

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

3 **Budget Public Hearing and Regular Meeting of the Board of**  
4 **Supervisors**  
5 **July 19, 2024**

6 The budget public hearing and regular meeting of the Port of the Islands Community  
7 Improvement District Board of Supervisors was held on Friday, July 19, 2024, at 9:30  
8 a.m. at the Orchid Cove Clubhouse, 25005 Peacock Lane, Naples, Florida.

9 **SUPERVISORS PRESENT**

10 Steve McNamee, Chairman  
11 Dan Truckey, Vice Chairman, Via Zoom  
12 Russell Kish, Supervisor  
13 Kevin Baird, Supervisor  
14 Anna-Lise Hansen, Supervisor, Via Zoom

15 **ALSO PRESENT**

16 Neil Dorrill, 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 Three Supervisors were present in person, establishing a quorum. Mr. Truckey and Ms.  
23 Hansen participated via Zoom. The meeting was convened at 9:30 a.m. The meeting  
24 was also properly noticed. The notice and affidavit are on file with the District Office at  
25 5672 Strand Court, Naples, FL 34110.

26 **Mr. Truckey and Ms. Hansen's participation via Zoom due to extenuating**  
27 **circumstances was unanimously approved on a MOTION by Mr. Baird with a**  
28 **second by Mr. Kish.**

1 **On a MOTION by Mr. McNamee and a second by Mr. Baird the agenda was**  
2 **approved as presented, with all in favor.**

3 **PUBLIC COMMENT**

4 Joyce Carlina – Peacock Ln – Mentioned an overdue sign on 41 that is facing the wrong  
5 way and should come out.

6 Lindsay Case – Briefing on Parcel 13. Waiting for the final plat, in the process of  
7 submitting and getting the first round of comments back from Collier County. Has a  
8 builder that is interested in the community.

9 **APPROVAL OF THE MINUTES - JUNE 2024**

10 **On a MOTION by Mr. Truckey and a second by Mr. Kish, with all in favor, the**  
11 **minutes from the Workshop on June 14 and the regular meeting on June 21 were**  
12 **approved as presented.**

13 **UTILITY OPERATIONS - JUNE 2024**

14 All wastewater and water distribution requirements were met. The reuse system is  
15 functioning properly at the plant. The station on the canal is operating on two pumps.  
16 The wastewater facility received 1.81 million gallons of wastewater and produced 2.87  
17 million gallons. Utility staff read 857 meters and did 9 rereads. All pump stations were  
18 inspected weekly. Replacement and upgrade work is continuing at the plant. All lift  
19 stations were pumped down and cleaned. The roof on the holding tank that needs  
20 maintenance appears likely to qualify for FEMA reimbursement. Mr. McNamee asked if  
21 it was acceptable to continue delaying the work until the grant is confirmed. Mr. Gilinsky  
22 agreed that it was fine to keep postponing it.

23 **MANAGERS REPORT**

24 **A. FY 2025 Budget Hearing/Adoption**

25 Per discussion at last month's Board meeting, it was decided that the combined  
26 assessment was not to exceed \$1,700. The maintenance assessment is \$878,355 and  
27 the water and sewer is \$1,042,738, bringing the combined assessment to \$1,699.92.  
28 This is a \$374 increase (about \$31 more per month) over the current year on the  
29 general fund side to increase the capital reserve fund.

30 Joyce Carlino – Orchid Cove – Asked if water rates will also be raised with the budget  
31 assessment. Mr. Dorrill said the Board has discussed waiting to change the utility rate

1 structure until Fiscal Year 2026. Ms. Carlino asked if fishing boats at the marina will be  
2 charged as much as condominiums and she was told that was a boat slip.

3 Kathryn Kehlmeier – Sunset Cay – Asked for the breakdown of assessments at the last  
4 meeting and has yet to receive it. She commented that she cannot figure out the  
5 breakdown for a condo or boat slip, noting that from what she can tell a boat slip is the  
6 same amount as condo. She shared that it was \$403 boat slip last year and when she  
7 looked at her tax bill from 2023 it was \$213.04. Mr. Dorrill shared that there are no  
8 changes to methodology this year and the changes from last year remain in effect. The  
9 individual equivalent residential unit amount is \$777.23 on O&M side and \$922.69 on  
10 the utilities side. Multi-family units and boat slips pay a fraction of that based on the  
11 benefits that they receive. Ms. Kehlmeier gave Mr. Dorrill an example of the breakdown  
12 of the assessment that has been done in years past that she is looking for currently.

