

1 **LELY COMMUNITY DEVELOPMENT DISTRICT**
2 **NAPLES, FLORIDA**

3 **Public Hearing and Regular Meeting of the Board of Supervisors**
4 **August 18, 2021**

5 The regular meeting of the Lely Community Development District Board of Supervisors
6 was held on Wednesday, August 18, 2021, at 1:00 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 Frank LoMonte, 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 **PUBLIC HEARING**

21 **ROLL CALL/APPROVAL OF AGENDA**

22 All members were in attendance, and the **agenda was unanimously approved as**
23 **presented on a MOTION by Dr. Bularzik and a second by Mr. Campkin.**

24 **FINAL APPROVAL AND ADOPTION OF PROPOSED FY 2022 GENERAL FUND**
25 **BUDGET**

26 The budget remains unchanged from the direction staff received from the Board in May.
27 There is a small increase of \$61,425, or \$1.63 per resident per month. This is the first
28 cost-of-living increase in several years. The total non-ad valorem assessments next

1 year are \$2,563,782, which results in a per unit assessment of \$816.56. The total
2 number of units with the CSA are 4,439 plus 7/10s of one additional unit due to the way
3 commercial square footage is allocated. Total budget for the year from all revenue
4 sources was \$3,721,610.

5 Several hours were spent workshopping this budget, and with the minor increase of
6 \$61,000, Mr. Dorrill advised that the purpose of the Public Hearing was to receive
7 comment and concerns from the public before it is adopted.

8 **On a MOTION by Mr. LoMonte, and a second by Mr. Drum, the Public Hearing was**
9 **then opened.**

10 Joe *** (last name inaudible) from the Majors thanked the Board for being fiscally
11 responsible. His concern was that his property does not get the attention it deserves.
12 The oak trees around the lake are only trimmed once per year, and they need more
13 trimming. Additionally, there is a tree there that covers 20% of the lanai but has not
14 been trimmed despite his requests.

15 Dr. Bularzik indicated that their HOA should be covering this work, and Mr. Dorrill added
16 that the CDD does not own any rear yard landscaping. However, if this resident would
17 provide his address, Mr. Dorrill will research with the property appraiser's website and
18 have the gentleman identify the tree in question. Dr. Bularzik also suggested that the
19 HOA president be contacted, as well as the contractor for Four Seasons.

20 Susan *** (last name inaudible) asked about her November tax bill and was advised that
21 when it is received it will show that increase on the non-ad valorem assessment to
22 \$816.56. The line items on her tax bill were explained to her as well, as it is prepared by
23 the tax collector and not the District. There is a new tax collector in place, and that may
24 be the reason for the change in wording on the tax bill. Dr. Bularzik advised that there is
25 now a new Master Association, so other changes may occur as well.

26 **On a MOTION by Dr. Bularzik and a second by *** the Public Hearing was then**
27 **closed.**

28 **A. Resolution 2021-3 Adopting the Final General Fund Budget for FY 2022 for**
29 **\$3,721,610.**

30 **A MOTION was made by Dr. Bularzik and a second by Mr. LoMonte to approve the**
31 **adoption of Resolution 2021-3 for the General Fund Budget for 2023, with the**

1 **revision of the signature line to remove Mr. Campkin' s name, and the Board**
2 **unanimously approved.**

3 **B. Resolution 2021-4 Levying a Maintenance Assessment FY 2022 for**
4 **\$2,563,782.**

5 **A MOTION was made by Mr. Drum and seconded by Dr. Bularzik, to approve the**
6 **adoption of Resolution 2021-4 Levying a Maintenance Assessment for FY 2022,**
7 **with the revision of the signature line to remove Mr. Campkin' s name, and the**
8 **Board unanimously approved.**

9

10 **REGULAR BOARD MEETING**

11 **INVOCATION/PLEDGE OF ALLEGIANCE**

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

13 **PUBLIC COMMENT**

14 No public comment was received at this time.

15 **ROLL CALL/APPROVAL OF AGENDA**

16 All Board Members were in attendance.

17 Dr. Bularzik then thanked Mr. Carter for the removal of the trees that needed to be
18 replaced from Triangle Blvd., and their replanting in the Ole area.

