

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 August 15, 2025

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, August 15, 2025, 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
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 Kevin Carter, Manager, Dorrill Management Group
18 Zachary Lombardo, District Counsel
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 Four supervisors were present in person, establishing a quorum. Ms. Hansen appeared
24 via Zoom. The meeting was convened at 9:30 a.m. Both meetings were properly
25 noticed. The notice and affidavit are on file for both the regular public meeting and the
26 budget public hearing with the District Office at 5672 Strand Court, Naples, FL 34110.

27 **The agenda as presented and Ms. Hansen's full participation via Zoom due to**
28 **extenuating circumstances were approved on a MOTION by Mr. McNamee, a**
29 **second by Mr. Kish, and all in favor.**

1 **PUBLIC HEARING**

2 Mr. Dorrill opened the Fiscal Year 2026 Budget Public Hearing. The proposed Fiscal
3 Year 2026 general fund budget is \$983,855, with \$878,355 coming from non-ad
4 valorem assessments and the remainder from interest earnings and miscellaneous
5 revenues. The proposed assessment is \$777.23, the same as the current year. The
6 Board had previously increased the assessment to establish a contribution to the capital
7 reserve, which will total \$400,000 next year—a reduction of \$23,250. Capital outlay for
8 landscape improvements is also reduced, from \$50,000 to \$25,000, due to the lack of
9 current projects. In addition, the supplemental mosquito budget of \$15,000 has been
10 eliminated, with any future needs to be addressed through the contingency fund.
11 Altogether, these changes result in \$63,250 in cuts. The adjusted assessment is
12 \$815,105, representing a reduction of about \$54 to the O&M general fund. This lowers
13 the O&M assessment by 7.5%, bringing it to \$721.26. The budget is scheduled to be
14 adopted at next month's meeting.

15 The utility fund budget is increasing to \$1,568,800. There will be no non-ad valorem
16 assessments next year, as the fund will shift to a metered rate basis. The new rates are
17 scheduled to be adopted at next month's meeting, with implementation effective
18 October 1. The primary reason for the increase on the irrigation side is the adoption of a
19 flat tier rate per 1,000 gallons consumed. It is also important to note that the tax
20 collector and property appraiser are constitutional fee officers, with slightly more than
21 3% withheld from each tax dollar collected. Early payment discounts on taxes also
22 come out of CDD revenues rather than being paid by the county. Since these discounts
23 will no longer need to be charged back on bills, the overall effect is essentially neutral.

24 Mr. Gunther noted several transposition errors on the spreadsheets that Mr. Dorrill
25 verified had since been corrected and raised questions, including a request for
26 clarification on "other contractual services." Mr. Dorrill explained that these services
27 cover the cost of recording and streaming the meetings, as well as transcription. A
28 question was also raised regarding the annual doubling of website fees. In response,
29 Mr. Truckey requested exploring the option of self-managing the website, or at minimum
30 gaining the ability to post notices independently, in order to help reduce costs.

31 **The Chairman was authorized to execute Resolution 2025-2 adopting the final**
32 **general fund budget of \$815,105 (after adjustments) for fiscal year 2026 for Port of**
33 **the Islands Community Improvement District on a MOTION by Ms. Hansen, a**
34 **second by Mr. Truckey and all in favor.**

1 Resolution 2025-3 levies the maintenance assessment within the Port of the Islands
2 Community Improvement District for FY 2026. The current roll reflects 11,030 11/10th
3 ERUs. Since the last meeting, Mr. Kish and Mr. Dorrill held a teleconference with Mr.
4 Weyer, who develops most CDD/CID assessment methodologies in Southwest Florida.
5 If any changes to the current roll are suggested, Mr. Dorrill needs to receive them today
6 before transmitting the roll to the property appraiser.

7 Mr. McNamee reported that he had spoken with Mr. Lombardo regarding non-ad
8 valorem assessments for O&M. He noted ongoing discussions with marina
9 representatives about stormwater runoff and whether their usage is comparable to
10 others. Mr. McNamee stated he had not realized that most, if not all, HOAs within the
11 community are responsible for their own stormwater drainage. He reviewed how
12 Southern Plantation CDD structures its assessments, where all property owners share
13 in costs for landscaping, streetlights, and administration. He pointed out that stormwater
14 management is one of the least expensive budget line items, but emphasized the need
15 to ensure fairness in its allocation. Mr. McNamee suggested that condominium
16 assessments might be reduced from 1.0 to approximately 0.9, though he noted the
17 calculations had not yet been completed. He added that stormwater management
18 affects the entire Port, and therefore all owners should contribute their fair share, it is
19 not just about having a house.