13 Lindsay Case – Parcel 13 – Asked if the Board has secured an underwriting firm to do a  
14 20 year financing model for the District. Said the fees seem rational and it would be nice  
15 for the \$9 million to be put into a 20 year life cycle and model of maintenance. Mr. Dorrill  
16 said that exists and the ability to manipulate that model through the utility rate work that  
17 has been done with Raftelis can change assumptions. The utility rate analysis is  
18 available on the website.

19 John Kehlmeier – Newport Dr – Said the sole purpose of the CID is to manage the  
20 water plant. He said if any money is spent that takes money away from the water plant  
21 there is a problem with liability according to the by-laws. Mr. McNamee said the CID is  
22 responsible for more than the water treatment plant. Mr. Dorrill clarified that O&M funds  
23 and utility funds are not commingled.

24 **Mr. Kish made a MOTION to adopt Resolution 2024-2 adopting the final general**  
25 **budget of the Port of the Islands Community Improvement District for Fiscal Year**  
26 **2025 in the amount of \$878,355. Mr. Baird made the second and all were in favor.**

27 **Mr. Truckey made a MOTION to adopt Resolution 2024-3 levying a maintenance**  
28 **assessment and separate water and sewer assessment totaling \$1,042,738 (a**  
29 **combined assessment of \$1,699.92 per ERU) for Port of the Islands Community**  
30 **Improvement District for Fiscal Year 2025. Ms. Hansen made the second and all**  
31 **were in favor.**

1 **B. Independent Auditor's Report**

2 The fiscal year 2023 audit will be uploaded to the website, Grau and Associates is the  
3 auditing firm. The result was a clean audit with no exceptions. There was one business  
4 qualified opinion Mr. Dorrill wanted to make the Board aware of. From October 2022 –  
5 February 2023 the supporting information for utility usage reports was not available  
6 when requested by the auditors. The auditors do a variety of tests to determine  
7 accuracy and validity of journal entries in the ledger. At year end the District had  
8 \$12,509,102 in a fiscal year net position and fund balance in terms of assets that were  
9 there.

10 **C. ACH Verification**

11 Effective in June the utility billing system was complete. Bill by email with electronic  
12 payment is now also available. Mr. Dorrill will add a notice on the website homepage  
13 informing the community that this is now available.

14 **D. Admin Rules/Late Fees**

15 A \$25 late fee is currently in place, and the policy states that water cannot be turned off  
16 if the delinquency is less than an average of one month's bill. The Board desires to  
17 update the utility billing policy to include a late fee structure. If necessary, the Board can  
18 also adjust the due date. They intend to implement these changes in the first quarter of  
19 the new fiscal year. This process will involve a rule amendment procedure, including a  
20 public notice in the newspaper. A separate notice about the proposed rule will be sent,  
21 and a public hearing will be scheduled to allow individuals to file objections or  
22 comments. Mr. Pires mentioned that this could be completed by October.

23 **FINANCIALS - MAY 2024**

24 As of May 31, 2024, there was \$4,707,995 in cash, less \$10,000 classified as current  
25 assets. The purchase of the commercial property closed this month. Fixed property  
26 equipment adds another \$8,556,000, net of depreciation. Total assets amounted to  
27 \$13,264,000, with \$90,000 in payables. Interest earnings were \$15,200. Received  
28 \$18,000 in non-ad-valorem assessments, bringing the year-to-date total to \$384,000  
29 against a budget of \$455,000. Mr. Dorrill was initially concerned about this, but in June,  
30 an additional \$167,000 in assessments were received, bringing the total to  
31 approximately 95-96% of the budgeted amount. Total year-to-date expenses are  
32 \$127,000 under budget.

