

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD OF SUPERVISORS MEETING**

June 15, 2016

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, June 15, 2016 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, Johnson Engineering

Tony Pires, Board Counsel

ROLL CALL

The meeting was called to order by Chairman Garofalo, who indicated that all Board members were present.

PUBLIC COMMENT

No public comments were received at this time.

APPROVAL OF AGENDA

With no changes or additions to the Agenda, **it was approved on a MOTION by Robert Smith and a second by Gordon Walker.**

Pelican Marsh CDD – Minutes

June 15, 2016

Page 2

APPROVAL OF MINUTES OF MAY 18, 2016 REGULAR MEETING

On Page 1 under Public Comment, the speaker was Tina Gurtner from KW Management.

On Page 5 in the second line of the third paragraph, the phrase “at Mr. Smith’s request” should be deleted.

On Page 9, at the beginning of the third paragraph, the speaker was Mr. Pomerantz.

With those additions and deletions, the minutes were unanimously approved on a MOTION by Gordon Walker and a second by Robert Smith.

FINANCIALS

Mr. Dorrill pointed out a few things on the monthly revenue presentation, one being that \$14,500 was received in June as a result of delinquent payments, which is substantially less than it was the year before. The year-to-date variance, however, is down to just under \$12,000. At this point 97 percent of revenues have been received, and the discounts taken were factored into the approved budget.

The balance sheet showed the cash position at \$2,500,000 against \$60,000 in payables outstanding at the end of April.

As previously discussed, the property appraiser fees were higher this year than expected and came in after the budget was adopted. Under landscaping, year-to-date wages are under budget, which is a function of vacancies at the groundskeeper level. Mr. Dorrill felt that this was due to an improved economy and increased construction activity, and at this point they continue to have difficulty filling these positions.

Year-to-date wages in access control were \$30,000 under budget and slightly up on overtime, which is again due to some vacancies in those positions.

Year-to-date total operating expenses were \$139,000 under budget.

On a MOTION by Robert Smith and a second by Gordon Walker, the financials were then unanimously approved by the Board.

MANAGER’S REPORT

A. Holton Rear Yard Fence Issue

A survey has been received for this property which was introduced previously, and shows the extent of the encroachment. The owner wishes to install a code-consistent wrought iron fence which would encroach into the lake maintenance easement, but not to any extent that would affect staff’s ability to work on that lake.

A standard form agreement has been used in the past, and Mr. Pires noted that a few years ago there were some issues with fence encroachment, and a few executed encroachment/non disturbance agreements were approved by the Board. Mr. Robson clarified that the lake maintenance easement at Escada is built into the tract, and there is no separate lake maintenance easement. He did not feel that it made a difference encroachment-wise, as that water level is seasonal and Mr. Vanover has indicated that there is no problem with his access. Mr. Pires added that the typical agreement indicates that the District can remove these improvements if necessary for purposes of repairing, reconstructing or maintaining the lake, and would be held harmless for that activity if it is required. It appears as well that the only improvements within the District’s lake tract would be the fence.

Mr. Smith suggested that if Mr. Holton expanded by 10 feet rather than 11, there would be very little encroachment. In response to the Chairman’s question, Mr. Robson indicated that the District does own this particular tract.

Mrs. **** indicated that the 11 foot encroachment was just at one particular point to mimic the radius of the existing fence, and then bends away from there. There is a large structure being built on the lot next door, and the Mr. Holton is trying to expand a bit to allow a little forgiveness on that side of his property.

There is still 12 feet from the water line to the fence, and at the Board’s discretion, and with an agreement in place, staff is recommending approval of this request.

Pelican Marsh CDD – Minutes

June 15, 2016

Page 4

Additionally, all expenses, including engineering, legal and recording fees associated with this agreement will be the responsibility of Mr. Holton.

On a MOTION by Gordon Walker and a second by Sally Dupler, the Board unanimously approved Mr. Holton's request and authorized Mr. Pires to prepare the necessary documents.

B. Hurricane Preparedness

During a recent staff meeting Mr. Vanover was alluding to his preparations for storm season, and Mr. Dorrill felt that in light of the damage Pelican Marsh has suffered in the past, that it would be appropriate for Mr. Vanover to prepare a one page overview for the Board members. This was done, and Mr. Vanover walked them through the plans that are in place in the event of a hurricane.

The stock of chainsaws and their necessary parts are checked, and the fuel supplier is called and diesel and unleaded fuel is stocked. Once a hurricane watch is announced, manpower to clean up is scheduled, and once a hurricane warning is made there is a good probability that the District will be hit. At that point the fountains are shut down, and anything that could dislodge and sail through the air and cause damage is removed or tied down. The gates are locked open and tied down.

After the storm has moved through and it is safe enough to travel, the landscaping staff will work with the County and the Fire Department to get the roads cleared so emergency vehicles and the residents can get in and out.

