

1 **LELY COMMUNITY DEVELOPMENT DISTRICT**
2 **NAPLES, FLORIDA**
3 **Regular Meeting of the Board of Supervisors**
4 **April 21, 2021**

5 The regular meeting of the Lely Community Development District Board of Supervisors
6 was held on Wednesday, April 21, 2021 at 1:30 p.m. at the LCDD Maintenance
7 Building, Naples, Florida.

8 **SUPERVISORS PRESENT**

9 William Lee, Chairman
10 Anne Marie Bularzik, Vice Chair
11 Kenneth Drum, Supervisor
12 Gerry Campkin, Supervisor

13 **ALSO PRESENT**

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

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.

1 Dr. Bularzik thanked Mr. Carter and his team for their quick response to repair the
2 irrigation leak on Mustang Island Circle.

3 With the addition of items 9B, status of monument being proposed at the front of the
4 LCDD building; 9C, Confirmation that a letter had been sent from the Lely CDD against
5 the proposed bike path that was to go through the District on Grand Lely Boulevard; 9D,
6 Announcement of meeting of new Lely Master Board on Monday, April 26 at 1:00; 9E,
7 Update on Lely Traffic Group meeting held on April 20th; 9F, Update on Condition of
8 Lake behind Master's Reserve; 9G, Condition of Reclaimed Water Transmission
9 System; 9H, Appointment of Board Treasurer for Balance of year, and 9I, Selection of
10 Liaison between CDD Board and Master HOA, the agenda was approved **on a**
11 **MOTION by Mr. Campkin and a second by Mr. Drum.**

12 **APPROVAL OF MARCH 2021 MINUTES**

13 As it relates to the Workshop Minutes:

14 On the first page, line 6, the word Directors should be changed to Supervisors, and on
15 Line 12, Vice Chairman should read Vice-Chair.

16 **On a MOTION by Dr. Bularzik and a second by Mr. Campkin, the Workshop**
17 **minutes were unanimously approved as amended.**

18 As it relates to the Regular Minutes:

19 Once again on the first page, line 6, the word Directors should be changed to
20 Supervisors, and on line 12, Vice Chairman should read Vice Chair.

21 On page 6, line 6, Cater should read Carter.

22 On page 3, line 18, the Motion was seconded by Mr. Campkin.

23 **On a MOTION by Mr. Campkin and a second by Mr. Drum, the Regular meeting**
24 **minutes were unanimously approved as amended.**

25 **MANAGER'S REPORT**

26 **A. Community Patrol**

27 There was a total of 73 incidents, with 14 trespass events involving illegal fishing in
28 private lakes, 13 of which were non-residents. There were 7 suspicious incidents

1 involving vehicular activity, several of which were referred to law enforcement. There
2 were also 13 traffic or EMS assists.

3 The Sheriff's Report indicated that there were 8 accidents, 55 traffic stops, 9 involving
4 citations/fines, and 46 verbal or written warnings, with two arrests.

5 **B. Lake Bank Restoration**

6 The Fiscal Year 2021 lake bank restoration contract has been awarded in the amount of
7 \$156,100 to Land Shore Enterprises, LLC for lake bank erosion restoration in four lakes.
8 Their locations and the type of work being done on them was included in the packet for
9 the Board as well on Exhibit A.

10 Mr. Pires went over the three changes to the contract, the first being that all payments
11 made were subject to the Florida Local Government Prompt Payment Act, which sets
12 timelines and guidelines for payment for construction and other services. Mr. Pires
13 included this because these requirements need to be abided by. This is noted in various
14 spots throughout the document.

15 The second change relates to the E-Verify Section which shows up on 5.4, which is a
16 requirement adopted by the Florida Legislature stating that all contracts with
17 governmental bodies require this E-Verify Provision. The language used in this
18 document is almost verbatim out of the statute, which requires the contract to be
19 registered with E-Verify, and that subcontractors must also use E-Verify, and the District
20 must maintain them as public records as they may be available to the public.

21 Additionally, as this company is an LLC, it must be a member who signs the contract.

22 Mr. Dorrill advised that the bid was reviewed by the civil engineer, and staff has
23 recommended approval of the contract with these changes with Land Shore
24 Enterprises, LLC in the amount of \$156,100. Three of the four lakes being done this
25 year are in the Majors, and the fourth is in Mustang Island.

