

**LELY COMMUNITY DEVELOPMENT DISTRICT
NAPLES, FLORIDA
REGULAR MEETING OF THE BOARD OF SUPERVISORS
December 20, 2017**

The regular meeting of the Lely Community Development District Board of Directors was held on December 20, 2017 at 1:30 p.m. at the LCDD Maintenance Building.

SUPERVISORS PRESENT: William Lee, Chairman
Harold Ousley, Treasurer
Kenneth Drum, Secretary
Gerry Campkin, Supervisor
Robert Fisher

ALSO PRESENT: Neil Dorrill, Dorrill Management
Kevin Carter, Dorrill Management Group
Freddy Bowers, Operations Manager

INVOCATION/PLEDGE OF ALLEGIANCE

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

ROLL CALL/APPROVAL OF AGENDA

All members of the Board were in attendance.

With the addition of Items 7A, FPL Rebate; 7B, Master Association Landscaping; 7C, Grand Lely Irrigation; and 7D, Collier County Stormwater, **the Agenda was approved as amended on a MOTION by Harold Ousley and a second by Gerry Campkin.**

PUBLIC COMMENT

Mr. Ken ***Barr from Ole noted that he was at the Master Association Meeting as well as the Ole meeting concerning the plantings along Celeste, and wondered if it would be brought up under today's meeting as to what the plans for it were. He noted that the Master HOA has a significant amount of money available, and apparently the CDD Board has been working on plans on what to do with the area. Additionally, regarding the area at the end of Celeste where all the debris was stored on Stock's property that has now been removed, the tree line is in very bad shape and he wondered whose responsibility it was to clean that up. The area where the

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wall ends and up to where the horses are is what was being referred to, and the gentleman was advised that this was Stock Development's property.

APPROVAL OF MINUTES OF NOVEMBER 15, 2017

Under Public Comment on Page 2, the CND agreement should read CSA.

On the bottom of Page 1, the correct spelling of the gentleman's name is Palacki.

On Page 6 under Christmas Bonuses, Mr. Carter should receive a \$6,000 bonus rather than \$1,000, and Dorrill Management should receive a*** (inaudible) bonus.

On Page 7, where Mr. Lee's comments could not be heard, he was talking about the landscaping of the trees and debris removal by the Ole Association on the south end.

On a MOTION by Mr. Campkin and a second by Mr. Drum, the minutes were unanimously approved with the corrections and additions.

MANGER'S REPORT

A. November Community Patrol

A review of the Community Incident Patrol was provided to the Board, and showed a total of 68 related community incidents.

The Sheriff's Office Patrols showed 36 stops, with two citations written involving fines. There were warnings issued in particular for speeding or running a red light. There was also one criminal arrest, and Mr. Dorrill will contact the Sheriff's Office to get more information on this. In terms of Patrol activities, there were 32 activities that resulted in incident reports, running the gamut of alligators, loitering and suspicious persons, routine safety issues, support issues with disabled vehicles and standing by waiting for law enforcement response.

***Mr. Lee's comments were inaudible.

B. Robert Fisher's Resignation

Mr. Fisher has served on the Board for many years, and was part of the efforts of the citizens to gain control of the District. He served as the treasurer for many years, and was involved in the complicated debt service structuring and defeasance of the debt.

Mr. Lee noted that Mr. Fisher was instrumental in helping to settle the lawsuit, and he presented to Mr. Fisher a plaque commemorating his years of service to the District, and he noted that the Board and the residents both thanked him for that. Mr. Fisher then received a round of applause. Mr. Dorrill also thanked Mr. Fisher's wife for allowing him to serve all this time.

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C. Election of Officers

On a MOTION by Mr. Ousley and a second by Mr. Drum, the Board unanimously approved leaving the Board as it presently stands.

On a MOTION by Mr. Ousley and a second by Mr. Drum, Mr. Campkin was designated as Vice chairman for the coming year, and Mr. Ousley will continue as Treasurer with Mr. Dorrill as an assistant secretary on a unanimous vote of the Board.

D. Roadway Sign Renovations, Celeste Drive

After the damage done by the storm, it was noted that there was a desire on the part of the County to modernize some of the traffic signs to meet the most recent Uniform Traffic Safety Manual's requirements. What was agreed after the meeting with the County was that the County would supply the replacement faces for the signs that have faded and the District will incorporate them into their existing architectural poles.

The process will start on Celeste Drive as the Ole Community wishes to increase some Pedestrian Crossing signs at the roundabout, which they will get the permits for. Mr. Carter indicated that they are working with Lykens who has been their sign vendor and who works well with the County. The cost for the 20 decorative posts and their installation on Celeste Drive will be \$16,380.00, and the County will provide the inserts. Lykens is also replacing eight street signs that were damaged and the four or five signs that the District is going to furnish. The sign across from the Classics Clubhouse is down and was separately permitted to the Master HOA, and is owned by them. Mr. Dorrill indicated if they need to repair some of the HOAs signs they will as they are undertaking this renovation project.

