

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

3 Regular Meeting of the Board of Supervisors

4 November 15, 2024

5 The regular meeting of the Port of the Islands Community Improvement District Board of
6 Supervisors was held on Friday, November 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

10 Dan Truckey, Vice Chairman, Via Zoom

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 Zach Lombardo, Associate District Counsel

18 Matt Gilinsky, Florida Utility Solutions

19 Mitch Gilbert, Florida Utility Solutions

20 **PLEDGE OF ALLEGIANCE**

21 The pledge of allegiance was recited in unison.

22 **ROLL CALL/APPROVAL OF AGENDA**

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

1 **The agenda and Mr. Truckey's full participation via Zoom due to extenuating**
2 **circumstances was approved on a MOTION by Mr. McNamee, with a second by**
3 **Mr. Baird, and all in favor.**

4 **EMAIL LIST UPDATE**

5 Mr. Dorrill collected the email addresses of community presidents to create a
6 distribution list. This allows him to send community information to the presidents, who
7 will then share it with their communities, instead of using a master email list as originally
8 planned. Going forward, meeting attendance will be tracked by confirming the presence
9 of a representative from each community.

10 **PUBLIC COMMENT**

11 Rick Benedict - The Lakes - Mr. Benedict inquired about the progress of FEMA grants
12 and the work on the roads and at the plant. Mr. Truckey and Mr. Dorrill explained that
13 the grants have been applied for but have not yet been awarded. Much of the work is
14 included in the capital improvement plan and has been budgeted for. However, the work
15 cannot begin until the grants are awarded, as starting it beforehand would make the
16 project ineligible for funding, and it would be removed from the grant process.

17 Kathryn Kehlmeier – Newport Drive – Ms. Kehlmeier requested that the website be
18 updated to reflect that it is managed by Dorrill Management, rather than Premier District
19 Management. She also pointed out that the website states the marina has 174 slips,
20 when it actually has 175. Additionally, her association was late on one payment for one
21 of their six meters. She emailed Mr. Dorrill to request a \$25 late fee credit. However, Mr.
22 Dorrill responded that the Board does not handle refunds and will not be issuing one.

23 Deb Mac – Ms. Mac inquired about the possibility of reserving a room for a monthly
24 women's meeting. Mr. McNamee recommended contacting Tom at the Hotel to inquire
25 about using the conference room.

26 Joyce Brownley – Ms. Brownley inquired about installing cameras at the proposed
27 security gates. Mr. McNamee clarified that the idea is still in the discussion phase and
28 that they are seeking community input. He noted that many ideas discussed in the
29 meeting may never be implemented.

30 She also asked about the \$676.45 increase for B and D docks, as they do not use
31 septic and only consume a small amount of water. Mr. Dorrill explained that the overall
32 increase was \$236 per ERU. The combined assessment last year was \$1,463, and this

1 year, while the utility rate remained unchanged, the general fund rate was increased to
2 \$777 due to factors such as insurance and electrical costs, bringing the combined rate
3 this year to \$1,699. Mr. Dorrill offered to review her bill after the meeting to help clarify
4 the increase.

5 Mr. Truckey explained that if the ERC increased from 0.25 to 1.0, it would result in
6 about a \$600 increase. Mr. McNamee clarified that the O&M assessment, which was
7 adjusted from 0.25 or 0.5 to 1.0, is unrelated to what is on top of people's property; it
8 pertains to the utility portion of the bill. He further explained that the Board is working to
9 equalize assessments across the District and needs additional funds for the Capital
10 Improvement Plan (CIP).

11 Mr. Truckey provided a detailed explanation of why every property was adjusted to a 1.0
12 ERC. He noted that the O&M portion of the bill covers expenses like roads, storm
13 sewers, and landscaping across the District. The question was raised whether condo,
14 boat, or home owners use the roads or storm sewers more or less than others. After
15 reviewing the situation, it was determined that everyone uses the O&M services equally,
16 hence the change.

