 million. He noted that the fund remained heavily dependent on the telecommunications services tax and that additional revenue sources would be required to fund projects shown in fiscal years 2028–29 and beyond. He highlighted that two of the remaining span wire-to-mast arm intersection hardening projects, Harbour Drive and Crayton Road, and 9th Street and 10th Avenue South, were funded through the one-cent sales tax program. He further noted that the CRA had separately approved \$4.2 million for the streets component of the River Park East project, and that neither expense would impact the Streets Fund.

City Manager Young noted that \$3.3 million in intersection hardening projects and approximately \$575,000 in developer contributions for the Broad Avenue South and Gordon Drive intersection together accounted for nearly all of the fund's \$4.4 million projected deficit in year three, illustrating the type of infrastructure investment that could be covered by a County infrastructure one-cent sales tax if approved.

Manager Copeland listed key projects for fiscal year 2026–27, which included: annual pavement resurfacing (\$1.5 million) covering approximately five to seven street miles, including Banyan Boulevard and 5th Avenue South; traffic control cabinet replacements (\$90,000) to standardize the three remaining original cabinets damaged by Hurricane Ian; a \$150,000 allocation within the resurfacing program for pedestrian and bicycle master plan projects; and three service vehicles (\$60,000). Manager Copeland also noted that the seawall replacement project on Gulf Shore Boulevard North (\$4.5 million, funded from the general fund) was expected to complete design by fiscal year-end, with a construction contract anticipated to come before the City Council before the end of the calendar year.

Council Member Kramer noted that the May 19, 2026 Tourist Development Council (TDC) meeting would be an opportunity to flag potential City projects for TDC funding consideration and offered to raise relevant items on the City Council's behalf. City Manager Young confirmed that the City must apply annually for TDC funding and encouraged the City Council to identify projects that benefit tourism, citing the Naples Pier, Cambier Park playground, and other park improvements as examples.

Solid Waste Fund

Budget and Capital Project Manager Copeland presented the Solid Waste Fund with a proposed fiscal year 2026–27 capital request of just over \$1 million, representing three projects, the largest of which was the replacement of two large trucks, a roll-off truck and a new hybrid front-load vehicle to support dumpster-based recycling collection, at approximately \$750,000 combined. Manager Copeland noted that the fund was performing well and that a rate review was anticipated within the next 18 to 24 months.

Equipment Services Fund

Budget and Capital Project Manager Copeland presented the Equipment Services Fund with a proposed fiscal year 2026–27 capital request of \$150,000, covering preliminary design and evaluation for a roof and nine garage door replacements at the equipment services facility (\$75,000) and a service truck replacement (\$75,000). He noted that several of the facility's garage doors no longer met current wind-load requirements and had shown deterioration since Hurricane Ian.

Recess: 12:40 p.m. to 1:10 p.m. It is noted for the record that the same Council Members were present when the meeting reconvened.

Building Department

Director of Building Services Steve Beckman presented the Building Department's fiscal year 2026–27 capital request, which included two vehicle replacements (a 2007 and a 2013 Ford F-150, proposed to be replaced with Ford Rangers at a combined cost of approximately \$70,000 to \$80,000) and a building renovation project of up to \$1.334 million. He explained that Senate Bill 1614 authorized the use of building fund reserves for building renovations in lieu of new construction, enabling the department to pivot from a previously planned new building to a renovation of the existing facility. The renovation, he said, would redesign the lobby and permitting counter area, consolidate records storage from three current locations, and improve workspace efficiency. Director Beckman noted that approximately \$2.5 million had been set aside in prior fiscal years for the new building and that the renovation was expected to cost significantly less, allowing unneeded reserves to be returned to the fund.

Planning Department

Planning Director Erica Martin presented a single capital request for fiscal year 2026–27 consisting of one department vehicle at a cost of \$50,000. She explained that planning personnel conducting petition-related inspection site visits, pre-application site assessments, and complaint-response field visits were currently using personal vehicles, a situation that had resulted in a staff member incurring personal costs due to tire damage at an active construction site.

Information Technology

Information Technology Director Andrew Hunter presented a total fiscal year 2026–27 capital request of \$865,000, an increase of approximately 8.8 percent over the prior year. Director Hunter described the continuation of the fiber optic ring strategy to connect City facilities directly to the 295 Riverside hub, reducing reliance on third-party service contracts and improving network resiliency through ring topology. Additional requests, he noted, include a refresh of uninterruptible power supply (UPS) units, the smaller building-level units, last replaced in 2014, at \$115,000; two department vehicle replacements at \$110,000; and \$190,000 in departmental requests covering data room security hardening, off-site backup and recovery storage, additional emergency call boxes at City parks and parking garages, and network access control to restrict unknown devices from the City network.

