

1 **LELY COMMUNITY DEVELOPMENT DISTRICT**
2 **NAPLES, FLORIDA**
3 **Regular Meeting of the Board of Supervisors**
4 **September 12, 2022**

5 The regular meeting of the Lely Community Development District Board of Supervisors
6 was held on Monday, September 12, 2022, at 1:30 p.m. at the LCDD Maintenance
7 Building, Naples, Florida.

8 **SUPERVISORS PRESENT**

9 Anne Marie Bularzik, Chair
10 Frank LoMonte, Vice-Chair
11 William Lee, Treasurer, POA Liaison
12 Kenneth Drum, Supervisor (via Speakerphone)
13 Gerry Campkin, Supervisor

14 **ALSO PRESENT**

15 Neil Dorrill, Manager, Dorrill Management Group
16 Kevin Carter, Operations Manager
17 Tony Pires, District Counsel
18 Freddie Bowers, Director of Community Patrol
19 Christopher Dorrill, Field Manager

20 **INVOCATION/PLEDGE OF ALLEGIANCE**

21 Mr. Dorrill offered an invocation, and the Pledge of Allegiance was recited in unison.

22 **PUBLIC COMMENT**

23 No public comment was received at this time.

24 **ROLL CALL/APPROVAL OF AGENDA**

25 All Board members were in attendance, with Mr. Drum participating via speakerphone.
26 On a MOTION by Mr. Campkin and a second by Dr. Bularzik, Mr. Drum's attendance
27 and full participation via speakerphone was unanimously approved by the Board due to
28 exceptional circumstances.

1 The following items were added to the agenda; 9A, Scam Issue; 9B, Status of Car Fire;
2 9C, Update on Lake Bank Restoration; 9D, Triangle Boulevard Tree Removal; 9E,
3 Status of Meeting with Master Association and CDD; and 9F, Resodding of Collier
4 Boulevard Entrance.

5 Under item 7, Item A, discussion as to whether CDDs can impose a capital transfer fee
6 under Florida law was added.

7 **On a MOTION by Mr. Lee and a second by Mr. LoMonte, the Agenda was**
8 **unanimously approved as amended.**

9 **CONTINUATION OF BUDGET ADOPTION PUBLIC HEARING**

10 Mr. Dorrill reminded the Board that this public hearing had been postponed allowing
11 them to readvertise per the statute. As noted at the last meeting, the budget for the Lely
12 CDD was \$4,206,972. Of that amount, \$2,760,345 is the portion from the non-ad
13 valorem assessments. The assessment this year was \$816.56 per residential unit, and
14 is recommended to increase by \$62.60, for a total assessment for the coming fiscal year
15 of \$879.17.

16
17 Mr. Dorrill then asked for a motion to open the public hearing, and **on a MOTION by Mr.**
18 **Lee and a second by Mr. LoMonte the Public Hearing was then opened.**

19
20 The public was then asked for comments, and none being received, the Public Hearing
21 was closed **on a MOTION by Mr. Lee and a second by Mr. Campkin and unanimous**
22 **approval of the Board.**

23
24 Mr. Dorrill then advised those present of the Board of Supervisor's Resolution 2022-4,
25 adopting the final, general fund budget of the Lely Community Development District for
26 2023 as outlined.

27
28 **On a MOTION by Mr. Lee and a second by Mr. Campkin, Resolution 2022-4 was**
29 **unanimously approved by the Board.**

30
31 The second Resolution of the Board of Supervisors, Resolution 2022-5, levied a
32 maintenance assessment within the Lely Community Development District for those
33 benefitting properties, for fiscal year 2023, in the amount of \$2,760,345.
34 **On a MOTION by Mr. Lee and a second by Mr. LoMonte, Resolution 2022-4 was**
35 **unanimously approved by the Board.**

36
37 Mr. Dorrill took the opportunity to thank both Christopher and Mr. Carter for the work
38 both have done for the District during this past year.

