

1 **PELICAN MARSH COMMUNITY DEVELOPMENT DISTRICT**
2 **NAPLES, FLORIDA**
3 **Regular Meeting and Budget Public Hearing of the Board of**
4 **Supervisors**
5 **July 17, 2024**

6 The regular meeting and budget adoption public hearing of the Pelican Marsh
7 Community Development District Board of Supervisors was held on Wednesday, July
8 17, 2024, at 9:00 a.m. at the Pelican Marsh Community Center, Naples, Florida.

9 **SUPERVISORS PRESENT**

- 10 Robert Giannetti, Chairman
11 Timothy Jackoboice, Vice Chairman
12 Dean Sieperda, Supervisor

13 **ALSO PRESENT**

- 14 Neil Dorrill, Manager, Dorrill Management Group
15 Christopher Dorrill, Field Manager
16 John Vanover, Operations Manager
17 Tony Pires, District Counsel
18 Jared Brown, District Engineer

19 **ROLL CALL/APPROVAL OF AGENDA**

20 All three supervisors were present at the meeting, establishing a quorum. The meeting
21 was convened at 9:00 a.m. The meeting was also properly noticed. The notice and
22 affidavit are on file with the District Office at 5672 Strand Court, Naples, FL 34110.

23 **The agenda was approved as presented on a MOTION by Mr. Jackoboice with a**
24 **second by Mr. Sieperda, with all in favor.**

25 **A. Supervisor Vacancy - Jeffrey Sell, Beth Everett, Brent Smith**

26 There are two vacancies to be filled. Stuart Hall from Tiburon qualified as a candidate to
27 take one of these seats in the November election. Mr. Dorrill informed the Board to
28 focus on one vacancy today as Mr. Hall will be elected without opposition in November.

1 He told the Board they can appoint Mr. Hall now to serve for the next four months if
2 desired before he is elected to the Board in November. They were in agreement of
3 doing this. Three candidates were under consideration today for the vacant position. Mr.
4 Brent Smith from Arielle was the only candidate present at the meeting. He shared that
5 he has lived in the District for four years, is on the finance committee, and volunteers in
6 the area. His professional background is in banking and strategic planning.

7 **Mr. Giannetti made a MOTION to appoint Mr. Brent Smith to the unexpired term of**
8 **Mr. John Minty. Mr. Jackoboice made the second and it passed unanimously.**

9 **The selection of Mr. Stuart Hall to fill Mr. Edward Walsh's seat was affirmed on a**
10 **MOTION by Mr. Sieperda with a second by Mr. Jackoboice, and all in favor.**

11 Both Supervisors will be sworn in at the August meeting. Mr. Pires advised Mr. Smith
12 that the Sunshine Laws are in effect, so he is not to speak with other Board members
13 outside of the meeting, but he is free to contact Mr. Dorrill, Mr. Pires, or Mr. Vanover.
14 Mr. Pires will send him information on the now required ethics course.

15 **PUBLIC COMMENT**

16 Richard Benson thanked the Board for the Airport Gate being open. Mr. Benson asked
17 about what was learned from the Airport project that will be applied to the U.S. 41 gate
18 renovation. Mr. Giannetti shared about what they applied during the Airport gate
19 process that was learned from the Vanderbilt project like the process of getting the
20 power shut off and utilities installed.

21 **FY 2025 BUDGET HEARING**

22 The budget includes a general and debt service fund. The debt service fund is on the
23 Tiburon side of the community that includes all the commercial and professional offices
24 at the Galleria Shoppes. A first class notice about the public hearing and non-ad-
25 valorem assessment increase was sent out to all residents along with a notice on the
26 website and in the newspaper. There is a \$144 increase on the maintenance side. The
27 budget was previously reviewed and approved for the purpose of transmitting to the
28 County as dictated by Florida statutes. For 2025, the non-ad-valorem assessment is set
29 at \$4,697,060, representing a \$425,000 increase over the prior year, or approximately
30 9.5%. This year has been strong for interest earnings on the account, in addition to
31 other associated revenues. Notably, revenue contributions from the former Naples Daily
32 News business park and Mercato for the drainage benefits they receive from the
33 District, third-party agreements are in place with both entities.

