

1 **LELY COMMUNITY DEVELOPMENT DISTRICT**
2 **NAPLES, FLORIDA**
3 **Regular Meeting of the Board of Supervisors**
4 **October 20, 2021**

5 The regular meeting of the Lely Community Development District Board of Supervisors
6 was held on Wednesday, October 20, 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 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 **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 As it relates to the Agenda, the following items were added: 9A, Dead Palm; 9B,
2 Plantings alongside Celeste; 9C, Pressure Washing; 9D, Status of Lank Bank Erosion
3 Project.

4 **On a MOTION by Dr. Bularzik, and a second by Mr. LoMonte, the Board**
5 **unanimously approved the Agenda as amended.**

6 **APPROVAL OF SEPTEMBER 2021 MINUTES**

7 As it relates to the Workshop Minutes, the spelling of Mrs. Brakefield should be changed
8 to "Ms. Brakefield" throughout the minutes.

9 On Page 3, Lines 1 and 2, "overreaching" should read "overarching," then "and the
10 incumbent candidates should follow these restrictions."

11 On Page 2, Line 12 the last name should be spelled DeMaag.

12 On Page 3, Line 8, "Ap" should be spelled "App."

13 On Page 4, Line 10, **inaudible correction.

14 **On a MOTION by Dr. Bularzik and a second by Mr. LoMonte, the Meeting minutes**
15 **were unanimously approved as amended.**

16 **MANAGER'S REPORT**

17 **A. Community Patrol**

18 Mr. Dorrill reported September to be an unusual month, with many trespassing incidents
19 involving illegal fishing, 16 of which were nonresidents. There was a large number of
20 traffic accidents and EMS related standby assists. There were a few situations involving
21 wild bees.

22 There were 28 written citations or warnings with an equal number of stops. There were
23 seven arrests, one related to a DUI, and another involving an accident, with quite a few
24 arrests at Lely High School. There was a total of six automobile accidents, some with
25 injuries.

26 Dr. Bularzik noted that it appeared that the driving has gotten worse with people
27 returning to the area for season.

1 **B. Ole' at Lely Resort Condominium Association Letter**

2 Mr. Dorrill shared the letter from the Ole' HOA thanking the Board for some work that
3 was done on their behalf. Mr. Dorrill made note of the it for the Board, as it is unusual to
4 receive a thank you letter.

5 **C. Entrance Sign**

6 A schematic was provided showing the new sign that will be installed at the entrance to
7 the access road to the LCDD building. This work should begin within a few weeks.

8 **D. Jockey Pump Repair**

9 A failure of the jockey pump for the irrigation system occurred that exceeded Mr.
10 Dorrill's administrative ability. It was an emergency repair, and a jockey pump is a small,
11 electric pump that keeps the system pressurized at all times. The total cost of the repair
12 was \$10,281. The work was done to replace the pump the next day.

13 **On a MOTION by Dr. Bularzik and a second by Mr. Lee, the Board unanimously**
14 **approved the expenditure of \$10,281 for the replacement of the jockey pump.**

15 **E. Line of Credit Renewal**

16 The line of credit in the amount of \$750,000 was due for renewal, and Mr. Dorrill wanted
17 the Board's opinion on what they would like to do going forward. This is tied to the
18 County's Comprehensive Banking Service Agreement. In the event it is needed, the rate
19 is prime plus 50 basis points, and there are some closing and recording costs in the
20 amount of \$3,750 for an unsecured governmental file. This line of credit expires in
21 November.

22 After a brief discussion related to the available cash the District has in the event of an
23 emergency, and the healthy reserves that has been built up, the Board agreed that it
24 would be prudent to renew the line of credit, which will be extended by two years.

25 **On a MOTION by Mr. Drum and a second by Mr. Lee, the Board unanimously**
26 **approved the line of credit in the amount of \$750,000 to be extended for the next**
27 **two years.**

1 **ATTORNEY'S REPORT**

2 **A. Operating Entity Permits**

3 Mr. Pires met with Mr. Cole and Mr. Dowty of Hole Montes regarding the position of
4 permits as far as the operating entities, and he is waiting for additional information on
5 this.

6 **B. Master HOA/CDD Lake Issues**

7 The last communication between counsel on this issue was October 6th. Mr. DeBoest,
8 counsel for the HOA, was at a conference recently and Mr. Pires suggested that he was
9 likely very busy when he returned. Mr. Pires asked the Board members if they would
10 like him to contact Mr. DeBoest, or to wait for his call regarding the documents and
11 materials that Mr. Pires has requested they provide to him. After a brief discussion, the
12 Board members felt that it would be appropriate to wait for Mr. DeBoest to contact Mr.
13 Pires. Mr. Drum was not comfortable moving the Board forward with legal issues with
14 the HOA, as there will be costs involved that the CDD will incur. He was concerned with
15 the possibility of the HOA will over-extend their funds in paying for a lawsuit. He
16 suggested that they just maintain the status quo and do nothing at this point. Mr. Lee
17 advised that the HOA had quite a bit of money to spend, and when a meeting with the
18 President's Council meeting is held the following Friday, he suggests that they be
19 advised as to which direction these discussions are going. Perhaps they can work with
20 each other to settle these issues. Mr. Drum asked if the District was required to accept
21 the lakes that the South Florida Water Management District asked Stock to turn over to
22 the District before the turnover of the Master Association. Mr. Pires advised that the
23 settlement agreement provided the following:

