

**LELY COMMUNITY DEVELOPMENT DISTRICT
NAPLES, FLORIDA
REGULAR MEETING OF THE BOARD OF SUPERVISORS
MAY 17, 2017**

The regular meeting of the Lely Community Development District Board of Supervisors was held on Wednesday, May 17 at 1:30 p.m. at the LCDD Maintenance Building.

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

ALSO PRESENT: W. Neil Dorrill, Dorrill Management Group, Manager
Assistant Secretary /Treasurer
David Bryant, District Counsel
Kevin Carter, Operations Manager
Freddy Bowers, Community Service Supervisor
Nathan Phillips, CPA

INVOCATION AND PLEDGE OF ALLEGIANCE

The invocation was offered by Mr. Dorrill, and the Board recited the Pledge of Allegiance.

ROLL CALL

The full Board was in attendance with Mr. Fisher participating via speakerphone. Mr. Dorrill indicated that the notice of today's meeting was part of the agenda materials.

PUBLIC COMMENT

Mrs. Ann Marie Marzak thanked Mr. Carter for the trimming work he had done to make it easier to make a left turn in a nearby area.

Mrs. Pam ***Wager noted that the Maintenance Committee at the Classics have had discussions with various CDD Board members regarding the landscaping on Celeste Drive, and she asked how that conversation got started, whether it was initiated by the Maintenance Committee or by the LCDD. Mr. Dorrill advised her that there has been only one meeting approximately two to three weeks ago which unfortunately was attended by the current Chairman only. The current president was not able to participate, and Joe participated by phone. The meeting was at the Classics' request. They wanted to introduce the current

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CDD Chairman to it at the same time to make sure he was aware of the plans. This was discussed at the March meeting, where Mr. Dorrill indicated that they were going to be doing some routine maintenance out there which would entail the replacement of sod and some tiered shrubs and plants, removing the juniper and enlarging one of the annual beds. This was at the request of the Classics and their current chairman.

Mr. Lee clarified that they have an agreement with the Master and they will be doing all of the maintenance along Celeste into the future. Mr. Dorrill added that the Board understood that the Classics' Maintenance Committee had, as part of their multi project plan for their entrance, requested from Crawford Landscape architect some conceptual plans for it. The CDD has not seen them, but apparently there are some long term plans to relandscape that entire area in addition to some other improvements to the pavers and paint at the guard gate.

Mr. Dorrill felt that their president wanted to let the CDD Chairman know what the plans and scenarios were going to be, one being the potential revision to that contract to allow their Homeowner's Association at some point to maintain those areas. If and when that occurred, other changes to the CSA agreement may be appropriate. In response to Mrs. *** question, Mr. Dorrill indicated that the discussion did not go any further than that, and no mention of the CDD's participation in it was mentioned. (Mr. Lee's comments were inaudible.) He added that their obligation for everything that is done there comes through the Master HOA in the comprehensive service contract that the District is a party to with them.

A resident asked if the LCDD was responsible to maintain the entrance off of Rattlesnake Hammock Road, and was advised that they were not. Mr. Dorrill noted that there have been some discussions about certain areas, including this entrance, in the community with concerns about them are all the way to Grand Lely and Lely Resort Boulevard, Lely Cultural and the northern part of the Collier Boulevard landscape buffer. They wished to have the CDD assume responsibility for all of the landscaping in the community. Much of the landscaping in those mentioned areas is in serious decline, and the outside contractor who was hired by the Master Association, who is responsible for those areas, is doing a very poor job.

The Board had a workshop prior to the regular meeting on this topic, and the Board is so concerned about it that they have asked Mr. Dorrill to explore with Mr. Stock the possibility of an early termination of the contract with the present landscape company, and have the District assume responsibility for the landscaping in those areas as early as this summer.

