

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT  
REGULAR BOARD OF SUPERVISORS MEETING  
May 18, 2016**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, May 18, 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  
James Calamari, Access Control

**ROLL CALL**

The meeting was called to order by Chairman Garofalo, who indicated that all Board members were present with the exception of Mrs. Dupler, who had not yet arrived.

**PUBLIC COMMENT**

Tina \*\*\*\* from \*\*\* Management introduced herself, thanked the gentlemen who met with her and explained some things to her that she was not aware of. She hoped that her company would eventually take over more properties, and she looked forward to working with the Board in the future. She advised that she has been in property management for 20 years, and was a lawyer for 15. She spoke briefly of her past experience, and indicated that she would be available for discussion at any time. \*\*\*hard to understand \*\*\*

As he stated the previous month, Mr. Smith did not feel that Public Comment was the appropriate spot for long discussions.

#### **APPROVAL OF AGENDA**

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

#### **APPROVAL OF MINUTES OF APRIL 20, 2016 REGULAR MEETING**

On Page 3, in the seventh line from the top, the sentence should end with “Mr. Sieperda had a survey done.”

At this point Mrs. Dupler entered the meeting.

On Page 4, in the sixth line from the bottom, “SEP820015” should read “September 3, 2015”.\*\*

On Page 5, in the eighth line from the bottom, the word “deposition” should be “depreciation”, and the sentence should read \*\*\*Couldn’t hear. Neil, please see my note.\*\*\*

On Page 6, in the fifth line of the second paragraph, the starred portion should read “Reit”.

On Page 9, the third line from the top should have the word “for” after the word was.

On Page 13, the redundant words “transfer the” should be deleted.

On Page 14, Mr. Pires suggested that for clarity, in the second line of the second paragraph, the sentence “Mr. Vanover believed that they...” should read “Mr. Vanover believed that the County...”.

Also on Page 14, in the ninth line from the bottom, the word “Development” should be changed to “Management”.

The fourth sentence from the bottom beginning with “The confusion arises..”, should have a comma after the word “that”.

On Page 16 under Public Comment, the gentleman’s name is Jim Cotter.

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

## **FINANCIALS**

The midyear financials were presented to the Board, and the updated revenue report showed that the District is tracking collections at \$63,000 higher than the previous year. The delinquent tax certificates will be going to sale within the next two weeks, and following the sale some revenues will probably be seen in May and June. The discounts taken, however, will be a little higher than was originally forecast.

The balance sheet showed almost \$2,700,000 in cash, along with two reserves, one for contingency and the other for beginning year cash flow, against \$39,000 in payables.

On the income statement the month ending March showed \$110,000 in non ad valorem assessments due to last minute payments to prevent delinquency.

The most meaningful expense was the unanticipated property appraiser's fees which were \$12,000 over budget due to a computer upgrade and software conversion by the property appraiser. Those fees are frontloaded and are collected at the beginning of the fiscal year.

Mr. Smith commented on the large jump in interest with First Integrity Bank, and for the first year there are no charges, and 95 percent of the daily Treasury rate is being received on investments. Mr. Pires added that they are piggybacking on the County's contract, which is a multiyear contract.

There were a few nonmaterial overages in the first six months, including operating equipment which was \$3,000 over budget, but still \$12,000 under the annual budget. Under payroll expenses in field management, landscaping and access control, there are some vacancies, and this is a discussion that Mr. Dorrill feels the Board needs to continue to have as they go into the next year. There are some positions in these areas that they are having some difficulty filling, and while it is not a significant issue now, it does need to be monitored.

Year-to-date total operating expenditures for all cost centers was \$115,000 under budget, even taking into account the property appraiser's overages.

Mr. Smith asked what happened on payroll processing, as it jumped to almost double of what

was budgeted. Mr. Dorrill indicated that it could have been an extra payroll, but he will check on that.

**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. Proposed 2017 Budget

A public hearing will be held in August to formally adopt the budget, and changes can be made to the budget up to that hearing. The assessment rate, however, will be locked in today when the Board accepts the budget.

There were not a lot of significant changes in the budget, and staff has good control over the expense side.

Mr. Dorrill started on the revenue side, and while the amount of discounts will be higher than what was originally anticipated, he noted that they do budget a \$114,000 offset as a revenue reserve. He anticipated that at year's end there will only be about \$20,000 less than was forecast in revenue. Additionally, any tax certificates that do go to auction will be bought quickly.

