

**LELY COMMUNITY DEVELOPMENT DISTRICT
NAPLES, FLORIDA
REGULAR MEETING OF THE BOARD OF SUPERVISORS
JULY 15, 2015**

A regular meeting of the Lely Community Development District Board of Supervisors was held on Wednesday, July 15, 2015 at 1:30 p.m. at the LCDD Maintenance Building.

SUPERVISORS PRESENT: Robert Fisher, Chairman (Via Speakerphone)
Gerry Campkin (Via Speakerphone)
Harold Ousley, Treasurer
Kenneth Drum, Secretary
William Lee, Public Relations

ALSO PRESENT: W. Neil Dorrill, Dorrill Management Group, Manager
Assistant Secretary /Treasurer
Kevin Carter, Dorrill Management Group
David Bryant, District Counsel
Jerry Ellis, Operations Manager

INVOCATION/PLEDGE OF ALLEGIANCE

The meeting was called to order by Mr. Ousley and the invocation was offered by Mr. Dorrill. The Board then recited the Pledge in unison.

A. Public Comment

No public comment was received.

ROLL CALL/APPROVAL OF AGENDA

Mr. Fisher and Mr. Campkin appeared via speakerphone. With the addition of Items 5A, a change in the October meeting date, 5B, Irrigation system outside District, 5C, Fishing in the lakes and 5D, Three horse monument, **the agenda was unanimously approved by the Board as amended on a MOTION by Mr. Lee and a second by Mr. Drum.**

APPROVAL OF MINUTES OF JUNE 25, 2015

On a MOTION by Lee and a second by Mr. Drum, the June, 2015 workshop minutes were unanimously approved as submitted.

On a MOTION by Mr. Lee and a second by Mr. Fisher, the June, 2015 regular meeting minutes were unanimously approved as submitted.

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MANAGER'S REPORT

A. Bench Installation Project/Parking Sign

A final price has been obtained and a site visit with Mr. Ousley took place to confirm the four areas chosen for the benches. The right-of-way permit is expected to be received soon. The parking ahead sign permit for the horse monument will be issued soon and the sign will be installed within 30 days of its receipt.

B. Lighting Project

Mr. Drum asked if a permit was necessary for this project, and was advised that a permit was necessary, and once the lights were received, Bay Electric will be contacting staff for an installation time, probably within 30 to 45 days.

C. Storm Drain Repair

This problem will be remedied as soon as possible. The rebar has been removed, and if spalling has occurred, a new precast lid will be order and installed for the catch basin. Mr. Drum expressed his concern for the integrity of the drain system as it was guaranteed for a 50 year useful life and may have some problems beginning now at 25 years.

Mr. Dorrill advised the Board that he will have the civil engineer pick a few random locations in the older areas of the community and drop a robotic camera into the storm sewers to do some inspection and spot checking for sediment or root intrusion and other problems.

Further, Mr. Dorrill will provide the updated capital reserve schedule to the Board at the August meeting showing the proposed 2016 updates.

D. Irrigation Contract Renewal Update

Mr. Bryant advised the Board that he had spoken to Ms. Johnson at the County the previous day about this issue, addressing Mr. Bryant's objection to certain language in their contract regarding District charges become a lien against District property. Mr. Bryant drafted new language, advising the County that the District was exempt from that and enjoyed sovereign immunity. As soon as the County Attorney signs off on the new contract, it will be provided to the Board.

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D. Expert Witness Fee/Budget Adjustment

This item relates to the expert witness fee for the CSA litigation. They were originally expensed against legal services, and Mr. Dorrill requested the Board's consent to put these fees into a new line item under the legal expenses, to be called by the appropriate name from the State chart of accounts. This will better allocate and define costs related to that litigation thus far. Mr. Bryant gave a brief rundown of what this firm did to incur these costs.

Mr. Drum moved, Mr. Lee seconded to authorize a budget amendment to create the new line item and portray these expenses in that fashion going forward. The Motion passed unanimously.

ATTORNEY'S REPORT

A. No Trespass Agreement with Sheriff's Department Update

Corporal Gibson will be sending an updated No Trespass Agreement from the Sheriff's Department for the Chairman's signature. In response to Mr. Lee's question, Mr. Bryant explained the No Trespass agreement and what it entailed. In response to Mr. Drum's question, Mr. Bryant clarified that the area around the lake that is being called "public" is in reality a maintenance easement, and is not designed for public fishing. The Sheriff's Office should be called if anyone fishes where no fishing signs are posted.

SUPERVIORS' REQUESTS

A. Responsibility for Irrigation Lines and drains outside of the District

Mr. Lee asked who was responsible for the repairs of the irrigation system outside of the District, and was advised that the District is responsible for the trunk line up to and including the valves, and in certain cases, the meters. Storm drains and pipes outside of the District would be a function of what the plat shows for the area in question. The District holds the master operating and maintenance permit for the drainage system and the lakes, but the plat would have to be checked to make that determination on a particular area.

Mr. Dorrill noted that during the turnover of The Classics an investigation on this issue was done, and it was determined that the pipes along the roadway were the responsibility of that association until it gets to the lake. From there on the pipes are the District's responsibility.

Mr. Drum asked about the responsibility for redoing a roadway if it had to be dug up to replace pipes in an area outside of the District, and if the District would have to pay for that out of the

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reserves. Mr. Dorrill noted that would again depend on the location, size and purpose of the pipe in question.

B. Lely Horses

Mr. Lee suggested that as the agreement with Stock regarding the new horse monument will expire on October 1, the next budget meeting would be a good time to discuss the Board's plans for them and the attendant costs as there will be a number of people in attendance at that meeting. If Mr. Stock sells out, the question will be whether he agrees to fulfill his responsibilities under the agreement that is in place.

C. October Meeting

After a brief Board discussion, **on a MOTION by Mr. Drum and a second by Mr. Lee, it was agreed that the October meeting would be held on Thursday, the 22nd.**

FINANCIAL STATEMENTS

The May financials through the end of that month showed \$2,174,000 in cash, \$700,000 of which is in the Capital Reserve Account against \$73,000 in payables. Year-to-date \$1,940,000 has been received against a \$2,017,000 budget. Next month's financial statement will show delinquent payments and those that were sold at the tax sale. Approximately 94 percent of the revenue has been received year-to-date.

Under legal fees on the expense side expensed to date were approximately \$53,000, and the Board has authorized the \$40,000 in expert witness fees to be noted under a separate line item. Total expenses year-to-date were slightly over budget, due primarily to the unbudgeted repairs on both the irrigation and landscaping, but that should correct itself over the remainder of the year, barring any other unforeseen expenses.

Mr. Drum asked when the next allocation for the capital reserve would be made, and was advised that it will be presented in August, and part of the reserve will be the projected cash flow needs which make tracking those needs against the cash on hand easier. Staff also keeps track of the current scheduled replacement of District equipment.

The first phase of light pole replacement was briefly discussed, and those costs are coming out of the capital reserves for approximately \$97,000. The second phase of that project was also discussed.

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On a MOTION by Mr. Lee and a second by Mr. Drum, the May Financials were then unanimously accepted by the Board.

PUBLIC COMMENT

Drew ***Cordone from Pinnacle Cove asked when the right turn only work would be done at the Horse Monument on US 41. He was advised that it was scheduled to occur this summer. This resident also asked about the tree lighting at Christmas and Mr. Dorrill indicated that it was done by the Master HOA.

ADJOURNMENT

The meeting was then adjourned at 2:13 p.m. **on a MOTION by Mr. Lee and a second by Mr. Drum.**