24 The CDD agrees to maintain all lakes and lake bank access easements within Lely
25 Resort, and the Plaintiffs agree to provide lake bank access easements in Lely Resort
26 to the CDD that may be reasonably necessary for the CDD to maintain the lakes in Lely
27 Resort and the Plaintiffs further agree to transfer any South Florida Water Management
28 District permits reasonably necessary for the CDD to maintain the lakes and irrigation
29 within Lely Resort.

30 Mr. Pires advised the Board that it was his opinion that the SFWMD's rules say that the
31 responsibility for the operation and maintenance of the water management system is
32 the obligation of the permittee until the time of transfer of the permit, in compliance with
33 the plans and specifications. In Mr. Pires opinion that would need to be achieved by the
34 current permittee before anyone should recommend that the Board accept the transfer

1 of the operating permit to the CDD. In other words, the current permittee needs to bring
2 the facilities into compliance with the permit prior to the District accepting the transfer.

3 Two things are necessary for the transfer of the permit, one being the certification of the
4 engineer that the lakes are in compliance with the permit plans and specifications for
5 the stormwater management system, and in Mr. Pires opinion the District does not have
6 to accept them until they are in compliance with the permits. Mr. Pires added that he
7 was not sure if the Master Association was in possession of all of the permits, as there
8 may be some smaller entities who hold some of the permits. At this point, the District is
9 not the permittee as they have not been transferred to it, and from South Florida Water
10 Management District's perspective, they do not have the responsibilities to maintain the
11 system.

12 The Board discussed the options available to them, and Mr. Pires advised that in his
13 opinion the onus was on the Master Association, and he had requested specific
14 information in this regard, which hopefully they are assembling and will send it to Mr.
15 Pires per his request. Mr. Drum then asked if there was anything pending that would
16 damage residents or property owners as it relates to the operation of the facilities while
17 this process in going on. Mr. Dorrill did not think that would be the case, as the CDD is
18 continuing to maintain the lakes. He noted Mr. Drum's concerns voiced a while ago
19 about the residents living in the CDD had paid the debt service on the bonds for 20
20 years for all of the primary infrastructure in the community. The CSA residents were
21 never involved in that.

22 The premise was that the CDD would consider bringing those assets into their inventory
23 of assets once they were brought up to the proper standard and then conveyed with the
24 engineer's certificate that they were constructed in conformance with the original plans.
25 In furtherance of that, the District agreed to convey funds to the Master HOA in
26 recognition of certain improvements or other legible expenses, in the amount of
27 \$950,000. As far as Mr. Dorrill is concerned, the key business points of the agreement
28 have not changed, and there is very little incentive for the CDD to incur risk and
29 expenses associated with capital improvements that are not presently their
30 responsibility.

31 Mr. Dorrill added that the District is a good provider of public work services to this
32 community, and ultimately it would make a lot of sense to have one entity responsible
33 for maintenance on behalf of all the residents. He agreed that at this point they should
34 wait until the requested documents are received. As was indicated, Mr. Dorrill has been
35 asked to make a presentation at the President's Council meeting the following Friday,

1 which he will do, and bring them up to speed and answer any questions that they may
2 have. Dr. Bularzik will provide the log in information to Mr. Dorrill for the Friday meeting
3 to be held via Zoom. Mr. Pires notified Mr. Dorrill that in order to protect the District's
4 interests, the chronology of how these issues unfolded and the expenses paid on the
5 District's part to comply with the Master HOA's requests be explained at this meeting as
6 well.

7 **C. Department of Economic Opportunity**

8 The State of Florida Department of Economic Opportunity requires an annual report to
9 be filed, and the form needed to be modified as Mr. Pires will now be listed as the
10 registered agent.

11 **On a MOTION by Mr. Drum and a second by Mr. Campkin, the Board unanimously**
12 **approved the appointment of Mr. Pires as the registered agent for the District.**

13 **FINANCIALS**

14 The eleventh month financials showed the overall cash position of the District in the
15 amount of \$***** and the offsetting liabilities as they relate to payables were in
16 infrastructure and the Lely Freedom Horses and Hardscape.

17 The total amount of non-ad valorem assessments received was \$2,415,000 against the
18 budget of \$2,500,000, the difference related to discounts taken. The CSA is currently
19 fully funded as the fourth quarter assessment of \$290,000 was received. \$1,170,000 is
20 that total, exactly what was budgeted. Total revenues through the first eleven months
21 were at \$3,700,000. The total year-to-date budget was slightly higher than that,
22 associated with a transfer from the reserve. Mr. Dorrill will check on the \$4,500 under
23 miscellaneous revenue to see where that amount came from.