20 Mr. Kish referenced the County's attempt a few years ago to implement a stormwater
21 special assessment. Mr. Lombardo explained that the County board never approved it,
22 not because it could not be done, but because the County's analysis lacked sufficient
23 detail to determine equitable allocations. He further noted that political pressure
24 influenced the decision, particularly from estate property owners who managed their
25 own stormwater and felt the consultant's review had not adequately accounted for their
26 circumstances.

27 Mr. Lombardo emphasized that a consultant should be engaged to review the
28 assessment methodology and that the issue should be addressed through workshops,
29 not as part of the current year's budget. Mr. Dorrill recommended that a civil engineer
30 would be best suited to analyze stormwater and related allocations and provide
31 recommendations. Mr. Lombardo added that the work should be done in preparation for
32 the following budget cycle so the Board has adequate data in advance. He noted that
33 the current assessment methodology supports the existing model but can be refined
34 with more granular data. He also pointed out that the methodology was modified in FY
35 2024 to add 135 units to the roll, including parcels in Tract 13, a large single-family

1 residential tract, the cell tower tract, the gun club, and the county-owned marina and
2 boat ramp.

3 Mr. Kish raised a concern regarding B and D docks, stating it does not make sense for
4 them to pay the same rate as a single-family home. He made a motion to reduce the
5 O&M assessment for B and D docks to 0.25. Mr. Truckey responded that these boat
6 slips, which often accommodate fishing boats, are tied to separate parcels with
7 individual tax ID numbers which are assessed separately so it is not accurate to say
8 people are paying twice if they own both a dock and a home/condo in the District. He
9 expressed concern that a 0.25 rate was insufficient. Boat docks can have unlimited use.
10 People who only come down to their condos a few times a year pay a full assessment;
11 boat assessments should not be smaller just because people may only utilize their dock
12 a few times a week. Ms. Carlino emphasized her opinion that the charges for B and D
13 docks seemed too high, and confirmed that D Dock does have commercial boats but B
14 dock does not.

15 Mr. Lombardo recalled that Mr. Weyer's initial recommendation had been a 0.25 rate,
16 and stated that while such an adjustment would be supportable today, however the
17 revenue impact would need to be calculated since the budget is tied to assessments.
18 Mr. McNamee said he would support reducing the single-slip docks to 0.25 provided the
19 Board could distinguish which slips on D Dock were used commercially, as those should
20 not be included in the reduction. Mr. Kish agreed that commercial docks should be
21 treated differently. Mr. Baird was in agreement with Mr. Truckey and opposed lowering
22 them. Mr. Truckey noted that a 0.25 assessment would equate to only \$180 annually for
23 services such as roads, landscaping, and administration. Mr. McNamee suggested
24 exploring a middle-ground rate, while Mr. Truckey reiterated his preference to address
25 the issue through the formal methodology process. Following the discussion, Mr. Kish's
26 motion was rescinded.

27 **The chairman was authorized to execute Resolution 2025-3 approving the**
28 **assessment roll as submitted on a MOTION by Ms. Hansen, a second by Mr.**
29 **Baird, and all in favor.**

30 PUBLIC COMMENTS

31 Alan Zitto – Marina - Upset about O&M amount on boat docks.

APPROVAL OF MINUTES - JULY 2025

The utility rate workshop and regular meeting minutes from July 18 were approved as presented on a MOTION by Mr. McNamee, a second by Mr. Truckey, and all in favor.

UTILITY MONTHLY REPORT

Mr. Gilbert reported that the utility plant met all FDEP requirements as usual. A total of 2.98 million gallons were treated, 3.12 million gallons were produced and distributed, and 7.39 million gallons of irrigation water were delivered. All monthly lift station checks were completed, with no odor complaints. Pumps and motors were greased, and a VFD failure on RO Unit #1 resulted in minimal downtime and was quickly repaired. SCADA is functioning properly. A few small meter leaks were repaired.

Mr. Gilbert noted a mainline break on Newport Cay. Initial repair efforts were unsuccessful due to excessive groundwater at a depth of six feet. Stark Sullen was called in to dry out the area, pump water across the road, and complete the repair, resulting in a \$28,000 bill. Soto was asked to perform the necessary landscape restoration. The break occurred where a galvanized saddle had been installed on a PVC fitting that began to leak, causing a large trench in the galvanized line. The saddle was replaced with stainless steel, which should prevent similar issues in the future. Typically, there is one saddle for every two homes, and more failures of this type are anticipated over time. Mr. Gilbert advised against full line replacement unless additional breaks occur, noting that future repairs may be handled in-house during the dry season for approximately \$8,000, compared to the much higher cost when groundwater levels are elevated.

