

**PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD OF SUPERVISORS MEETING
Wednesday, January 17, 2018**

The Board of Supervisors of the Pelican Marsh Community Development District met on Wednesday, January 17, 2018 at 9:00 a.m. at the Pelican Marsh Foundation Building.

APPEARANCES:

Frank Garofalo, Chairman
Gordon Walker, Vice-Chairman
Don Pomerantz, Treasurer (Via Speakerphone)
Joe Diaz, Assistant Secretary
Edward Walsh, Assistant Secretary

ALSO PRESENT:

David Robson, Johnson Engineering
Mallory Clancy, Johnson Engineering
Tony Pires, Counsel for the Board
John Vanover, Operations Manager
James Calamari, Access Control

ROLL CALL

All members of the Board were in attendance with the exception of Mr. Pomerantz, who participated via speakerphone.

On a MOTION by Gordon Walker and a second by Edward Walsh, the Board unanimously approved Mr. Pomerantz' appearance via speakerphone due to exceptional circumstances.

PUBLIC COMMENT

Mr. **** Gallagher from Spanish Moss Trail asked if there was an item on the preserve area for discussion at the meeting and was advised that there was.

APPROVAL OF AGENDA

On a MOTION by Gordon Walker and a second by Edward Walsh, the Agenda was unanimously approved by the Board.

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APPROVAL OF MINUTES OF JANUARY 2018 MEETING

On Page 4, in the fifth line from the bottom, the second word should be “debris”.

On Page 5, in the third paragraph from the bottom, in the first line, commas should set off the phrase “as Mr. Dorrill stated”.

On Page 6, in the third to last line of the third paragraph, the starred area indicating “Allen” should have the word “Construction” after it.

On Page 7,*** Mr. Pomerantz’ statement was inaudible.

Mr. Walsh asked if the word “correlation” in the seventh line of the second paragraph, should be “coordination”. Mr. Pomerantz indicated that “correlation” is the word he used.

On Page 11 under Public Comment, the starred name is Peter Bowen.

The very first line on that page should be “Mr. Garcia” rather than “Chendo.”

Also on Page 11, at the beginning of the third line from the bottom of the middle paragraph, the words “indicated that” should be followed by a comma.

On a MOTION by Gordon Walker and a second by Edward Walsh, the minutes as corrected were unanimously approved by the Board.

At this point Chairman Garofalo added Item 9A as Hurricane Expenses discussion related to the chart of payments included in the Board’s packet.

FINANCIALS

The special revenue schedule on the first page of the Financials showed a record for the month of November, with \$2,021,000 in non ad valorem receipts, and during the month of December almost \$800,000 was received. Year-to-date actuals compared over the prior year are very close, within \$9,000 of the forecast.

Apart from the hurricane cost chronology, Mr. Dorrill prepared a document to show the sources and uses of funds at the Board’s request. At the end of December, \$787,000 had been

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spent of contingency funds on debris removal and other hurricane eligible work. Since this document was prepared one additional invoice was received.

The balance sheet for the primary general fund showed \$3,175,000 in cash, which was a reflection of both the reserves and the inflow of money Mr. Dorrill just reported, against \$11,000 in payables. Total assets of the District, including the hard assets and the due-to and due-from items were almost \$26,700,000, the majority of which was infrastructure.

The Income statement showed the \$2,021,000 received, in addition to almost \$3,400 in associated transmitter revenues. The expense side of the income statement showed no cost centers over budget, even with the once a year seasonal expenses, such as insurance premiums and seasonal horticultural products. Total operating expenditures through the first two months were \$620,000 against a budget of \$727,000.

Chairman Garofalo noted that the overtime maintenance under the landscaping line item the amount of ***\$7,800 was for hurricane expenses.

On a MOTION by Gordon Walker and a second by Edward Walsh, the Financials were then unanimously accepted as presented.

MANAGER'S REPORT

A. Hurricane Irma FEMA Status

A FEMA case manager was finally been appointed to Pelican Marsh two weeks previously, and a pre-application meeting was held. This gentleman's name is Brian Caruso, and Mr. Dorrill indicated that he is very knowledgeable and helpful, and is a Hurricane Katrina survivor from Louisiana. They also met with some of FEMA's mitigation staff as well as their planning staff. Filing is now done electronically based on some Federally required spread sheets, and the District has excellent cost and documentation photos as to what occurred at Pelican Marsh. Once the paperwork is completed, it is sent electronically to the Department of Homeland Security and uploaded and examined by an analyst in that department.

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Mr. Vanover advised that he had met with Mr. Caruso before today's meeting, and during the previous week they had been working on force accounting, which is in-house labor and materials and every single person and their days and times have to be documented along with the use of flatbeds and what kind of trucks, frontend loaders or pickup trucks were used, and who drove them. There is quite a bit of information that has to be reported to FEMA.