(Discussion here between Mr. Lee and Mr. *** inaudible)

Mr. Dorrill noted that they worked through the Master HOA to send email blasts to the

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President's Council to get information out to the residents of Lely. There is widespread concern throughout the community about the decline of the landscaping in the aforementioned areas, and an effort will be made to keep the community advised of what has been decided about the CDD assuming the responsibility for it as soon as possible.

FISCAL YEAR 2016 AUDIT PRESENTATION

Mr. Phillips walked the Board members through the audit, which was performed according to generally accepted auditing standards as of September 30, 2016, copies of which were previously provided to the Board members.

Included in the Audit was their opinion, and based on the testing done on the transactions and various balances for compliance, it was determined that everything is fairly stated and in accordance with generally accepted accounting principles as of September 30, 2016.

The Management Discussion Analysis from Dorrill Management was included, which collaborated what had taken place in the financial statements and summarized the various activities for 2016.

The Statement of Net Position, which is a picture of assets and liabilities as of September 30, 2016, showed total assets of \$12.8 million; \$12.5 of that amount being the infrastructure, with the remaining amount being cash and some minor receivables. Total cash as of September 30 was \$2.2 million, which is a stronger cash position in 2016 than existed in 2015 primarily due to revenue being greater than expenses and additional revenue from the CSA agreement than was budgeted. Assets were up approximately 1 percent in 2016 over 2015, but Infrastructure assets were down due to depreciation from the previous year.

Accounts payable consisted of vendor amounts due to services that were rendered. Overall the District is in a strong position, and they continue to show that.

The Statement of Activities showed expenses by function first, with two general functions, General Government and Community Services. General Government services keep the District going forward pursuant to the budget adopted by the Supervisors, and Community Services, which covers all the various things that have to be done to the lakes, roads, and so on. This is shown on an accrual basis, with a revenues over expenses total of \$102,000. Under the accrual basis, expenses are recognized when they occur.

The General Fund is the only fund the District has, and was shown on a modified cash basis, where expenses are recognized when they are paid, and when they are sold, they are shown as revenue. On September 30, 2016, the total assets were \$2.2 million, almost all of it cash. The District is in a stronger cash position because revenues were greater than expenses.

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Accounts Payable was up, mainly because of timing of the vendors' payments, mainly legal, chemicals and FP&L bills. Overall there was nothing out of the ordinary as it relates to the budget.

Total Revenues and Expenses as of September 30, 2016 were pretty much driven by the two categories previously discussed, the General and Community Service Funds. As of that date the total revenue taken in was \$2.9 million, \$1.9 million being assessments and fees, which was the approximate amount budgeted. The biggest change was in the Comprehensive Service Agreement, which was \$922,000 due to the increase in units.

Overall Expenses were down from 2015, which were \$2.6 million dollars at that time, and in 2016 they were \$2.5. This reduction was due to a variety of different things, including fuel costs and repairs and maintenance being lower, as well as contractual and legal services. Additionally, the GS4 provider was removed and money was saved in the changes that were made to security. There was an overall increase of revenue to expenses of roughly \$406,000, which was the primary reason for the stronger cash position.

The pension fund monies continue to be shown, and despite Mr. Dorrill's efforts to get that removed, it continues to be unresolved with the State. Mr. Dorrill will continue his efforts with the State to have this \$4,000 pension fund removed.

The standard footnotes were attached, and noted that the District's money was invested pursuant to Florida Statute in a bank that was a qualified financial institution. Capital assets were handled per the State requirements, and risks are insured with third party carriers. The reconciliation between the two different statements was included, as well as the activity involving fixed assets and the corresponding increases and depreciations.

A long term liability primarily consisting of accrued sick leave was shown at \$11,000 as of September 30, 2016.

The Fund Balance was shown which listed assets less liabilities, which was carry over cash that the District had as of September 30, 2016, at \$2 million. Of that amount, Mr. Phillips noted that the budget had allotted \$100,000 for the contingency reserve, \$116,000 for capital, and \$1,800,000 unassigned. Again this year, Mr. Phillips suggested to the Board that they go back and evaluate to see if any additional money needed to be assigned for any additional capital project. Note 10 explained the Litigation Settlement Agreement with Stock Development and what was involved in that.

