

1       **PORT OF THE ISLANDS COMMUNITY IMPROVEMENT DISTRICT**  
2                                   **NAPLES, FLORIDA**

3                   Regular Meeting of the Board of Supervisors

4                                   March 15, 2024

5   The regular meeting of the Port of the Islands Community Improvement District Board of  
6   Supervisors was held on Friday, March 15, 2024, at 9:30 a.m. at the Orchid Cove  
7   Clubhouse, 25005 Peacock Lane, Naples, Florida.

8   **SUPERVISORS PRESENT**

9   Steve McNamee, Chairman, via Zoom

10   Dan Truckey, Vice Chairman

11   Russell Kish, Supervisor

12   Kevin Baird, Supervisor

13   Anna-Lise Hansen, Supervisor

14   **ALSO PRESENT**

15   Neil Dorrill, Manager, Dorrill Management Group

16   Kevin Carter, Manager, Dorrill Management Group

17   Tony Pires, District Counsel

18   Matt Gilinsky, Florida Utility Solutions

19   **PLEDGE OF ALLEGIANCE**

20   The pledge of allegiance was recited in unison.

21   **ROLL CALL/APPROVAL OF AGENDA**

22   Four of the Five Supervisors were present in person, establishing a quorum, with  
23   Chairman McNamee appearing via Zoom. The meeting was convened at 9:30 a.m. The  
24   meeting was also properly noticed. The notice and affidavit are on file with the district  
25   office at 5672 Strand Court, Naples, FL 34110.

26   **On a MOTION by Ms. Hansen and a second by Mr. Baird, Mr. McNamee's**  
27   **participation by remote attendance due to exceptional circumstances was**  
28   **approved.**

1 Mr. Truckey moved the engineering report to earlier in the meeting.

2 **On a MOTION by Mr. Kish and a second by Mr. Baird the agenda was approved as**  
3 **amended.**

4 **PUBLIC COMMENT**

5 No public comment was received at this time.

6 **UTILITY OPERATIONS - FEBRUARY**

7 Wastewater and water distribution requirements were met. The two pumps on the canal  
8 and the generator are still not operable and repair/replacement is in progress. 2.83  
9 million gallons of wastewater was treated. 3.57 million gallons of water were produced.  
10 7.6 million gallons of reuse were distributed. 990 gallons of chlorine were used.  
11 Improvement work on the plant is still in progress. Mr. Gilinsky thanked Mr. McNamee  
12 for moving dirt for the water plant.

13 A full, annual service on all the analyzing equipment was completed. That equipment is  
14 constantly sampling things like chlorine and pH levels. Mr. Truckey asked about  
15 concerns that have been raised regarding mineral deposits seen on plants, turning them  
16 white. Mr. Gilinsky explained that water naturally contains a lot of minerals because of  
17 the lime rock. The water moves through the stone and is pulled out of the ground and  
18 that is dissolved into the water. This then creates mineral deposits as water dries. The  
19 water evaporates but the minerals stay. When it rains on plants the deposits will wash  
20 off, but it may stick longer on hard surfaces. Having less raw water in reuse system after  
21 the annual cleaning of the RO's will help this occurrence. Mike King from Orchid Cove  
22 is on the landscape committee and made a comment. He said that Mr. Soto reported to  
23 him an increase in deposits that he believed to be more than just limestone. Mr. Soto  
24 was concerned about it. Mr. Gilinsky said he will investigate it and take a look at sample  
25 results to see if anything abnormal changes over time. As of now nothing abnormal has  
26 been seen by him. Landscaping water of the plant is 1/3 reuse and 2/3 raw water.

27 **APPROVAL OF MINUTES FEBRUARY 16, 2024, AND CONTINUATION ON MARCH**  
28 **1, 2024**

29 Minutes were presented for both the regular February meeting and the continuation held  
30 on March 1. Ms. Hansen sent suggested edits to Mr. Dorrill's office which were provided  
31 in a handout. There were no additional changes to the February 16<sup>th</sup> meeting aside from

1 those provided by Ms. Hansen in the handout. Mr. Pires suggested two edits for the  
2 March 1, 2024 minutes.