1 **ATTORNEY'S REPORT**

2 A formal license agreement is to be sent to Southern Exposure. Discussions have been  
3 held regarding an annual license agreement for \$5,000 per year. Mr. Pires wanted to  
4 confirm that this is acceptable to the Board before sending it to them. Ms. Hansen  
5 agrees with sending this amount, Mr. Kish thinks the amount seems kind of expensive.  
6 Mr. McNamee explained that this amount was suggested because another company  
7 offered to pay that. He noted that in the past, they were paying \$1,000 per use. Mr.  
8 Baird suggested offering an option of either an annual rate or a per-usage price. Mr.  
9 Kish agreed with this idea, but Ms. Hansen did not. Mr. Truckey said he is fine with it as  
10 long as management costs and liability coverage are accounted for. He proposed a limit  
11 on how long equipment can be stored, with a two-week staging period and the option to  
12 request extensions. Ms. Hansen expressed concerns about managing usage payments  
13 and ensuring they are made each time. Mr. Pires noted that from an operational  
14 management perspective, it is easier to collect the money upfront and still require  
15 scheduling of usage in advance.

16 **Ms. Hansen made a MOTION to accept the \$5,000 one-year license fee requiring**  
17 **scheduling usage with the manager ahead of time and two week staging with the**  
18 **option to request an extension. Mr. McNamee made a second, with Mr. Baird and**  
19 **Mr. Truckey in favor, Mr. Kish opposed.**

20 Regarding the Prepmac litigation, a request for production of documents has been  
21 drafted. Mr. Pires' office will be sending that out today or Monday. He is trying to  
22 minimize costs and expenses to the District.

23 Regarding the lawsuit against Mr. Teague, Mr. Pires will add qualifying language noted  
24 in the audit review to the affidavit they are preparing for either Mr. Dorrill or Mr. Carter to  
25 sign to support a motion to get priority hearing.

26 Regarding Lindsay Case and Parcel 13, the review period for the plat ends August 17.  
27 Mr. Pires has done an initial review and would like Johnson Engineering to do a detailed  
28 review. Mr. Pires identified a glaring issue with the plat as it says Collier County is  
29 providing water and sewer when in fact the District is. He would like to have a meeting  
30 of the Board to go over his, Mr. Dorrill's, and the Engineer's comments and approve or  
31 disapprove aspects of the documents to put together a final comments package to go to  
32 Mr. Case, his attorney, his engineers and to Collier County.

1 **ENGINEER'S REPORT**

2 No engineering report was given at this time.

3 **OLD BUSINESS**

4 No old business was discussed.

5 **NEW BUSINESS**

6 No new business was discussed.

7 **SUPERVISORS REQUESTS**

8 Mr. Baird mentioned that the Orchid Cove lake does not look like it has been mowed.  
9 He wants to make sure it is taken care of before needing to turn it over to code  
10 enforcement. A resident responded that it gets too wet, and the lawn mower sinks into  
11 it, this happens often during rainy season and that is why it is in that condition.

12 Mr. Baird also noticed a brush pile at the hotel has not been moved and will also report  
13 this to code enforcement. Mr. Kish saw the code enforcement inspector at the hotel and  
14 was told the seawall is probably failing and that it is the responsibility of the Marina. Mr.  
15 McNamee asked if it is the County Marina or the Boat Dock Marina, the answer to that  
16 is unknown. Mr. Pires is going to check that. Mr. Truckey said he spoke with people at  
17 the Boat Dock Marina that were under the impression that the hotel owned that area.

18 Mr. Kish shared that Mr. Truckey is working on grants for the roads and sidewalks.  
19 Asked how long they would have to wait to do the roads if they have to wait for grant  
20 approval before beginning the work instead of using the money allocated for roads from  
21 the assessment. He believes the Board should start making a plan for the resurfacing  
22 work.

23 **PUBLIC COMMENTS**

24 No public comment was received at this time.

25 **ADJOURNMENT**

26 The next meeting will be a continuation of this meeting on Thursday July 25, 2024, at  
27 1:30 p.m. **On a MOTION by Mr. McNamee and a second by Mr. Kish, with all in**  
28 **favor, the meeting was continued until July 25<sup>th</sup> at 1:30 pm.**