In response to the Chairman's question on when it appears the submittal will be completed, Mr. Vanover indicated that all the force account records will be emailed to Mr. Caruso today, and the contractors' expenses sheet has been gone through and provided to him as well. The only thing remaining is the fences, and the repair of the stone fences that is currently being done was reported under the force account labor. There was also some roof damage at the gate houses, which is more esthetic than structural. That item is not covered under insurance. The chain link fences are also being attended to.

Chairman Garofalo asked if the last things Mr. Caruso was waiting for was the labor costs, and Mr. Vanover indicated that he will also be providing Mr. Caruso with some additional receipts, so quite a bit of progress has been made with FEMA. Mr. Dorrill noted that the costs for the fences appear to be eligible. He added that with the two golf tournaments that were held shortly after the hurricane, in-house crews were diverted to regular mowing and planting to get ready for those events, and those expenses are not eligible. All of the internal work has had to be prorated on the time sheets but as Mr. Vanover indicated, good progress has been made in the last two weeks. Hopefully they will be filing by the end of the month or early next month, and by the next meeting they expect to have an idea of how much money was requested and submitted.

Mr. Dorrill added as well that they are preparing plans and specifications to do fence removal or replacement as part of the damaged perimeter fencing. Within the specifications they will include an alternate price for an early work start and hopefully attract some large fence contractors from outside the immediate area.

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B. Hurricane Irma Recovery Update

While there is some debris left here and there, this job is largely completed, and now the crews are working on laying sod and replacing the stone fences. The Ventura fence repair was completed this week, and next week they will start in on the Arielle fence, tearing down the back parts and setting the poles. Current maintenance is being maintained, and the cold weather has helped keep the grass growth to a minimum.

Mr. Vanover expects the Arielle fence to take about a week to do, and will be followed by Grand Isle's which should take probably two weeks. He felt that by the end of February they will be done with this aspect of recovery, and maybe sooner. At that point they will begin looking at plant material, although they will hold off on planting in the areas where the chain link fences need replacing. This will probably place that work during the spring.

Mr. Dorrill added that they were successful in getting the County's FEMA contractors to remove all of the debris that had been staged at Livingston and Vanderbilt Beach Road on District property. Over 20,000 cubic yards of horticultural debris was removed at the County's cost, which saved the District a large amount of money. The exception is five enormous root balls that the FEMA trucks could not lift. That removal is being contracted separately, and Mr. Dorrill thought that this job would be cost shared with the golf course owners. The District will be spending \$500 on this removal, and the grading in the area will need to be done before the summer.

C. Post Hurricane Preserve Management

The District has received many calls in the field office about downed trees in the preserves, and the South Florida guidelines indicate that the important thing to note is that the preserve areas are conservation areas that are protected by a conservation easement in favor of the South Florida Water Management District. The District is very limited in terms of what it can do. This is creating some cosmetic problems with certain residents who live adjacent to a preserve.

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Mr. Robson noted that the Board's book contained the guideline information for preserves in Collier County, which was worked out with the South Florida Water Management District. They fall within wanting to protect the conservation aspects of these areas, while being aware of how they can impact private property. They indicated that a property owner can trim to the edge of their property, and remove whatever encroaches on their property line. There are guidelines that indicate that if the conservation owner, the CDD, wants to go in and deal with trees that could possibly come down at a later time, perhaps during the next rainy season, they can go in and bring those trees all the way to the ground, particularly if they will encroach on a landowner's unit. In any case a homeowner should call the CDD and let them know the situation and what needs to be done so there won't be any danger to private property.

Chairman Garofalo clarified their interpretation of this issue, noting what they did in two different situations. In one, a tree had fallen onto a landowner's property, and it was trimmed back to their property line. In the second instance, the trees came down within the preserve, and steps were taken to chop them into piece and leave them in place, as the debris cannot be removed.

Mr. Dorrill indicated that there is an exception to that, and Mr. Robson agreed that there was, and it could be used, but one of the things they are trying to do is find a balance with what a property owner may think of as a dead tree, but in the preserves it is a habitat, which they don't want to completely remove unless it becomes a problem. It is part of the natural environment, and if it is not a hazard, it is acceptable to leave it in place. Chairman Garofalo asked what an exception to this rule would be, and Mr. Robson indicated that it is mainly if it will fall and cause a problem. If it, for instance, impedes the growth of another tree, then it can be removed.

