

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT  
REGULAR BOARD OF SUPERVISORS MEETING  
NOVEMBER 18, 2015**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, November 18, 2015 at 9:00 a.m. at the Pelican Marsh Foundation Building, Naples, Florida.

**APPEARANCES:**

Frank Garofalo, Chairman  
Robert Smith, Vice-Chairman  
Don Pomerantz, Treasurer  
Gordon Walker  
Sally Dupler

**ALSO PRESENT:**

W. Neil Dorrill, Dorrill Management Group  
David Robson, District Engineer  
John Vanover, Operations Manager  
Matthew Flores, Woodward, Pires & Lombardo  
James Calamari, Access Control

**ROLL CALL**

The meeting was called to order by Chairman Garofalo, and it was noted that all supervisors as listed above were in attendance.

**PUBLIC COMMENT**

Sylvia \*\*Kenniman asked about the amendment related to adopting some property on Livingston, and Chairman Garofalo explained that this had nothing to do with the District, but entailed a request from WCI to make a change to the original Pelican Marsh PUD. It will make it easier for them to do so if the CDD allows the legal process to go forward with its name included, but it has no affect on the District at all, and the property will not be a part of Pelican Marsh.

**APPROVAL OF AGENDA**

**On a MOTION by Robert Smith and a second by Sally Dupler, the Agenda was unanimously approved by the Board.**

**APPROVAL OF MINUTES OF OCTOBER 23, 2015 REGULAR MEETING**

On the first page, it should be noted that Mr. Smith participated rather than appeared via speakerphone.

On the second to last line on Page 3, the word “noted” should be deleted.

On Page 5, the word “relates” should read “relate” in the second to last line.

On Page 7, the word “place” should read “placed” in the first line of the Attorney’s Report. Additionally, the word “Board” should be removed in the second line.

On page 8, the word “if” should be added before the word “the” at the end of the sixth sentence.

On Page 9, in the second paragraph, in the seventh line down on the page, the phrase “as previously noted” should be set off by commas.

Additionally on that page, under Item B, the phrase “with the changes made by Mr. Pires”, should be set off by commas.

On Page 11, the word “he” in the second line should be changed to “be” and the date under Adjournment should read the 18<sup>th</sup> rather than the 19<sup>th</sup>.

**With those corrections, the October minutes were unanimously approved by the Board on a MOTION by Robert Smith and a second by Gordon Walker.**

The Board members briefly discussed the thoroughness of the corrections they do on the monthly minutes, and agreed that correcting grammatical and typo errors was important and should continue.

## **FINANCIALS**

The preliminary, unaudited year end financials were provided to the Board, showing \$1,238,000 in cash and associated receivables from the debt service fund at the close of the fiscal year. Those will be accrued and reflected in the adjusted year end report. There was \$64,000 in payables. The income statement showed the non ad valorem assessments at almost 95.5 percent of budgeted revenues, which reflected the reduction in density for the final development parcel at Tiburon.

Mr. Smith noted that they were carrying approximately four and a half months worth of operating capital in cash, and the Chairman felt that it was probably more like three when liabilities were subtracted.

Mr. Dorrill also pointed out that the tax collector's refund of \$30,000 will not come in until around the end of October, and will be accrued back into the year. Total revenue for the year was \$3,270,000, or 97.5 percent of the budgeted revenue.

On the expense side, the year end legal expenses were over budget by \$15,000, due primarily to the County litigation, legal advertizing through the Naples Daily News and special notices. Field Management was under budget, and Landscaping was \$64,000 under budget. The fountain and related expenses were \$2,000 over budget.

In response to Mr. Walker's question, Mr. Dorrill noted that as of yet there has been no resolution with the County on the water overages due to a leak and the requested reduction of fees. The Chairman does not expect to receive any money from the County on this issue.

Water Management was \$10,000 under budget, as was Lighting and associated repairs at \$8,500. Access Control was \$41,000 under budget and Roadway Services was under by \$700.

The total operating expenses year-to-date was \$2,988,000, or \$108,000 under budget, and Mr. Dorrill gave credit to the operating staff for their efficiency and high level of service.

The total recap showed the year end excess revenue over expenses at a \$25,000 positive variance, and with the \$30,000 from the tax collector, the net will be about \$55,000.

Chairman Garofalo pointed out that revenue was \$96,000 short, which included the \$30,000 from the County and the \$66,000 shortfall from WCI. To offset that, the staff saved the District \$121,000 by making good business decisions.