Budget to Actual was included, and it was pointed out that the District actually spent less than they anticipated, a lot of which was due to the savings in fuel, repairs and maintenance, and contractual services as previously mentioned.

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No budget amendment is required as less was spent that was originally budgeted.

The government auditing standards letter for internal control was included, which showed a recommendation regarding following the policy for the two signature requirement, which is in place for non recurring distributions of checks over \$500. Some exceptions were found to that. In January of 2017 a policy was adopted to modify that, but the audit noted that the protocol was not followed at that point.

The Affirmation that the money that was invested in the public funds followed the protocol for what the Florida Statute indicates was included, and the Auditor General's letter basically wants to know if there was any abuse or illegal acts, fraud, violation of the law and those sorts of things which needed to be reported, and outside of the violation of the two signature rule there was nothing to report.

Mr. Drum asked about the accrual system, and wondered if the depreciation, which in this case is over half a million dollars, should be the figure that the District uses in its capital budget as a collaboration to the depreciation report. The only time there would be a variance would be estimating the useful life and amortizing that cost over time. For that reason it is important to look at the study every year and determine if the number is realistic and what the longevity of a particular asset will be. Many of the assets are underground and have been there for many years. It makes prudent sense that what is put in the budget for capital has that correlation to the asset's useful life.

Mr. Phillips noted that several years ago the depreciation report was put into an Excel format and it shows that some work is coming up that large amounts of cash will have to be used for.

Mr. Dorrill indicated that the budgeted amount for 2017 was \$288,000, and Mr. Phillips indicated that historically the District is spending anywhere from \$200,000 to \$300,000 a year on capital expenditures, spending money to maintain capital assets. In the next two to three years it is possible that half a million to a million dollars may have to be spent.

Mr. Dorrill added that the big change that is being contemplated this year in conjunction with the work being done by Terry Cole, is the lake bank restoration being planned, and that could be a significant number, up to \$600,000 or \$700,000 over time. \$150,000 is budgeted for this year and next year for capital reserves to begin to address this project in phases, but otherwise the District has a fully funded capital improvement budget that gets updated every year as part of the budget process.

The really big numbers for infrastructure have to do with the District's irrigation system and the surface water drainage system, all of which are owned and maintained by the District. These, along with lake bank erosion work, are the big investments, aside from the fixed capital items.

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The current capital reserves are \$1,250,000. In any given year \$125,000 to \$250,000 is collected to put into that reserve fund.

As it relates to the old pension fund, Mr. Dorrill indicated that from time to time they endeavor to work with the Secretary of State to declare these funds forfeited assets. This was called a defined benefit program with Fidelity Investment Corporation. The individual named on this fund worked at Lely for a number of years 20 years ago, and was probably an illegal alien and has returned to Central America. He was never heard from again, and his account has funds that have accumulated over time.

On a MOTION by Mr. Ousley and a second by Mr. Drum, the audit was accepted as presented for purposes of transmitting it to the State on a unanimous vote of the Board.

Mr. Phillips was thanked for his appearance and the work he did for the District.

APPROVAL OF AGENDA

With the addition of items 2A, Master Settlement Agreement; 2B, Signage at Roundabout; 2C, Discussion of Stock's Agenda; and 2D, Master HOA Budget, **the Agenda was unanimously approved on a MOTION by Mr. Ousley and a second by Mr. Drum.**

APPROVAL OF WORKSHOP AND REGULAR MEETING MINUTES OF APRIL 2017

On a MOTION by Mr. Campkin and a second by Mr. Ousley, the April Workshop Minutes were unanimously approved by the Board.

On a MOTION by Mr. Drum and a second by Mr. Ousley, the April Regular Meeting Minutes were unanimously approved by the Board.

