

**LELY COMMUNITY DEVELOPMENT DISTRICT
NAPLES, FLORIDA
REGULAR MEETING OF THE BOARD OF SUPERVISORS
October 19, 2016**

The regular meeting of the Lely Community Development District Board of Supervisors was held on Wednesday, October 19, 2016 at 1:30 p.m. at the LCDD Maintenance Building.

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

ALSO PRESENT: W. Neil Dorrill, Dorrill Management Group, Manager
Assistant Secretary /Treasurer
David Bryant, District Counsel
Freddie Bowers, Community Service Supervisor

INVOCATION AND PLEDGE OF ALLEGIANCE

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

ROLL CALL

It was noted that four of the Board members were in attendance. **On a MOTION by Mr. Ousley and a second by Mr. Lee, the Board unanimously approved Mr. Fisher's participation via speakerphone due to unusual circumstances.**

PUBLIC COMMENT

Ingrid *** asked for an update on the purple flags located within the District which she was advised was related to the irrigation water. This item will be addressed under Public Comment at the end of the meeting.

APPROVAL OF THE AGENDA

With the addition of Items 7A, Security Workshop; 7B, Lake Erosion, and 7C, the new Pork Chop on 41, **the agenda was unanimously approved on a MOTION by Mr. Ousley and a second by Mr. Lee.**

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APPROVAL OF MINUTES OF SEPTEMBER 21, 2016 MEETING

On Page 6 under the Supervisors' requests, Mr. Lee reiterated his statement from the previous month where he updated the Board on Stock Development's PUD amendment to provide signage at Stock Plaza.

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

MANAGER'S REPORT

A. September Patrol Reports

The Sheriff's Department report for September showed 44 stops and/or verbal warnings which resulted in three written citations, and two criminal citations, one of which involved an unassigned or improper tag. There was also an incident involving a suspicious vehicle that a deputy responded to. It apparently involved some nonresidents who were fishing in a lake, were confronted by a resident, and left before law enforcement arrived.

Mr. Dorrill noted that the Sheriff's Department's presence seems to be making a difference, and comments from the residents are positive.

Mr. Drum asked if this positive report was due to less time being purchased for the Sheriff's Department's presence, or if law enforcement is actually lowering the violations. Mr. Dorrill was not sure of the reason at this point, but noted that Lely's Community Service Supervisor was present at the meeting and could address this question.

Mr. Dorrill also noted that the Board had previously asked if it was possible to determine if the individuals warned or cited were residents or visitors, and suggested that Mr. Bowers could also work on that. If these offenses were primarily residents, Mr. Drum suggested that an article in the next newsletter would be appropriate, indicating how expensive it is to get a ticket. Mr. Dorrill agreed that this could be done.

B. Website Requirements

There have been some new laws that went into effect on October 1 for CDDs, including posting a copy of the agenda index at least seven days prior to the meeting on the website as well as electronic copies, if available, on any information. This includes minutes of the previous meeting and financials. That information must remain posted for a minimum of two years. The Americans with Disabilities Act also has created a number of requirements for the website, and although there are no published standards, Counsel has indicated that there is a possibility of lawsuits against entities that do not follow the new requirements. Mr. Dorrill suggested that

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this being the case, a number of style changes should be made to the website.

C. Community Patrol Update with Mr. Bowers

Mr. Freddie Bowers was introduced to the Board members, and Mr. Dorrill noted that he has a 16 year career in private security at a licensed level as well as a brief period of law enforcement in corrections. Mr. Dorrill indicated that he felt Mr. Bowers was going to be an excellent fit for Lely both professionally and personality-wise. His title is the Community Service Supervisor, and he is responsible for the patrol activities for all security functions involving technology as well. He will report directly to Mr. Carter.

Mr. Bowers and Mr. Carter worked together quickly to interview and hire additional staff, one full time and one part time staff members, and Mr. Bowers was welcomed by the Board members.

D. Irrigation Water Rate Increase

The District was just advised of this 6 percent rate increase by the County, which is part of their multi-year plan. The District is under a relatively new rate base and has budgeted accordingly. This increase will take place within the month.

