

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT
2015-2016 BUDGET HEARING AND REGULAR MONTHLY MEETING
AUGUST 19, 2015**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, August 19, 2015 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 (Via Speakerphone)
Sally Dupler

ALSO PRESENT:

W. Neil Dorrill, Dorrill Management Group
Anthony Pires, District Counsel
David Robson, District Engineer
John Vanover, Operations Manager

ROLL CALL/APPROVAL OF AGENDA

The meeting was called to order by Chairman Garofalo, and it was noted that all supervisors as listed above were in attendance, with Robert Smith and Gordon Walker appearing via speakerphone.

On a MOTION by Don Pomerantz and a second by Sally Dupler, the Board approved Mr. Walker's and Mr. Smith's appearance and full participation via speakerphone due to exceptional circumstances.

AGENDA

The agenda was noted to be the approval of the Proposed 2015-2016 General Fund and Debt Service Budgets.

PUBLIC HEARING/APPROVAL OF PROPOSED 2015-2016 GENERAL FUND AND DEBT SERVICE BUDGETS

Mr. Dorrill welcomed the members of the public who were in attendance, and indicated to them that they would have an opportunity to make comments during this process. This was the final process for the adoption of this year's budget, and Mr. Dorrill explained the Legislative requirements for the notice sent to residents, and noted that the assessment will be going up by \$32 per household next year. The bill will come as part of the property tax notice that they will receive from the tax collector.

The proposed budget for 2016 is \$3,393,875, and the total tax increase goes from \$3,400,000 to \$3,429,000 on the non-ad valorem property assessment side, or 8/10ths of 1 percent. This \$29,000 increase is a result of the reduction in density and total units being built in the WCI projects. The total unit count for next year is 2,948. The Galleria and the Ritz-Carlton are paying an equivalent number of units based on the intensity of their commercial use.

Total expenses for 2016 went from \$3,118,200 to \$3,165,500, an increase of \$47,300. The total proposed assessment for the coming year is \$1,162.88, which is an increase of \$32.46 per unit.

The community infrastructure was built with tax exempt municipal bonds, and there are still two series of bonds outstanding, and depending on the neighborhood and whether the previous owner had paid off those bonds or not, some members of the community will still have a portion of debt associated with their particular unit.

Chairman Garofalo noted that the \$32 increase is the first time in five years that there has been an increase due to expenditures, with the bulk of it, \$24, being due to the density decrease in Tiburon. He added that not many people are aware that the District includes all of the Galleria, the Vanderbilt Collection and Tiburon. He briefly went over the histories of and answered audience question on the remaining bonds, what neighborhoods are affected by them and the reductions they are receiving.

In response to Mr. Pomerantz' question about the designation of villa versus condo, Mr. Dorrill advised that there was an original methodology based on product size and perceived impact to the community, and it may have been based on the aggregate square footage of those units. He added that they will look into that and get Mr. Pomerantz a complete answer on it.

Mary *** from Ravenna noted that the property taxes were high at Pelican Marsh, and was reminded by the Chairman that those are determined and billed by the County.

On a MOTION by Don Pomerantz and a second by Sally Dupler, the Board unanimously agreed to close the public hearing.

On a MOTION by Robert Smith a second by Sally Dupler, the Chairman was unanimously authorized to execute Resolution 2015-2 adopting the final general and debt service fund budgets for the Pelican Marsh Community Development District for fiscal year 2016.

On a MOTION by Robert Smith and a second by Sally Dupler, the Board unanimously approved Resolution 2015-3 levying a debt service and maintenance assessment within the Pelican Marsh Community Development district for fiscal year 2016, and authorized the Chairman to execute it. The general fund amount will be \$3,429,075 and the debt service amount for the 1997 A Bonds would be \$146, 505, the 2012 Bonds would be \$620,980, and the series 2013 Bonds would be \$911,149. The total accessible units for the coming year are 2,948 and .78 tenths of the total dwelling units.

On a MOTION by Robert Smith and a second by Don Pomerantz, the public hearing was then adjourned, and the regular monthly meeting was called to order.

ROLL CALL

All members were in attendance, with Mr. Smith and Mr. Walker appearing via speakerphone.

On a MOTION by Don Pomerantz and a second by Sally Dupler, the Board unanimously approved Mr. Walker's and Mr. Smith's appearance and full participation via speakerphone due to extraordinary circumstances.

PUBLIC COMMENT

No comments were received from the Public at this time.

APPROVAL OF AGENDA

On a MOTION by Don Pomerantz and a second by Sally Dupler, the agenda was approved as submitted.

APPROVAL OF MINUTES OF JULY 15, 2015 REGULAR MEETING

On Page 3 in the first line, “Stock’s” should be changed to “WCI”,

On Page 5 in the first line, the word “reversed” should be “revised”.

In the second to last line of the first paragraph on that page, “advertised” was misspelled.

***please check Mr. Smith’s correction on the first line of the second paragraph on
Page 5, inaudible.****

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

FINANCIALS

The third quarter financials through the end of June showed \$22,763 being received in assessments on the revenue report, which was a decrease from the previous year. Year-to-date revenues net of the discounts were \$3,210,832. The decrease was largely attributable to the reduction in unit numbers on the Tiburon side, as well as the discounts taken.

At the end of the third quarter there was \$2,002,000 in cash and a due-from coming from one of the debt service funds for a total of \$2,016,000 against \$25,000 in payables.

The income statement showed the final distribution from the tax collector in advance of the certificate sale of the above-noted \$22,763, which also represents penalties and late charges.