19 As it relates to the Agenda, the following items were added: 9A, LCDD Signage; 9B,
20 Curb Painting; 9C, Potential Development of Nine Acres; and 9D, Lakes and Preserves,
21 Third Amendment Information. **On a MOTION by Mr. Campkin and a second by Mr.**
22 **LoMonte, the Agenda was unanimously approved as amended.**

23 **APPROVAL OF JULY 2021 MINUTES**

24 On Page 1, Line 10, (inaudible correction).

25 On Page 2, Line 28, the word "includer" should be "include."

26 On Page 3, Line 16, it was Mr. Dorrill would be contacting the IT person, rather than Mr.
27 Drum.

1 On Line 31, "boarder" should be "border."

2 On Page 5, Line 3, "had" should be "hand."

3 On Page 8, Line 5, the word "they" should be replaced with the "District."

4 **On a MOTION by Mr. Drum and a second by Dr. Bularzik, the Regular Meeting**
5 **minutes were unanimously approved as amended.**

6 **MANAGER'S REPORT**

7 **A. Community Patrol**

8 There was a total of 62 incidents during July, with a separate Sheriff's report involving
9 42 written citations or warnings as a result of traffic infractions. There was also one
10 arrest made as a result of a traffic stop, and there were 20 non-resident trespassing
11 reports involving fishing. There was a total of nine suspicious incidents, some of which
12 were referred to the Sheriff's Department.

13 Dr. Bularzik asked about the crossbow incident, noting that she did not realize that
14 could set up in someone's back yard. Mr. Bowers did not know about this, and Mr. Drum
15 asked if a crossbow was considered a legal weapon, and was advised that it was, as it
16 does fire a projectile. The Sheriff's Department was called to Mystic Green to address
17 this.

18 **B. Update on Pump Station Control Project**

19 Mr. Dorrill noted that he had spoken with their IT and installation contractors about Mr.
20 Drum's concerns about protection against cyber related attacks on the system. Terry
21 Anderson, the District's consultant, was impressed with the fact that the system was
22 cloud based with Federal bank level protection as part of the software. In addition, the
23 actual controls are not tied into the internet, but over a cellular telephone modem. In the
24 event it is disrupted it can be overridden and operated manually at the master pump
25 station.

26 Mr. Carter advised that the contract had been executed and the vendor was given an
27 order to proceed. All the parts have been ordered. Unfortunately, some of the parts will
28 not arrive until early November, but in the interim the company will go ahead and do
29 what they can until the hold up in the supply chain is taken care of.

1 At Dr. Bularzik's request, Mr. Lee explained what the pumps do and what the system
2 entails.

3 Mr. Drum felt that the District was a soft target, and he wanted to make sure that the
4 system could be operated manually if it was hacked into. He was advised that this was
5 the case. Mr. Dorrill added that they had purchased cybercrime insurance the previous
6 year for protection, and they are in the process of renewing it.

7 As soon as that is priced out, Mr. Dorrill will advise the Board as to the limits of their
8 coverage on that insurance.

9 **C. Update on Lake Bank Erosion Project**

10 Mr. Carter updated the Board, indicating that the project has gone very well so far. The
11 vendor has done a good job and has communicated very well as the job progresses. It
12 will probably be completed in mid-September, only a few weeks behind what was
13 originally estimated. Almost all the work in Mustang Island has been completed, and the
14 vendor has worked around the rain and is there every day. They are currently working
15 at the Majors and supply him with weekly updates.

16 **ATTORNEY'S REPORT**

17 **A. Third Amendment**

18 Mr. Pires addressed the issue Dr. Bularzik had mentioned, noting that the Third
19 Amendment was adopted many years ago by the Lely Master Association, where it
20 acknowledged its responsibility to maintain certain areas of the South Florida Water
21 Management District's permit. The list of these areas was sent to Terry Cole, and Mr.
22 Pires will have a conference with Mr. Cole to go over the lakes and their operating
23 entities today and compare that to the properties that the Master Association was
24 originally the operating entity for, to determine which ones were and were not
25 transferred to the District.

26 Mr. Pires added that he always recommends that any parcel being transferred to the
27 District be brought into compliance with the permit criteria as a condition of that transfer.