MANAGER'S REPORT

B. April Sheriff and Community Patrol Reports

There were a total of 40 traffic related stops reported during the month of April, with nine written citations for running stop signs, speeding, no headlights or no proper headlights and/or registration.

There were a total of 60 community patrol reports, the majority of them being suspicious activities that were referred to the Sheriff's Department, as well as trespassing in rear yards for fishing and two separate loitering investigations. There were also a dozen associated assists to responses from either alarms or disabled vehicles. There were two vandalism property damage claims, and the usual animal activity.

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On a MOTION by Mr. Ousley and a second by Mr. Campkin, the Sheriff and Community Patrol Reports were unanimously accepted for the month of April.

Mr. Drum noted on the report that someone was going 72 miles per hour down Lely Resort Boulevard, and Mr. Dorrill added that he was surprised that the individual was not arrested. The Board members agreed that this was a case of reckless driving.

Mr. Lee noted that the community is very happy with the patrolling that the Sheriff's Office is doing, and Mr. Dorrill agreed that they were getting many positive comments

C. Public Risk Underwriter's Grant Award

Mr. Carter had applied for a grant from the District's insurance company on his own initiative, and was awarded the grant in recognition of the District's risk management and safety related initiatives. \$500 was awarded, and the insurance company sent a representative to award it. Mr. Dorrill felt it was important to note that Mr. Carter had done this on his own, which speaks well for the staff the Board has working for them.

D. Southwest Florida Occupational Safety Program

Mr. Carter budgeted and sought out some outside occupational training programs that staff would like to put in place. Copies of the proposal were provided to the Board members, noting that this is the type of training that will be provided to the head groundskeeper and electrician level positions. It is a structured program costing \$5,400 annually, and certified trainers would come in once a month and conduct the training program.

There have been a couple of serious non-worker attributed injuries at Lely, with one individual in particular who got rear ended by a car while he was driving one of the District's utility vehicles. There have also been injuries over time of residents and people who were not employees.

As there has been an increase in society in general of Worker's Comp litigation and other types of lawsuits in Lely, Mr. Dorrill felt that it was important to have some safety training that will probably save the District money over time. Staff is recommending approval.

On a MOTION by Mr. Campkin and a second by Mr. Ousley, the Board unanimously approved the implementation of the Occupational Safety Program for the year.

Mr. Ousley added that if a big truck is purchased,, a back up camera will be necessary. He suggested that when the next one is purchased, that would be important to have. Mr. Dorrill felt that was a good point, and they are retrofitting their vehicles now with a type of pulsating strobe light that comes through the regular back up lights.

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Mr. Drum noted as well that it can be very dark on winter mornings, and people working along the road run the risk of being hit by a car. Mr. Dorrill indicated that the landscapers typically work ten hour days, from 7:00 to 5:00, four days a week. There are some skeleton crews that come in on Friday and Monday, and Mr. Carter indicated that they have a half crew on those days.

Mr. Campkin expressed concern about the big Royal Palms dropping fronds that are quite big, and wondered if the District was insured in the event they hit a person or car. Mr. Bryant assured him that this would be covered under their liability policy.

E. Security Camera Proposal for Collier Boulevard Entrance

This item was requested by the Board to specifically target the second Freedom Horse Memorial and hardscape. Mr. Carter obtained a quote through the vendor, NTI Technologies, for two next generation cameras, which also have night vision capabilities and all associated transmission systems back to the maintenance building where the master recording system is located. The entire cost, including installation, would be \$5,600, and the Comcast connection would be extra.

Mr. Ousley asked if there is a system in place to notify Mr. Carter if there is an emergency at the pump station, and while there presently is not, Mr. Dorrill is in the process of taking a good look at the electronics there as they are very outdated and need to be brought up to current efficiencies. **On a MOTION by Mr. Ousley and a second by Mr. Drum, the Board unanimously approved the proposal for \$5,600 for the installation of the security cameras at the Collier Boulevard entrance.**

F. FY 2017 Auction Award

Mr. Dorrill indicated that after last year's auction results, which were the highest they had ever realized, the 2017 Auction results exceed it with fewer vehicles and equipment. With Mr. Carter's initiative to run a display ad in the classified section of the Naples Daily News, almost \$30,000 was taken in. This is \$20,000 over what was contemplated.