39

1 **APPROVAL OF AUGUST 2022 MINUTES**

2 On Page 2, Line 7, the situation handled by Mr. Bowers was a single burning vehicle.

3

4 On the first page of the minutes, Mr. Lee asked that HOA be changed to POA after his
5 name.

6

7 **On a MOTION by Mr. Lee and a second by Mr. LoMonte, the August minutes were**
8 **unanimously approved as amended.**

9

10 **MANAGER'S REPORT**

11 **A. Fiscal Year 2023 Budget COLA**

12 Mr. Dorrill confirmed that within the budget the projected cost-of-living increase for the
13 work force is scheduled to go into effect on October first, at 5 percent. Mr. Lee
14 suggested that giving everyone a dollar an hour increase would be more equitable, and
15 after a brief discussion, it was agreed that every employee would get either 5 percent or
16 a one-dollar hourly increase, whichever is more.

17 **This suggestion was put in the form of a MOTION by Mr. Lee and a second by Mr.**
18 **Campkin, with the unanimous approval of the Board.**

19

20 **B. August Community Patrol**

21 Mr. Dorrill noted that there were 21 no trespass events pertaining to fishing in and
22 around District lakes and maintenance easements, all of which were non-residents.
23 There were a couple of incidents involving loitering or suspicious vehicles, one of which
24 was referred to the Sheriff's patrol. Mr. Bowers advised that referring this type of
25 incident to the patrol officer is a little unusual, and the sheriff has their license number
26 and have it on their radar.

27 There were 11 traffic or EMS reports with seven vehicle crashes during the course of
28 the month, one involving a fire. The County replaced the burnt pavement, and nothing
29 had to be reported to the insurance company. There were over 60 traffic stops, with 40
30 written warnings, 17 citations with fines, and an additional 10 to 12 verbal warnings.
31 There were also four arrests, three of which were associated with drug activity at the
32 high school.

1 **C. Year Ending Budget Amendment**

2 Mr. Dorrill spoke to the unbudgeted increases this year, including the large increase in
3 the cost of purchased irrigation water, as well as about \$100,000 in market rate
4 increases to adjust the pay discrepancy to keep the District relevant in the market place.
5 Additionally, there was a large increase in engineering fees this year, largely due to the
6 Legislature imposing the requirement for review and master planning of the water
7 management facilities within the District.

8 As this was the last month of the fiscal year, Mr. Dorrill asked for the Board's approval
9 to adopt a budget amendment to adjust the budget in accordance with Mr. Carter's
10 forecast. The total overage forecast at this point was \$282,026, which can come from
11 the carry forward or the contingency. Mr. Dorrill briefly went over the overages this
12 year, which included fuel costs at \$24,500, purchased irrigation water, \$86,500
13 engineering costs, \$40,000 over budget, personnel expenses in groundskeeping and
14 landscaping, \$63,725, and overtime associated with that, \$19,335. Chemical costs
15 were up by \$14,915, and personnel increases in access control and associated benefits
16 came to \$42,051.

17 Mr. Dorrill noted that Mr. Carter does an excellent job in maintaining operational
18 expenses, but this was an unusual year, and there are sufficient reserves and carry
19 overs to cover these costs. Mr. Drum asked how the amounts going into the
20 contingency fund are determined and was advised that this number is adjusted for both
21 capital and cash flow reserves. The contingency account is usually in the \$150,757
22 range, and it was raised to \$350,757 for next year. Mr. Lee added that he wanted to
23 have this additional revenue so they would not have to borrow money from the bank
24 before the ad valorem money starts coming in, sometime around the end of November.

25 On a MOTION by Mr. Lee and a second by Mr. Drum, the Board unanimously approved
26 the budget amendment in the amount of \$289,000, with \$139,000 of that amount coming
27 from the contingency, and the remainder of it at \$150,000 coming from the excess carry
28 over funds in order to increase the line items Mr. Dorrill noted above as being over
29 budget.

30 **ATTORNEY'S REPORT**

31 **A. Master POA License Agreement**

32 Mr. Pires advised that the meeting with Mr. DeBoest would be held on either the 27th or
33 the 29th of September, which was the first date that all the Master POA participants

1 would be available to discuss the remaining issues with the Agreement. Mr. Dorrill and
2 Mr. Lee will be available on the 29th to attend the meeting at Mr. Pires' office, at a time
3 to be determined. The issues to be addressed also includes the obligation for the POA
4 to remove exotics from the preserve behind Ole.

