

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD OF SUPERVISORS MEETING
DECEMBER 16, 2015**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, December 16, 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
Sally Dupler

ALSO PRESENT:

W. Neil Dorrill, Dorrill Management Group
David Robson, District Engineer
John Vanover, Operations Manager
Tony Pires, Board Counsel
James Calamari, Access Control

ROLL CALL

The meeting was called to order by Chairman Garofalo, with the supervisors listed above in attendance, and Mr. Walker noted as being absent.

PUBLIC COMMENT

Mrs. Dupler noted that the decorations were beautiful and that the entire District looked very good.

APPROVAL OF AGENDA

With the addition of Item 5E, an update on the requested utility credit, **the Agenda was unanimously approved as amended on a MOTION by Robert Smith and a second by Don Pomerantz.**

APPROVAL OF NOVEMBER 18, 2015 REGULAR MEETING MINUTES

Mr. Smith noted that on Page 9 under Item B, the clarification should be made that he was not disappointed, but did not like the way the issue was handled without being on the agenda. The word “disappointed” will be changed to “interest”.

On Page 1 in the second to last line, the word “affect” should read “effect”.

On Page 3, the word “advertizing” in the third paragraph should read “advertising”.

On Page 9 under Further Thoughts..., the fourth word should be “if”.

With those changes, the minutes were unanimously approved on a MOTION by Robert Smith and a second by Don Pomerantz.

FINANCIALS

The first month ending October financials showed almost \$1,900,000 in revenue receipts, \$270,000 more than the prior year for the same month. This high number will have some consequences towards the end of the year as more people are taking advantage of the 4 percent discount. Mr. Smith suggested that the revenue number would probably be higher, as he paid his taxes in November, but his check had not yet cleared. Mr. Dorrill agreed, but while the credit will be given according to the day it is postmarked, the revenue is not booked until it is received.

The balance sheet showed \$920,000 in cash with some associated receivables from the debt service funds, for a total of \$970,000 in current assets against \$180,000 in payables.

On the income statement, \$44,800 came in during the month of October, due to the handful of property owners who pay their taxes quarterly. These payments must be made in advance, are based on an estimate, and no discount is given.

The Property Appraiser raised his fees to \$62,000, which is substantially more than the prior year. Mr. Dorrill is confirming this to make sure this number is accurate as it is a large increase. On the expense side of the financials, there were some big repairs in the first month of the

fiscal year on the security vehicle as well as on some of the lake aerators. There were also two group health insurance payments under the access control cost center, for both October and November, which is why the number is well over the budgeted amount for October.

Total operating expenditures at the end of the first month were \$403,000 against a budget of \$406,000.

The milling and resurfacing project was completed and paid for in the first month of FY16, and some of those costs will have a journal entry out to engineering, including the project manager expenses attached to this.

Mr. Smith noted that access control overtime for the month of October was \$1,700, and urged the use of more part time employees. Chairman Garofalo indicated that one of the part time employees has returned to work, and Mr. Calamari again commented on the difficulty of finding qualified part time employees for access control, but added that they continue to look.

On a MOTION by Robert Smith and a second by Sally Dupler, the first month financials were then unanimously accepted by the Board.

MANAGER'S REPORT

A. Cancellation of Line of Credit

In accordance with the Board's directive, the turnover of the operating account from First Florida Bank to First Integrity Bank is scheduled for January 1. The anniversary date for the line of credit is February or March, and as per the Board's direction, that will not be renewed.

Chairman Garofalo noted that there was a balance of \$1,200,000 at the end of the last fiscal year, and they had agreed previously to have three months of working capital available at all times. He wondered if this policy should be revised as there was an additional \$400,000 at the beginning of this year to work with, to use this money to replace the line of credit in the event of a hurricane. The policy could be rewritten to include three months of working capital as well as \$400,000 or some other amount of money for a catastrophic event.

Mr. Smith suggested that it may not be necessary to designate it for a particular use, but the Chairman felt that with Board turnover, it would be wise to have a policy in place. Mr. Dorrill added that from an accounting and auditing perspective this would be a policy decision, and if the Board chose to show that on the balance sheet as a restricted reserve, that money could only be used upon their direction.

Chairman Garofalo noted that he wished to go through the fund balance on page 2 of the balance sheet that includes the Mercato culvert money, and if this new policy is agreed to those individual items can be delineated in the restricted reserve. This way the money is accounted for and the plan for its use will be transparent.

Mr. Dorrill agreed that something could be developed as it relates to the policy change and presented at a future Board meeting.