On a MOTION by Mr. Ousley and a second by Mr. Drum, the Board unanimously approved the transfer of titles of the equipment to the new owners upon the receipt of their funds.

G. Collier Boulevard Freedom Horses Insurance Update

At the Board's request, Mr. Dorrill followed up on the bill of sale from Stock for the hardscape at Collier Boulevard horse monument. Staff worked with the insurance underwriter and also

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put a value on the hardscape for the primary entrance. There is now an aggregate \$200,000 allowance in place for the lighting and mechanicals as well as the pool pumps. The total increase in the premium is \$80 per month.

This item was informational for the Board, as they had previously directed Mr. Dorrill to make sure this insurance was in place.

Mr. Drum asked if Mr. Dorrill had been able to find out anything more regarding the original number of horses when they were first sent to Lely, and Mr. Dorrill indicated that he had spoken to John Agnelli about them. Mr. Agnelli is retired now and lives in the Classics, but he indicated to Mr. Dorrill that while the original commissioning agreement was written in such a way that they never purchased more than eight horses, additional horses were cast and are in at least two other places, the George Bush Presidential Library in Texas and the Allied Freedom Memorial in Berlin. He added that the total number of horses is 18, and Lely owns eight.

Years ago Mr. Dorrill spoke to the artist, Ms. Goodnight, and although he does not know what the molds were actually made out of, they had deteriorated over time, and Mr. Dorrill was not sure they were still in existence.

Mr. Drum had heard that there were ten horses originally, and Mr. Dorrill added that they did have two scaled models, and for years one of them was in the Lely Development Corporation offices. Mr. Dorrill had no idea where they are now, but they were beautiful scale models. Mr. Bryant indicated that one of them was in Reagan's office when he was president, and is now at the Reagan Library.

The waxing of the horses at both entrances is done twice a year, and it was noted that the horses at the newer monument will darken over time to match the ones at the 41 entrance.

ATTORNEY'S REPORT

A. Occupational Safety Program

Mr. Bryant commented on the Safety Program that the Board approved, noting that he and Mr. Carter had talked about it, and Mr. Bryant had encouraged him to look into it, and complemented Mr. Carter on the idea. The District has never had this type of training program, and if there is a Worker's Comp case, the first thing attorneys will look into is who their safety trainer is, and what company came in and taught all the safety measures.

Mr. Bryant felt that this is money well spent, as the training will be in place and documented should a safety related incident occur.

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B. Letters to Collier County Transportation Department

Mr. Bryant advised that he had sent letters to Ms. Scott and Mr. French, asking them to contact him once the surveys and analyses have been done, as the Board wanted them to come back and explain why they chose this way to reach their determination, related to when the car counts took place and any changes that should be made.

In approximately 90 days Mr. Bryant will send them another letter reminding them that Lely wished them to revisit Lely and provide all the results from the surveys and data they had assembled. The Board wished to know the findings, the process used in determining the results, and what the planned usage will be of the final analysis.

Mr. Bryant also copied the County Manager, Leo Ochs, and Mr. Casalanguida to advise them of how good their employees were and the excellent presentation they made to the Board.

The Board will be kept advised once Mr. Bryant hears from the County on when they will be coming to Lely for a follow up visit.

C. Flagpole Placement

Mr. Bryant spoke with Mr. Stock's attorney about the Board's desire to place the flagpole. She spoke with her clients, and they agreed to it. Once the Board has determined where it will be placed, a simple schematic will be provided to Stock's attorney for their approval. This kind of partnership in projects between the CDD and Stock Development will continue to keep their relationship respectful and responsive.