Bi-annual backflow certifications were also completed, and a bill for that service is expected. Mr. Truckey asked price for typical backflow for house or condo. Mr. Gilbert said it can easily cost \$1,000 with the parts, if a new brass pipe is needed, and the hourly labor rate. Mr. Gilbert stated that backflow units are rebuilt when possible and that every home has a backflow preventer. Backflow preventors are considered utility not personal property. If it breaks after the backflow the homeowner must secure a plumber to fix it but if it is from the backflow into the street, utility staff will fix it. Mr. Dorrill noted that he will need to true up the budget with an amendment since backflow certification expenses were not originally included. It takes about six weeks to do the certification process.

1 Mr. Truckey asked if utility staff prefers the preventor to be kept wet or dry when
2 owners leave. Mr. Gilbert said to keep it wet always. Mr. Truckey suggested sending out
3 a mailing with the utility bill informing residents where their preventor is, how to maintain
4 it when leaving for season or a vacation, and how to properly turn off water if desired
5 when leaving. Mr. McNamee also requested this information with pictures be uploaded
6 to the website.

7 The lift station rehabilitation was not completed as part of the permit renewal and will
8 need to be addressed in the near future. The master lift station on Cays Drive requires
9 repiping and coating in order to meet FDEP requirements, with work to be based on
10 current contract pricing.

11 **The estimate of \$64,575 for the lift station work was accepted, Mr. Gilbert was**
12 **authorized to move forward, and a budget amendment for the backflow**
13 **certification work was authorized on a MOTION by Mr. McNamee, a second by Mr.**
14 **Truckey, and all in favor.**

15 **The monthly utility report was accepted as presented on a MOTION by Mr.**
16 **Truckey, a second by Mr. Kish, and all in favor.**

17 Mr. Kish asked about the pump-out station near the gun club and whether the holding
18 pond was in acceptable condition. Mr. Gilbert responded that it is fine for now, but noted
19 that DEP will likely cite it during their next inspection. He added that Soto had been
20 assigned to clean up the area, and Mr. Truckey requested confirmation on whether that
21 work had been completed.

22 Mr. Truckey reported that the SCADA grant was approved and the District is awaiting a
23 \$90,000 check. The water line project, which includes well heads, will exceed one
24 million dollars. FEMA continues to challenge that grant having issues with wording. The
25 testing company that inspected the system after the hurricane identified seven leaks but
26 likely more. Mr. Truckey shared that after discussions and push back the necessary
27 language change will be made in the grant which should result in its approval.

28 **REVISED ADMIN RULES OF PROCEDURE**

29 Public hearing on the revision of the Administrative Rules of Procedure. The main
30 purpose is to update the rules, removing references that utility services are paid using
31 ERCs, since beginning October 1, billing will be based on a base charge and rate.

The Chairman was authorized to execute Resolution 2025-6 of Port of the Islands adopting amendments to the District's rules of procedure on a MOTION by Mr. Kish, a second Mr. Truckey, and all in favor.

MANAGER'S REPORT

A. Further Consideration of ERC Transfer Application

This topic was discussed last month. A legal opinion and memo were received yesterday and submitted as part of the record, with a physical copy distributed at today's meeting. Mr. Lombardo provided an overview regarding whether O&M assessments could be transferred between properties. The answer is no.

Under prior rules and procedures, before the 2022 amendment, Section 4.34 explained how utility ERCs could be transferred between properties. That section refers only to utility capacity, with no similar language addressing O&M assessments. Section 4.35 stated that when the District approves a utility ERC transfer, the O&M assessments remain subject to the same non-ad valorem assessment unless and until the ERCs are transferred and the Board adopts an amended assessment methodology to reallocate the duty to pay. Therefore, in order to move O&M assessments, a methodology amendment would be required, as the rules specify. It was not improper that O&M assessments were not reduced in prior cases, though it could be addressed in future assessment methodology adjustments.

Mr. Lombardo noted that ERCs and O&M assessments do not automatically move together. Reallocation requires analyzing the beneficial use of the property and can affect the entire District if methodology changes are made. The current allocation under discussion is seven O&M units, with a conservation easement on the parcel. Mr. Truckey believes the methodology states they should be using four O&M units per acre for vacant parcels.

Mr. Lombardo outlined four reasons to revise the assessment methodology: boat docks, commercial boat docks, Parcel 13, and the SE commercial property. He proposed engaging Mr. Russ Weyer to attend the September meeting to review the items the Board wants addressed in an updated assessment methodology. A single-property amendment is not advisable at this time because the current budget and assessments were just levied and need to follow proper procedures.