3 Page 2 line 15 - \$25,000 each not \$2,500

4 Page 3 line 28 - Scott Prephan not Preppin

5 **On a MOTION by Ms. Hansen and a second by Mr. Kish, with all in favor, both sets**  
6 **of minutes were approved as amended including the separate edits from Ms.**  
7 **Hansen provided in the document from Mr. Dorrill.**

## 8 **MANAGER'S REPORT**

### 9 **A. District Engineer, Contract**

10 At the last meeting the selection of Johnson Engineering was authorized as the new  
11 engineer of record. The agreement was presented for general engineering services. Mr.  
12 Pires' revisions including public record and E-Verify language have been added along  
13 with insurance coverage provisions. Mr. Kish asked if Johnson Engineering will have the  
14 capacity to take on the work. Mr. Dorrill and Mr. Pires both said they have a relationship  
15 with them working with other Districts and they are responsive and timely. Mr. Truckey  
16 said they've completed work already for FEMA grants and produced the work on time  
17 abiding to the deadline he gave them. Mr. Dorrill said all engineering firms in this area  
18 are busy right now. Mr. Kish said he is primarily worried about their water management  
19 staff. He asked if working with a GIS specialist would be a separate cost. Mr. Truckey  
20 confirmed it would be. Mr. Pires shared that, if concerned about work being returned on  
21 time, he has had other Districts provide detailed task authorizations which include a  
22 deadline for the work to be returned by.

23 **The Chairman was authorized to execute the agreement with Johnson**  
24 **Engineering as the new engineer of record for the District and create detailed task**  
25 **authorizations on MOTION by Mr. McNamee and a second by Mr. Truckey with all**  
26 **in favor.**

### 27 **B. Commercial Tract Purchase**

28 Mr. Dorrill shared that payments made are in escrow and the final price is to be  
29 determined after HUD calculations. The final payments will be made via wire transfer.  
30 Mr. Pires shared that the notarization will be online because of circumstances. A draft  
31 closing packet was presented. The resolution included verifies that there is a public  
32 purpose for the acquisition that it is appropriate use of the public's funds. Attached to

1 the resolution was the contract and draft closing statements. Everything handed out was  
2 in final form except the HUD statement which may need to be revised regarding how to  
3 handle the prorations from the CDD assessment from last year. The closing statement  
4 will include that the Sanchez's pay the ad valorem taxes from 2023 and January 1,  
5 2024, to closing because they are paid in the rear. Mr. Pires suggested extending the  
6 closing date to March 19, 2024 in order to be able to coordinate online notarization and  
7 finalization of the HUD statement. He explained that non-ad-valorem assessments get  
8 prorated due to the way they are levied. They don't get levied until July or August and  
9 are based upon fiscal year. They will contact the property appraiser for a correction or  
10 adjustment after closing to eliminate the balance of the non-ad-valorem assessment on  
11 the property from March 20, 2024 to September 30, 2024.

12 **Resolution 2024-01 was adopted, and the documents were approved in**  
13 **substantial final form on a MOTION by Mr. Truckey and a second by Mr. Kish with**  
14 **all in favor.**

15 **The first amendment to the contract to extend the closing date to March 15 was**  
16 **made on a MOTION by Mr. Truckey with a second by Mr. Kish, and all in favor.**

17 Mr. Pires thanked Ms. Hansen and Mr. McNamee for gathering paperwork to assist with  
18 the expedited sale.

### 19 **C. FEMA**

20 Mr. Carter shared that they are requesting two new generators that will be stored on  
21 trailers. Everything is moving along in that process, they just figuring out where to store  
22 them. FEMA requires that generators they grant money for be stored outside the flood  
23 plain. Where they currently are is no longer an option. Mr. Truckey shared that they are  
24 working with the EOC to possibly store them at the County's Emergency Operations  
25 Center which is near FSW or at Lely. They must be stored at a governmental facility but  
26 can be offsite and brought in when needed. Mr. Truckey shared that raising up a  
27 building high enough to store them in the District may be an option.