Mr. Dorrill advised the Board that at Lely, two extra things have been done. A large propane generator was purchased for the operations building that would provide air conditioning and refrigeration. A pallet of bottled water is purchased for those who need it, and at the end of the hurricane season it is given to the grounds crews to finish.

Chairman Garofalo asked Mr. Vanover to look into where a generator could be located and what electrical modifications might be needed, and Mr. Dorrill indicated that Mr. Carter in

Pelican Marsh CDD – Minutes

June 15, 2016

Page 5

his office would be able to provide that information.

Mr. Dorrill asked Mr. Vanover where most of the employees lived, as in the last large hurricane, those employees who lived in Lehigh Acres were unable to get to the District for 48 hours. Mr. Vanover noted that over half of them live close by now, as do the access control employees. Chairman Garofalo suggested that someone should be posted at the gate to keep track of people coming in and out, and Mr. Dorrill suggested that the employer expectations for the employees in a storm event should be reinforced regarding reporting back to Pelican Marsh. Mr. Vanover will work with Mr. Calamari as soon as he returns to make sure that a system is in place for access control coverage and communication.

Mr. *** asked what the interface between the Foundation and the CDD would be in the whole process, as at one time the CDD and the Foundation had a good interface plan. He also wondered if a backup contract could be developed with Don Hunter's national organization in the event their help is needed for access control. Mr. Dorrill agreed that this idea could be looked into as well as a generator to run air conditioning, electronics and refrigeration in the maintenance building off of the propane tank.

Mr. Vanover will also check on the portable generator that the District owns to see how many of these issues it could handle. He added that the biggest issue is getting rid of debris, and suggested that the corner of Vanderbilt that the Sharp Shooter golf people used could be the dump site for debris. This will also be put in the hurricane procedure information.

Chairman Garofalo asked that all this information be added to the hurricane information sheet the District already has, so it is written up for future boards.

ATTORNEY'S REPORT

A. Terrabella Lakes Agreement

The Terrabella advanced funding agreement for one of Terrabella's lakes has been drafted, and Mr. Pires noted that he needed clarification on the exact payback period that would take place

Pelican Marsh CDD – Minutes

June 15, 2016

Page 6

during fiscal year 2017-2018. Chairman Garofalo indicated that it would be in the first month of the fiscal year, October, when the budget becomes effective. The Chairman added that he wanted to receive the money from Terrabella before they sign the contract with the vendor.

Mr. Pires indicated that the agreement is a simple one, and provides that Terrabella would give the money to the District within seven days of it being requested.

Mr. Vanover noted that he tries to get the contract with the vendor in September to make sure that it can be done at a certain time. Mr. Pires will put wording in the contract stating that it is anticipated that the District will request this check by October 1, and Terrabella will be paid back by October 30 of 2017.

The cost for the preparation of the document will be minimal at approximately \$70.

B. Tiburon Fence/Norman Estates

Mr. Sieperda has provided \$1,000 to Mr. Dorrill to pay for legal and engineering fees associated with his encroachment and non-disturbance agreement. As Mr. Sieperda is presently out of town, Mr. Pires advised the Board that he will bring the agreement to the next meeting.

ENGINEER'S REPORT

Other than the plat verification regarding Mr. Holton's fence request, Mr. Robson had nothing further to bring before the Board.

SUPERVISORS' REQUESTS

A. Pay Plan

Chairman Garofalo briefly explained that over the past six years the Board has given staff no raise at all, 1.5 percent or 2 percent raises. The average of those six years is probably no more than 1.5 percent per year with a starting salary on many of these jobs of \$12 an hour, which is an increase of .18 cents an hour.

Pelican Marsh CDD – Minutes

June 15, 2016

Page 7

Earlier Mr. Vanover advised the Board that there are three vacancies on the landscaping staff, and those positions need to be filled. Mr. Vanover prepared a sheet that showed when the Vanderbilt Beach area was turned over to the County, about one head count was saved. It was proposed that one head count be eliminated from landscaping, which would save approximately \$25,000 a year in salary costs. Insurance costs of at least \$8,000 a year will be saved as well, and with other miscellaneous costs, such as uniforms, approximately \$35,000 to \$40,000 a year will be saved by eliminating one position.

Chairman Garofalo suggested that the entire staff be given a 2 percent raise, and the spread sheet that was prepared shows that it does not affect the budget. More than half of the money saved by eliminating the one position will go back to the employees, and the remainder will go back into supplementing the budgetary needs of the District. The Chairman felt that this would help Mr. Vanover in his recruiting efforts.

Mr. Smith asked if this raise went to staff only, as the workers were the ones who needed the extra money. The Chairman explained that this raise would go to all 42 employees of the District. He added that when he originally spoke to Mr. Vanover about this, for transparency purposes they showed the 2 percent increase as well as the adjustment for one less person. The minus \$12,000 show on the spread sheet is the net of adding the 2 percent and subtracting the one man. Mr. Smith noted that he did not question that, and that he appreciated field management, but they will get \$2,460 and \$2,260, and the landscaping crews will get \$500. Additionally, the spread sheet showed access control employees with an additional \$8,600 going to the staff and not the workers.

