

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT  
BUDGET HEARING AND REGULAR BOARD OF SUPERVISORS MEETING  
August 17, 2016**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, August 17, 2016 at 9:00 a.m. at the Pelican Marsh Foundation Building, Naples, Florida.

**APPEARANCES:** Frank Garofalo, Chairman  
Robert Smith, Vice-Chairman  
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 with the exception of Don Pomerantz.

**BUDGET HEARING**

Mr. Dorrill opened the Public Hearing, and briefly highlighted the 2017 budget for those present, indicating that for the operating fund, the budget is \$3,429,075, which is the same as the current year. Some minor changes were made between various cost centers, but the overall budget has not increased. The first of three debt service funds was defeased two years previously, and the debt service for the 2012 refinance bond, referred to as the Phase 3 neighborhoods which include the Galleria Shops, will levy a non ad valorem assessment of

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\$618,061 in 2017. Those bonds will be retired at the end of November of 2030. The 2013 bonds refer to the Phase 2 neighborhoods, which is primarily the east side of Pelican Marsh, and that non ad valorem assessment in 2017 will be \$892,108. Those bonds will be fully defeased in May of 2019. As per the District's custom, the debt service reserve will be applied against the final payment, and any overage is remitted back to the general fund.

Mr. Pires had asked Mr. Dorrill to confirm that the public hearing was advertized properly and in a timely manner, and he was assured that it was properly done. Chairman Garofalo also noted that the projection for the 2017 budget is favorable by \$48,000.

Mr. Gorran indicated that the version of the budget he had indicated a deficit, but was assured that it was an error that was corrected the previous week. Mr. Gorran also noted that the discount allowed when paying taxes early would probably be taken by more people in the coming year, and despite the excellent job Mr. Vanover does in keeping costs down, the District will soon run out of options in that regard and the assessment will have to be increased. The Chairman agreed that there will be a nominal increase in the next budget.

Mr. Pires noted for the record that he found the advertisement for the Public Hearing on line, and it was first published August 2 and again on August 10 for today's regular meeting, Budget Hearing and adoption of assessments.

**The Public Hearing for the 2017 Budget was then closed on a MOTION by Robert Smith, a second by Gordon Walker and the unanimous vote of the Board.**

**The Chairman was authorized to execute Resolution 2016-3, in which the Board of Supervisors adopted the final and debt service Budgets for fiscal year 2017 on a MOTION by Gordon Walker, a second by Sally Dupler and the unanimous vote of the Board.**

**Resolution 2016-4, in which the Board of Supervisors of the Pelican Marsh CDD levied a debt service and maintenance assessment within the Pelican Marsh CDD in the following amounts: For the General Fund, \$3,429,075, for the 2012 Bonds, \$618,061 and for the 2013 Bonds, \$892,108 as established in the budget, passed unanimously on a MOTION by Robert Smith**

**and a second by Gordon Walker.**

Chairman Garofalo noted the amount of the assessments in Phase 2, with the exception of Bay Colony Estates, the would be \$1,007 per unit ; and Ariel and Osprey Point would be \$539.

The Board then moved on to the regular monthly meeting.

#### **PUBLIC COMMENT**

Mr. Gorran indicated that a discussion of the Creekside PUD was on the agenda for the Pelican Marsh Foundation meeting to be held that afternoon. This is a new development, and as it is not on the CDD's agenda, he felt that a short discussion should be held on it. Mr. Gorran's question related to possible impacts of runoff into Bay Colony, and where the CDD stood on this issue. Chairman Garofalo indicated that runoff was his concern as well, and suggested that Mr. Robson should look into it to check on the runoff and which lake it would impact.

Mr. Robson indicated that they should look at what has been done by way of applications to South Florida Water Management, and whether they have more impervious area than they are restricted to the runoff that generates would have to be monitored on site, similar to what is happening at Pelican East.

To clarify, Chairman Garofalo indicated that they will have to maintain a neutral state, so what the runoff was before must stay the same. Mr. Robson added that South Florida Water Management assigns a cubic foot per second for raw land, and if it is developed that cannot be changed. That additional water must be held back and discharged at the same rate, as an impervious surface causes a higher rate of runoff.

Mr. Gorran indicated that there will be an informational meeting held on August 30, and another on September 15, then another on October 25. He felt that the Estates must be protected as well as the District lakes. Mr. Robson noted that Lake 43 would be the only lake impacted by Creekside.

Jim Carter from Watercrest noted that the affected communities are Pelican Marsh, Bay

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Colony Estates, Bay Colony Golf Course and Collier Reserve. In talking with those communities, they have expressed two major concerns. One is the height of the proposed tower, and the second is traffic, and those two issues will be the primary ones for discussion at the meeting on August 30. The developers are trying to push this through to the Planning Commission by mid September, and the County Commission by the second meeting in October. Mr. Carter felt that the major sticking point is the esthetics of the tower, and if a workable solution is not found, some of the affected neighborhoods are already talking about litigation.