Mr. Drum asked if the Arlington had paid what is owed to the District yet, along with a few other independent arrangements, such as the Board of County Commissioners and a few others. He also asked about the Cordoba community, which also seemed to get a special arrangement. Mr. Bryant indicated that Cordoba is part of the CSA, but in answer to his question, Mr. Bryant indicated that Cordoba has paid as they pay under the CSA Agreement. Mr. Dorrill noted that while the BCC has not yet paid, he felt that York had paid. He will follow up on this and send Mr. Drum an email response.

Mr. Lee wanted to know what Arlington and Astor pay, as well as the new restaurant in the area, and the shopping center. Mr. Dorrill advised him that the other commercial areas, including the Outback Steak House and McDonalds already pay on an equivalency based on the taxes that they pay to the CDD.

The third party contract agreements are with the County School, the County Board of County Commissioners, and one each with the Arlington and York properties. Mr. Dorrill added that through their agreement they pay only for irrigation. Stock Plaza has its own well, and Stock also got a permit from the South Florida Water Management District to drill a well at the corner of Rattlesnake Hammock and Grand Lely.

Mr. Lee pointed out that in the HOA's budget, they show the CSA fee of 173 which is more

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than the District pays, and Mr. Dorrill advised that this was correct under the current methodology. Mr. Bryant indicated that when the agreement was done in 2008, it was determined that York would be billed \$87.97 per unit, and in 2008 their bill was \$37,095.

That amount covers water management, irrigation, and an administrative charge.

Mr. Bryant added that the Lutheran Life property is paying \$101.02, and they, too are paying for water management, irrigation and an administrative charge. Their annual fee is \$316,800.

All of those units have not yet been CO'd, but they are paying per unit as well.

The Board of County Commissioners has not yet paid as they wanted to wait until the District had an audited financial statement as a basis for billing as opposed to the adopted budget. The audit was presented back in May or June, and Mr. Dorrill will run this down for Mr. Drum.

There is also an elementary school that is billed \$24,468 for irrigation water and drainage and lake and water management.

ATTORNEY'S REPORT

A. Extension of Irrigation Water Permit

Mr. Bryant received an email this week from the expert who is handling this permitting issue for the CDD, and was advised that it is anticipated that the permit will be received very soon. All of the questions the Water Management District had have been answered, and it appears that the ten year permit will be what the District requested.

B. New Horse Monument

Mr. Bryant previously sent a very positive letter to Stock specifically addressing the Board's concerns about traffic, pedestrians, parking, signage, and the pallet of the plantings going into the median. He has not yet heard back from them, but he hopes that the parking at Stock Plaza will be something that can be agreed to between the parties.

Mr. Drum asked what if any liability there would be related to offsite parking for the monument, and Mr. Bryant indicated that the parking will be for the public, which is the group Mr. Stock is putting up the monument for, and if someone is hit by a car, everyone will be named in the lawsuit. Mr. Bryant pointed out that shoppers at Stock Plaza could also be hit, and Stock Plaza would be sued in that case.

Mr. Ousley complemented Mr. Bryant on the wording in the letter.

In response to Mr. Campkin's question, Mr. Bryant indicated that the center island where the horses' monument is being placed is within the CDD, as it is the District's position that the boundary line is on the north side of the roadway. There is an actual drawing of the latitudes

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and longitudes of the District, but to find the exact line would cost thousands of dollars, The District's position is a positive one, as it puts the site under the umbrella of Florida Statute 768.28, which is about Sovereign Immunity protection.

In response to a resident's question about the horses, (inaudible) Mr. Dorrill indicated that twice a year the monument horses have a professional redo the patina on them, and then wax them to keep them from corroding.

FINANCIALS

The eleventh month balance sheet of the financials showed \$2,100,000 in cash going into the final month of the year, against \$134,000 in payables. The income statement showed an amount of almost \$7,000 in interest income year-to-date, which is substantially more than was projected at the beginning of the year due to the new bank services agreement the Board entered into with First Integrity Bank. Total year-to-date revenues were \$2,700,000.

Nothing material was noted on the expense side. There continue to be some overages which were previously reported to the Board pertaining to litigation and some unanticipated costs for the annual flower program that were not budgeted properly.

Total year-to-date operating expenses were \$46,000 below budget, and Mr. Dorrill credited Mr. Carter with that as he has done a good job controlling costs in the final quarter of the year.

Mr. Drum asked if there was a final number on what could be allocated to capital replacement in terms of this year's budget, and Mr. Dorrill indicated that \$250,000 was budgeted this year and will be transferred into the capital reserve account.