No increase has been proposed over the current year on the non ad valorem side at \$3,429,000 in assessments. The other two major sources of income come from Mercato, at \$15,000, and \$7,400 from the Naples Daily News. Total revenues next year with the revenue reserve is set at \$3,394,000. These amounts show no change in the assessment and no change in total revenues.

Under Administration, in the 12 month forecast for the total cost center, Mr. Dorrill indicated that for the time being he has left the Property Appraisers amount at \$63,000. If between now and the public hearing in August those fees are reduced, then they may cut that amount back at the public hearing and the balance can go into the contingency reserve.

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Mr. Smith indicated that it was his recollection that this was a onetime fee for the new equipment for the property appraiser, and Mr. Dorrill agreed; however, he felt it was subject to the appraiser's annual budget which will be set by the Board of County Commissioners.

Mrs. Dupler asked why the purchase of new computer equipment was not just the cost of doing business for the property appraiser, and Mr. Dorrill advised her that the appraiser does not get to keep his money at the end of the year, and any unused funds that are on the books at the end of the year must be remitted back to the general purpose government. He lives year to year on the appropriation that he receives from the County Commission. Mr. Pires added that it is also part of the statutory scheme for funding the offices of the property appraiser and the tax collector as far as what they can charge.

There was nothing to be highlighted under Field Management, and the overall cost center will go up by \$2,000. At Mr. Smith's request, Mr. Dorrill indicated that they have proposed within the budget a 2 percent cost of living adjustment for both management fees as well as salaries within the landscaping and access control cost centers, all staff people across the board.

Landscaping showed the variance total over the year end projection at a \$40,000 decrease. Budget to budget it is a \$1,100 increase, the most significant cost here being the 2 percent cost of living adjustment which takes the payroll from \$590,000 to \$606,000, most of that attributable to attrition and vacancies. As no increase is being proposed, what is being done there is budgeting in anticipation of vacancies. Mr. Vanover indicated that they have one or two vacancies that need to be filled, but they will not do that until the warm season comes around again when more manpower is needed.

Access control needs to have full coverage; otherwise any savings is being burned off on overtime. There is one part time person who will work when needed, and Mr. Vanover indicated that they are always looking for part time workers.

The only other item Mr. Dorrill highlighted for the Board was fuel, and those projections are

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\$7,000 below budget. As a result, the same budget has been maintained for 2017. \$29,000 for fuel has been allocated within the Landscaping cost center.

Mr. Dorrill was asked if the County raised the irrigation water rates, and they did do so and had the County Commission approve a rolling three year rate increase the previous year. Chairman Garofalo indicated that Mr. Vanover does a very good job of managing water in the District, and every one of the controllers has a rain sensor on it, which resulted in a few thousand dollars being saved the previous year.

Mr. Dorrill added that they negotiated away the 20 acres on the south side of Vanderbilt Beach Road adjacent to Pine Ridge. That grass no longer needs to be cut, the pump on the lake no longer needs to be maintained, there is no pruning and fertilizing and there are no electrical costs. He felt that this was a very good deal for the District. Mr. Smith noted that gas prices will go up, and when it does, chemical costs will as well.

As it relates to Water Management, costs for aeration and maintenance of the lakes and preserves are fixed, and there is no increase contemplated for this line item. There is no increase contemplated for the architectural fountains as the cost bases there are fixed as well. Under Street Lighting, there is no significant change, and there is a \$300 increase for that line item. Mr. Smith noted that there was no money budgeted for extra holiday lighting, and Chairman Garofalo indicated that those costs are shared between Tiburon and Pelican Marsh, and any extra holiday lighting will involve increases for Tiburon as well. Mr. Smith advised that residents feel that the lighting at Tiburon off of Airport is much nicer than the lighting off of Pelican Marsh at 41, and with three exits at Pelican Marsh and only two at Tiburon, they have more lighting at their exits. Chairman Garofalo advised that there have been discussions with the Tiburon management regarding the fairness of their treatment, and if more funds are appropriated for extra lights at Pelican Marsh, they may feel that they should get them also. Mr. Dorrill noted that the District has a fixed cost with the light vendor, and he will ask them for some alternatives for the US 41 entrance, and added that the holiday lighting at Pelican Marsh

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is as good as any in Southwest Florida. It is also helpful that Pelican Marsh has a part time electrician who can fix problems as they arise.

