

1           **PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT**  
2                           **NAPLES, FLORIDA**

3                           Regular Meeting of the Board of Supervisors

4   May 27, 2022

5   The regular meeting of the Pelican Marsh Community Development District Board of  
6   Supervisors was held on Friday, May 27, 2022, at 9:00 a.m. at the Pelican Marsh  
7   Community Center, Naples, Florida.

8   **SUPERVISORS PRESENT**

9   Edward Walsh, Chairman

10   Joe Diaz, Secretary

11   Tony Scire, Treasurer

12   John Minty, Supervisor

13   Tim Jackoboice, Supervisor

14   **ALSO PRESENT**

15   Neil Dorrill, Manager, Dorrill Management Group

16   Christopher Dorrill, Field Manager

17   John Vanover, Operations Manager

18   Tony Pires, District Counsel

19   Brent Burford, District Engineer

20   James Calamari, Access Control

21   **ROLL CALL**

22   Mr. Walsh opened the meeting at 9:00 a.m. All five supervisors were present.

23   **PUBLIC COMMENT**

24   No public comment was received at this time.

25   **APPROVAL OF AGENDA**

26   **On a MOTION by Mr. Jackoboice and a second by Mr. Minty, the agenda was**  
27   **unanimously approved as submitted.**

1 **APPROVAL OF APRIL 2022 MINUTES**

2 On Page 8, Line 22, the word Lely should read Pelican Marsh.

3 On Page 9, Line 1, \$3,000 should have a comma rather than a decimal point.

4 On a MOTION by Mr. Diaz and a second by Mr. Scire, the minutes were then  
5 unanimously approved as amended.

6 **FINANCIALS**

7 The midyear financials ending March 31st showed \$3,343,000 in cash on the balance  
8 sheet, \$708,000 of which was noted to be in the new capital reserve account, against  
9 \$47,000 in payables. The income statement showed that almost \$40,000 came in  
10 during the month of March in non-ad valorem assessments, just prior to them being  
11 delinquent. This represents about 38 homes or commercial properties that waited until  
12 the last minute to pay their taxes. There was \$3,700 in transmitter revenues received  
13 during the month of March. Total revenue for March was \$47,000, total revenue year-  
14 to-date, almost \$3,600,000, or 96 percent of the total annual revenues.

15 Pelican Marsh seldom, if ever, has certificates that go to auction as unpaid, so the  
16 revenues received are probably complete at this point. The Naples Daily News  
17 payment has been received, which will be reflected in future financial statements.

18 Most of the issues with expenses, such as the market rate adjustment and the costs  
19 associated with the purchase of irrigation water for the community from Collier County,  
20 brought the total operating expenses to \$1,772,000 against a budget of \$1,859,000, still  
21 slightly below budget year-to-date.

22 On the capital side the building costs relate to the replacement guard gate facilities that  
23 have been incurred for surveying, civil engineering and permitting. This line item will  
24 continue to track through the end of the fiscal year. Contributions to the capital reserve  
25 transfers have been made, and the district is in a positive state at midyear.

26 Mr. Walsh advised those present that sometime in October of the previous year they  
27 had looked at the hourly rates of all the employees, both in the gatehouses and the  
28 landscape crew. It was felt at that time that some major adjustments needed to be  
29 made to their pay, as the competition for this work force was very high in the County,  
30 and it had been a long time since the employee rates had been adjusted at Pelican  
31 Marsh. Mr. Walsh then asked Mr. Calamari how staffing was doing and was advised

1 that he was one short at the gatehouse, and Mr. Vanover was two short for landscaping.  
2 This is a great improvement over several years ago when there were several vacancies  
3 in the work forces at the district.

4 **On a MOTION by Mr. Scire and a second by Mr. Diaz, the Financials were**  
5 **unanimously accepted as presented.**

## 6 **MANAGER'S REPORT**

### 7 **A. Registered Voter Notice**

8 In any election year cycle the supervisor of elections sends a notice reflecting the  
9 number of registered votes in the community. In this case, there are 3,192 registered  
10 voters that live inside the district. Several notices have been run in the newspaper  
11 regarding the qualifying period, which starts on June 13th and goes through noon the  
12 following Friday.

### 13 **B. Fiscal Year 2023 Proposed Budget**

14 The budget for 2023 will be discussed at this meeting, and then in August the formal  
15 adoption public hearing will be held and the rates of assessment will be established at  
16 that time.

17 Mr. Dorrill gave the Board a brief overview of the proposed budget, noting that despite  
18 the significant inflationary pressures throughout this year, the quality of services  
19 provided to the Community will remain the same with this budget. This year the projects  
20 have been three new guardhouses started, lake bank restoration and operating  
21 equipment capital purchases, and they have all been funded from existing reserves or  
22 the operating assessment on the capital side for the equipment.

23 The capital reserve carry forward going into the new year on October first is  
24 approximately \$700,000. The commitment to building adequate future capacity in the  
25 capital budget will be ongoing. There are some additional purchases for the guard gate  
26 project, and for both road resurfacing and hardscape improvements such an entry  
27 signage at both Pelican Marsh and Tiburon. Operating expenses overall for the coming  
28 year will increase 12 percent, primarily due to gasoline pricing, chemicals, fertilizer,  
29 supplies,

30 and the market rate adjustment that the Board made in the early spring. All of these  
31 items were part of the overall increase of about \$350,000 in operating costs.