Community Services

Community Services Director Chad Merritt presented the Community Services capital requests totaling \$2.8 million across four funds for fiscal year 2026–27, including the Public Service Tax Fund, Beach Fund, City Dock Fund, and Tennis Fund.

Director Merritt and Aaron Hopkins, Community Services Deputy Director, utilized an electronic presentation to detail the Public Service Tax Fund projects, which included: tree infill (\$300,000); landscape median restoration (\$150,000); mini excavator replacement (\$110,000); irrigation system improvements at Kingstown Drive and other sites (\$50,000); River Park Aquatic Center improvements including lifeguard room and restroom upgrades (\$75,000); Fleischmann Park restroom replacement design and construction (\$1 million); Baker Park painting and splash pad surfacing upgrade (\$100,000); River Park Community Center auditorium and courtyard improvements (\$100,000); Norris Center exterior repainting (\$50,000); Naples Preserve invasive

exotic removal (\$50,000); Cambier Park concession stand air conditioning and hurricane windows (\$100,000); Community Services building moisture remediation (\$50,000); Police Department first-floor HVAC unit replacements (six units at \$180,000), with 13 second-floor units proposed for the following fiscal year; City Hall generator and transfer switch replacement (\$200,000); and a facilities maintenance vehicle replacement (\$60,000).

Director Merritt offered an overview of Beach Fund projects, which included: kayak, canoe, and stand-up paddleboard rack installation at Lowdermilk Park (\$50,000), associated with the forthcoming boats-in-the-park program discussion scheduled for the June 15, 2026 workshop; a beach maintenance cart replacement (\$18,000); and a beach maintenance dump truck replacement (\$65,000). Director Merritt noted that the existing dump truck had rusted through its floor and was temporarily out of service, requiring the department to utilize a borrowed vehicle from the Solid Waste Division.

City Manager Young provided an update on the Naples Pier reconstruction project, reporting that 17 to 19 pilings had been installed and cutting and removal of old structural components had commenced. He noted that a design revision incorporating a police office and restroom was being finalized by MHK Architecture and was expected to result in a net cost savings relative to the original elongated pier design. He confirmed the project remained on schedule for completion in July 2027, consistent with the 18-month construction timeline that began in January 2026. He noted that efforts were underway to protect the site from sea turtle nesting interference, which remained the primary near-term risk to the schedule.

Mayor Heitmann asked about the boats-in-the-park program. Director Merritt explained that the previous boats-on-the-beach program had been discontinued after the Florida Department of Environmental Protection (FDEP) declined to re-permit beach-based storage following Hurricane Ian. City Manager Young confirmed that a full workshop discussion on the program's structure, rules, and potential revenue model was scheduled for June 15, 2026, and that the \$50,000 rack installation was included in the CIP to preserve that option pending that decision.

Director Merritt introduced the City Dock Fund projects, detailing a \$50,000 dredging and sediment removal project beneath the dock, recommended by divers following routine inspection of sediment buildup that posed a risk of the dock resting on accumulated material during extreme low-tide events. City Manager Young explained that the fund had previously made enough advance payments on its \$6.5 million internal loan to allow the current fiscal year payment to be structured as interest only. He stated that this effectively extended the repayment schedule, helping the fund maintain a positive balance by fiscal year 2027–28, with projected balances continuing to improve in subsequent years.

Director Merritt listed the Tennis Center Fund projects, which included: exterior painting, wood replacement, electrical upgrades, and replacement of deck furniture at the Tennis Center (\$50,000). Director Merritt noted the desire to maintain the United States Tennis Association (USTA) Outstanding Facility designation.

Police Department

Chief of Police Ciro Dominguez utilized an electronic presentation to present the Police Department's fiscal year 2026–27 capital request of \$2.1 million, emphasizing a technology integration theme. Chief Dominguez described the department's transition to a fully interoperable Axon and Motorola ecosystem for body-worn cameras, vehicle cameras, license plate readers (LPRs), and radios, enabling real-time livestreaming from body cameras and vehicle cameras to the Tactical Operations Center (TAC), and dispatch. Key requests included: three patrol car replacements and seven new vehicle additions to allow individual officer vehicle assignment (\$250,000 to \$300,000 estimated); LPR equipment standardization and integration; police boat motor replacements; ballistic helmet replacements; ten additional monitors for the tactical operations center to create a near-real-time crime center capability; one small indoor drone for room-clearing applications; computer forensics equipment to support the cybercrime unit; and

SIU surveillance equipment. Chief Dominguez detailed a Beach Fund initiative to equip beach specialists with the same radio and body worn camera systems utilized by patrol officers.