The original notice on this development was incorrectly sent to the Pelican Marsh Association, but further notices have been sent to the Foundation. Mr. Carter encouraged those present to attend the August 30 meeting.

**APPROVAL OF AGENDA**

**On a MOTION by Robert Smith and a second by Gordon Walker, the Agenda was unanimously approved as presented.**

**APPROVAL OF JULY 20, 2016 REGULAR MEETING**

On Page 9, the word “Corp” noted twice in the second paragraph should read “Army Corps”. Additionally on Page 9 at the end of the third line, “they” should read “the”, and on the next line, “themselves” should read “itself”.

On Page 10, the last sentence of the third paragraph should be changed to read as follows: “the County Commission can be advised that the District found out about this issue only two days prior to the hearing before the Planning Commission. “

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

## **FINANCIALS**

The financials through the end of the third quarter were provided to the Board, and the revenue report was re-inserted on the cover of the financials this month. There was no activity during the prior month, and total revenues were within \$11,900 of the original estimate. Total revenues received through the end of July were at almost 97 percent, \$3,303,000 net of the discounts that were taken. No revenue was received in July, and the revenue received in June was a result of the tax certificate sale that took place.

The balance sheet showed \$1,991,000 at the end of the third quarter in cash against \$84,000 in payables. The total fund balance including assets was \$29,970,000.

The income statement showed that during the month of June \$14,500 was received from the sale of delinquent tax certificates. Total operating expenses for all cost centers was \$2,241,000 at the end of the third quarter. The year-to-date variance was almost \$180,000 under budget against a total budget of \$3,300,000. Some of these numbers will change as July had three payroll periods.

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

## **MANGER'S REPORT**

### A. Renewal of Lake Management Contract

There have been some revisions to the contract on the performance side, and there will be daily and monthly reporting to give more meaningful information on the overall condition of the lakes. Algae is being specifically targeted, and some exhibits related to this were included with the new contract. Additionally, there are some new scope of service requirements that were attached as exhibits as well.

The contractor is very efficient, and comes over from the East Coast with his crews to maintain the lakes. Staff is recommending a renewal of the agreement for 2017.

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Chairman Garofalo indicated that in his opinion the lakes were in excellent shape, not only because of the work of the contractor, but also that of Mr. Vanover and his crew in keeping the lakes free of algae. He noted as well that the emphasis going forward will be on the use of chemicals, how much is used and where and how they are applied. A new chart has been developed with the technician, which will show what the issues are and the particular chemical used, and how much of it was applied to each individual lake. Chairman Garofalo noted that the littorals are also important to lake health, and landscapers have been advised to keep grass cuttings and fallen trees and branches out of the lakes as they contribute to the algae problem. The chemicals used to clean the sidewalks and gutters are another problem, and Mr. Vanover advised that their crews do not use chemicals when they do this cleaning, but agrees that outside the District chemicals are used, which go into the lake system.

Mr. Dorrill indicated that the amount for this contract was \$156,487, and the Chairman asked the Board to keep in mind that this amount of money breaks down to \$1,500 a day for servicing Tiburon and Pelican Marsh weekly, including chemicals and labor. He noted that It is a significant amount of money, and the lakes are one of the most important components of the District. He added that the contractor will be bringing his report to Mr. Vanover every day that he services the lakes.

Mr. Pires suggested that an addendum be added to the contract when it is approved, including the language that the Legislature now requires the contractor's reports to be public records. The contract does indicate that the contractor has to make his records available to the public, but Mr. Dorrill added that the verbatim language must be included, as it is very specific. The Chairman indicated as well that the new form being used will be much easier for the general public to read and understand. It will show the gradual diminishment of the use of copper sulfate, which the State is requiring due to the harm it causes when it runs off into the Bay.

**On a MOTION by Sally Dupler and a second by Gordon Walker, the Board unanimously approved the revised annual contract for lakes and wetlands in the amount of \$156,487.**

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Mr. Smith suggested that the contract seemed to involve quite a bit of extra work, and Mr. Vanover indicated that the new chart simplified it, and the Chairman added that the work is not increasing, but is just being presented in a clearer format, which was developed with the technician.

Chairman Garofalo also noted that the contractor had not received an increase in six years, and because he has become more efficient and does a very good job for the District, the 2 percent float in the budget for his contract covered the 2 percent raise.

**B. Timing of Employee Raise**

Referring to the one time market raise for the employees that the Board authorized the previous month, Mr. Dorrill has confirmed the effective date as requested within the personnel rules and policies to be October 1 to coincide with the fiscal year. In response to Mr. Smith's question, Mr. Vanover advised that he meets with each employee for a review once a year on their anniversary date, and he and Mr. Dorrill discussed whether it was possible to continue this practice as opposed to doing the reviews on October first, when the new fiscal year begins. It was agreed that the individual employees' anniversary dates would continue to be appropriate.