28 Mr. Dorrill shared that he received the proposed proof of loss from the insurance  
29 company yesterday. They have an insurance claim for \$197,000 in property. The policy  
30 that was in place when Ian hit puts value at the depreciated value of assets lost less the  
31 deductible. The proposed insurance proceeds at this point are \$34,741. He is going to  
32 review that and make sure it is consistent. FEMA wants to know what insurance is  
33 collected before they make their rewards. The balance will still be eligible for a grant.

1 Mr. Dorrill is making sure the current policy is amended to reflect the replacement value  
2 opposed to the depreciated value.

3 To be able to collect money from FEMA you must exhaust your insurance money. Once  
4 that is exhausted FEMA will step in and start picking up the difference. The well road  
5 engineering estimate to repair is \$1.433 million. The cost to put in a new pipe that is  
6 approximately the same size, but a different kind of pipe is \$1,145,000. The cost to run  
7 a larger pipe for future demands \$1.3 million. These costs do not include raising the  
8 infrastructure and other things. The total grant requested from FEMA is in the  
9 neighborhood of \$2.5 million.

#### 10 **D. Utility Rate Analysis**

11 Mr. Dorrill and his staff have had two working meetings with the utility rate consultant.  
12 They have asked for enormous amounts of data related to meter size and average  
13 consumption. The intent is to, based off the Board's scope, try to develop a more typical  
14 utility rate structure that would have a base rate whether any water is used or not to  
15 cover the capacity, system, and the depreciation of assets. The plan is to move away  
16 from a non-ad-valorem subsidized rate to a meter size and usage rate. There was no  
17 depreciation schedule received from the previous management company. Mr. Dorrill's  
18 company is having to recreate some information for the rate consultants as to what the  
19 assets are and what their scheduled life is for them to calculate capital improvements to  
20 the existing system that they have. Mr. Dorrill hopes to have their preliminary findings to  
21 present at the April meeting. This gives him two months to work on a tentative budget  
22 for FY 25 before the budget is due to the County on June 15.

#### 23 **FINANCIALS**

24 As of January 31, 2024. Total cash on hand \$5.116 million. The current utility rate  
25 structure requires deposits for tenants, not residents. This is shown on the balance  
26 sheet under current assets. \$15 million in fixed capital infrastructure. The depreciated  
27 value is \$8,446,000. Total assets are \$13.7 million. There was \$45,000 in payables at  
28 the end of the month. The initial FEMA check received in the amount of \$11,000 was  
29 booked in January. \$30,552 in non-ad-valorem assessments were received in January.  
30 Year to date tax revenues are \$329,000 against a budget of \$455,000. Mr. Dorrill's  
31 shared that this may be because POI is a seasonal community which may mean people  
32 do not have residency here or commercial properties not in rush to pay taxes before the  
33 end of calendar year. Year to date the District is \$97,000 below budget in expenses. Mr.

1 Dorrill and Mr. Carter are going to verify that repairs shown on the financials were  
2 categorized properly. There was a big purchase in January for mosquito chemicals.

3 **The financials were approved as presented on a MOTION by Mr. Truckey with a**  
4 **second by Mr. Kish and all in favor.**

#### 5 **ATTORNEY'S REPORT**

6 Mr. Pires shared that he will notify Premier's/Mr. Teague's attorney about the  
7 depreciation schedule not being received. He is also going to talk to his partner about  
8 filing a motion to have the lawsuit expedited. Premier's response is due Monday.

9 Nothing has changed with the Prep Mac lawsuit. Mr. Dorrill has a deposition in two  
10 weeks and Mr. Pires will be preparing him for that.

11 Mr. Pires is working on getting the County to notify the CID of upcoming building and  
12 construction in the District to ensure all easements are followed. At 170 Sunset Cay a  
13 swimming pool and deck are being constructed in the backyard. There were concerns  
14 raised if it were in drainage easement or swale. The County said it is in the swale by  
15 one or two feet. He talked to county staff about the encroachment based on plans  
16 submitted. Mr. Pires is trying to set up a meeting with County staff and members of the  
17 Board along with Mr. Dorrill and Mr. Carter. The goal is to get their attention and get  
18 consistency in their actions and in communication between the County and CID.