28

29 **B. Nine Acre Tract PUD Amendment/Lely Resort Tract 12**

30 Mr. Pires advised that as it relates to a PUD on any parcel, to the extend that a PUD
31 amendment is necessary, it requires approval with the planning commission and the

1 County Commission as well as a super majority vote of the Collier County Commission
2 to approve it, so two negative votes would cause it to fail. Mr. Pires briefly discussed the
3 requirements in Collier County related to traffic impacts and zoning changes.

4 Mr. Drum expressed concern about whether the use of this property could be changed
5 as the real estate market for residences has changed in the past few years. The
6 process is a long and complicated one, with multiple steps, and requires a public
7 hearing and notice to residents who would be impacted.

8 **FINANCIALS**

9 The third quarter financials showed \$4,738,000 in cash on the balance sheet, with
10 \$2,100,000 of that in capital reserve, and additionally a cash flow and emergency
11 contingency fund. There was \$10,000 in payables noted. There was \$10,200,000 in
12 fixed assets, most of that being the infrastructure tied up in the irrigation systems and
13 the stormwater and street lighting assets. The Lely Freedom Horses are valued at
14 \$1,400,000 on the balance sheet, and the insurance agent has advised that an updated
15 appraisal will probably be needed at some point.

16 The income statement showed that \$14,000 in non-ad valorem assessments were
17 received in June, most probably from the certificate auction on non-paid taxes. Total
18 non-ad valorem assessments year-to-date were \$2,415,000, which represented 96.7%
19 of the total revenue. No further revenue is expected, the difference being due to the
20 discounts taken by people paying their taxes early.

21 CSA revenues were fully paid at the end of the third quarter at \$877,000 against the
22 budget of \$1,100,000. No problems are anticipated with receiving the final, fourth
23 quarter payment.

24 Looking at the operating and administrative budget, the District was more than \$70,000
25 under budget on the operating side. The \$200,000 for irrigation controls will be accrued
26 for FY 2022.

27 **On a MOTION by Mr. Campkin and a second by Mr. Drum, the financials were**
28 **unanimously accepted by the Board.**

1 **SUPERVISORS' REQUESTS**

2 **A. Sign Update**

3 Mr. Carter noted that they were working with their sign vendor for a sign at the parking
4 lot which will have an arrow directing people to the maintenance facility as opposed to
5 the pump station. The design will be similar to that on Wildflower Way, and hopefully
6 next month the vendor will provide a design for approval.

7 **B. Curb Painting**

8 Dr. Bularzik thanked Mr. Carter once again for reaching out to the Traffic Group to get
9 the curb painting done throughout Lely Resort. Apparently, this work has begun, and it
10 will be an aesthetic as well as a safety feature.

11 Items C and D as originally noted were addressed by Mr. Pires under Attorney's Report.

12 **C. Cost-of-Living Status**

13 Mr. Lee pointed out that the cost of living is up to 5.4% now per the Department of
14 Labor and Mr. Dorrill indicated that this Board, as part of the budget, had projected a
15 3.5% COL increase for the employees. Mr. Dorrill suggested that the Board should
16 convey the COL increase now to 5%, six weeks earlier than was anticipated.

17 Additionally, Mr. Dorrill would like to discuss this again with the Board at the end of the
18 first quarter, at which point they may want to true-up at that time if it continues to trend
19 upward. The budget impacts for this fiscal year will be negligible, and less than \$10,000
20 going forward. It will be more than offset by the amount of money the District was under
21 budget on the operating side.

22 In response to Mr. Drum's questions, Mr. Dorrill will verify if the cost-of-living index
23 includes housing. Mr. Drum checks the numbers on the website that provides this
24 information and feels that the wages in Naples had lagged and not kept up with the
25 cost-of-living increases.

26 **On a MOTION by Mr. Drum and a second by Mr. LoMonte, the Board unanimously**
27 **approved the cost-of-living increase to 5% effective immediately, as well as the**
28 **Board's decision to revisit this issue at the end of the first quarter of the new**
29 **fiscal year.**

1 **ADJOURNMENT**

- 2 The next meeting will be on September 15, with a Sunshine Law Refresher starting at
3 1:00 p.m. **On a MOTION by Mr. Campkin and a second by Mr. Drum, the meeting**
4 **was adjourned at 2:26 p.m.**