

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD OF SUPERVISORS MEETING
JANUARY 20, 2016**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, January 20, 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, 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 all supervisors as listed above in attendance.

PUBLIC COMMENT

No comments were received from the public at this point.

APPROVAL OF AGENDA

The Agenda was unanimously approved on a MOTION by Robert Smith and a second by Gordon Walker.

APPROVAL OF MINUTES OF DECEMBER 16, 2015 REGULAR MEETING

On Page 5, the gentleman's name in the last paragraph under Item C is Steve Preston. In the

second to last line of that paragraph, "Mr. Bryant" should be "Mr. Robson".

On Page 4, the word "aesthetic" in the last line was incorrectly spelled.

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

FINANCIALS

The second month financials ending November showed revenue continuing to track higher as residents continue to take advantage of the early discounts. Year-to-date the revenues received were 87.5 percent of the total. There was \$3,068,000 in cash at the end of November, and along with some due-froms from some of the debt service funds, total current assets stood at \$3,140,000 against \$131,000 in payables.

November was the largest tax receipt month the CDD has ever had, at \$1,909,000. \$25,000 was received from the tax collector and will be adjusted by the auditor as it was unused from the prior year.

Year-to-date operating expenses were \$85,000 below budget, but Mr. Dorrill noted that the property appraiser's fees went up substantially to \$62,000, and notice of this was received after the final budget was adopted in August, when that line item was approved at \$50,000.

In response to Mr. Smith's observation on employee's fees being less, Mr. Vanover noted that there were only three paydays in December, and that amount will catch up the following month.

Chairman Garofalo reminded the Board that with increased early revenue payments, the revenue loss increases.

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

MANAGER’S REPORT

A. Emergency Funds Guidelines

Staff has been working on establishing guidelines for the District’s emergency, or contingency, fund. The basic draft indicates that historically the Board has attempted to maintain a three-month operating reserve, as the first distribution from the tax collector is not usually received until the week before Thanksgiving.

If the Board wished to set aside additional overtime in the event of a hurricane or other event, an amount has been suggested. This year there was over \$900,000 in cash as a beginning balance, and Mr. Dorrill suggested that the Board may want to discuss reducing their historical practice into written form. This will be a guideline only and can be changed at the discretion of the Board. The Chairman suggested that the money be taken out of the operating balance and put in the fund section so it is clear as to how much money is available for that year’s operations.

(Chairman Garofalo’s comments were inaudible at this point.)

Mr. Pires noted for the record that from the standpoint of when the audit is performed, the categories of funding and a restricted reserve and general reserve, they need to have a designation of these funds in order to properly review them for purposes of the audit.

Mr. Dorrill suggested that if the Board wished to create a restricted account, it could be put in a separate bank account in some type of money market or savings account where it would be reserved and could not be accessed without the Board’s authorization. He will check with the auditor about designating the funds as reserved as opposed to restricted, which would provide a broader scope of uses for it, as restricted funds must only be used for a specific purpose.

After a brief discussion, the Board agreed that this fund should be designated as an Emergency Contingency Fund, separate from the reserve for cash flow. This distinction will be included in the new guidelines, along with changing the word catastrophic to emergency where it is so noted, and in the second line of the draft, the phrase “may be considered” will be changed to

“may not be considered”. *** Please check, difficult to hear.

On a MOTION by Gordon Walker and a second by Sally Dupler, the Board unanimously accepted the changes in the draft.

Mr. Dorrill will check with the auditor to determine how this will be designated on the balance sheet, and indicated that it will be shown going forward beginning on the January financials.

B. Vanderbilt Beach Road Update

Mr. Dorrill reported that the repairs to the concrete fence have been made, Mr. Vanover had the grass cut for the final time, and the Board of County Commission now owns all of those assets, and that parcel of land that is within the Pine Ridge Community on the other side of the wall. Chairman Garofalo gave a brief synopsis of the long process involved with bringing this issue to a final settlement.

Mr. Pires noted that the final issue to settle with South Florida Water Management was the District being a co-permittee regarding the lake in the area in question. Mr. Dorrill indicated that staff will determine if the irrigation lake is part of a residential or golf course drainage basin and advise the Board of their findings. Mr. Robson indicated that the South Florida Water Management District may wish to split the roadway area with two separate permits, or do a typical land ownership permit transfer which is usually done by a developer when they are transferring sections of land. This would be a question for their legal department, and Mr. Robson is not sure how they will choose to handle it.

ATTORNEY’S REPORT

A. Conveyance of Former Sales Facility

Mr. Pires has requested some additional documents from Mr. Caldwell, including one showing that there are no easements on the property, certification from the County that WCI did comply with all of the requirements of the demolition permit, and an affidavit that there are no liens or

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encumbrances on the property or violations of any codes, laws or ordinances, and that they are in full compliance with any covenants or restrictions affecting the property.