1 The current overall assessment increase is about 6.5 percent, with the non-ad valorem  
2 assessment next year going from \$3,898,000 to \$4,125,000. On the revenue side a  
3 capital transfer of \$1,000,000, which is not part of this year's budget, will be the source  
4 of funds going into the new year to help build the guard gates.

5 Under the professional and administrative side, the projections are for 5 percent cost-of-  
6 living increases for both the management contract and accounting fees. Overall  
7 increases on the administrative side, to include insurance premiums, is \$19,000 in  
8 administrative costs next year.

9 Field Management covers a wide range, including Mr. Vanover's salary. Other costs  
10 associated with expenses at the operations center, utilities and things of that nature, will  
11 have an increase of \$11,000.

12 Landscaping, which includes the market rate adjustment and inflation was at 5 percent  
13 through the end of 2023. This cost center is going up \$99,000 and is almost entirely  
14 driven by the labor costs and the increases given this year.

15 Fountain and water management had some slight increases, with lighting noted to be  
16 the same as it is this year.

17 The access control budget again has an increase on the payroll side for full time  
18 employees by \$23,000, again with the 5 percent cost-of-living increase for both the  
19 managerial and other staff in this line item.

20 The subtotal for all operating expenses next year is \$3,543,000 which is an overall  
21 increase of \$220,000, which is the requirement for the 6.5 percent increase. As  
22 previously noted, the increase will be about \$6.42 a month.

23 The current proposed assessment that will be seen on the bottom of the last page of the  
24 proposed budget will be \$1,399, an increase of \$77 over the current year. There has  
25 not been an increase on the operating side of the budget in several years.

26 Overall, the total for all expenditures for next year's budget is \$5,196,000, taking into  
27 account the transfer from the capital reserve. Mr. Dorrill noted, however, that he would  
28 have to do some recalculations, as the chairman would like to see the capital portion of  
29 the assessment increased next year.

30 Mr. Walsh followed up on Mr. Dorrill's comment regarding the operating increase first.  
31 The last increase was for \$27, and it was the only increase in the last 10 to 12 years on

1 the operating side. He added that he felt that the majority of that \$220,000 increase was  
2 in wages, and he felt that all costs would probably be \$150,000 more than the  
3 \$220,000.

4 Relating to the capital reserve, Mr. Walsh noted that until two years ago the CDD had  
5 not reserve set up for large, long capital projects. Projects would be funded out of the  
6 capital budget which is why not many large projects were undertaken. Before Mr.  
7 Walsh became the Chairman he met with the key managerial people and discussed  
8 with them what long term projects they would be faced with. They then determined how  
9 much money they could generate over a specific period of time to cover these projects,  
10 and what the individual assessments would be.

11 Since that time, a few things have happened. Inflation has increased dramatically, and  
12 new long-term projects have been identified, such as repaving all of the roads, as well  
13 as the monuments and care of the bridges. Mr. Walsh felt that they do not have enough  
14 in the capital reserve to fund everything over the next ten years, and most of them are  
15 going to be necessary. It was his feeling if they are going to go to the community with  
16 an increase of \$77, he felt that the amount should be increased in order to add more to  
17 the capital reserve. Mr. Walsh suggested that \$125 should be the assessment increase,  
18 which may add perhaps another \$150,000 to the reserve, which would bring it up to  
19 \$500,000 and put the district in a better position for funding these long-term projects.

20 The Board discussed this suggestion, and Mr. Dorrill summarized it, noting that the  
21 additional \$50.00 per unit would give them roughly \$148,000 additional cash. Also  
22 realizing that an unexpected problem could arise in either Pelican Marsh or Tiburon that  
23 was not budgeted for, this additional cash would enable them to more easily address it.

24 Mr. Scire then asked if the Board felt that 5 percent would be enough of an increase for  
25 the supervisors and staff with this rate of inflation. He felt that the current staff was  
26 terrific, and he would like to keep them. Additionally, he had concerns that \$1,000  
27 would not be enough for uniforms, as they had discussed upgrading the uniforms for the  
28 new gatehouses.

29 Mr. Walsh noted that if they had not made the significant changes in the base salaries  
30 that recently took effect, he would then be concerned about the 5 percent. However,  
31 now they are current with the market rates, and he felt

32 comfortable with the 5 percent. As it relates to the uniforms, he asked Mr. Calamari to  
33 comment on that, and Mr. Calamari indicated that the budget was increasing by \$1,000,

1 which he felt would bring it up to a sufficient amount for upgrades when necessary. Mr.  
2 Scire agreed, and also felt that the Chairman's point was well taken as it relates to the 5  
3 percent increase.