Fire Department

Fire Chief Phil Pennington utilized an electronic presentation to present the Fire Department's five-year capital plan, with fiscal year 2026–27 requests including: design and initial procurement for Fire Station 2 construction (\$29 million total, with \$29 million in bond proceeds anticipated in fiscal year 2026–27); personal protective gear (bunker gear) replacement (\$120,000); Engine Company One replacement (\$1.5 million, ordered in advance of the current frontline apparatus reaching reserve status); public safety training equipment and props (\$350,000); technical rescue equipment replacements (\$65,000); and stretcher installation in squad vehicles (\$140,000, proposed to be funded from impact fees) to enable transport capability in a state of emergency.

City Manager Young reported that the design for Fire Station 2 was approximately 30 percent complete and expected to reach 60 percent by the end of the calendar year and 100 percent by approximately April 2027, with bidding anticipated between March and May 2027 and a construction contract award expected in August or September 2027. Chief Pennington noted that temporary housing options for Fire Station 2 personnel during construction were being evaluated, including lease of an existing facility and use of modular "forts for first responders" units. Council Member Barton asked about the operational continuity plan; Chief Pennington confirmed that several options were under review and would be finalized as the design progressed.

Vice Mayor Blankenship inquired about the confidence level in the \$29 million Fire Station 2 construction estimate. Chief Pennington stated that the estimate was based on preliminary cost-per-square-foot market data and that the design team had not yet provided a more refined figure; he said the estimate was believed to be sound, barring significant market escalation before construction.

City Manager Young closed the CIP presentation by reiterating that the City's governmental fund revenues for non-enterprise capital expenditures amounted to approximately \$6.5 to \$7 million annually, and that the full five-year plan reflected a significant reliance on grant funding, federal and state partnerships, enterprise revenue bonds, and the potential County infrastructure one-cent sales tax.

[Agenda Memorandum](#) [FY2027-31 Capital Improvement Plan \(CIP\) Presentation](#)

7.D (ADDED ITEM) Announcement of an Executive Session relating to City of Naples v. City of Naples Airport Authority, et al; Case No. 2026-CA-001094, 20th Judicial Circuit, in and for Collier County, Florida (ADDED ITEM).

City Attorney Matthew McConnell read the public notice of an Executive Session to be held on May 20, 2026, at 12:30 p.m. for the purpose of providing advice and discussing settlement negotiations and litigation expenditures related to *City of Naples v. City of Naples Airport Authority, et al.*, Case No. 2026-CA-1094-N, in and for Collier County, Florida. City Attorney McConnell stated that the executive session would be held on May 20, 2026 at approximately 12:30 P.M. and that no action would be taken during the session.

[Agenda Memorandum](#) [Public Notice](#)

8) PUBLIC COMMENTS

None.

9) COMMUNICATIONS FROM MAYOR, CITY COUNCIL, AND STAFF

Council Member Schultz disclosed that he was anticipating undertaking a medical procedure in the near future and that his attendance might be sporadic during recovery.

Council Member Krol reported on his advisory board service with the Naples Players, noting that the Naples Arts Center was planning significant upcoming exhibits and that a donated piece of exterior artwork would require City Council approval before installation.

Vice Mayor Blankenship spoke about the Planning Advisory Board's (PAB) recent action during its May 13, 2026 meeting on the Comprehensive Plan transmittal Ordinance. He said he had not

yet fully reviewed the PAB meeting video and would like to understand the board's specific concerns and options before providing direction, noting the PAB had voted seven to zero to recommend denial and six to one to recommend remanding the item to the November PAB meeting for additional public engagement. City Manager Young confirmed that he intended to add a brief discussion item to the May 20, 2026 City Council meeting agenda by supplement, asking the City Council to provide direction on whether to proceed with the Ordinance as written or to develop an alternative schedule incorporating the additional engagement requested by the PAB.

Planning Director Erica Martin summarized the PAB's stated concerns: insufficient time for the public to respond to the final consultant draft; a desire for deeper engagement with the Homeowners Association (HOA) coalition; absence of formal coordination with Collier County during the drafting process (as distinct from the statutory transmittal review process, through which the County will receive the draft and has 60 days to respond); and concerns about the pace of the process generally. Director Martin clarified that Collier County, as a required reviewing agency under Florida law, would receive the draft following First Reading and would have 60 days to provide comment before Second Reading and adoption, meaning County input was already built into the statutory process. She also noted that the City had conducted the largest public engagement effort in its history for the Comprehensive Plan update, including in-person workshops, email outreach, mailings, and an online survey yielding approximately 2,000 responses total, and that while staff remained available for individual meetings, no specific policy language concerns had yet been submitted by the HOA coalition or other commenters in actionable form.