Chairman Garofalo indicated that as far as they know there are no more leaning trees, everything is in the preserves that they can chop up and leave in place. Mr. Dorrill stated that if a tree is within the preserve and the amount and volume of material is high enough to

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constitute a wildfire fuel hazard, you can then petition the Forestry Division to remove that material, but it will be at the discretion of the Forestry Division as to whether it constitutes a wildfire hazard. Both Mr. Dorrill and the Chairman did not think that they had seen this situation. Mr. Robson added that the Forestry Division would not want big equipment in the preserves that would crush the ground and what is growing or living there. Chain saws are the only type of equipment that can be used.

Mr. Walsh also noted that what is not addressed is that if there is a tree that is diseased or damaged and may be leaning near a property line, if that could be taken out also, and was advised that it could be taken out. (inaudible section.) Mr. Walsh also asked if it would make sense at some point in time this year to bring someone in from the Florida Division Forestry and ask them to assess the preserve to see if there are any areas that are loaded with fire hazard fuel. This way they will know what the status of these areas is, and it will also be a good idea with respect to liability issues. Mr. Dorrill felt that this was a good idea, and noted that there was a community south of Pelican Bay that actually did an urban controlled burn several years ago. The logistics of doing a controlled burn in an urban area are not simple, but this was a success for them.

Chairman Garofalo did not support this idea because he did not want a government official walking through their preserves to check and see if they are all maintained to the letter of the law. He added that because they are there observing, the District could open themselves up to liability. Mr. Dorrill indicated that Forestry officials don't have any regulatory ability, and they would be helpful. As it relates to other agencies, he would agree with the Chairman.

Mallory Clancy from Johnson Engineering indicated that they can have the Forestry Division come and assess for fire hazards, but if they do recommend any removal, it will still have to go through the South Florida Water Management District for approval. The Chairman felt that they had a good understanding of the policy, and if he and Mr. Vanover take a look at an issue they can decide on the appropriate action.

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Mr. Joseph ***, president of the Tiburon **** Association, indicated that they back up to the preserve area at Tiburon where there is anywhere from 900 to 1,000 feet of frontage on a mess. (Very difficult to hear.) Several trees came down behind one of their buildings, and on their own dime they cut up and removed the debris. They did go to their property line at the preserve and stopped at that point. The issue now is that they have four or five trees that have fallen in such a way that they are damaging other trees. What they would like to do is get those trees in the preserve off of those that are still standing before they are damaged beyond saving. He felt that this will not only be esthetically pleasing to the owners, but will also conform to the rules that he just heard.

Chairman Garofalo reminded him that this is CDD property and residents cannot go into the preserves and do any work in them. Mr. *** indicated that he simply wanted them to come out and take a look at it and determine what can be done. Mr. Dorrill indicated that they would not mind being a resource to them, and asked this resident to see Mr. Vanover after the meeting to set up a time for staff to come take a look at the area and get the work scheduled. Chairman Garofalo wanted to stress the fact that any work on the preserves or other recovery work is to be done through the CDD. Mr. Vanover also wanted to make sure that they understood that this work is not going to happen next week, and it might not happen for quite some time. Everything is going to take a while, but Mr. Vanover will get it on his list and when people are available to work on this, it will get done. (Inaudible Section) The Chairman added that everyone is having issues with trees and fences down and all the attendant problems, and the staff is keeping to a schedule and will eventually take care of everyone.

Mr. *** felt that the Board was doing a terrific job and thanked them for their work. He wanted to reinforce what this gentleman had just indicated, that these are dead trees that have the potential to do further damage, are hindering growth and jeopardizing other trees. Mr. Vanover will address this as soon as he can.

Another resident asked if it would be possible to purchase part of the preserve, and Mr. Pires

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indicated that they are dealing with a governmental body, and when the CDD wants to sell property it generally has to be declared surplus. The bond documents and covenants would also have to be checked showing the outstanding bond issue to determine if it is feasible and if they have the bond holder's consent, and it would not change the preservation status of that piece of land. The preserve easements and conservation easements are part of the requirements of the Army Corps of Engineers, South Florida Water Management, and Collier County permits. Chairman Garofalo felt that it would not be worth the trouble, especially since the preserve land would always be a preserve. He added that staff would do what they can to maximize the visual esthetics of the property. (Inaudible section) Both the Chairman and Mr. Vanover indicated that they would work with this gentleman and do what they can, as soon as they are able.

Susan ***Roda spoke (comments were in audible)

(Inaudible section regarding the fountain behind the guard gate.)

ATTORNEY'S REPORT

A. ****

Mr. Pires suggested that Mr. Dorrill, Mr. Robson, the Chairman and himself should get together before the next Board meeting and go through the documents, then come to the Board with a recommendation. Mr. Dorrill added that the work is ongoing, and whether it is next month or next spring, they will bring a detailed inventory back to the Board on what the inventory is and what the assets look like.