24 The expense side of the budget showed the operating cost centers all under budget
25 thus far in the year, with one exception where they were over budget by \$5,000. Year-
26 to-date, the District was \$77,400 below budget, and Mr. Carter was thanked for his
27 continuing management of District funds.

28 Total year-to-date capital expenses were \$323,000, the majority of it in vehicles and
29 equipment. The difference \$286,000 was for the irrigation control modernization, which
30 is scheduled to start next month. This capital project will roll forward into the new year
31 as it is a two-year project.

1 The District continues to remain in a very favorable overall position, and Mr. Dorrill
2 thanked the Board for their approval of the extension of the line of credit.

3 **On a MOTION by Dr. Bularzik and a second by Mr. Drum, the financials were then**
4 **unanimously accepted by the Board.**

5 **SUPERVISORS' REQUESTS**

6 **A. Update on Employees**

7 Mr. Drum asked how the employee situation was after the raise and incentive that the
8 Board offered to fill the vacancies. Mr. Carter indicated that the employees seem very
9 happy with the extra money as well as the environment. However, at the end of last
10 month an employee left to take a higher paying job. The cost-of-living increase was 5
11 percent, and the employees were pleased about that. Mr. Dorrill felt that the
12 combination of Mr. Carter and Mr. Bowers has provided a very stable work force. Mr.
13 Dorrill felt that the Christmas bonus should reflect the appreciation the Board has for its
14 employees, and he will run some numbers by the Board for approval at the November
15 meeting.

16 **B. Dead Royal Palm at Sussex Place**

17 Apparently, the location of this dead palm makes it the responsibility of the Master
18 Association. Mr. Carter will advise the Chair of that Community as well as the Master
19 HOA Chair that one of them is responsible for its removal.

20 **C. Plants on Celeste**

21 A request has been made for some flowering trees along this roadway, and Mr. Dorrill
22 advised that the policy has been the area in question and talk to the landscape
23 architect. Mr. Lee added that in these cases they will split the cost of additional
24 plantings with the neighborhood requesting them. After further discussion, Mr. Dorrill
25 indicated that he will have Mr. Carter look at it and make some evaluations in light of the
26 approved master plan for plantings.

27 **D. Pressure Washing**

28 The new president of Master Reserve, Mr. Walman, observed people power washing
29 using the irrigation water from the LCDD. It was agreed that the irrigation water was not
30 to be used, and Mr. Drum advised that you must go to the County and pay a fee to get a
31 permit to tap into a fire hydrant for water. Mr. Dorrill suggested that if they were using
32 CDD irrigation water, he will follow through on it and determine how they were able to

1 tap into that water and put a stop to it. Dr. Bularzik will contact Mr. Waldman and
2 provide him with this information.

3 **E. Lake Bank Project**

4 Mr. Carter reported that the project was substantially completed, and the last step was a
5 bit of rip rap being added to a culvert. Once that is done, the project will be fully
6 completed, and staff will do a walk through before the contractor leaves.

7 **F. White Striping on the Roadways**

8 Dr. Bularzik added that when she turned left onto Lely Resort Blvd. from her home, she
9 observed intermittent white stripes in the median. Mr. Carter advised that the County did
10 this very visible striping, and apparently, they will be back out to do the yellow paint on
11 the curbs.

12 **G. Accidents on Wildflower Way/Lely Island Circle**

13 The accident that occurred along Wildflower Way with an automobile and a three-wheel
14 scooter was treated as a traffic accident. Mr. Bowers advised that he will be obtaining a
15 traffic report to see if he can get more information about it. Additionally, a driver took
16 down a streetlight with her car on the corner of Lely Island Circle, and the Contractor
17 who was called had the pole up and operational the following day. The culvert in that
18 area was also damaged.

19 **H. Information on Ownership of Catch Basin Entrance Conveyance Pipe**

20 In response to Mr. Drum's question about the responsible party for the apparatus that
21 goes into the catch basin, Mr. Dorrill advised that he have Mr. Cole check on who owns
22 that catch basin and if any repair is required, either the District or the County would be
23 responsible. Mr. Drum noted that there were several in the community that need
24 attention.

25 **I. Additional Dead Palms**

26 Dr. Bularzik reported that the two dead palms coming into Lely Island Estates are still
27 standing, and Mr. Drum noted that it was that association's responsibility to notify the
28 compliance officer to ensure they get removed.

1 **ADJOURNMENT**

- 2 The next meeting will be on November 17. The meeting was then adjourned at 2:10
3 p.m. **On a MOTION by Dr. Bularzik and a second by Mr. Drum. Mr. Drum advised**
4 **that he will not be present at that meeting.**