17 Joe Mizirko – Mr. Mizirko, a resident of the community for three years, commended the
18 Board for their efforts, noting that they are doing more than previous Boards. He
19 suggested considering deed restrictions or rezoning the commercial properties at the
20 front of the community that are owned by the District.

21 Nick Malley - Port of Islands Marina – Mr. Malley pointed out that B and D docks have
22 small slips for pontoon boats and questioned why someone with a pontoon boat should
23 pay the same as someone living on a boat. Mr. Kish responded that, in the last six
24 years, there has been no increase in water rates, and the non-ad valorem assessment
25 is virtually unchanged, now back to where it was before being reduced three or four
26 years ago. He also noted that some boats on B and D docks are worth well over a
27 million dollars. He compared the costs of different options: docking a boat downtown
28 would cost about \$75,000 a year without owning the dock, while owning a dock and
29 spending about \$12,000 a year is much more affordable. Alternatively, storing a boat in
30 the water in Goodland would cost around \$5,000 a year. He emphasized that costs
31 have been rising, but the Board has been working to keep increases as low as possible.

32 **APPROVAL OF THE MINUTES - SEPTEMBER 2024**

33 The following changes were made to the September minutes:

1 Page 5 line 7 BRIC grant

2 Page 6 line 15 Premier

3 Line 29 page 6 "Mr. Truxton pointed out" instead of "he pointed out"

4 Page 8 line 13 Ethics Commission not committee

5 **The minutes were accepted as amended on a MOTION by Ms. Hansen, a second**
6 **by Mr. Truckey and all in favor**

7 **UTILITY OPERATIONS - OCTOBER 2024**

8 Mitch Gilbert provided an update on the capital improvement project approved in the
9 spring. The plant has been divided into two sections, with one section offline since he
10 started. The Department of Environmental Protection (DEP) requested that it be brought
11 back online, and this has been completed 100%, with the section now functioning as
12 designed. The disc filter is expected to be delivered in December. If it arrives on time, it
13 will meet permit requirements, but if there are delays, they will need to request an
14 extension from the DEP.

15 Regarding the fire hydrants discussed at the last meeting, they have been completed.
16 Mr. Gilbert also worked with engineers and spoke with the DEP about a project to test
17 removing ammonia from the water. The cost for engineering, permitting, and the pilot
18 program is \$15,000, with an additional few thousand dollars for sampling, which would
19 require three months of testing. Mr. Gilbert expressed that he doesn't see any need to
20 use ammonia and strongly recommends its removal.

21 He also addressed concerns about asbestos in the water. He confirmed there have
22 never been any positive test results for asbestos. The concern involves a line between
23 the plant and the water system, but water passes through reverse osmosis (RO)
24 treatment, which filters everything out. Lastly, he estimated that the water tank could fail
25 in 2-3 years, but there is still time to address the issue before it becomes a danger.

26 Mr. Gilinsky reported that 2.06 million gallons of wastewater were processed, and the
27 water plant produced 3.2 million gallons of water. A total of 5.66 million gallons of
28 reused water was distributed in October, with no odor complaints received. Minor
29 backflow repairs were made, and 857 meters were read, including 4 rereads. The plant
30 used 310 gallons of chlorine and conducted weekly inspections of all pump stations.

1 Additionally, there was significant maintenance work completed between the last board
2 meeting and this one.

3 **MANAGERS REPORT**

4 **A. FEMA Grants**

5 Discussed earlier in the meeting.

6 **B. Utility Rate Analysis Workshop**

7 The Board has received the results of the utility rate analysis. The executive summary
8 and recommendations have been uploaded to the website. A workshop will be
9 scheduled in January to discuss the findings and explore ways to reduce the reliance on
10 non-ad-valorem assessments to fund the utility system. The workshop will be scheduled
11 based on the availability of the rate analysis consultant and may take place before or at
12 the beginning of the regular meeting in January.