There will be some modest increases in Access Control, again primarily attributable to the cost of living expenses, at \$5,000 more in 2017. The year ending projection, however, is \$33,000 under budget, primarily due to some lapsed salaries.

Nothing was noted for discussion under Roadways.

Total operating expenses over the prior year, due primarily to cost of living increases, will be increased \$11,800, bringing the total to \$3,177,000.

There will be some reduced capital needs in the coming year in terms of equipment and vehicles, which consists of two mowers and replacement of the patrol car, which has over 150,000 miles on it. Mr. Vanover explained that roughly 70,000 miles per year are put on the patrol vehicles, and they replace them approximately every three years.

Mr. Dorrill noted that Pelican Marsh has one of the better five year capital planning maintenance plans that he has seen, and no milling and paving is scheduled for the coming year, or curb and concrete related repairs, which is unusual for a community of this age. The District owns its own concrete grinding machine, and a biannual inspection of the condition of the sidewalks is done as a liability mitigation strategy. If there is more than a quarter inch variance in levels, it is ground down to minimize risk.

Mr. Gorran suggested that the Board may want to look into providing that grinding service to the rest of the associations in Pelican Marsh, as they must contract with outside vendors for it. He felt that the CDD could do it less expensively. Chairman Garofalo explained that those areas are private property, and the District did not want to contract its services in those situations, as there could be a legal issue, and also would put a lot of wear and tear on the equipment.

Mr. Pires' suggestion was that this should not be done, as it is creating a potential liability that does not exist at the present time. Chairman Garofalo added that Tiburon has approached the Board asking if they would take over access control at their gates, and he advised them that

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he was very much against taking that responsibility back.

Mr. Dorrill stated that the bottom line on the expense side was a balanced budget at \$3,393,875 and a fixed number of residential units or their equivalents next year.

There is no assessment increase contemplated for next year at \$1,162.88.

**A MOTION was made by Robert Smith and seconded by Gordon Walker, to accept the proposed 2017 budget and authorize Resolution 2016-2 which will approve the proposed budget and set August 17, 2016 at 9:00 a.m. as the Public Hearing date, and to authorize the Chairman to execute that Resolution.**

Mr. Pires clarified that the budget was being approved for purposes of setting the Public Hearing, but the Board was not adopting the budget at this time.

**The Motion then passed unanimously.**

Mr. Walker and the Board members thanked staff for the excellent job they did in preparing the budget for 2017.

As part of this process, Mr. Dorrill will transmit this proposed budget to the County no less than 60 days before the Public Hearing.

B Ventura Fence

Mr. Vanover reported that he and the Chairman had met with the Ventura people about their fence. The fence where it currently sits is on property owned by the Ventura HOA. Chairman Garofalo suggested that if Ventura repairs the fence and gives it to the District, which maintains the land already, perhaps they should then give the District the land as well.

Ventura agreed to the policy that the Board approved the previous year which was that the District would take the fence over once it was repaired. However, the property between the fence and Vanderbilt Beach Road actually belongs to Ventura. Ventura then asked if they turned the fence over to the CDD, would the District also take over that additional property noted above. Chairman Garofalo indicated that as the District already maintains it, unless there

is some legal issue, he would not have a problem taking it over. Mr. Pires indicated that without the Ventura materials in front of him, he believes that they have a landscape easement, which is how they maintain that property. There would be additional exposure and liability taking that property over, but that is not unusual when you have a fence. The ownership issue in his opinion was if someone was to slip and fall or trip on a sprinkler head, for example, they could make a claim against the District now, as they maintain it. So from that perspective Mr. Pires did not see any additional exposure to the District.

Chairman Garofalo summarized, indicating that Ventura would completely redo the fence, and then give it to the District, along with the property between the fence and Vanderbilt Beach Road. Mr. Pires noted as well that from a legal perspective it would also give the District greater flexibility on how to use it in the future.

Mr. \*\*\*\*\* asked what the legal fees would be for Ventura should this come about, and Mr. Pires indicated that they would be minimal. The Association would be responsible for the necessary title work, and there may be a survey required to make sure that there was no encroachment, and then preparation of the deed and payment of the documentary stamps, taxes and recording fees. All of that, along with the possible review of the engineer's documents, would be a relatively small amount of money, probably less than \$500.