Mr. Smith asked why legal fees in the new budget were not increased from the previous year, as they have gone over budget this year. The Chairman reiterated that the reason for the overages on this line item were unusual this year due to the lawsuit as well as the agreement with the County regarding the Vanderbilt Beach Road fence, and hopefully these issues will not continue throughout the new year. He noted as well that the insurance budget did go up to cover those increases. Mr. Dorrill also noted that there were decreasing salaries as there were more vacancies in access control, but this number is slightly offset by overtime. There are extra savings when there are fewer full time employees.

Mr. Smith also asked about Field Management Services which was \$3,000 under budget, and Mr. Vanover and Mr. Dorrill explained that pay periods fall differently each year, and a pay period for one fiscal year may fall into the next fiscal year. Mr. Dorrill reminded the Board that these numbers are preliminary and will be adjusted before the final year end report. Mr. Vanover will check with Dorrill Management's bookkeeper to make sure of those numbers and advise Mr. Smith. Mr. Smith added that overtime was much more expensive than part time pay, but Mr. Vanover advised that it is difficult to get part time employees, but they will continue to look for qualified people.

In response to Mr. Smith's question about the contract with the Sheriff's Department for an increase in services and why the full amount was not spent, Mr. Calamari indicated that those additional costs were being attached to the contingency line item, and were not split correctly between the regular budgeted and extra costs. Chairman Garofalo agreed with Mr. Smith that when it is explainable, it should be kept within the original line item for clarity and transparency.

Mr. Gorran noted that if management is satisfied with the services being performed as it is

presently being done and there are no complaints, then management should be left to manage as they see fit. Chairman Garofalo agreed.

**On a MOTION by Robert Smith and a second by Gordon Walker, the Financials were then unanimously accepted as presented.**

## **MANAGER'S REPORT**

### **A. Pelican Marsh CDD Sign Policy**

A revised, simplified proposed signage policy was provided to the Board, which simply says that improper or unauthorized signs of any type that are within the public, dedicated road rights-of-way within the community will be removed by the roving patrols, and can be reclaimed at the District operations facility. The public right-of-way is also defined in the policy.

Chairman Garofalo briefly explained how the District came to be monitoring signs on private property roughly 15 years ago, and as Mr. Pires previously noted, that was not the District's responsibility. This new policy relates to public rights-of-way within the PMCDD only.

Mr. Gorran asked if it would be appropriate to move a sign back onto private property if it was not properly located rather than to remove it, and was advised that 90 percent of the time this is what is done; however, on occasion the signs would then be put back onto the CDD property. In response to Mr. Gorran's question about how the realtors were advised of the changes made a few years ago regarding signage, Mr. Calamari indicated that NABOR had been contacted regarding the regulations within Pelican Marsh and they took responsibility for advising the realtors. Mr. Calamari added that the biggest offenders were those realtors who were also residents of Pelican Marsh. If the new policy is approved by the Board, an email blast will be sent out advising all residents of it.

**A MOTION was made by Gordon Walker and seconded by Sally Dupler to approve the new changes to the sign policy.**

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Mr. Smith then suggested that the wording regarding the roving patrols at the bottom of the first page in the original policy should add the phrase “the roving patrols will be responsible for removing signs on CDD property only”. In that way, people will know that the CDD is working with the Foundation.

After further discussion, **the adoption of the new policy as written was passed on a vote of four to one, with Mr. Smith voting against it, preferring the change as he noted above.**

Mr. Calamari will adjust the post orders accordingly, and the residents as well as the Board of Realtors will be advised of the change.

**B. Banking Memorandum**

Mr. Dorrill presented a summary of an opportunity for the Board to change their banking facility from Fifth Third Bank to First Integrity Bank, which the Board of County Commissioners recently successfully switched to.

On an average balance of about \$3,800,000, the District was only making \$450 per month in interest, while paying roughly \$130 a month in fees. First Integrity’s Bank’s fees are a third less than those of Fifth Third, and they have agreed to waive all fees for the first year of service.

The interest they are offering is substantially more as well, and the District on the same average balance as noted above would have earned \$770 a month in interest.

In response to Mr. Walker’s question, Mr. Dorrill indicated that he saw no negatives to making this change, and added that First Integrity’s technology is better, their internet access is better, and they have agreed to provide the District with automatic check scanners. Along with better customer service and lower fees, their interest rates are better, and Mr. Dorrill suggested that the Board move forward with the change.

Mr. Pires had asked that the line of credit be checked to make sure that it could be kept open at Fifth Third Bank, and while it has not been used for five to seven years, Mr. Dorrill indicated that it is getting ready to expire, and the Board could choose to let it expire or close it.