1 The total combined budget for next year is \$4,967,600. In compliance with Florida law,
2 there is a revenue reserve of \$200,000 for next year. The overall increase is attributed
3 to two factors: market rate adjustments for blue-collar, supervisory, and management
4 employees, as well as pay raises given to staff in the previous year's budget. Operating
5 expenses for the next year are budgeted at \$4,110,700. Additionally, there is a separate
6 capital outlay and reserves totaling \$856,900. The cost of the third and final gatehouse
7 renovation is not yet included, as it remains unknown at this time.

8 The total Equivalent Residential Units (ERUs) remain unchanged at 2,949. The
9 proposed operating and maintenance assessment for next year is \$1,593. The debt
10 service budget impacts only residents of Tiburon and those who own commercial or
11 professional properties at Galleria. The proposed debt service budget is \$492,443,
12 which includes \$441,034 for principal retirement and interest expenses, with total
13 administrative costs associated with the debt service fund amounting to \$19,700.

14 No questions were received for the public hearing portion of the meeting.

15 **Mr. Giannetti made a MOTION to adopt Resolution 2024-2 adopting the final**
16 **general and debt service budgets for the Pelican Marsh Community Development**
17 **District for fiscal year 2025. Mr. Sieperda made the second and all were in favor.**

18 **Mr. Jackoboice made a MOTION to adopt Resolution 2024-3 levying the debt**
19 **service and maintenance assessment within the Pelican Marsh Community**
20 **Development District for fiscal year 2025 for the benefitting properties. The**
21 **general fund budget is \$4,697,600 and the debt service fund is \$496,526 in**
22 **support of the Series 2022 refinanced bonds. Mr. Sieperda made the second and**
23 **the motion passed unanimously.**

24 **FINANCIALS - MAY 2024**

25 Mr. Dorrill shared the seven-month financials. The District had \$2.5 million in cash with
26 \$1,716,000 in the general fund and \$800,000 in reserves, principally used for capital
27 construction. There were \$250,000 in payables. Almost \$32,000 was received in non-
28 ad-valorem assessments. \$11,250 was received in interest earnings with the total year
29 to date amount approaching \$100,000. Total year to date expenditures are \$219,000
30 over budget, some of that is seasonality driven for things like insurance premiums and
31 annual flowers. Access control is now at full staffing, which was not originally forecast
32 for this fiscal year. This will result in being over budget in access control at year end
33 because the 41 gate is remaining open. Mr. Sieperda asked if the insurance carrier is

1 going to remain the same. Mr. Dorrill responded that he has just submitted a new
2 application

3 **The financials were accepted as presented on a MOTION by Mr. Giannetti, a**
4 **second by Mr. Sieperda, and all in favor.**

5 **MANAGER'S REPORT**

6 **A. FEMA Denial Appeal**

7 FEMA denied part of the claim associated with Hurricane Ian in the amount of
8 \$31,917.19. The vast majority was for horticulture debris cleanup removal and landfill
9 cost. Mr. Dorrill believes that the reviewer did not understand the public nature of the
10 roads and their eligibility. An appeal has been filed.

11 **B. KNOX Estimate for Digital Security Cameras**

12 The proposed upgrades of the security cameras are compatible with the current gate
13 system. Mr. John Hammel shared that upgrading all gatehouses to a digital camera
14 system would allow remote access. This new system would have the ability to tie it into
15 Sheriff's Department. The cost is roughly \$11,000 per installation. The total including
16 labor is \$44,172. Mr. Dorrill wants to make sure license plates are legible on these
17 cameras and requests to see a demo of their quality. This is not a budgeted project and
18 would need to come from reserves. Mr. Dorrill asked if the Board wants to do this
19 project now in fourth quarter or wait until October for new fiscal year. He renewed the
20 line of credit, and they can use it if needed. Mr. Hammel shared that there are currently
21 no cameras at the airport gate. The analog system is in place at the other gates.

22 **Mr. Jackoboice made a MOTION to install digital cameras at the Airport gate in**
23 **the amount of \$8,497. Mr. Giannetti made the second and the motion passed**
24 **unanimously.** Mr. Dorrill will present a budget amendment as needed.

25 **C. Guard Gate Update**

26 The Airport Road certificate of occupancy was received last week, and the gatehouse
27 reopened on Monday morning. A credit change order was submitted to Mr. Dorrill last
28 week, reflecting a \$3,000 refund from the builder, as a separate low voltage electrical
29 permit was not required.