13 **C. SFWMD License Agreement**

14 The SFWMD is working on a manatee project aimed at creating a safer habitat during
15 the winter. The plan involves bringing in a construction field office and 2,500 cubic yards
16 of riprap to stabilize the banks for an extended period. They are willing to require the
17 contractor to set up a temporary pole for powering the field office. The project team is
18 requesting a construction easement, but Mr. Pires advised using the CID's standard
19 license agreement instead, which would include fees and an additional security deposit
20 to cover any potential damage to the seawall. Mr. Truckey will meet with SFWMD to
21 discuss how they can assist the CID if this project and agreement are allowed.

22 **D. WW Treatment Permit Renewal**

23 The permit to operate the wastewater plant has been renewed, and it is effective for
24 either 5 or 10 years.

25 **E. Munibilling Call Center Update**

26 The average wait time for the Munibilling Call Center is 50 to 55 seconds, with the
27 worst-case scenario being a 10-minute hold. Very few voicemails are left for callbacks.
28 Three accounts are more than \$1,000 behind on payments, in accordance with the
29 guidelines. Shut offs are scheduled following the placement of a door hanger and a final
30 notice of shutoff. Mr. Dorrill will verify whether the water leak, for which the hotel needs
31 to provide reimbursement, is included on their bill, as requested by Mr. Truckey.

1 **FINANCIALS - SEPTEMBER 2024**

2 Mr. Dorrill presented the preliminary, unaudited year-end financials. All previous audits
3 are available on the website under the document portal. The year-end cash balance is
4 \$4.6 million, with \$15 million in fixed assets. Total depreciated assets amount to \$13.15
5 million, with \$324,000 in payables, mostly related to capital improvements made to the
6 utility system at the end of September. Interest earnings totaled \$234,000. The general
7 operating fund is \$192,000 below budget, and the combined utility fund is \$119,000
8 below budget. Overall, the District is in a favorable cash position, with a positive income
9 statement. Insurance has been placed with a new firm at a higher cost but with
10 significantly better coverage. A two-year fixed premium was negotiated, and there will
11 be no rate increase until Fiscal Year 2026.

12 **ATTORNEY'S REPORT**

13 Mr. Zach Lombardo of Woodward, Pires, & Lombardo will be the new primary attorney
14 for the District, replacing Attorney Pires. He shared that his experience as District
15 Attorney for Everglades City, along with his knowledge of Port of the Islands, gives him
16 a strong understanding of the area's unique aspects.

17 The Prepmac mediation is scheduled for Tuesday, and an update will be provided at the
18 next meeting.

19 Regarding the PDM Public Records lawsuit, a hearing was held to expedite the process.
20 The court ruled in favor of the District, ordering the prior manager to produce additional
21 records in a timely manner. The District has received a response and Mr. Lombardo is
22 currently working with Mr. Dorrill and Mr. Carter to review the records they have
23 received and identify any remaining gaps.

24 Mr. McNamee also mentioned that he had a phone call with MI Homes, who have
25 signed a letter of intent for the purchase of Lindsay Case's land.

26 **ENGINEER'S REPORT**

27 No engineer report was given at this time.

28 **OLD BUSINESS**

29 No old business was discussed.

1 **NEW BUSINESS**

2 No new business was discussed

3 **SUPERVISORS REQUESTS**

4 Mr. Baird noted that there are many vacant lots in the community with overgrown grass.
5 He has been working with Mr. Carter to notify both the County and the landowners. If
6 necessary, code enforcement will be involved to address the issue.

7 Mr. McNamee mentioned a 75-foot wide strip of land owned by the District that is not
8 mowed unless he does it. In reviewing meeting minutes from several years ago, Mr.
9 McNamee discovered that there were plans to build a gas station on Scott Prephin's
10 land, but the project fell through. He is unsure why the project was abandoned, though
11 he was told it was due to street access issues. Nothing can be built on Prephin's land
12 unless it passes through CID land which gives them some leverage.