26 **On a MOTION by Dr. Bularzik and a second by Mr. Drum, the Board unanimously**
27 **approved the contract in the amount indicated with Land Shore Enterprises, LLC.**

28 In response to Dr. Bularzik's request, Mr. Carter gave a brief overview of how this
29 process will work, indicating that they have a preconstruction meeting with the
30 community before the work is started, with both the vendor and the engineer in
31 attendance. They go over all the details, including the work hours, where the vehicles

1 will park, what it's going to look like, and they also will answer any questions the
2 residents have.

3 The process of fixing the lake bank erosion itself with the GEO tubes was briefly
4 described, how the lake bank is built up with sand-filled tubes, up to ten feet at the most.
5 Finish grading is done on top of the bags, and some sod is added as well.

6 **C. Fiscal Year 2020 Audit Presentation**

7 Mr. Phillips introduced himself, noting that this audit was done in accordance with
8 government auditing standards and generally accepted accounting principles.

9 The financials statement of the audit goes into great depth, as there are many things
10 included. Among those are the Management Discussion Analysis, which was prepared,
11 reviewed, and signed off by Dorrill Management.

12 The District is in a strong cash position, with a solid membership base and the
13 comprehensive income agreement is consistent, and where the money went this year is
14 all lined up with the expectations of the budget. Over \$570,000 was spent on various
15 costs, most of which was in the restoration program. As part of the requirements, the
16 audit looked at receipts and disbursements and payroll operation to insure they were
17 pursuant to the established protocols, and they were adhered to.

18 The Florida Statute relating to how monies are invested and how they are being spent
19 under the parameters of the statute were looked at, and everything was in alignment
20 with that.

21 Reports were included in the audit that were required by government auditing standards
22 for internal control to ensure that there were no deficiencies or problems that needed to
23 be brought to their attention, and there were no reportable conditions. The Auditor
24 General also wants to know if there is abuse or illegal activity, fraud, or misappropriation
25 of dollars, or if there was anything that seemed strange, that it be reported. There was
26 nothing to Mr. Phillips' knowledge to be reported. The money that was spent stayed
27 within the parameters of what was approved in the budget.

28 The audit is a clean opinion, and unmodified. The pension fund for approximately
29 \$4,000 is still on the books, and Mr. Dorrill will determine what to do with that.

30 The hard copy of the audit will be made available to the Board members as soon as it is
31 received from Mr. Phillips' office.

1 As it relates to the capital reserve fund, Mr. Drum asked if that fund was being drained,
2 or if the balance was going up or down. He was advised that it is going up, because of
3 the annual contribution, and this year a \$600,000 contribution to that fund has been
4 budgeted. If all the contemplated, budgeted improvements are done, approximately
5 \$500,000 will be spent, which would include vehicles, equipment, and the new irrigation
6 controls upgrades.

7 There is a five-year capital improvement schedule in place, and Mr. Lee suggested that
8 the Board ask Mr. Phillips to look and analyze that. Mr. Dorrill agreed that this would be
9 a good idea, and that will be done. Mr. Phillips noted that while just under \$1,000,000
10 was spent in capital expenditures this year, dealing with the infrastructure represents
11 exposure over a period of time.

12 Mr. Phillips also noted for the record that Mr. Pires looked at the financial records to
13 make sure that there was nothing that needed to be addressed, and Mr. Pires indicated
14 that he found nothing, and that he appreciated being given the opportunity to look at
15 them ahead of time.

16 **On a MOTION by Mr. Drum and a second by Dr. Bularzik, the Audit presentation**
17 **was unanimously approved by the Board.**

18 **D. Fiscal Year 2022 Budget Overview**

19 Staff has completed the work on the tentative 2022 Budget. Christopher has been
20 primarily working on it and will share it with Mr. Carter. They will reconcile the capital
21 improvement side of it. A budget workshop is scheduled for a month from this date.
22 The District's fiscal year starts on October first, and by law, the budget must be
23 approved no later than June 15th. The budget is formally adopted at a public hearing in
24 August and transmitted to the property appraiser and merged onto the tax bill.

25 **E. Irrigation Main Line Repairs**

26 There was an emergency break in the irrigation system line, and Mr. Carter noted that it
27 was a 16-inch line which they were able to get fixed the following day with the help of
28 their contractor who did a very good job for them.