Two other large payments were received in June. \$15,000 was received from the Mercato

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commercial community to the south, which is their annual drainage fee, and a \$7,391 fee from the Naples Daily News for the same purpose. Total year-to-date revenue was \$3,260,000 against a budget of \$3,300,000. Almost 96 percent of year-to-date revenues have been received.

Total operating expenditures year-to-date was \$2,275,000 against a budget of \$2,400,000.

Mr. Walker asked about the County tax refund and when it is anticipated to be received. Mr. Dorrill indicated that this is generally received towards the end of the year, when the amount of unspent funds is determined. For bookkeeping purposes this amount is accrued and applied at year's end. The actual amount will be shown in the audit next spring.

In response to Mr. Smith's question as to why legal advertising was so high, Mr. Dorrill indicated that the auction items were advertised twice at a cost of \$1,000. That line item is \$160 under budget year-to-date.

Mr. Walker asked if any recovery was received from the insurer related to the high legal fees, and Mr. Pires advised that the District has a \$5,000 deductible for outside counsel. Mr. Pires' fees were not included in that. After outside Counsel was retained, Mr. Pires had very little involvement.

On a MOTION by Robert Smith and a second by Sally Dupler, the third quarter financials were unanimously approved by the Board.

MANAGER'S REPORT

A. Renewal of Audit Agreement

The terms and fees for the 2015 audit remain unchanged at \$18,000, and if the Board renews with the Phillips-Harvey Group the following year the fees are expected to go down as there will be one less fund to be audited.

On a MOTION by Robert Smith and a second by Gordon Walker, the Board unanimously approved the Chairman to sign the engagement letter for the renewal.

ATTORNEY’S REPORT

A. Vanderbilt Beach Road Fence Update

Mr. Pires provided a brief background on the issue, and the results of the resolution process that the District participated in. At this point the County has not yet presented the final agreement to the Board of County Commissioners, and it is Mr. Pires’ concern that the County is not in a position to recommend the agreement to the BCC at the present time, and is dragging the issue out.

The next step under the Legislative scheme is for a joint public mediation session with this Board and the Board of County Commissioners. Mr. Pires noted that this is a Board policy decision, but it has been going on for over a year, and he asked the Board whether they felt it was time to notify the County that it was time to schedule the joint mediation session.

Chairman Garofalo suggested that he sign the document and forward it to the County Attorney, at which point the onus is on the County to act. It is important that this issue get on the Commissioner’s meeting agenda for September 8.

Mr. Dorrill stated that it was his understanding that the County intended to present this to the Commission at one of their two September meetings,

On a MOTION by Robert Smith and a second by Gordon Walker, Chairman Garofalo was unanimously authorized to sign the necessary conveyance documents for the parcel that is in question as well as the settlement agreement proposed by Mr. Pires.

Mr. Pires will prepare the necessary documents with a cover letter for transmittal.

B. Neighborhood Information Meeting

Mr. Pires indicated that an information meeting concerning proposed amendments to the PUD is being held, and those present were provided with copies of the notice. WCI is asking the County to add certain acreage to the PUD and DRI, which they indicated will not become part of the Pelican Marsh CDD. Mr. Pires felt that it was important for the Board to monitor this PUD

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amendment, even though the request is to rezone 32 acres from agricultural to PUD and to allocate units to it. As this requests moves through the appropriate channels, changes can be made, and Mr. Pires felt that it was important to monitor it for changes that would adversely affect the District.

Chairman Garofalo indicated that this parcel is north of Marsala, and a road must be built through a preserve to reach it. He agreed with Mr. Pires in that this should be monitored to assure that nothing is done to affect the Pelican Marsh CDD. Additionally, if this is approved, large signs advising the public of the upcoming hearings will be posted along Airport Road, Vanderbilt and US 41 on either side of the Pelican Marsh entrances.

Mr. Pires then pointed out that Mr. Robson had advised him that in the letter of August 4, 2015, the second to last response addresses stormwater management, and the County staff's stormwater planning review's stipulation for approval is water management for this acreage will connect to and discharge into the Pelican Marsh water management system. Mr. Pires suggested that Mr. Robson be authorized to contact County staff and/or the applicant's engineer to determine what their conceptual water management plan is.

Mr. Dorrill indicated that the Pelican Marsh CDD has precedence in cases that he had earlier cited, should the situation warrant it.

ENGINEER'S REPORT

Mr. Robson had nothing further to report.

SUPERVISORS' REQUESTS

No further requests or comments were received from the Board.

PUBLIC COMMENT

Mr. Vanover notes that the old Tiburon sales center trailers have been removed, and the

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Chairman added that WCI had done a very good job cleaning and landscaping the area. The retaining wall that was part of that area remains, and Mr. Robson suggested that the Board may want to ask that it be removed as the District will have to maintain it. Chairman Garofalo felt that it added a lot to the first curve going into Tiburon, and Mr. Pires noted that if any of the Board members wished to take a look at this area, that they should go independently and separately and make those arrangements with Mr. Vanover or Mr. Robson.

The area was landscaped to the Board's specifications, and WCI removed the old parking lot as well. WCI would like to convey it to the District as opposed to the Master HOA, and the intention is that it will be part of the entry landscape and buffer, and owned by the CDD. The CDD has not yet agreed to take it over, but Mr. Dorrill encouraged the Board members to go over and take a look at it.

Mr. Vanover was asked if he had received a check from the County for water reimbursement due to water lost through a defective valve, and although there has been communication, nothing has been received as of yet. He will keep the Board advised.

ADJOURNMENT

With the note that the next meeting would be held on September 16, **the meeting was adjourned at 9:51 a.m. on a MOTION by Sally Dupler and a second by Don Pomerantz.**

