

**LELY COMMUNITY DEVELOPMENT DISTRICT
NAPLES, FLORIDA
REGULAR MEETING OF THE BOARD OF SUPERVISORS
JUNE 25, 2015**

A regular meeting of the Lely Community Development District Board of Supervisors was held on Thursday, June 25, 2015 at 1:30 p.m. at the LCDD Maintenance Building.

SUPERVISORS PRESENT: Robert Fisher, Chairman
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. Fisher 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

All members were in attendance with the exception of Mr. Campkin. With the addition of Items 4C, Estimates for Park Benches, 5A, Response to Counterclaim, and 7A, Storm drains. **the agenda was unanimously approved by the Board on a MOTION by Mr. Ousley and a second by Mr. Lee.**

APPROVAL OF MINUTES OF MAY, 2015

As it relates to the Workshop minutes, Mr. Bryant indicated that he had spoken with Mrs. Edwards who indicated that she was very appreciative of the opportunity to visit the District and address the Board.

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

Lely Community Development District – Minutes

June 25, 2015

Page 2

As it relates to the regular meeting, on Page 4, in the first sentence of the last paragraph, the letter “e” should be deleted.

As it relates to Mr. Ellis’ comment on Page 8 under Public Comment that watering is only allowed two days a week, a discussion was held regarding whether it is two or three days of watering for private residences. ***(the rest of this discussion was inaudible)

Mr. Lee asked if the new contract with the County was in place, and Mr. Dorrill indicated that the meeting arranged by Mr. Bryant with District staff and the top County officials went very well, and a follow-up meeting is scheduled in early July. Mr. Bryant added that he had been contacted by the head of the reclaimed water division and asked for some proposed language for the changes. Mr. Dorrill indicated that they hoped to have the contract in place by the end of the fiscal year.

On a MOTION by Mr. Ousley and a second by Mr. Lee, the regular minutes of the May meeting were unanimously approved.

MANAGER’S REPORT

A. Budget Amendment

The well field expansion project spilled over into the next fiscal year which had not been budgeted for, and \$46,375 was expensed for it. A budget amendment was needed to reflect the higher cash carry forward, and to make the budget coincide with the expenses incurred to complete the project.

In response to Mr. Drum’s question, this means that the money was not spent in the previous year when it was budgeted, and there was a higher cash carry forward which included this amount. In other words, although it was not budgeted for in FY 2015, the cash position on October first included that carry forward amount.

On a MOTION by Mr. Lee and a second by Mr. Ousley, the Chairman was unanimously authorized to sign off of the budget amendment that the Board had previously addressed.

B. Line-of-Sight Follow up

Mr. Campkin had expressed concern about line-of-sight issues due to the mature jasmine ground cover at certain median openings. Mr. Carter indicated that he and Mr. Ellis did drive around the area and checked those openings, and did not see any of the issues of concern expressed by Mr. Campkin. Mr. Dorrill noted that if Mr. Campkin continues to have these concerns, this item would then be revisited at the July meeting.

Lely Community Development District – Minutes

June 25, 2015

Page 3

C. Park Benches

Mr. Dorrill had previously provided information about the benches that have been selected for the major roadway and Mr. Carter showed the Board the site plan where the four benches will be placed. Mr. Carter noted that while making that decision they considered the amount of space needed on the right-of-way for the benches as well as the best views and some shade. The benches are bronze in color, very similar to those at the Horse monument and of a very high quality. The total cost for these four benches is \$8,316.80, which includes installation. The Board discussed the possibility of installing more benches, and Mr. Drum suggested that if benches are put in the CSA area, a policy should be made by the Board to address that. Mr. Bryant suggested that if requests for benches come from the CSA areas, they can be referred to the Master Association with the cost information for installing them.

On a MOTION by Mr. Lee and a second by Mr. Drum, the Board unanimously authorized staff to go forward with the placement of the benches, and to get the necessary right-of-way permit from the County.