**C. Ventura Fence Update**

Mr. Vanover met with some members of the Ventura HOA regarding the fence, and they have signed a contract with Coastal Concrete to replace the existing fence. Originally the CDD was going to remove the fence, and a pre-construction meeting will be held at the beginning of the new year for the Ventura representatives, Mr. Vanover and the contractor to plan the progression of the work. The CDD will most likely be removing the fence at the beginning of February, which will take two to three weeks to complete. The contractor will then install the new fence right behind the District's removal of it, and their ingress and egress will be on the Vanderbilt side of the road to minimize the disturbance to the residents during construction.

The District's contribution will not be made until after the fence has been completed, reviewed and approved by the District. The donation that the District agreed to with Ventura is the equivalent cost of a chain link fence. A storage area will be located where any usable parts of the disassembled fence can be stored for any repairs the fence may need in the future.

Mr. Pires suggested that once the completed fence has been inspected and approved by the District, that the conveyance be made by an acquisition agreement as opposed to the District donating money, and Mr. Dorrill and Mr. Vanover can then verify that the cost of the acquisition price paid to Ventura is equivalent to or less than the cost of a chain link fence. Chairman Garofalo pointed out that the property between the fence and Vanderbilt Beach Road will also be transferred to the District at the time the fence is transferred.

#### **ATTORNEY'S REPORT**

##### **A. Clermont Grant of Easement**

The easement was recorded on July 27, 2016 on Clermont's Lake 20 and is now on record. A copy of the easement was provided to Mr. Vanover.

##### **B. Non Disturbance and Encroachment Agreements: Sieperda and Holton**

Both of these agreements have been recorded, and Mr. Pires has copies available for the Board's records and for Mr. Vanover.

#### **ENGINEER'S REPORT**

##### **A. Email to Mark Strain re: Sereno Property**

The requested email was sent to Mr. Strain from Mr. Robson, advising him of the District's concerns on this manner. A copy of the email was provided to the Board.

\*\*\*Most of the second point reported by Mr. Robson was inaudible, regarding SFWM and an incorrect report.



Additionally, the water quality calculations are still under review, although it looks like they match all the normal calculations. If there are any questions, South Florida Water Management will keep the Board advised.

**B. Request for Temporary Access and License Agreement**

This request is for a temporary access and license agreement for the Galleria Drive intersection at Airport Road. The County is planning some substantial changes at this intersection, which will make left turns outbound onto Airport Road no longer possible. They are going to sand down and re-stripe the District's side of Galleria Drive to force everyone into a single, right turn, southbound lane only. The cost of re-striping the District's road will be paid by the State.

Mr. Pires advised that the license agreement is almost complete and that he would have it available for the Board at the next meeting.

Mr. Dorrill explained his concern that the District be indemnified against any responsibility if a driver who was not aware of the changes made a left onto Airport Road into oncoming traffic.

Mr. Pires did an excellent job of addressing that concern in the agreement, which will be provided to the Board members. Mr. Robson noted that the plans for this work that the Board looked at in June have not changed.

**SUPERVISORS' REQUESTS**

**A. Lake 28 Aerator**

Mr. Walker asked what happened to the aerator at this lake on the golf course near the 17<sup>th</sup> Hole, and Mr. Vanover indicated that \*\*\*\* had been advised that it had stopped working, and he will follow up with an email today.

**B. Roads off of US 41**

Mr. Smith asked about these roadways as they are getting worse, with holes and roots pushing

up the concrete. Mr. Vanover advised that he had just hired a contractor to come in and remove the asphalt and repave, and added that it will be an ongoing process because of those tree roots. Mr. Smith noted that there was buckling in the middle of the road as well, and Chairman Garofalo felt that the problem with tree roots in the roadways is only going to get worse. The tree roots will be dug out on either side of the curbing in an attempt to prevent the disruption of the roads.

Mr. Robson explained that they had checked the road thicknesses, and confirmed that they put in the inch of asphalt that is required when paving. The problem is that the roads are uneven underneath and the inch is then not uniform, and that can cause some of the issues being seen.

#### C. Real Estate Signs

Mr. Smith noted that a week or so ago an open house sign was improperly located. Mr. Vanover indicated that the rover who checks the signs was out of town, but is now back and will make sure that the signage is properly placed.

#### **ADJOURNMENT**

There were no further public comments received, and Mr. Dorrill advised that the next meeting would be held on September 21. Mr. Smith will be appearing via speakerphone at this meeting.

**On a MOTION by Robert Smith and a second by Gordon Walker, the meeting was adjourned at 9:52 a.m.**