

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT
BUDGET HEARING AND REGULAR BOARD OF SUPERVISORS MEETING
Wednesday, September 21, 2016**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, September 21, 2016 at 9:00 a.m. at the Pelican Marsh Foundation Building, Naples, Florida.

APPEARANCES:

Frank Garofalo, Chairman
Robert Smith, Vice-Chairman (Via Speakerphone)
Don Pomerantz, Treasurer
Gordon Walker
Sally Dupler

ALSO PRESENT:

W. Neil Dorrill, Dorrill Management Group
David Robson, Johnson Engineering
Tony Pires, Board Counsel
James Calamari, Access Control

ROLL CALL

The meeting was called to order by Chairman Garofalo, who indicated that all Board members were present with Mr. Smith participating via speakerphone. **On a MOTION by Gordon Walker and a second by Don Pomerantz, Mr. Smith was unanimously authorized to participate fully in the meeting via speakerphone due to exceptional circumstances.**

PUBLIC COMMENT

Mr. Bill Marino brought up the Creekside PUD issue, which may have a number of different effects on the local area, and noted that at the information meeting held on August 30th it was indicated that at some point in time Goodlette-Frank Road will be expanded by an additional

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four lanes. That being the case, there is some concern from the residents as to who will bear the financial responsibility for the construction of the bridge over Pelican Marsh Boulevard to permit that expansion. He asked what the Pelican Marsh CDD knew about the expansion costs and whether the residents would have any liability to pay for it. Mr. Gorran added that the 2035 Transportation Plan shows this expansion.

Mr. Pires advised those present that the language addressing that is still in the 2012 PUD version, and he did not believe that it was being proposed to be changed in the current proposed amendment. The language was inserted in 2002 when there was some indication from some people that they would try to have the District pay for the widening of Goodlette-Frank Road and that bridge. For that reason it was made clear in Section 8.7(h) of the PUD, and says: “The cost for the design, permitting and construction of the expansion of the Goodlette-Frank Road overpass structure to expand said structure from two lanes up to six lanes (as approved by the Board of County Commissioners) is the sole responsibility of the developer and is not the responsibility of Collier County, Pelican Marsh Community Development District or any property owners or property owner or associations within Pelican Marsh.”

Mr. Pires added that it was the Board’s and his opinion at the time that the District was not responsible, but this language made it very clear, and to Mr. Pires’ knowledge is still present in the PUD today. Additionally, there is a new WCI, the WCI Communities, LLC, and Mr. Pires felt that it was the County’s responsibility to confirm if WCI must pay for those costs as the developer under Section 8.7(c) of the PUD.

In response to a clarification question from Mr. Marino, Mr. Pires indicated that the PUD specifically says the Pelican Marsh District and the HOA are excluded from any liability. The question of whether that responsibility was discharged during the original WCI bankruptcy is a question for the County.

Chairman Garofalo added for those present that all of the expansion is going to be done on the Portofino side of the area.

APPROVAL OF THE AGENDA

Mr. Dorrill clarified that Item 2B was actually in two parts, the first being the package insurance renewal through PGIT, and the second part of the renewal is the annual group health insurance plan with Blue Cross.

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

APPROVAL OF MINUTES FROM THE AUGUST 2017 MEETING

The revised minutes will be approved at the October meeting.

FINANCIALS

The nine month financials showed \$1,740,000 in cash at the end of July against \$36,000 in accounts payable. The total assets of the District as presented were \$27,900,000.

The income statement showed revenue from interest, and 96.5 percent of the ad valorem income has been received at this point. Chairman Garofalo pointed out to the Board that since they moved their accounts to the new bank, they have received over \$7,000 year-to-date, well over the budgeted amount of \$3,000, with no payments for services.

The year-to-date total expenses stood at \$155,000 under budget, principally because of vacancies in both the landscaping, grounds maintenance and access control departments.