29 Mr. Drum noted that it appears that these breaks are happening more than they used to
30 on this 30-year-old system and wondered if they could have the District engineer come
31 in and take a look at the whole system in an effort to curtail the breaks that seem to be
32 occurring more frequently. Apparently, there are some things that can be done to an

1 ageing system to give the District more time before its useful life ends, such as a liner in
2 the pipe.

3 Mr. Dorrill was familiar with the liner solution, and staff will ask Terry Cole about that.
4 Another thing that can be done is to obtain some of the sections of the piping that failed
5 and send them to Forge Engineering to have them evaluated for tensile strength.

6 There is also a mechanical situation called a water hammer, or shaking pipes, and Mr.
7 Dorrill will check with Mr. Cole to see if what the pressure of the water in the pipes may
8 or may not be causing them to shake. Mr. Dorrill will try to have this information
9 available for the Board at the next meeting.

10 **ATTORNEY'S REPORT**

11 Mr. Pires had nothing to report to the Board.

12 **FINANCIALS**

13 The fifth month financials were provided to the Board, which go through the end of
14 February. The balance sheet showed a total of \$5,220,000 in cash, with \$2,100,000 of
15 that amount sitting in the capital reserve, with the balance in the operating account,
16 which also includes the emergency contingency. At this point there were \$75,000 due
17 in payables.

18 \$61,000 was received in non-ad valorem assessments that month, year-to-date the
19 amount received was \$2,200,000, with \$2,205,000 forecast, and 90 percent of the
20 annual revenues have been received. The yearly contribution for services was received
21 from the County Commission in January, and the second quarter CSA payment was
22 also received in the amount of \$292,000 for services provided to those people who live
23 in Lely Resort but outside of the CDD District. Mr. Dorrill added that in accordance with
24 the schedule, the third quarter payment has also been received, and will be posted on
25 the April financials.

26 Total revenues year-to-date were noted to be \$2,800,000, with some extra revenue
27 from the School Board and the surplus property auction that is held each year.

28 Once again Mr. Dorrill complemented Mr. Carter for his attention to detail with regards
29 to cost control. Total expenditures through five months showed \$1,064,000, which is
30 about \$95,000 under budget year-to-date. The capital budget this year is \$580,000,
31 and so far, this year the only expenses have been pump and motor repairs, and a
32 streetscape authorization approved two months previously.

1 Eleven New Kubota utility vehicles were recently purchased, and staff is preparing to
2 ask the Board to award a bid for the new irrigation controls. The bids have been
3 received and are being evaluated by the engineer, and Mr. Dorrill hopes to be able to
4 provide them to the Board at the next meeting.

5 Mr. Dorrill added that he looked forward to providing the Board with the budget for 2022
6 at the next meeting and advised that no increase in the tax assessment is
7 contemplated.

8 **On a MOTION by Mr. Campkin and a second by Mr. Drum, the financials were then**
9 **unanimously accepted by the Board.**

10 SUPERVISORS' REQUESTS

11 A. Supervisor Replacement

12 The Board extended the deadline for applications for this position the previous month,
13 and four people responded that they would be interested in serving. They were invited
14 to this meeting, and their biographical information was previously provided to the Board.

15 Kathy DiSilva then addressed the Board, noting that she had lived in the Lely Resort for
16 ten years, and they reside in the Master's Reserve. She has served of that Board for
17 eight years and is currently its treasurer. Mrs. DiSilva's background is in operational
18 accounting and finance, and she worked 37 years for an electronics company in
19 Massachusetts, retiring as their treasurer. She received a Master's in Business
20 Administration while she was working, and she added that she appreciated the auditor's
21 presentation as that is what she enjoys, and what she would like to contribute to the
22 LCDD.

23 Claudette *** then addressed the Board, noting that she has been a resident at Lely
24 Island Estates for nine years. Her most valuable experience was her service on the
25 board of a 55-story condominium with a budget of \$4,300,000. One of the most
26 important things she was involved in was the development and implementation of a 20-
27 year reserve study covering all the common elements of the building, which the Board
28 worked on in conjunction with the Finance and Building Committees, and it served as a
29 road map and was an amazing tool. She also worked on several committees during
30 that time, she enjoys working with people, and while not believing in shortcuts, she does
31 not waste money. She also noted that Mr. Ousley was a friend of hers, and his respect
32 for the members of the Board is one of the reasons she is applying for the position.