13 Mr. Dorrill received a letter from Civil Engineer Johnson Engineering. The staff had
14 previously requested an evaluation of costs to design the raw water main, which needs
15 to be replaced at some point. Mr. Dorrill would like to proceed with preliminary design
16 work. Mr. Truckey noted that this information could be used in the work with FEMA. The
17 total estimated cost for engineering and permits is approximately \$100,000. The water
18 line itself is expected to cost around \$1.2 to \$1.4 million. If a grant is approved, both the
19 engineering costs and the water line replacement will be covered. He believes moving
20 forward with this is a good idea, as the grant writers think that having engineering
21 documentation will help push the grant process along. The preliminary design, survey,
22 and bidding phase will cost about \$40,000. **Mr. Truckey made a MOTION to fund the
23 engineering work for the design phase, with a second from Ms. Hansen and all in
24 favor.**

25 Mr. McNamee asked if it would be better to take out a loan at 1-2% interest rather than
26 using reserve funds that are earning 4.9% interest. Mr. Lombardo suggested that taking
27 a loan might make sense, especially since the SRF program offers significant
28 forgiveness opportunities, particularly for water and wastewater projects. He noted that
29 the SRF program is an excellent option for utility development.

30 Mr. Truckey proposed creating a committee to gather information about gates, logistics,
31 cameras, and related matters. The committee would assess community interest and
32 report back to the Board at a subsequent meeting. Mr. McNamee suggested that HOA
33 presidents discuss the issue at their meetings and report back on behalf of their

1 communities. Mr. Dorrill will contact them via the email list gathered earlier. The
2 committee would explore how gates, cameras, and other security measures could be
3 implemented, then report the community's interest to the Board. Mr. Lombardo
4 cautioned that there are legal restrictions regarding committees that need to be
5 considered.

6 Regarding commercial lawn care, Mr. Kish asked if it would be possible to limit the
7 frequency in the community. Mr. Dorrill explained that this is not feasible because the
8 roads are public, and there are no police or zoning powers to restrict it.

9 Mr. Kish suggested making a donation to a memorial for the Marine who died in the
10 hotel shooting. **Mr. Baird made a MOTION to donate \$500 to Angels of Heroes with**
11 **a second by Mr. Truckey, and all in favor.**

12 PUBLIC COMMENTS

13 Mike *Inaudible* - Resident asked who handles dredging in between culvert and storm
14 drains. Ms. Hansen says she goes around during hurricane season and anytime a
15 hurricane is coming.

16 Peter Castellano – Stella Maris – Mr. Castellano, who has been living in the community
17 for four years, suggested that Board members respond to inquiries on NextDoor. Mr.
18 Dorrill explained that, as public officials, any responses from Board members would
19 become public records. He advised that people should contact his office directly with
20 any questions.

21 Jim Sullivan – Mr. Sullivan shared that he was not aware of the rate change for the boat
22 slips. Needs to have a fair allocation methodology for O&M and boat slips. Need
23 process and methodology report that makes more sense and is more fair. He Would like
24 a copy of the study that was done and to speak to rate consultant. Mr. Dorrill said it is
25 on website and to send email if he encounters difficulties retrieving it.

26 Michael *Inaudible* - Lives on a boat and noted that when he first moved here, his taxes
27 were a quarter of what they are now. Over the past six years, his taxes have
28 quadrupled. He expressed concern about the fairness of the tax increases, especially
29 since he is not allowed to homestead his property because it is a boat slip.

30 Don Rokowski – Peacock Lane – Mr. Rokowski, who owns a condo and a boat slip on B
31 dock, believes it is unfair to pay twice for the boat slip, especially when he receives little

1 benefit from it. Mr. Dorrill explained that the decision to increase the ERC fee was made
2 in July or August of last year.

3 **ADJOURNMENT**

4 The next meeting will be on December 20, 2024, at 9:30 a.m. **On a MOTION by Ms.**
5 **Hansen and a second by Mr. Kish, with all in favor, the meeting was adjourned at**
6 **11:39 a.m.**