Total year-to-date expenses were almost \$2,500,000 against a budget of \$2,650,000.

Mr. Vanover advised the Board that he had just hired an additional landscape person, so two landscape people have been hired within the last three months. There is an additional opening for a landscaper, but that will not be filled at this time.

Mr. Calamari indicated that he had recently lost two additional people, and he is continuing in his attempts to hire additional employees for access control. Mr. Gorran asked if there was a policy against hiring a Pelican Marsh resident to do access control work, and was advised that

that there was.

On a MOTION by Gordon Walker and a second by Sally Dupler, the Financials were then unanimously accepted by the Board.

MANAGER'S REPORT

A. Lake Bank Erosion Contract

This item includes the renewal of the contract with American Shoreline Restoration as well as a supplemental agreement which involves the acceleration of the work for the Terrabella community on Lake J1. They have advanced the costs to the District in order to move their community's work up one year. Terrabella will be paid this money back by the District without interest at the time their work would have been scheduled in the subsequent year.

In the future Mr. Dorrill will have the contractor include page numbers in the contract, as there is one minor change that needs to be made. In what would be Page 3, beginning on July first of this year, a new section must be added that obligates contractors and vendors who are providing goods and services to acknowledge and adhere to Florida's public records laws.

For clarification, Mr. Pires noted that as this contract was probably prepared before July first and an insert in bold, all caps must be inserted, with the size of the font specified by the new law. The wording will be forwarded to Mr. Vanover for insertion.

Mr. Dorrill noted that otherwise the general terms and conditions remain the same, and staff is recommending approval for the first year of the contract life.

On a MOTION by Robert Smith and a second by Sally Dupler, the contract and the supplemental agreement were unanimously approved by the Board.

B. Insurance Renewal for Fiscal Year 2017

Item 1 referred to the general line of coverage, and the District is a member of the Public Government Insurance Trust, or PGIT, which functions as a co-op representing several hundred

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small cities, school boards, counties and special purpose districts such as Pelican Marsh. The agency in this area is the Public Risk Insurance Group. A comparison spread sheet was provided for the Board, which showed the overall premium coming down about 2.5 percent. This is a result of two things in particular: the lowering of commercial property rates as a result of the lack of tropical storm and hurricane loss, as well as worker's comp being down.

The combined premium for all lines for next year will be \$84,337, which is about a \$2,100 reduction in the premium.

On a MOTION by Gordon Walker and a second by Robert Smith, the Board unanimously approved the renewal of the general line of insurance coverage for the coming year.

Item 2 referred to the Blue Cross group health insurance with the Nichols Insurance Agency representing the District. This plan is in two parts, the base plan and then a slightly richer plan in terms of benefits which employees can opt into if they wish, but they must pay the difference in the premium. The majority of the employees usually take the base plan.

The straight up renewal would result in a premium reduction, but there are some negative changes in the base plan benefits, as the plan presently in place is not being offered next year. With the prepared summary, staff is recommending the base plan which the majority of the employees use, as well as the opt in plan as it improves on the benefits with lower deductibles, lower co-pays and lower prescription costs.

Under the American Affordable Care Act, if the District's overall loss experience is less than what is stated in the model from the Act, then the money must be returned by the underwriters. Last week the District did receive a premium rebate for over \$2,000.

Mr. Dorrill thanked both Carleton Case at the Nichols Agency as well as Mr. Powers at Dorrill Management for their work on insurance plans for the District. The base plan number, and shown in the back-up material is \$14,354 and the opt in plan is \$14,104 and staff recommends approval of these plans for the coming fiscal year. **On a MOTION by Robert Smith and a second by Don Pomerantz, the proposed Blue Cross plan was unanimously approved.**

Mr. Dorrill added that the plan year for insurance starts on November first, and regardless of what Congress or the new president does, the District will be locked into this plan for one year.