1 Frank LoMonte, who has resided in Tiger Island Estates since 2000, noted that in 2010
2 he retired from his career as an architect. He was an original member of the Board at
3 Tiger Island Estates at its inception in 2002, and when the Master HOA advised the
4 Board two years ago that Lakes 4 and 9 were going to be restored, he worked to set up
5 a meeting to determine exactly what the procedure would be. All the sand had to be
6 trucked in as these lakes did not have sand bottoms, and Mr. Lamonte arranged to have
7 a staging area with Mr. Carter's help. Mr. Lamonte liaised with the Board and the
8 contractor to keep people advised as the project was being done. With his 45 years of
9 experience with construction engineering, he felt that he would be helpful as a Board
10 member.

11 Dennis Means then addressed the Board, noting that in his career he was an executive
12 in construction and project engineer, with a specialty in finding solutions with projects
13 and communities facing difficult problems with government regulations and limited
14 resources, with great results. He felt that this experience gave him a deep
15 understanding of construction and maintenance. He worked on the Board of Ole for
16 many years, working on their budgets as well. Presently their budget was 33 percent
17 larger than the CDD budget, and he understands that there can be challenges and
18 limits, even on substantial budgets. He was president or vice-president of that
19 association for ten years, and many reserve budgets and audits were done during that
20 time. He has done a great deal of research on the Florida Statutes as they relate to
21 condominiums and HOAs in the state and is now reading about CDDs. He realized that
22 Board positions are service positions and he felt that he can work with the team for the
23 benefit of the whole community. He has degrees in business management and
24 accounting, and has attended these meetings for several years, and he thinks that this
25 Board is prudent and works well for the community.

26 Mr. Dorrill explained Florida law regarding serving on the Board, noting that they are
27 required to be a resident and eligible voter in the County, and he thanked those who
28 appeared for their willingness to serve. Mr. Pires noted that the candidates could leave
29 the room or opt to stay during the Board's discussion and decision on the new Board
30 member, and Mr. Dorrill noted that if they were willing to wait outside, Mr. Carter will
31 take them to his office while the Board deliberated.

32 At this point the candidates left the room.

33 Dr. Bularzik noted that all the candidates had qualities that would be helpful on the
34 Board, and Mr. LoMonte seems to have done some good work in his community, and

1 had good experience being a liaison with the lake bank erosion work. She also was
2 looking for someone who would represent the entire community.

3 Mr. Campkin noted that all four of these candidates are very qualified, and it was a
4 difficult choice, but he was leaning towards Kathleen DiSilva.

5 Mr. Drum agreed that they are all very well qualified and felt that the issue would be
6 who fits better for the community and for the Board. He also felt that the representation
7 on the Board should be spread out, and the largest community in terms of population is
8 Ole. He felt that he could go with any of them, and he knows Frank personally and
9 knows that he would do a good job. He also knows Claudette very well from being on
10 that Board. He would prefer the gentleman from Ole because of the population there,
11 but he would vote for any of them.

12 Mr. Lee agreed with Mr. Drum.

13 Mr. Dorrill offered the options for selection and noted that written ballots would have to
14 be signed by the voter and made part of the record. The Board opted to do a paper
15 vote, and a short break was taken while the Board made their decision.

16 On the first vote, first place votes were received as follows: Mr. LoMonte received two
17 votes and Mr. Means received one, and Mrs. DeSilva received one. Mr. Lee then
18 nominated Mr. LoMonte as the new Board member, and the nomination was seconded
19 by Mr. Drum and unanimously approved.

20 The candidates returned to the room and were advised of the result of the voting, and
21 thanked for their willingness to serve and their excellent qualifications. Mr. Lee also
22 noted that in another years two more seats would be open, and the year after than
23 another seat will be open.

24 Mr. Lamonte will be sworn in at the next meeting, and the requirements for service were
25 noted as well, such as registering with the State and providing a simple annual financial
26 disclosure. Mr. Pires also advised that as an appointed member of the Board he is now
27 subject to the Sunshine law, and communication with the Board members on any matter
28 involving District business can only be had at a noticed open meeting. Mr. Pires advised
29 that if there was a question, to please call him.