Mr. Carter spoke with Mr. Cole, the District engineer, about the flagpole placement, and Mr. Cole visited the site and determined that the area in the back that the Board had mentioned had plenty of room for the placement of a 40 foot flagpole.

Mr. Drum suggested that Mr. Carter be authorized to move ahead with communicating with Stock once all the necessary permits and drawings are done by Mr. Cole. The price will be \$7,867, which includes the permit.

On a MOTION by Mr. Drum and a second by Mr. Fisher, Mr. Carter was unanimously authorized to contact Mr. Cole, get the final drawings and site where the flag will be placed, then provide it to Mr. Bryant who will provide it to Stock's counsel.

The flagpole will have a bronze finish as the one at the US 41 entrance monument, and as the specs indicate, must withstand winds of 140 miles per hour.

D. Approval of No Trespass Agreement

Mr. Bryant spoke with the Sheriff's Office about renewing the No Trespass Agreement which

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recently expired, and he asked the Board's approval to renew this by having the form signed by the Chairman so he can send it on to the Sheriff's Office. Mr. Dorrill indicated that this covers trespassing within the District's lake maintenance easements, and the entrance and rear yards for fishing activity. Mr. Bryant indicated that it includes all of the CDD area.

Mr. Dorrill added that it is his contention that a lake maintenance easement has a very limited type of usage, and recreational fishing is not one of them. He added that the District does not want to get involved with the battle between those who want to fish and the Master HOA.

On a MOTION by Mr. Drum and a second by Mr. Ousley, the Board unanimously authorized the Chairman to sign the renewal of the No Trespass Agreement with the Sheriff's Office.

(***Mr. Lee's comments about the widening of a roadway was mostly inaudible.)

FINANCIALS

The midyear financials ending March 31 showed the District had \$2,015,000 in cash, with \$1,200,000 of that amount in the capital reserve fund. \$760,000 was in the operating fund, which will increase the following month as the second quarter CSA payment was not received and booked until the second quarter.

The income statement showed that year-to-date revenues were \$1,800,000, almost 95 percent of the annual revenues. There will be some additional fees from the sale of delinquent certificates that are received after April 1. The auction will take place before the end of May, and the outstanding unpaid taxes will be received following that.

Total assets year-to-date were \$2,046,000. Total operating expenses year-to-date were \$112,000 below budget, but some of Mr. Carter's expenses are seasonal, and he has just completed the spring fertilization program, which will be seen on the May financials.

Overall, midyear they are consistent with the tentative budget that was looked at earlier today.

Mr. Campkin asked where the money paid to the Master Association was shown, and he was advised that it was on Page 6 under Other Fees and Charges.

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

A resident asked about discussions with the Classics regarding the landscaping, and if the Board goes forward with this, would it be done in 2017 or would it have to be done in 2018 under a new budget. Mr. Dorrill advised her that the work contemplated by the CDD, or the maintenance related replacements, is part of this year's budget. Any substantial or re-landscaping which all or in part might include the CDD, would need to be accomplished with a budget amendment or some shared contribution. The 2018 Budget will not be officially

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adopted until the public hearing in August, by law. Changes to the budget can be made as late as October 17. Otherwise, going forward it would take a budget amendment from the reserve fund.

This resident's next question was whether there could be a decrease in assessments with the increase in CSA fees. Mr. Dorrill indicated that those people within the CSA area are going to see a decrease in fees as a result of the settlement agreement, because the CDD Board agreed to apply a uniform rate without the 10 percent surcharge which historically was paid and now has been done away with. There are additional fees associated with that, which currently are identical to the fees being levied through the Master HOA.