Chairman Garofalo noted again that everyone would get a 2 percent raise, but he did appreciate what Mr. Smith was saying. It can be a problem if you try to determine how much each employee should get percentage-wise. Mr. Smith suggested that a survey be taken to determine where Pelican Marsh stands on wages for staff, workers and management compared to other Districts in the area. Mr. Dorrill agreed that this survey can and will be done.

Mr. Dorrill also noted that other Districts that he manages are having this discussion as well, and the benefit package at the County Government for groundskeepers is so liberal compared to that of Pelican Marsh that there is a core group of groundskeepers who are supplemented by day laborers. At this point the day laborers outnumber the staff groundskeepers, and although this is being done by this particular district to save money, it is not efficient and very difficult to manage.

Mr. Smith indicated that it appeared to him that more money needs to be paid on the bottom levels to become more competitive. He added that he appreciated the upper levels of management, but at this point those positions are filled, and the need is for workers. Mr. Vanover noted as well that at this level of employment these workers live from paycheck to paycheck, and many of them live together to save money as well as sending money back to their families who live in different countries. Therefore, the bottom line on their paycheck is very important to them.

Chairman Garofalo pointed out that staff and management have averaged a 1.5 percent increase also over the past six years, and asked the Board if they felt that the workers should get more than a 2 percent raise, using some of the money that the District would otherwise deposit for expenses. Mr. Smith felt that Pelican Marsh needed to be competitive in order to have a full work staff, which they do not have now.

Mr. Vanover felt that it was not the landscapers that were being paid more, but the construction industry that is hiring quite a few of the landscape workers and are paying \$15 to \$16 an hour as opposed to \$11 to \$12 for landscaping. Mr. Vanover added that they will find out from other local districts what they are paying their landscaping crews in an effort to be more competitive.

Mr. Dorrill was sensitive to what Mr. Smith was saying, and suggested that perhaps a onetime market rate adjustment of, for instance, 3 percent for the hourly workforce would be appropriate. A budget amendment will be done to pay for this increase with the lapsed

salaries and vacancies and the net effect to the budget will be zero. Mr. Dorrill noted that the intent was to keep the good workers that have proven themselves over a year, and Chairman Garofalo agreed that they had some very good workers who should be given some encouragement to stay employed by Pelican Marsh.

Mr. Dorrill and Mr. Vanover will prepare some different scenarios for the Board to consider as well as what is being paid in other Districts at the July meeting. Mr. Dorrill added that the County's groundskeepers are roughly 15 years older than those at Pelican Marsh, and have a good enough pension and insurance plan to keep them working there.

B. Guard Gate Issue

Mr. Smith noted that at 2:00 p.m. the previous Thursday a woman had come through the guard gate asking to see him, and she was allowed in without any identification as to who she was and what she needed. Mr. Smith was not notified that she was there. Although she was a very nice woman who was there as a notary to witness some paperwork for Mr. Smith, he felt that she should have been asked what she was there for or asked for some identification.

Mr. Vanover will check on this and re-emphasize post orders with the guard gate staff.

C. Pelican Marsh Boulevard

Mr. Smith noted that this roadway is beginning to break up in certain areas, especially in front of Bay Colony, and Chairman Garofalo agreed, noting that he had seen two areas as well on the south side of Pelican Marsh Boulevard where roots are coming through the asphalt. Mr. Robson will go out and look at these areas after the meeting, and advised the Board that this was a two lane road originally, and when it was widened they crowned it in both directions. When it was resurfaced they went all the way through and into the base because it was humped, rather than being sloped. Mr. Robson agreed that there were places in that roadway that were of minimum thickness, and he indicated that they will inspect it carefully.

The Chairman indicated that the areas were about a foot off the curb, and Mr. Smith added that there were also some areas in the middle that needed attention.

D. Vanderbilt Beach Road Exit Gate

Mr. Walker noted that one of the exit gates had been closed for quite some time, and Mr. Vanover explained that the wires that control that gate are not functioning, and he has been calling the contractor who did indicate that they would be out this day to fix it.

Mr. Vanover added that the issues with the Galleria gate were a higher priority as it had been hit by lightening a few weeks earlier, where service from Comcast was needed as only 80 percent of the transponders were working. The exit gate on Vanderbilt Beach Road should be fixed this week.

E. Hedge in Galleria Area

Mr. Dupler advised that the hedge near the CVS pharmacy at the Galleria where you exit onto the busy roadway is so high that oncoming traffic cannot be seen. One area was cut back as a result of an email from Mr. Vanover on this issue, but the problem remains. Mr. Pires suggested that Code Enforcement be called to take care of the problem, and Mr. Vanover will see that this is done.

PUBLIC COMMENT

No comments were received from the public at this time.

ADJOURNMENT

With the understanding that the next meeting would be held on July 20 at 9:00 a.m., the meeting was adjourned at 9:56 a.m. **on a MOTION by Dom Pomerantz and a second by Gordon Walker.**