30 A Sunshine workshop will be held in the fall, and any social media regarding the District
31 business is public record and must be forwarded to Mr. Dorrill for filing. A special email
32 account will be set up for Mr. LoMonte for all District business.

1 **B. Proposed Monument Sign**

2 An easement description and sketch showing the preferred location for this sign is
3 available, and a copy will be provided to Dr. Bularzik to share with the new Master HOA
4 Board. They own that entrance road, down to and including the County's pump station.
5 If the new Board is willing to convey a sign easement to construct that sign, that would
6 be the CDD Board's intention. A letter will be sent to the HOA Board's Chairman asking
7 to have this item added to the agenda for their next meeting.

8 **C. Bike Path**

9 This item was previously discussed.

10 **D. New Lely Master HOA Meeting**

11 Dr. Bularzik noted that this meeting would be held on April 26th at 1:00 p.m. and Zoom
12 participation is allowed.

13 **E. Lely Traffic Committee Meeting**

14 Mr. Dorrill advised that the notes he received from Dr. Bularzik will be considered part of
15 the record of this meeting, and Dr. Bularzik briefly highlighted important points, including
16 continuing to keep the roadways safe for travel, and the traffic study that was done in
17 the area of Mustang Island and Lely Island Estates, as there is often backups there,
18 showed that less than 15 percent of the cars were speeding at a rate over the posted
19 limit, and 15 percent is the threshold for traffic signs or other means of slowing traffic.
20 There were, however, 60 cars that were traveling between 40 and 70 miles per hour in
21 that area. They will be attaching signs to the stop signs coming out of Mustang Island
22 and Lely Island Estates allowing one car at a time in the intersection, which would be
23 enforceable. Discussion was held about raising the speed limit along this roadway, and
24 the Committee decided against it.

25 An officer from the Sheriff's Department was present at the meeting, and when a car
26 carrier that was parked in the roadway obstructing traffic was discussed, this officer
27 offered the non-emergency Sheriff's Office number, 239-252-9300 that they can call in
28 events such as this, and a sheriff will be dispatched. This information will be sent out to
29 the presidents of the communities in Lely. Mr. Pires, who was at the meeting, was the
30 one who suggested the sign to be posted on the stop signs.

31 Mr. Carter was asked to look at an area of the median at Mustang Island and Lely for
32 pruning as it is over two feet and is causing line-of-sight issues.

1 **F. Golf Course Lake Condition**

2 Mr. Dorrill advised that this parcel is not part of the drainage system or the drainage
3 permit but was required as part of the zoning approval to be a preserve and is owned
4 with an easement to the Master HOA. The CDD has no responsibility there at all, but it
5 is a dedicated preserve area, intended to be a wetland area, with the deed and
6 easement held by the Master HOA.

7 Mr. Dorrill noted that they use an environmental firm that they could have look at this
8 area to see if anything can be planted, as it can be unsightly. They can introduce them
9 to the Master Board, and Mr. Dorrill feels that they are very well qualified and are
10 familiar with the community.

11 **G. Condition of Reclaimed Water Distribution Line**

12 This item was previously addressed.

13 **H. Nomination of Treasurer**

14 Mr. Lee nominated Mr. Campkin to be Treasurer for the remainder of the year. The
15 nomination was seconded by Dr. Bularzik and unanimously approved. Mr. Campkin will
16 be sworn in at the next meeting as treasurer.

17 **I. Master Liaison**

18 Mr. Lee suggested that rather than having a Board member be the Liaison, he felt that
19 Mr. Carter would be perfect as he has a great deal of knowledge about the entire
20 District. Dr. Bularzik will send him updated information on the seven Board members
21 and their budget information as well. She added, however, that only Board members
22 can speak at these meetings. Dr. Bularzik will check to see if an exception could be
23 made for Mr. Carter if he attends these meetings.

24 **On a MOTION by Mr. Lee and a second by Mr. Campkin, the Board unanimously**
25 **approved Mr. Carter to act as a liaison between the CDD and the Master HOA. Dr.**
26 **Bularzik will provide copies of the HOA meeting agenda to Mr. Carter and the**
27 **Board.**

28 **ADJOURNMENT**

29 The May meeting will be held on the 19th, with the 2022 Budget workshop at 1:00.

30 **On a MOTION and a second, the meeting was adjourned at 3:00 p.m.**