ATTORNEY'S REPORT

A. Clarification on County's request for Temporary Right of Entry

Mr. Pires reminded the Board of the discussion held the previous month on the County's request to the District for a Temporary License and Right of Entry Agreement to do the tearing up on Galleria Drive when the extension of Airport Road is done to eliminate the left hand northbound turn onto Airport Road.

Mr. Pires noted that they had been communicating back and forth with County staff on this document, and Mr. Pires advised the County that they had made some changes and both he and the Board were comfortable with it.

Mr. Pires provided a graphic marked Exhibit A which showed the section of the roadway that will be impacted, and Exhibit B, which described the nature of the work to be performed. The County has asked for a one year license agreement until the work is completed, and the agreement also indicates that the County will not unreasonably interfere with the ingress and egress into or out of the District and will properly repair all damages to adjoining or surrounding structures.

Mr. Pires added that this was a standard agreement, and contains the indemnification or hold harmless clauses that survive the termination of the agreement. Additionally there is a clause in the agreement that states if the work is not completed, it must be returned to its original state.

In response to Chairman Garofalo's question about how the left turn lane onto Airport Road will be eliminated, Mr. Robson of Johnson Engineering stated that this northernmost, left turn lane will be blocked out and the median will be reconstructed so that there is no access across to the northbound lanes.

On a MOTION by Gordon Walker and a second by Sally Dupler, the Chairman was unanimously authorized to execute the revised agreement pursuant to Mr. Pires' recommendation.

The Chairman will execute the agreement, have it notarized, and Mr. Dorrill will make sure that it is provided to County staff.

A resident asked about liability as it relates to cars making a left hand turn erroneously and causing an accident, and Mr. Pires indicated that from his perspective, once you drive up to that intersection you are on the County's right-of-way, and if a left turn is attempted and an accident occurs, that will be the County's responsibility, as it is their design. He added that he was sure the County will install appropriate signage and other notification if necessary.

It was suggested that perhaps the District could be proactive and put up their own signs to warn of the change to a right turn only, but Mr. Robson indicated that the County will be following the State guidelines, and will have cones and signage during part of the project, and they will have people with signs indicating slow down or stop where appropriate.

ENGINEER'S REPORT

A. Follow up on Bay Colony re: Water Level Structure Alterations

Following this meeting Mr. Robson will be doing a follow up on the alterations done at Bay Colony on the structure that holds the water levels in the conservation area. They have already met once with the golf course superintendent to discuss the area. Mr. Robson will look at the structure now after the fairly good rainy season they have experienced, to make sure that it is operating properly. The plywood cover will be replaced with an aluminum plate which will be bolted onto the front in house during the dry season.

B. Lake 20

Mr. Robson and Mr. Vanover will be taking a look at all the erosion areas on Lake 20.

SUPERVISORS' REQUESTS

A. Fish Kill

Mr. Walker indicated that many people had asked him about the recent fish kill in the lakes, **and he explained the primary reason for this was the lack of sun due to the tropical storm that** came through. Without sun there is no photosynthesis, and oxygen levels are reduced.

Mr. Robson indicated that the aerators do not create oxygen in the lakes.

B. Marsala

Mrs. Dupler reported that Marsala has been approved without any opposition, ****Very hard to hear.**** Mr. Pires indicated that it is not within the District property.

C. Tiburon Golf Course Work

Mrs. Dupler noted as well that the golf course at Tiburon is quite torn up and some changes are being made. She will check with the golf course to determine what the changes will be.

Renovations are also going on at the golf course at Pelican Marsh.

D. Coming Elections

Mr. Smith is running unopposed, and Mrs. Dupler is running as well, with someone running against her.

PUBLIC COMMENT

Mr. *** thanked the Board for (his comments were inaudible)

ADJOURNMENT

Mr. Dorrill advised that the next meeting would be held on October 19 **On a MOTION by Gordon Walker and a second by Sally Dupler, the meeting was adjourned at 9:43 a.m.**