5 **B. Transfer Fees Consideration**

6 This question had come up recently as it relates to the CDD, and Mr. Pires advised that
7 the CDD has no authority to adopt or impose a transfer fee when people sell their
8 property. Master and Homeowner associations sometimes do if it is in their documents.
9 The District does have the authority to impose ad valorem taxes, if approved at a
10 referendum of the electors in the District, and it is costly to have a special election for
11 this. The Statute says that it is lawful for a Board to levy ad valorem taxes for operating
12 purposes, exclusive of debt service on bonds, which should not exceed three mills.
13 There are exceptions to this, and for special powers, such as recreation, an addition two
14 mills can be levied. Mr. Pires explained this complicated process, noting that the State
15 Constitution also has an area regarding this issue, adding that the electors must own
16 real estate within the district in order to vote in a referendum.

17 **SUPERVISORS' REQUESTS**

18 **A. Lake Bank Restoration**

19 Mr. Carter reported that this project was going well, and Lake 53, the second lake on
20 Mustang Island, was being finished up, hopefully by the end of the month. There were
21 unable to get sand from this lake bottom, so the sand had to be trucked in and this will
22 affect the final cost. This possibility was budgeted for. The first lake had the sand
23 dredged from the bottom, and no problems other than that were noted with this project,
24 even with the higher water levels due to heavy rains this year.

25 **B. Sod Replacement Project**

26 This project has been completed, and the quality looks good. Although there has been
27 quite bit of rain, the landscaping crews have been monitoring it for water.

28 **C. Tree on Triangle Boulevard**

29 Mr. Bowers reported that the tree that was hit on Triangle Boulevard has been removed.

1 **D. Email Scam**

2 Mr. Campkin advised that he had received a message from Dr. Bularzik via email, which
3 in reality was not from her, asking him to spend a large amount of money on gift cards
4 for staff. Several more emails were exchanged, and at this point Mr. Campkin, knowing
5 this was a scam, did not reply. This is a scam that happens quite often, and Mr. Pires
6 advised that law enforcement be called so they can advise others of it. It was also
7 suggested that Mr. Campkin change his password.

8 **FINANCIALS**

9 Mr. Dorrill advised that at the end of July, and the final quarter of the year,
10 the District had \$5,020,000 in cash, with \$2,304,000 in the operating account and
11 \$2,714,000 in reserves. Liabilities and payables were \$66,000, so the District continues
12 to be in a strong cash position.

13
14 The income statement showed the fourth quarter CSA payment having been received,
15 and interest income was \$6,700 during the month of July, almost twice what was
16 anticipated.

17
18 The various cost centers for the overages were previously outlined and approved for the
19 budget amendment. Mr. Dorrill also noted that the effluent water charges were almost
20 \$23,000 for the month, and the budget was \$16,700. This was primarily a function of
21 the late rate increases imposed by the County, which has increased by 10 percent
22 yearly over the past few years, with an expected increase of 8 percent next year.

23
24 Mr. Dorrill felt that the irrigation water customers were being taken advantage of, and
25 noted that their bulk service agreement with the County requires the District to pay what
26 the County sends. It rained a great deal during the month of July, and the County
27 doesn't know what to do with the extra effluent. Other options for irrigation water may
28 have to be explored in the future, and Mr. Dorrill wanted the Board to be aware of his
29 concern. Mr. Lee agreed that during this season the amount of water they are being
30 billed for is not needed. While it was not the case this year, there have been years
31 where the County did not have enough water to send, however, the District was being
32 billed as if they had received their contracted for amount. The annual irrigation water
33 for this year is \$200,000, and through ten months \$240,000 has been spent. Mr. Dorrill
34 expects it to be roughly \$280,000 at year's end, about 45 percent over budget.

35
36 Mr. Dorrill added that this issue has been a difficult one to deal with the County on, and
37 in the long term, it may be necessary to investigate alternatives.

38
39 **On a MOTION by Mr. Lee and a second by Mr. Campkin, the financials were**
40 **unanimously accepted by the Board.**

1 **PUBLIC COMMENT**

2 No public comment was received.

3 **ADJOURNMENT**

4 The next meeting will be October 19th at 1:30 p.m. **On a MOTION by Mr. Campkin and**
5 **a second by Mr. Lee, the meeting was adjourned at 2:25 p.m.**