Mr. Lee asked about the speed limit signs on Celeste Boulevard which are not consistent, and Mr. Dorrill indicated that the plan has been reviewed by the County and uniform speed limit 30 mph signs will be installed.

With the removal of the sales tax amount, **Mr. Drum made a MOTION that was seconded by Mr. Ousley, for the replacement of the signs on Celeste Boulevard, in conjunction with the County, for a price of \$16,380.00.**

An inventory of the signs in the neighborhoods that need to be replaced and are not tall enough is being prepared, and over time they will be replaced to meet the current standards. As this would be very expensive, Mr. Dorrill had suggested to the County at their recent meeting that they phase these changes out over four to five years. In response to a resident's concerns, Mr. Carter indicated that they are going to go through all the signs in the CDD and see what needs to be replaced or repaired as part of the process at Lely.

The Motion then passed unanimously.

E. Microphone

In recognition of the amount of meetings that are held at the maintenance building, Mr. Carter looked into the costs associated with a new system of microphones, speaker and amplifier. The intent would be to have at least two microphones and one as a backup. Additionally, they may want to have two on the Board table so the attorney and Mr. Dorrill could also be amplified. Staff will investigate this more thoroughly and a proposal will be prepared for the Board.

F. Operations Manager 2018 Fee Adjustment

Mr. Dorrill requested that a cost-of-living increase be made to Mr. Carter's hourly rate for 2018. It would be for his position only, and there have been no increases since 2016. Mr. Dorrill previously coordinated this with the Chairman.

Mr. Ousley indicated that Mr. Carter has done an outstanding job for the District during the hurricane and filling in for Mr. Dorrill, and he felt that a 10 percent raise would be appropriate. The Chairman and Mr. Dorrill had suggested a 3 percent cost-of-living increase, plus the costs to provide Worker's Compensation, so it would actually be 5 percent. Mr. Carter is not an employee of the District, so that is why it would be this additional 2 percent for Worker's Comp for him. It is a pass through with no mark up from Dorrill Management.

Mr. Carter has been working for the District since the first of April of 2016, and Mr. Drum agreed that his raise should be more than proposed as he has done such a good job.

Mr. Drum then made a MOTION that Mr. Carter's raise be 5 percent, with the 2 percent for Worker's Comp on top of that amount. Mr. Campkin seconded the Motion which passed unanimously. The raise will be effective January first.

FINANCIALS

The first month of the fiscal year financials were presented to the Board, and there were a few things Mr. Dorrill brought to the Board's attention. At the end of October there was \$1,600,000 in cash on the balance sheet against \$132,000 in payables for that same period of time when they were still actively involved in hurricane and debris removal.

The income statement showed \$16,250.00 was received before the tax bills went out from the tax collector from those residents and commercial entities that pay quarterly, Over

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\$1,000,000 was received in November, and the first quarter CSA revenues at \$226,000 were received and staff went back and revised that number upwards in recognition of the contract work that is now being done on Grand Lely and Lely Cultural Boulevard.

A great deal of what Mr. Carter does is seasonal, and in the first month the entire property appraiser's fee for the year was paid, and most of the annual insurance premiums have been paid as well. Total expenses through the end of the first month were almost \$100,000 below budget, primarily due to some timing on payroll issues. The actual was \$171,000 on the operating side against a budget of \$278,000.

Mr. Drum noted that a large amount had been budgeted for legal as they did not know what the final bills from Mr. Bryant's office would be, and asked if that amount had been determined yet. Mr. Dorrill noted that Mr. Bryant typically billed the District in arrears, and was generally a year behind in his billings. There has been a problem with attaining access into his computer and billing records, and as of yet, no bill has been received. Mr. Dorrill has discussed this issue with the auditor, and he has shown a potential payable on the books in anticipation of a bill being received by the District.

Mr. Drum asked how long this would be carried, and Mr. Dorrill was not sure, but he will ask the auditor if they needed to carry this amount beyond 2018. Mr. Ousley felt that it was three years, but he was not sure either. Mr. Dorrill will check with Mr. Phillips on this.

Pat ***Wager from the Classics indicated that she knew this passing was extraordinary, but wondered why the Board would allow any vendor not to bill them on a timely basis. Mr. Ousley indicated that it was hard to keep up with the litigation that was ongoing. Mr. Dorrill indicated that this was the only vendor who billed that way, and they probably would not let that happen again. Mr. Bryant was a sole practitioner and this is the way he ran his practice. Mrs. Wager again asked why the Board would allow this practice, and she was advised that he had been asked to be more up to date, but he was a good, honest attorney, and was successful for the District, and his hourly rate was much less than many other attorneys. At this point it is not definite that a bill will be received, but the Board will be kept advised.

On a MOTION by Mr. Campkin and a second by Mr. Ousley, the September financials were unanimously accepted by the Board.

SUPERVISORS'S REQUESTS

A. Potential FPL Rebate

This question related to whether FPL would be sending out rebates to customers for the period of time when the power was off as a result of Hurricane Irma. Mr. Dorrill reminded the Board

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that the District pays a flat rate as opposed to a metered one, per month, per pole, for the poles owned by the District. FPL is a regulated utility and there is a tariff schedule that is a matter of record. Mr. Dorrill will investigate this, and determine if FPL is eligible to prorate that flat rate as a result of unusual events such as Hurricane Irma. Depending on where in the CDD a resident was located, power was out for a week to ten days.