B. Transfer of Tiburon Sales Office Property

The area under discussion was highlighted on an aerial provided by Mr. Dorrill, and Mr. Pires is in the process of reviewing the warranty deed and other materials for legal sufficiency. He will also ask for an affidavit from the seller that there are no liens or encumbrances on the property, or violations of any codes, laws or ordinances.

Mr. Dorrill made sure that the parcel had been surveyed as the aerial seem to indicate that part of a golf cart path was being turned over, but Mr. Caldwell assured him that this was corrected by the survey that was done. A sketch of the survey boundaries was included with the survey, which corrected the aerial provided by the property appraiser.

On a MOTION by Sally Dupler and a second by Robert Smith, the Board unanimously authorized the Chairman to accept the deed subject to Mr. Pires' approval of the document.

In response to Mr. Smith's question, Mr. Dorrill indicated that the primary benefit for the District is the use of the parking lot in the area as well as it being an esthetic landscape buffer.

C. Bay Colony Estates Drain

During an inspection by the County, it was found that a drainage structure on the north end of the Cocohatchee Preserve in the Bay Colony Community had been altered. Apparently a larger hole that is allowed had been opened up, apparently with a sledge hammer. The District was cited and some corrective action is being undertaken with a steel plate to cover the hole that was enlarged.

Referring to a letter written by Mr. Robson, Chairman Garofalo suggested that the District's strategy to address the levels of water in this preserve area and its effect on the environment during certain times of the year be listed. A modification may have to be requested as well. Mr. Robson indicated that the plate they will be installing will put them back in compliance with the permit, and will give them some time to evaluate the impact of returning the drainage structure to its permitted condition. Mr. Robson added that any modification will have to be supported by environmental studies that would justify the modification.

Mr. Pires' concern was whether Steve ***Pressman at the County advises the Water Management District about whether the plate will bring them back into compliance from the County's perspective, as in his letter he made it very clear that the concrete would have to be replaced. Mr. Robson advised that he had contacted Mr. ***Pressman who agreed that the plate would bring the District into compliance. Mr. Pires then suggested to the Chairman that they should not qualify what is being done by the CDD, and Mr. Bryant and Mr. Vanover agreed, as did the Chairman.

D. Vanderbilt Beach Road Update

Copies of the fully executed settlement agreement were provided to the Board members, and Mr. Dorrill thanked both Mr. Pires and the Chairman for the excellent work they did on this. The County has begun to repair the wall along Vanderbilt Beach Road, and Mr. Pires indicated

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that the County had recorded the deed right away. The only remaining issue with the South Florida Water Management District is that of the County being a co-permittee, and Mr. Dorrill indicated that they were evaluating the pond issue, and as the deed has been recorded, the County owns the pond and is responsible for it, and he did not feel that it was a big issue. Mr. Dorrill will advise the Board should anything come up on this.

The agreement notes that within 30 days after they acquire title and possession of the property, the parties will execute and deliver to South Florida Water Management the documents necessary to transfer the permit. Mr. Pires suggested that the District prepare the necessary transfer documents and submit them to the County, as the County may take several months to prepare them.

Mr. Robson suggested that an ownership transfer may be easier to do after a discussion with South Florida Water Management, and Mr. Dorrill reiterated that staff is evaluating this, and will keep the Board advised.

F. Utility Audit

Back in March there was a failure on the auto fill device on the main 41 fountain, and an adjustment for this water loss was requested of the County, who did award a credit of \$1,700 to the District the previous week.

The monthly report will show no money spent for this meter for approximately six months until the total credit is realized by the District.

ATTORNEY'S REPORT

Mr. Pires had nothing further to report to the Board.

ENGINEER’S REPORT

A. Pole Issues

The US 41 mast arm revisions have been accepted. The agreement allows the County’s contractor to come onto District to remove the existing mast arm and relocate it off of CDD property.

Mr. Pires added that if the Board has not yet done so, they can authorize the Chairman to execute that agreement with the County to remove the pole off of District property, while holding the District harmless.

On a MOTION by Robert Smith and a second by Sally Dupler, the Chairman was unanimously authorized to execute the agreement with the County for these activities.

SUPERVISORS’ REQUESTS

A. Supervisor Salaries

Mr. Vanover noted that Mr. Smith had asked about looking at the end of year results for the Supervisor’s salaries, and Mrs. Briant in Mr. Dorrill’s office indicated that the discrepancy has to do with a handful of work days in one year being paid in the next, but the final, yearend financials will show the correct amounts.

PUBLIC COMMENT

No further public comments were received.

ADJOURNMENT

The Board was advised that the next meeting would be held on January the 20th, and the meeting was then adjourned at 9:39 a.m. **on a MOTION by Robert Smith and a second by Don Pomerantz.**