ATTORNEY'S REPORT

A. Counterclaim Update

Counsel for the Master Association moved to dismiss part of the Board's counterclaim, and a hearing will be held on that. They have also increased the amount of money they are asking for. The Board will continue to be updated on this.

B. Hurricane Preparedness Workshop

Mr. Bryant felt that Mr. Ellis had done an excellent job of advising the Board of the preparations that have been made for a storm event.

FINANCIALS

The seventh month, end of April financials showed a combined cash position of \$2,338,000 against \$89,000 in payables. The year-to-date assessments showed \$116,000 received in April, and 95 percent of the expected revenue has been received.

The third quarter CSA revenue was \$194,000 which is almost \$30,000 over the original budget forecast, and the fourth quarter payment should be in excess of \$200,000.

Year-to-date operating expenses including the budget amendment approved earlier was

Lely Community Development District – Minutes

June 25, 2015

Page 4

approximately \$20,000 over budget, which Mr. Dorrill did not feel was significant, noting that they are one pay cycle ahead, as shown under personnel wages, which typically happens in May and November each year. The District continues to remain in a very favorable position.

Mr. Drum asked about the water expenses the CSA owes as discussed at a previous meeting, and Mr. Bryant indicated that he, Mr. Carter and Mr. Ellis had met with Terry Cole on this issue, and Mr. Cole will be putting some numbers together on the water being used by Lakoya as the main area of concern. As it relates to the new shopping center that is being built, Mr. Bryant has advised them that they will have to enter into a separate contract with the District in order to have water provided. Mr. Bryant expects to get a request for water from them once they reach the point where they are installing their landscaping.

On a MOTION by Mr. Lee and a second by Mr. Ousley, the Financials were then unanimously approved by the Board.

SUPERVISORS' REQUESTS

A. Security issues

Mr. Drum recently attended a meeting of several districts in the area and noted that Village Walk had removed any references to security in their documents due to liability issues, and asked if the Lely CDD should review their documents in this regard. Mr. Bryant noted that a recent Florida Bar seminar he attended had touched on this issue as well, and the District enjoys sovereign immunity by Statute which HOAs do not have. Security is an issue that is being discussed currently, and more and more gated communities are going to stop talking about it in their PR material because of liability.

B. Stormwater Drains

Mr. Drum reminded those present that the stormwater drain system, which is owned by the District, is about 25 years old. When it was installed, the District was advised that it would last approximately 50 years. He asked that the corner of Tulip Tree and Mallow Lane be looked at, as the caps that go over the top of the stormwater drain has exposed, rusted rebar, and it appears that the concrete has failed.

Mr. Drum suggested that as far as capital replacement, perhaps a 50 year life was optimistic for the system, and asked for an explanation of what exactly the District owned as it relates to the drainage system. Mr. Dorrill advised that if the curbs are part of the public street drainage network or the conveyance of the water, and are within a public drainage easement, then they

Lely Community Development District – Minutes

June 25, 2015

Page 5

are the responsibility of the District. The original requirements for Lely required that the CDD bonds build the roads, but then convey them to the County. However, the plats indicate that the dedicated drainage easements are the CDD's, and he felt that this curbing would fall within that obligation. He added that there is a fencing encroachment at Lakoya that they are presently addressing with the County, and in that case the conveyance of the lake maintenance easement to the CDD did not occur. Mr. Dorrill will keep the Board updated on that, but as it relates to the curbing with the protruding rebar, staff will look at that before week's end to make a determination as to what should be done.

As it relates to the system as a whole, Mr. Dorrill noted that the civil engineering line item is under budget year-to-date, and suggested that Hole, Montes be tasked to look at the drainage infrastructure within some of the original neighborhoods to determine their structural integrity. Mr. Dorrill will report these findings to the Board at a subsequent meeting.

PUBLIC COMMENT

There was no public comment received.

ADJOURNMENT

With the agreement that the July meeting would be held on the 15th at 1:30 p.m. the meeting was adjourned at 2:16 p.m. **on a MOTION by Mr. Ousley and a second by Mr. Drum.**