Council Member Schultz, who had attended the May 13th PAB meeting as an observer, described the discussion as reflecting the perspective of newer PAB members, some of whom were not yet familiar with the history of the process, including prior timeline extensions and the departure of a PAB member with expertise in public engagement methodology. He noted that the PAB Chair had repeatedly reminded members that the PAB is an advisory body.

Council Member Kramer expressed concern with the characterization that the process had been rushed or inadequate, noting the extensive public outreach that had been conducted over a prolonged period. He stated that he would welcome additional engagement if done with specificity, citing as a positive example an attorney's letter submitted on behalf of members of the development community, which identified specific policy provisions of concern. Council Member Kramer however cautioned against broad objections that provided no actionable guidance for staff or consultants.

Council Member Barton agreed that the PAB's recommendation warranted a discussion and suggested the Board be asked to specify what additional engagement steps it believed would be productive, given that the City had already exhausted standard outreach methods.

Council Member Krol expressed that quality of engagement, including participation by informed residents who interact broadly with the community, may be more meaningful than mere participation numbers.

Mayor Heitmann expressed interest in reviewing the May 13th PAB meeting materials before the May 20th discussion and noted that she had her own substantive views on areas of the Comprehensive Plan that warranted further development. The following consensus was then proffered.

Consensus reached to direct staff to add a brief process discussion on the Comprehensive Plan to the May 20, 2026 Council meeting agenda as a supplemental item, limited to the question of whether to proceed with the Ordinance as presented or direct staff to develop an alternative timeline incorporating additional public engagement.

City Attorney Matthew McConnell clarified that the Ordinance itself could not be placed on the May 20th agenda for first reading due to the statutory 10-day public notice requirement and that Wednesday's discussion would be limited to process direction only.

City Attorney McConnell also reiterated, for the record, his standing advisory to board members regarding the ethics code, noting that it was not appropriate for a PAB member to appear before the City Council and characterize the PAB's actions without the board having formally authorized him to do so, and that the City Attorney's office was available to counsel Board Members proactively to avoid similar situations.

Council Member Blankenship asked staff to clarify the City's responsibilities and financial obligations associated with County infrastructure and development projects affecting the City's water and sewer service areas, including whether interlocal agreements govern cost-sharing for utility improvements. City Manager Young explained that responsibilities are evaluated on a project-by-project basis through interlocal agreements and depend on whether the work primarily benefits the City, the County, or a specific development. He noted that many recent utility conflicts were tied to County stormwater and roadway projects rather than direct private development, and stated that the City often elects to upgrade infrastructure concurrently when another agency's work exposes or impacts existing facilities.

Further discussion addressed impact fees, CRA-related development, and infrastructure capacity obligations within the City's utility service area. City Manager Young explained that water and sewer impact fees generated within the City's service boundaries are remitted to the City, even for projects outside City limits, and noted that some developments are also required to construct infrastructure improvements as part of their approvals. Council Member Blankenship expressed interest in receiving additional information regarding the financial relationships, responsibilities, and infrastructure impacts associated with redevelopment projects adjacent to the City, particularly within the CRA area.

Council Member Kramer sought clarification that many of the utility improvements discussed were not being undertaken solely because of County projects, but rather because County roadway or stormwater work created opportunities to replace or upgrade City infrastructure that would eventually require replacement regardless. City Manager Young agreed, explaining that while outside projects can accelerate the timing of infrastructure improvements by several years, completing the work concurrently often avoids future excavation costs and utility conflicts, and may ultimately reduce overall project expenses.

City Attorney McConnell advised the City Council that the Code Enforcement Board again failed to achieve a quorum despite prior authorization allowing virtual participation. He asked Council Members to consider, at a future date, establishing a backup Code Enforcement Magistrate process to ensure meetings could proceed when a quorum is unavailable. He emphasized that the proposal would not replace the existing Code Enforcement Board, but would instead provide a contingency option through a separate solicitation process.

Mayor Heitmann acknowledged progress on the Old Naples Hotel project while noting for the record concerns regarding concessions made during prior City Council meetings, including transfer of public right-of-way and reduced traffic impact fee obligations. She emphasized the importance of maintaining constructive relationships with the state legislative delegation and noted that pre-session legislative priority communications should be coordinated carefully so as not to appear antagonistic.

City Manager Young reported that State Senator Kathleen Passidomo had submitted a letter of support for the City's Economic Development Administration (EDA) grant application related to the 5th Avenue South infrastructure project.

10) ADJOURNMENT

2:53 p.m.

Teresa Lee Heitmann, Mayor

Patricia L. Rambosk, City Clerk

Meeting clerked by:

Jessica Rosenberg, Deputy City Clerk

Minutes prepared by:

David Horton, Executive Assistant

Minutes Approved: 6/3/2026.