Mr. Pires had nothing further to report.

ENGINEER'S REPORT

A. Status of Chain Link Fence Sourcing

Mrs. Clancy advised that they had been doing a survey to assess where the damage is and how much there is to the chain link fences. They started this the previous day and will continue

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today after the meeting and complete it as soon as possible. Chairman Garofalo asked if they had a rough timetable of when the assessment would be done, when a report will be issued to the Board, and when this project can go out for bids.

Mr. Robson noted that once they have the field report completed, then a list of the type of fences will be generated, and the specifications for them. He was not sure all of that work will be completed by the February meeting, but definitely by the March meeting.

Mr. Dorrill noted that their internal goal has been that by the end of February they would have a set of plans and specifications to share with the Board in hopes that they would go out to bid on an accelerated basis in early March.

After a discussion of the timing of the process, Chairman Garofalo clarified that by the March meeting it will go out for bids, which should be available by the April meeting, and then getting into May or June to do the actual work. He wanted the residents to know that this is the probable schedule for the fences, and they won't be done before that time, if then. Mr. Dorrill added that this was the rationale to try and incentivize the contractors to give them an early start date and the fee associated with that, which is a policy decision that the Board will have to make.

B. WCI Conservation Area Transfer

Mr. Robson is presently working on this transfer, and asked that it be put on the agenda for the February meeting for discussion. Chairman Garofalo asked if they will get certification from WCI that they have gone in and cleaned out that area, and Mr. Robson indicated that the South Florida Water Management District has provided that, and Mr. Dorrill added that a five year monitoring report and compliance is a condition of the transfer.

Mr. Pires added that this is one of the things they will have to make sure of, that it is in compliance so the District does not have an issue when they take over the maintenance. If someone calls South Florida Water Management and advises them that there is some

omission, they will come over to look at it. At that point the District would go to WCI and say that they were the permittee responsible for the transfer, and that they must fix it. That is why it is important to be careful now, and make sure that there are no problems.

SUPERVISORS' REQUESTS

A. Discussion on Chart of Hurricane Expenses

The chart that is now included with the copies of the Financials shows the expenditures by month, the balances, and the account is debited every time they have a monthly expense to show how much money is left. The District started out with two accounts, one with \$540,000 and the second with \$850,000. Through December 31, \$787,000 was spent on hurricane cleanup. The first account was completely used, and the second account has been reduced to \$602,000.

The question at this point is how much more money the District is going to have to spend and the Chairman felt that the biggest outstanding job remaining is the chain link fences. He did not think that they had more than \$75,000 of expenses remaining other than those fences. The Chairman was unsure as to what that amount would be, feeling that it could be over \$50,000 but probably less than \$100,000. Adding that to the \$787,000 that has already been spent, it is possible that the expenses could approach \$1,000,000.

The biggest question now is when the expense requests are going to be submitted to FEMA so the District will have a better idea of what the reimbursement will be. Chairman Garofalo heard on television the previous evening that qualifying government agencies may get up to 90 percent reimbursement on qualified expenses. He added that they do not supply fence material for new fences. Once they know how much is going to be reimbursed, they can determine what the shortfall is. They may end up with very little or no money in the immediate emergency fund, and they will have to make some decisions on what to do about that shortfall. The Chairman suggested two options to address it, one being to put in a line item

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It May's indicating that each resident would owe \$50, which would come to \$150,000 which would flow directly into the emergency fund. The key is how much to submit to FEMA and how much they will get back so the shortfall can be determined. If more money is needed, then the amount could be raised to \$100 per resident. This hopefully can be determined by the May budget meeting. This sheet will be updated monthly so everyone can keep track of the hurricane expenses.

Mr. Walsh's comments could not be heard.

Mrs. Pat *** from Watercrest asked to be put on Mr. Vanover's list as five of the neighborhood huge trees have fallen on their property, and it has cost them \$8,000 so far to repair the damage they did. (Overtalk, unable to hear.) Apparently according to some tree trimmers these trees should be cut back 20 feet each, and many of them have never been cut back at all. Chairman Garofalo advised that they would look at every single tree replacement and decide what needs to be put in by area, but not all tree trimmers know how to trim correctly.

Mr. *** noted that there are a couple of spots along US 41 where the berm needs to be refurbished, partly because of all the trees that came down, and when the debris was removed, most of the berm went with it. Chairman Garofalo noted that they would take a look at those spots.

ADJOURNMENT

Mr. Dorrill advised that the February meeting would be held on the 21st, and the March Annual Meeting will be held on the 21st at Tiburon.

The meeting was then adjourned at 1:00 p.m.