19 Mr. McNamee suggested making a rule that if District must spend money defending  
20 encroachments, the cost for that should be passed onto residents. Mr. Pires said that is  
21 not possible but there is the option to adopt a rule that says you cannot engage in  
22 activity in District easements unless you get permission and authority of the district. This  
23 would require court action to enforce that. The district does not have authority to fine  
24 they can only to sue if that rule is recorded and then broken. Mr. Pires will present an  
25 example of this rule that is in effect in another District and see if the Board wants to  
26 enforce a similar rule.

27 Mr. McNamee asked Mr. Pires if he had any information on the marina ERC's that were  
28 supposed to have been purchased when they expanded. Mr. Pires did information yet.  
29 He said he will investigate it this week and provide his findings to Mr. Dorrill.

#### 30 **ENGINEER'S REPORT**

31 No report was given.

1 **OLD BUSINESS**

2 **A. Swale Maintenance**

3 Ms. Hansen shared that they are still working on getting the swales cleaned out and  
4 properly leveled. They are waiting to move the flush valves until the remote chlorinator  
5 discussion. One on Venus must be moved because a new house is being built and it's  
6 in the middle of the property.

7 **NEW BUSINESS**

8 Ms. Hansen suggested sending out a mailing to people who have swales in their  
9 backyards reminding them not to put things in them as the rainy season approaches  
10 and to remove plants or pots they may have placed in them. Mr. Dorrill suggested  
11 sending this out via a separate flyer in the next utility bill, which is the cheapest option.  
12 Mr. Truckey was for it. Mr. Dorrill suggested asking Soto for a list of people who have  
13 obstructions in the swales to send out additional targeted emails or mailings.

14 Mr. Truckey addressed the audience encouraging them to provide Dorrill Management  
15 with their email address so they can receive information from the District.

16 **SUPERVISORS' REQUESTS**

17 Mr. Kish asked if it would be possible to cut the curb at the entrance of the Marina  
18 where it often floods in the rainy season so the water can drain into the grass. Ms.  
19 Hansen shared that she has asked Soto for an estimate to do this work.

20 Mr. McNamee shared that he would like to take out some of the vegetation in front of  
21 the sign on Newport and replace it with flowers and smaller, more low maintenance,  
22 plants. He would like to get an estimate for this. He also suggested landscaping in  
23 meridian on Newport and is looking for input from community as to what they would like  
24 to see there.

25 **PUBLIC COMMENT**

26 Ron Westerman – Cays Drive – Shared things he has noticed at the Marina including  
27 safety issues, failure on seawall in a couple of areas, infrastructure of the swales  
28 draining water, the seawall itself, and insufficient lighting especially near the seawalls  
29 even during the day. He was looking for guidance on who to talk to in order to get these  
30 issues resolved. Mr. Pires said to notify Collier County. Lighting is not a CID issue, and  
31 neither are drainage swales if not owned/maintained by the District. Mr. Kish thought it  
32 would be inspected when they did extension. Mr. Truckey said no because the

1 extension was to add extra docks, not to evaluate the seawall. Ms. Hansen and Mr.  
2 Baird will look at the seawall during the week.

3 Patrick Otenbaker – Newport Drive – Shared that the two docks were lengthened to  
4 accommodate larger boats, resulting in less boats overall. Said that as he understands  
5 it, the seawall is owned by Tom who owns resort and has been proven to be hotel  
6 property. He said that the rest of the marina is owned by the County.

7 Mr. Otenbaker shared that he is personally looking into writing a grant to dredge the  
8 canal. Mr. McNamee said if there is anything the Board or he personally can do to help  
9 to please reach out.

10 Mr. McNamee followed up about the deposit discussed at the last meeting and whether  
11 it was refunded. No answer was given at this time. He also brought up the conversation  
12 that was held last meeting about getting an additional light or two at South Stella Maris  
13 for safety reasons. He asked who was in charge of that and to see if LCEC can put in  
14 more lights. Ms. Hansen agreed to survey the community to see where there are dark  
15 spots.

## 16 **ADJOURNMENT**

17 The next meeting will be April 19, 2024, at 9:30 a.m. **On a MOTION by Mr. Kish and a**  
18 **second by Ms. Hansen, with all in favor, the meeting was adjourned at 10:44 a.m.**