Chairman Garofalo briefly explained that this property was used as a sales office at Tiburon which is part of the District, and the trailer was demolished and the property landscaped.

There is a small parking lot as well that can be used as a staging area when necessary.

ENGINEER'S REPORT

A. Drainage Area in Savannah

Mr. Robson reported that he has been assisting Mr. Vanover regarding a small area in a cul-de-sac in the Savannah neighborhood that was not included in a permit when the property transfer occurred back in 2009. They are clarifying with South Florida Water Management that they will accept that without it having been included. The Water Management District had some questions about who would maintain it, which the District continues to do, and the maintenance is minimal. Mr. Vanover noted that there has been some erosion in that area, and the District is replacing a small area of riprap. The cost will be very small.

B. Control Structure in Bay Colony

Mr. Vanover, Mr. Robson and the golf course superintendent are meeting to transit shoot the area from the fairway to the control structure to do an elevation comparison. They will make an effort to determine how much flooding will occur in the adjacent properties when the control structure is put back to its permitted configuration with the resulting higher water.

Chairman Garofalo explained to those present what the issue was with this drain that had been illegally enlarged so the water would flow out more quickly and cause less flooding.

***Mr. Robson's final comment was inaudible.

SUPERVISOR'S REQUESTS

A. Roadway Striping - Watercrest Area

Mr. Walker noted that the roadway striping in this area is looking very bad, and asked if there were any plans to do the restriping in the future. Chairman Garofalo indicated that they would take a look at it, and perhaps do some temporary repainting until the road is resurfaced.

B. Handheld Blowers versus Larger Street Blower

There are handheld blowers used to clean the sidewalks of grass and leaves, but Mr. Walker noted that there was a large blower that is attached to a wagon that can work much faster and probably do just as good a job. Mr. Vanover indicated that typically that large blower is used on the street, as it interferes with pedestrians and is almost too powerful for the sidewalk debris. He indicated, however, that they would take a look at it to determine if sidewalk use would be possible.

C. Asset Allocation Schedule

Chairman Garofalo indicated that the ten year forecast for replacing assets had been created, and there have been requests from a few residents to upgrade more lakes. Mr. Vanover and the Chairman reviewed them, and there are a few lakes that need attention. Kevin Carter is reviewing the spread sheets and creating one showing the proposed changes to present to the Board at the next meeting.

D. Fluoride in Water

***Mrs. Dupler's comments were inaudible.

PUBLIC COMMENT

Matt D’Orsi from Ventura asked about the ultimate agreement on their fence, noting that it sounded like a flip from what the District had previously agreed to. Chairman Garofalo explained that initially they were going to contribute \$25,000 to the installation of a chain link fence, but it was up to the community to determine what they wished to do, and they opted to have this amount go to the fence they wished to install. Additionally, the District agreed to do the demolition of the broken fence area if they were able to keep the salvageable material. A preconstruction meeting was held with Mr. Williams, and Mr. Vanover indicated that the committee had voted to replace the fence with what was there presently.

Jimmy *** noted that he was on the Board at Ventura, and that there was obviously some miscommunication as he understood that Ventura owned the fence, and the Chairman explained that in many neighborhoods the fences were never transferred to the CDD and are still part of that community. The CDD then decided that they would not accept any transfer of fence ownership unless that fence was in good condition.

Mr. *** then asked if it was accurate that he could go to his Board and tell them that the CDD will take the fence down, install a new chain link fence, and then have ownership of that fence. Mr. Vanover clarified this, stating that if the fence was given to the CDD in good condition, they will maintain it. As it relates to the demolition, there was concern at the preconstruction meeting about liability, and the CDD will not take the fence down.

After further discussion with the residents of Ventura and the Board, Mr. Dorrill suggested that the minutes be provided to Ventura where the discussion was held and the Board indicated what they would do.

Mr. Pires suggested that all the information on this easement issue be available at the next meeting where it will be placed on the agenda for discussion, and the Ventura Board can make some decisions about what they wished to do.

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Mrs. Dupler asked about the storm damage and the cleanup costs, and Mr. Vanover indicated that seven men were called in for overtime work to clean up the area.

Tom ***Kessum from Osprey Point complemented the quick and thorough cleanup work done by the maintenance staff after the recent storm.

ADJOURNMENT

The Board was advised that the next meeting would be held on February the 17th. Mr. Vanover will verify with Tiburon about having the March meeting there, and the meeting was then adjourned at 9:52 a.m. **on a MOTION by Gordon Walker and a second by Don Pomerantz.**