Mr. Smith asked if Ventura would be turning over a chain link fence, or the same type of fence they have now, and he was advised by the Chairman that they had agreed a year or two ago that the District would only accept a concrete fence if the same exact fence was put in that was previously there. Ventura could assess their residents to pay for the fence. If Ventura decides to go with a chain link fence, then because the District had no input on their fence, then the District would provide the chain link fence. The bottom line is the District would take over a chain link fence or a completely new concrete fence.

The confusion over a fence or concrete wall or fence was discussed, and Chairman Garofalo indicated that one of the issues is that Ventura was looking at putting in a differently designed

concrete fence, similar to what is seen on highways, with big concrete blocks. The Chairman did not support that, as a crane would be needed to rebuild the fence, and he did not want to see the CDD take over that type of fence, that they could not repair or replace themselves.

Jim Carter from Watercrest noted that if the design of the concrete fence is changed, or something different is done, there may be an issue with Code Enforcement. There won't be a problem if they replace it with a like fence, but the moment it is changed, a County process is involved.

Chairman Garofalo indicated that the decision at this point is Ventura's, and the Board will wait to see what they decide to do when they re-approach them regarding the fence. After a brief discussion, **a MOTION was made by Gordon Walker and seconded by Sally Dupler that the Board would agree to take over the extra property on the other side of the fence when and if the fence is turned over to the District. The Motion passed unanimously.**

In response to a question from a member of the public, the Chairman indicated that there would be no environmental issues involved with this. The Ventura Board will be notified of the Board's decision.

### C. Terrabella Lakes

An annual survey and update of the condition of lakes in the District is done, and the Terrabella Community would like to take advantage of the fact that they are currently programmed in 2018 for lake bank restoration. They would like the Board to consider doing their lake in the coming year if they advance the money to them, which can be repaid in 2018 when it was originally scheduled.

Ed Walsh, the president of the Terrabella Community HOA, was introduced to the Board. Chairman Garofalo noted that Terrabella has two lakes, and Number 54 is scheduled for next year to be restored, and their second lake, J-1 is scheduled for the year after. The work is balanced in this way to keep the expenditures within budget. The money would be obtained

from Terrabella before the contract for the work is signed so that they can lock in getting that lake done, and then once the new budget comes out, whatever check Terrabella gives the District will be given back to them in that particular year that Lake J-1 was scheduled for.

Mr. Dorrill indicated that costs are determined on a linear basis, and they have a very simple advance funding agreement that has been used in the past that would be executed between the Terrabella HOA and the CDD.

Mr. Pires indicated that he did not have a problem with this, and he will draw up the contract, and the Association would pay for those expenses in advance at the same unit cost for the number of feet to be restored. Mr. Pires will send the draft agreement to Mr. Dorrill and Mr. Vanover, and if they are comfortable with it, they can send it to the Terrabella Association.

**On a MOTION by Robert Smith and a second by Gordon Walker, the Board unanimously approved the agreement for Lake J-1 as outlined above.**

The agreement will be brought to the June Board meeting for the Board's approval. Terrabella will be provided with an invoice for the work, which will be reimbursed to them in approximately October of 2017.

#### D. Tiburon Fence/Norman Estates

This fence issue was visited at the April meeting, when Mr. Sieperda asked the Board for permission to move his pool cage fence. Mr. Pires provided an aerial showing the house and the property line which extends all the way to the lake. The platted tract of land that Mr. Sieperda owns comes up short of the lake, but he did acquire additional property from the golf course.

Mr. Pires indicated that in working with Mr. Vanover and Mr. Robson, it was determined that the District did not have a lake maintenance easement or drainage easement over that area, but the District does have an overall ingress/egress easement over that area that Mr. Sieperda may not have been aware of, that covers a large portion of Tiburon where the buildings are

located. Mr. Sieperda has emailed the proposed documents as well as depositing \$1,000 with the District manager to pay for any fees or costs associated with preparing the encroachment agreement. Mr. Pires asked the Board for authorization to prepare the encroachment agreement, to accept the deposit with the District manager, and to bring this back to the Board at the next meeting. Mr. Vanover and the Chairman looked at it and agreed that it would work, and there will still be an easement for the District to pass back and forth.

Mr. Smith asked what the red lines on the aerial were on the house next to Mr. Sieperda, and Mr. Pires indicated that between the lake and those houses there is a sliver of land that is owned by Tiburon Golf Ventures, which has conveyed pieces of it to the property owners on that lake.

Chairman Garofalo noted that every time one of these things is done, it is different, which is why it has to be done individually, by lot. Mrs. Dupler asked if the neighbors would be affected by this, and apparently they will not be as there is a ten foot easement in front of the lake bank. Both Mr. Pires and Chairman Garofalo indicated that Mr. Sieperda was a very nice gentleman.