SUPERVISORS' REQUESTS

A, Mr. Campkin Participating Via Speakerphone in June

Mr. Campkin asked for approval to participate via speakerphone at the June meeting, **and on a MOTION by Mr. Drum and a second by Mr. Ousley, the Board unanimously approved Mr. Campkin's participation via speakerphone at the June meeting.**

B. Master Settlement

Mr. Campkin suggested that a statement be prepared that will define what all the fees were, including legal and travel costs for the settlement with the Master Association. Mr. Bryant suggested that these had been graphically shown already, but they could certainly do that. (Inaudible discussion)

Mr. Bryant will check the statute, but the *** transcripts will be available for anyone who wants to read it now that the litigation has been dismissed. Mr. Campkin indicated that many people have been asking him about it, and Mr. Bryant will make a copy of the transcript for Mr. Campkin once it is made public. Mr. Dorrill added that outside of the settlement agreement, as part of the settlement of all issues with Stock, Mr. Stock has acknowledged the unfunded liability that they have for lake bank erosion, and Stock is preparing to address an immediate issue within the Tiger Island Estates community, and realize that they are solely responsible to pay for it. Two meetings on this issue have been held with Stock, and progress is being made.

C. Signage on Roundabout

Mr. Campkin indicated that there have been signs on the roadway itself going up to the rotary from 951 ever since it was built, and the first sign you come to shows a left turn arrow. That arrow comes prior to the rotary itself, and people are using that road prior to the rotary and

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effectively going in the opposite direction of the rotary traffic to get into Stock Plaza, which Mr. Campkin felt was dangerous and will eventually cause an accident to occur there.

The problem can be fixed by changing the arrow to a straight line. There is a no entry sign there, but it is hidden by the trees, and does need to be made visible. The second sign on the roadway is fine, and directs a driver to the right road.

Mr. Dorrill suggested that an email be sent to Travis Gossard, who is the chief of maintenance for the County, asking him to clear that sign that is hidden in the trees, as well as fixing the sign on the road. Apparently many people have tried to remedy this problem but so far the County has been unresponsive.

D. Ongoing Development in Lely

Mr. Campkin met with Brian Stock the previous week and learned that the total occupancy in terms of homes in Lely is 4,363. Currently, 4,257 are occupied, which leaves another 106 units still to be sold.

In the course of Mr. Campkin's discussion with Mr. Stock he asked him what the plans were for Lely, and Mr. Stock noted the new apartments that are going to be built behind Lakoya. It is called Inspira, and will have 304 units which will be leased as opposed to sold. This project is underway. Mr. Stock noted that he still did not have plans for the plot opposite Stock Plaza, and he is trying to find someone to buy it.

Mr. Stock did advise that down at the end of Celeste, opposite Restaurant Row, is a piece of land that he owns, and he is putting a hotel in there. As it relates to Stock Plaza, Mr. Stock has sold one parcel to NCH, and a second parcel to a dental company. Another restaurant is going in there as well. The remaining building is going to be put up on spec only,

The other two parcels are down by the Outback Restaurant, and Mr. Stock has sold them. He does own land behind the Hobby Lobby in the same area, and is talking about putting three restaurants in there. Mr. Stock advised Mr. Campkin that he hoped to be out of Lely in a maximum of 18 months.

E. Master Association Maintenance

Mr. Lee noted that the Master HOA Budget under Landscape and Maintenance includes the beach area/horse maintenance, preserve maintenance, signs for the various communities' maintenance, entry feature maintenance and holiday lighting. Their budget is \$72,000.

Mr. Lee asked the Board to think about the possibility of taking over these things so there is continuity on the maintenance being done in Lely, especially now that they are taking over all

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of the other areas previously mentioned on October 1. Additionally, as the District is a government agency, they get a better price when purchasing equipment, and he felt that the District could do a better job.

In response to Mr. Drum's question about how much their Christmas lighting is, Mr. Lee indicated that they budgeted \$20,000 for that. Mr. Lee had spoken with Mr. Bryant about this, and he wondered if they could approach Stock at some point on this issue.

(Inaudible discussion.)

PUBLIC COMMENT

(Inaudible.)

ADJOURN

The next meeting will be held on June 21, and **on a MOTION by Mr. Drum and a second by Mr. Campkin, the meeting was adjourned at 3:00 p.m.**