30 Mr. Dorrill asked the auditor to review the source documents and the assumptions
31 behind the \$53,000 change order, in response to a resident's concern. The builder

1 preordered long lead time items to avoid supply chain issues, while other items were
2 purchased directly and supported with invoices. The auditors reviewed final invoices
3 totaling approximately \$20,000 related to the original change order for the revised
4 building. Item 2 on the summary outlined primary costs, including estimates for building
5 permits, construction drawings, and related structural or electrical engineering work.
6 The assumptions used were \$150 per hour for architectural or engineering services and
7 \$85 per hour for project management, which are covered under the current contract with
8 the District. The estimated design-related costs were \$14,000. While payroll records or
9 time sheets were not reviewed at this time, a final closeout number will be provided
10 later. According to the agreement, the builder is entitled to a 15% overhead and profit
11 fee.

12 The auditor deemed the change order reasonable and accurate, given the final invoices.
13 Once all invoices are submitted, expected this month, the process can be finalized with
14 a final report. Mr. Dorrill is satisfied with these findings and costs. Mr. Pires inquired
15 whether the contract includes warranties. Mr. Dorrill confirmed that warranties, along
16 with a release of lien for subcontractors or suppliers, will be provided. Mr. Sieperda
17 asked if the contract had been canceled as discussed in the June meeting. Mr. Dorrill
18 explained that they had informed the builder of their intent to terminate the final contract
19 for U.S. 41 and encouraged them to submit a new quote. The contract will be
20 terminated, with a final accounting reflecting the work done through two thirds of the
21 agreement. Mr. Dorrill has drafted a new request for qualifications for design-build firms
22 based on the agreed conceptual renderings. The board aims to select a new builder this
23 winter, with the expectation that permits will be received around Easter and construction
24 will commence by late spring. Terminating the contract will incur no additional costs
25 beyond those already spent by the builder on long lead-time items.

26 **D. Street Paving/Drainage**

27 Mr. Vanover has had to disconnect some irrigation for this work to be done. Mr. Brown
28 is going to contact the company and see what the holdup is, they were supposed to
29 start work two days ago.

30 **E. Pressure Washing Bids**

31 This is the annual bid award for pressure washing the sidewalks. A guaranteed three-
32 year price was secured for vendor that will do the annual maintenance. Two bids from
33 the preferred vendors were presented, one from Supreme Services the other from
34 Imperial. The District has used both vendors before. Almost 10% of savings was
35 secured by doing a three-year contract. Staff recommended going with Imperial in the

1 amount of \$75,000 vs. Supreme Services bid of \$82,000. They will do the gutters this
2 year, sidewalks in 2025, and gutters in 2026.

3 **Mr. Giannetti made a MOTION to authorize the bid from Imperial in the amount of**
4 **\$75,000. Mr. Jackoboice made the second and all were in favor.**

5 **ATTORNEY'S REPORT**

6 Mr. Pires shared that the small claims case from Mr. Fisk was dismissed.

7 Each special district, starting October 1, will be required to provide a document outlining
8 the established goals and objectives for each program and activity undertaken by the
9 District. This will include performance measures and standards to assess whether the
10 District's goals and objectives are being met. By December, an annual report will be
11 published detailing what has been achieved and what has not. Mr. Dorrill aims to make
12 this a meaningful exercise.

13 **ENGINEER'S REPORT**

14 No report was given at this time.

15 **SUPERVISOR'S REQUEST**

16 **A. Two Crosswalks - Bay Laurel Dr. and Pelican Marsh Blvd.**

17 A crosswalk is desired for the sidewalk that goes to Galleria from Bay Laurel. Mr. Brown
18 mentioned that an insubstantial change to the construction plans will be necessary and
19 that he can complete this by the September meeting. The crosswalk on Pelican Marsh
20 Blvd is more complicated, as it requires changing the curb and crosswalk location and
21 conducting a warrant study. The crosswalk on the Boulevard is currently in the wrong
22 location; it is being considered for relocation to the proper location during paving in that
23 area, possibly next year.

24 **PUBLIC COMMENT**

25 No public comments were received at this time.

26 **ADJOURNMENT**

27 With no further comments, the meeting was adjourned **on a MOTION by Mr.**
28 **Jackoboice, and a second by Mr. Sieperda, at 10:09 a.m.** The next meeting will be
29 August 21, 2024, at 9:00 a.m.