**On a MOTION by Robert Smith and a second by Sally Dupler, the Board unanimously approved Mr. Sieperda's request, and authorized Mr. Pires to prepare the encroachment agreement and to accept the \$1,000 to the District manager to cover all costs.**

## **ATTORNEY'S REPORT**

### **A. Public Information Meeting**

This meeting relates to the improvements being done on Airport Road north of Vanderbilt Beach Road. If anyone is interested in attending the meeting, it will be held the following evening from 5:30 to 6:30 at St. Katherine's Greek Orthodox Church Banquet Hall.

Chairman Garofalo indicated that what they will be doing was confusing, and he had asked Mr. Dorrill to get some clarification on it, and one interpretation of it is that the left hand lane goes right straight through to Pelican Marsh. Apparently the median is going to be enlarged as well.

The Chairman thought that the only way they could accomplish widening the median would be to put the extra lane on the canal side.

Mr. Pires added that the County graphic has a little arrow with a text that says Pine Ridge Road near the elementary school.

There will be an additional lane into Pelican Marsh; there will be a right hand turn lane coming out of Tiburon, as a speed up lane all the way up to the school; and there will be a sidewalk from Vanderbilt Beach Road all the way up to the school. At the exit at the Galleria Drive, you will no longer be able to cross the median, and you will have to turn around to go north. If you make a left hand turn on Vanderbilt there are two lanes to turn, and they are going to move the stacking lane further north in order to stack more vehicles.

There continues to be confusion on whether the median will be widened or not and how it could be done, and Chairman Garofalo urged those who were interested to attend the meeting the following evening to get some answers.

## **ENGINEER'S REPORT**

Mr. Robson had nothing further to discuss as anything he was a part of had been previously discussed at the meeting.

## **SUPERVISORS REQUESTS**

### **A. Gate Replacement**

Mr. Walker asked about the status of the gate, and Mr. Calamari indicated that they were waiting to hear from the gate manufacturer. The camera system has been installed and is ready to go live, once the software issues are handled. It is hoped that the cameras will be up and running and fully functional within the next couple of weeks.

B. Speed Bumps

In response to the concerns about the speeding and safety at the Airport Gate when people are making a U-turn at the gate, a speed bump has been purchased for \$500, and installed the previous day.

C. Small Changes in the Community

Sandy Mintz has been working with the Board to make some changes in the Community, all within the budget. New uniforms will be purchased, and Mr. Calamari was wearing the new shirt which is a shorter length and a wider shirt, and the logo will be attached as well. Once the old inventory is gone, the new shirt will begin to be used.

As it relates to name tags, the gate staff uses the magnetic tags that go on the opposite side of the logo. Management does not wear name tags, and patrol does not have name tags as they are in and out of the car and they tend to lose them. The Chairman felt that they should wear name tags, especially when they are responding to a call, and Mr. Smith agreed. Staff will take a look at making sure the patrols are wearing their name tags while in the cars.

Jim Carter from Watercrest thanked the Board and everyone in Pelican Marsh for qualifying his petition to be on the ballot in the primary on Monday. He also thanked Mr. Dorrill for bringing up issues that affect the community, and encouraged everyone to go to the public hearing the following evening regarding the work being done on Airport Road north of Vanderbilt. He felt it was important for the community to know about it, how it will be done, and what it will mean to the CDD and traffic flow. While the median in this area does need beautification, the Chairman pointed out that the intent of this project is road improvement, and he does not expect any median landscaping to be a part of it.

In response to Mrs. Dupler's question, Commissioner Carter indicated that the meeting has been advertized in the newspaper, and the County has met their notice requirements.

Mrs. Dupler also asked why Tiburon appeared to be later than Pelican Marsh as far as

scheduling for lake bank restoration, and was advised by Mr. Vanover that Tiburon was created six or seven years after Pelican Marsh, and the erosion at Pelican Marsh is much further advanced. However, restoring Tiburon's lake banks will take place as well in the near future.

**PUBLIC COMMENT**

No further public comment was received.

**ADJOURNMENT**

With the understanding that the next meeting would be held on June 15 at the Pelican Marsh Foundation building, the meeting was adjourned at 10:24 a.m. **on a MOTION by Gordon Walker and a second by Robert Smith at 10: 25 a.m.**