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If in the future the Board wished to explore that option, they could work with First Integrity Bank to establish a line of credit. Chairman Garofalo did not feel that it would be necessary for the foreseeable future given the emergency fund the Board has established.

Mr. Dorrill will check with First Integrity Bank to determine if they provide lines of credit, and what those fees would be should the Board decide to establish one in the future. The Board agreed that they would let the present line of credit at Fifth Third Bank expire.

Mr. Smith asked if his banking with First Integrity would be considered a conflict with the Board, and Mr. Dorrill indicated that as long as Mr. Smith does not receive a benefit or compensation from them for his Board services, there should not be an issue. Mr. Flores will check with Mr. Pires to confirm that.

**On a MOTION by Robert Smith and a second by Sally Dupler, the Board unanimously approved the move to First Integrity Bank, and authorized the Chairman, the treasurer and Mr. Dorrill to be on the bank resolution and the signature cards, consistent with the Board's fiscal policy.**

**ATTORNEY'S REPORT**

**A. Vanderbilt Beach Road Fence Update**

Mr. Flores advised the Board that the County had signed the settlement agreement as submitted, and it has been recorded in the public records. Pursuant to that settlement agreement the Chairman has signed a quitclaim deed to convey the property to the County, and Mr. Vanover will be working with the County on the one-half reimbursement for repairing the fence as well as transferring the South Florida Water Management District permits. Once that is completed, all the code enforcement issues will be resolved.

Chairman Garofalo went through the items he had been requested to sign, noting that the fee for the fence repair will only be paid to the County once the work is completed and a receipt is provided to the Board. As it relates to the pond that is on the property, that transfer of title

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will be through a permit transfer with the South Florida Water Management which will be prepared by the Pelican Marsh CDD, and if there are any additional costs, they will have to be paid by the County. Mr. Robson added that the County may want to prepare the permit transfer themselves, and the Chairman will then sign it. Mr. Dorrill assured the Board that they will communicate with the County and make sure that preparing the permit transfer will have to be on their list of things that must be done. Once the pond transfer is taken care of, the Vanderbilt Beach Road Fence issue will be completely over.

Chairman Garofalo added that the County is meeting the following Monday in order to get the maintenance coordinated among their crews, and a cutoff date for District services will be set by Mr. Vanover. Staff was thanked for all of their hard work in getting this issue finalized.

**ENGINEER'S REPORT**

**A. Pole Issues**

This issue related to the poles up at Bay Colony and Pine Ridge which were examined by the County and it was clarified with the permit information that they were constructed as permitted. In the conservation area up at that end the structure there is damaged, and Mr. Vanover and Mr. Robson will have that fixed in house at a minimal cost.

Additionally, the issue regarding the pole that was damaged at the US 41 traffic light entrance to Pelican Marsh has been resolved, and the pole will be moved off of District property into the US 41 right-of-way. An entry agreement to remove the pole is being looked over by Mr. Pires, who will add some indemnifications to it, and no problems are expected with this.

**SUPERVISORS' REQUESTS**

**A. Holiday Lighting**

Mr. Smith asked why the holiday lights went up so early this year, and was advised that the contractor gets busy very quickly after Thanksgiving, so it pays to get them up early and have

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plenty of time to adjust them as necessary.

**B. Supplemental Pay Issue**

Mr. Smith expressed disappointment with the way the supplemental pay issue was handled the previous month, as it was not noted on the agenda which gave the Board very little time to consider it. Chairman Garofalo agreed with Mr. Smith, and suggested that in the coming year they could schedule this as a normal November agenda item where it can be discussed by the Board members who will have the data in front of them. Mr. Dorrill added that it had been discussed at two previous meetings, and Mr. Pires suggested that it be done at year's end. He agreed that discussions on merit or cost of living adjustments for managerial staff will be included on all November agendas in the future.

**PUBLIC COMMENT**

Mr. Randall advised the Board that the lights on the rain fountain at US 41 are not working, and Mr. Vanover indicated that he had been informed of that and is getting it taken care of.

**FURTHER THOUGHTS ON THE VANDERBILT BEACH AGREEMENT**

Chairman Garofalo asked is the quitclaim deed being prepared would go to the County manager and was advised that it would. He asked that this discussion be put on the December agenda to summarize the results of the County's meeting and to make sure everything has been done.

**ADJOURNMENT**

It was noted that the next meeting would be held on December 16, and **on a MOTION by Robert Smith and a second by Gordon Walker, the meeting was adjourned at 10:07 a.m.**