4 Mr. Dorrill summarized the Board's comments on the proposed budget, noting that the  
5 increase of \$50 on the assessment would bring the capital contribution to \$500,000  
6 annually. That will raise the assessment to \$1,449, which while it has significant value  
7 due to the level of service at Pelican Marsh, this will require Mr. Dorrill to send a first-  
8 class letter to all 3,000 residential units, telling them in advance what the proposed  
9 assessment will be. There historically has been quite a bit of confusion over the wording  
10 of the statutory notice, with many mistaking it for a special assessment, which Mr. Dorrill  
11 explains in the cover letter he includes with the assessment information.

12 Mr. Dorrill credits the Board with the fact that they have had very little, if any, increases  
13 in the operating assessment for years, and appreciates the fact that they are trying to  
14 determine and fund capital costs over the next five years.

15 Mr. Walsh asked if any members of the audience had any comments to make on this  
16 issue, and Mr. Minty from Troon Lakes suggested that they have an automatic annual  
17 increase based on the cost of living so the residents would be prepared for it, but Mr.  
18 Walsh noted that every time there is an increase, the letter must go out to every  
19 resident. Mr. Minty noted that he did support this increase completely, as there will  
20 always be unknown costs that will arise with every project.

21 Mr. Pires explained that even though there is an existing assessment, and that  
22 assessment is being raised, the courts have construed the Statute to treat that increase  
23 as a new special assessment.

24 In response to Mr. Minty's question, Mr. Walsh indicated that a few years ago when an  
25 estimate was obtained on the bridge work, it came in at approximately \$1,500,000.  
26 They will do another engineering study, and he anticipates that will show that they can  
27 go a few years longer, which will enable them to do the paving project first.

28 Mr. Dorrill read some of the revised numbers into the record, noting once again that the  
29 total non-ad valorem assessment for next year will be \$4,282,450.

30 The proposed capital contribution next year will be \$501,250.000. The associated  
31 increase in the assessment rate previously discussed will bring it to slightly less than  
32 \$1,500 per unit, residential and commercial.

1 Mr. Pires noted that the next step for the Board would be to adopt the resolution  
2 approving the budget for purposes of setting and holding the public hearing. The budget  
3 will be posted and advertised as required by law, and a copy will be delivered to Collier  
4 County, also as required by law. The date of the public hearing will be August the 17th.

5 **On a MOTION by Mr. Diaz and a second by Mr. Scire, the Board unanimously**  
6 **approved the Resolution adopting the budget for the purpose of setting and**  
7 **holding the public hearing at 9:00 a.m. on August 17th and noting that the budget**  
8 **will be advertised and delivered to Collier County, as required by law.**

9 Mr. Minty then noted that he believed the Board had a fiduciary responsibility to  
10 maintain and improve the assets of the community, and to that end, he fully supports  
11 their decisions.

## 12 ATTORNEY'S REPORT

### 13 A. Egrets Walk License Agreement

14 Mr. Pires advised the Board that he had received the signed license agreement  
15 between the District and Egrets Walk, and he provided the site plans submitted to the  
16 County to Mr. Dorrill, Mr. Vanover and Mr. Calamari for their review to make sure that  
17 the plans are consistent with the agreement.

## 18 ENGINEER'S REPORT

### 19 A. Report on Stormwater Needs

20 Mr. Burford advised that they are finalizing the report now and should have it to  
21 present to the Board at the next meeting, just before they submit it to the County.  
22 Mr. Walsh asked that Mr. Burford review it with Mr. Minty before the next meeting,  
23 which will be done. This report will be submitted by the June 30 deadline.

## 24 SUPERVISORS' REQUESTS

### 25 A. Mr. Scire's Resignation

26 Mr. Scire is considering running for Fire Commissioner in the November election,  
27 and he plans on qualifying in June. He will be submitting his letter of resignation in  
28 order to run to Mr. Dorrill on the 3rd of June, He is allowed to stay on the Board until  
29 Election Day in November, and he would like to do so. The Board members thanked  
30 Mr. Scire for the courtesy of advising them of his plans.

1        **B. Monthly Report on Project Process**

2        As there are numerous questions from the residents on a regular basis about the  
3        progress of certain projects in the community, Mr. Walsh asked Christopher if he would  
4        give a report at every meeting, updating the residents on the projects that are being  
5        worked on at that time. This way the residents can be as informed as the Board  
6        members are on the ongoing progress of the capital projects.

7        **C. Re-schedule of Public Hearing**

8        As Mr. Dorrill will be traveling for two weeks in Early August, he asked the Board if they  
9        would consider holding the Public Hearing on the 19th rather than the 17th to ensure his  
10       presence. The Board agreed, and Mr. Pires recommended that the Board amend the  
11       Resolution setting the date to the 19th of August 2022, at 9:00 a.m. at this location.

12       **On a MOTION by Mr. Scire and a second by Mr. Minty, the Board unanimously**  
13       **approved the change of date to the 19th of August, 2022, at 9:00 a.m. at the**  
14       **Pelican Marsh Community Center.**

15       The regular monthly meeting will be held at that time as well. The Board also agreed  
16       that the June meeting would be held as usual on the third Wednesday, June 15th.

17       **ADJOURNMENT**

18       With no further public comment received, the meeting was adjourned **on a MOTION by**  
19       **Mr. Jackoboice and a second by Mr. Minty at 9:40 a.m.**