On a MOTION by Mr. Lee and a second by Mr. Drum, the financials were then unanimously accepted by the Board.

SUPERVISORS' REQUESTS

A. Security Workshop

Mr. Drum suggested that once the new security procedures are in place, he would like to have a workshop and have the new processes explained to the Board, He suggested that the Board will want to know what various spots throughout the District will be regularly checked, and how the Sheriff's deputies and in-house security staff will be blended.

Mr. Bryant agreed that this was an excellent idea, and suggested that this type of workshop be held prior to the workshop with the Sheriff who will do a workshop in March or April of 2017.

The Board agreed, and Mr. Bryant will invite the Sheriff for the March meeting, and Mr. Dorrill suggested that the local security workshop be held in January, once everything is in place.

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Mr. Bryant also suggested that a transportation workshop could be scheduled for April, when Mr. Wilkerson could address the Board on what is happening in his department related to the Lely Community.

Mr. Ousley suggested that as all the gates are covered security-wise, perhaps the Master HOA should contribute to security costs. Mr. Dorrill indicated that in theory, everyone outside of the CDD area are supporting the same security cost center that the security service program is, so they are contributing, and will be for the foreseeable future.

B. Pork Chop

The County has promised a number of things for the District that have not occurred, such as paving Lely Island Circle, that after the pork chop was installed they would consider diverting traffic off of it, and thirdly, that the pork chop would be installed in August. (overtalk)

***Member of public could not be heard

Evidently all these things are being held up because of the pork chop, and Mr. Drum asked if perhaps the County and the State needed some stimulation to get things moving.

Mr. Dorrill indicated that he had an unrelated meeting with Mr. Casalanguida the following Thursday to discuss pork chops in two other communities. He will discuss this issue with him to get an update on the status at Lely and perhaps prod him a little on these items.

** Again, member of public could not be heard.

C. Lake Erosion

Mr. Lee indicated that he and Mr. Campkin had attended the Master Association Budget meeting and there were only six people in attendance. Last year they had allocated \$70,000 for lake erosion, and they spent \$6,300. Mr. Lee asked Victor ***Sentrox what they were going to do with the money budgeted for this year (amount was inaudible), and what they were going to do about lake erosion, and he indicated that he knew nothing about it.

Mr. Lee noted that the CDD was working on it and is trying to put something together, and the engineer has advised at to what engineer should be called and what contractor to use, and that the homeowner would be responsible. Mr. Lee did not think that both the CDD and the HOA should be working on this, and Mr. Campkin asked who was going to pay for which lake.

Mr. Bryant suggested that if the CDD began saying that they wanted all the lakes fixed, then it would be easy for Stock's Board to raise everyone's assessments.

Mr. Bryant suggested that the Board go ahead and do the survey they have been discussing, engage Terry Cole to come look at the lakes, and get the groundwork done on this issue.

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Mr. Dorrill suggested that he sit down with Mr. Carter, who has some experience with assessments, and determine a schedule and do some random sampling on the lakes in Lely. They will present a survey to the Board with measurements of the vertical drops on certain lakes sometime before the end of the calendar year. This will give the Board a sense of the magnitude of the erosion.

Mr. Bryant suggested that this may be a good February workshop if Mr. Dorrill has enough time to get all the data together. The Board agreed.

PUBLIC COMMENT

Mrs. ***** indicated that they had been told that work would begin to fix the irrigation line, and it hasn't been done yet. Mr. Carter noted that the line had broken and they had actually begun work on it that morning and it should be completed within a couple of days. ***Her question about the purple flags was inaudible.

Mr. Ousley asked about the water behind Kmart, and Mr. Bryant indicated that he spoke to the County about that and was advised that they are going to repair the roadway using their subcontractors and based upon their specifications.

The County will be determining who the bill will be going to on this project, and Mr. Bryant advised that it was his opinion that it is Mastek's responsibility as the underground contractor. Mr. Carter will be working on identifying where the cutoff valves are located throughout the District to keep these areas from flooding badly when a line breaks, and it was suggested that Terry Cole be asked to get an as built drawing showing where the valves are located.

ADJOURNMENT

It was announced that the next meeting will be held on November 16 at 1:30 p.m., and the meeting was then adjourned at 2:25 p.m. **on a MOTION by Mr. Drum and a second by Mr. Ousley.**