In response to a question as to when the FEMA money could be expected to come in, Mr. Dorrill noted that the process is ongoing, and Mr. Carter added that Lely was probably the first government entity to start the process with them. As of last week, a new requirement was received from them as the process moves along and is changed. He does not expect that they will receive reimbursement for at least a couple of months. They worked with a specific case worker, and there were over 75 documents that had to be submitted and spread sheets that had to be prepared on the website. Mr. Dorrill added that they are filing as an independent special purpose district, and they have their own password, user name and pin number. He Added that in his opinion FEMA was overwhelmed with the Houston disaster, but Lely is ahead of the curve at this point as many CDDs do not yet have a designated case manager.

Mr. Dorrill will follow up on Mr. Drum's question as to whether or not FEMA will reimburse individual HOAs for the collection and removal of debris by the County.

B. Master Association Landscaping

Mr. Dorrill was asked if any money had been received from the Master Association for the months of October and November, and he advised that they did receive the CSA payment, but the other \$30,000 payment for additional work on Lely Cultural Boulevard, Grand Lely Extension and the North Collier Boulevard landscape buffer has been invoiced, and Mr. Dorrill will check to see if it has been received. Mr. Dorrill met with Mr. Gelder and Mr. Cintron approximately three weeks earlier and they did not dispute the invoice for this new work, and Mr. Dorrill added that the Master had budgeted the money.

C. Grand Lely Irrigation Issues

In response to Mr. Lee's question, Mr. Carter indicated that from Rattlesnake going towards the Classics clubhouse, the first two medians have no irrigation at all because of the new project that is being built. Mr. Carter observed someone working on the system the previous day, but it is still not functioning. Mr. Dorrill added that the landscaping was in such disrepair that they demanded a walk through before they took it over from the Master HOA to document the

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condition they were receiving on October first. There are extensive issues along all these areas.

Mr. Ousley asked the president of the HOA who was present at the meeting if they had plans to haul away the debris that had accumulated on a lot owned by the HOA, and was advised that they did not have the funds do to that, and the property is owned by Mr. Boff. Mr. Dorrill noted that at an appropriate time that will be an item for Code Enforcement, as the lot is privately owned by Mr. Boff and he is responsible to maintain it. He added that if the Master HOA files a claim with Code Enforcement the CDD would support that, but no District resources will be spent maintaining Mr. Boff's property. Mr. Boff owns another lot which has similar issues.

D. Collier County Stormwater

Mr. Lee advised that he had attended the Collier County Public Works workshop on a stormwater utility study, and due to the storm, they discovered that the system is very deficient. They hired a company called ***Santek that does quite a bit of work like this, and they came up with four items that needed to be done and this will go before the County sometime in February. Mr. Lee felt that with the system they have at Lely they may be eligible for a 20 percent discount. (Inaudible section.)

The costs involved with creating a new system will be passed on to the residents on their tax bill which will be listed as a separate item. (Inaudible)

Mr. Drum noted that Lely has a good storm sewer system, and wondered if they would be required to pay for someone else's storm sewers. Mr. Dorrill indicated that his client at Pelican Bay has raised the same concern, and Lely is going to spend \$256,000 this year on operating and maintaining and preparing the storm sewer and drainage systems. If the County will now have a stormwater utility tax, Lely will make sure that they get an appropriate credit for the \$256,000 it will be spending in 2018 on its stormwater system. Mr. Dorrill urged the Board members to make their concerns known to Mrs. Fiala if they see her, and Mr. Drum asked how the credit will be determined, and if it will be in the amount of Lely's expenditures. Mr. Dorrill noted that the County had not yet explained this issue, but he did not think that would be the case. They are basing it on measured impervious surface area for all zoning types. But he did feel that they would have to be vigilant as it relates to paying for any drainage systems on top of their own for which they were not responsible.

A resident indicated that it was his understanding that the Master HOA held the permit for the maintenance of the stormwater system, and he asked if the \$250,000 mentioned was for all of

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Lely. Mr. Dorrill advised that there was some shared permit responsibility, and for today's purposes, the District is the operator of the stormwater management system. The Master is going to be spending some money the following month doing some lake bank restoration at Tiger Island Estates for a lake that is owned by the Master HOA. Generally, however, the operation and maintenance of the stormwater system is the responsibility of the CDD. As it relates to some of the alleyways and internal private streets, it was permitted to the Master HOA. However, apparently the Master decided that they were not going to do that maintenance, but Mr. Dorrill indicated that taking over those areas were not part of any negotiations that the District was having with the Master.

Another resident thanked the Board for making Lely such a great place to live for the 22 years he has been a resident.

No further public comment was received.

ADJOURNMENT

With the understanding that the next meeting would be held on January 17th at 1:30 p.m. **the meeting was adjourned at 2:40 p.m. on a MOTION and a second.**