Ms. Hansen made a MOTION to direct Mr. Dorrill to engage Mr. Weyer's firm for a comprehensive update, specifically addressing the four areas mentioned and the

1 **possibility of retroactive credit if the Board finds it appropriate. Mr. Truckey made**
2 **the second and all were in favor.**

3 **FINANCIALS - JUNE 2025**

4 Mr. Dorrill presented the financials as of June 30, 2025. The District had \$5,495,000 in
5 cash and \$53,000 in payables. Non-ad valorem assessments received in June totaled
6 \$27,000, bringing total collections to just over 95.5%, or \$854,319. Interest earnings for
7 the month were \$13,040, almost \$117,000 year to date. Year to date some areas that
8 are under budget: grounds repair and maintenance, storm drainage, and
9 sidewalk/roadway repair and maintenance. The fourth quarter will include processing
10 the transfer to the capital reserve.

11 **The financials were accepted as presented on a MOTION by Mr. Truckey, a**
12 **second by Mr. Baird, and all in favor.**

13 The District is eligible to use the County's pricing for paving. The County has a multi-
14 year milling and repaving sidewalk plan, with agreements in place with three different
15 contractors to secure rates over those years. A small amount has been allocated in the
16 District's budget for next year. Mr. Dorrill is in possession of a bid tab summary detailing
17 all the commodities included in the contract. Mr. Truckey noted that firm numbers or
18 proposals are needed to begin the grant process.

19 Mr. Dorrill explained that the District's civil engineer can perform an assessment of
20 pavement conditions to determine which roads need milling and repaving, at an
21 estimated cost of \$5,000–\$7,000.

22 **Mr. Truckey made a MOTION to engage the engineer for the pavement condition**
23 **assessment, which was seconded by Mr. Baird with all in favor.**

24 Mr. Truckey and Mr. Carter will proceed with preparing a grant once additional pricing
25 information is secured

26 **ATTORNEY'S REPORT**

27 **A. Prepmac Litigation Status**

28 The Prepmac litigation is moving forward to trial, which is expected to occur immediately
29 following the next meeting in September.

1 **B. Marine Contractor**

2 Calvin and Calvin Marine Construction will use the SW commercial parcel for staging.
3 They may sublicense the property until notice is sent, which SFWMD does not intend to
4 issue until November. Calvin and Calvin will pay \$5,000 for use of the parcel through
5 the end of September. Their use will be governed by the same parameters as the
6 agreement with SFWMD, including hours of operation, insurance coverage, payment of
7 the license fee, and sole responsibility for all maintenance and repairs of the licensed
8 area.

9 **The chairman was authorized to sign the agreement with Calvin and Calvin on a**
10 **MOTION by Mr. Truckey, a second by Mr. Baird, and all in favor.**

11 **ENGINEER'S REPORT**

12 No report was given at this time.

13 **OLD BUSINESS**

14 No old business was discussed.

15 **NEW BUSINESS**

16 No new business was discussed.

17 **SUPERVISORS' REQUEST**

18 **A. Action Items**

19 Mr. Lombardo reviewed the task list. Notice for the rate increase in utility bills –
20 completed. Resolution for rule change – completed; effective in September. RFP for
21 community security assessment – manager is handling; in progress.

22 9–12. Tasks related to the Prepmac lawsuit – ongoing.

23 13. Liveaboard memo – feedback requested on memo. Addresses questions of what
24 constitutes a liveaboard vessel, whether it can serve as a residence, and the
25 applicable Collier County regulations. Liveaboards can be primary residences;
26 Collier regulations are more focused on marine cleanup issues.

27 14. Bring Russ Weyer to a meeting – scheduled for the next meeting.

28 15. Memo discussion – completed.

1 16. Coordination with co-counsel – Mr. McNamee connected with Mr. Salvatori's
2 office.

3 17. Concept plans for potential community center – preliminary concepts shared with
4 Mr. McNamee; will be refined and shared with the Board next month.

5 18. Bid documents for raw water main – completed; bid opens September 13.

6 19. Provide field manager with web account access – addressed earlier in the
7 meeting.

8 20. Cover letter for utility rate increase – completed.

9 21. Assessment roll reimbursement for SE commercial parcel – completed.

10 22. RFQ for legal services – in progress for September; will be on next month's
11 agenda.

12 23. Insurance renewal application – completed.

13 24. License agreement with Calvin and Calvin – completed.

14 Five additional items from this meeting:

15 25. Begin updated assessment methodology process – motion approved to proceed.

16 26. Send utility bill insert regarding backflow devices and post on website.

17 27. Lisa Blacklidge to review easement use agreements.

18 28. Move forward with paving cost estimate from engineer.

19 29. Review documents from Supervisor Kish regarding participation in the fire district
20 and explore potential transition from Ochopee Fire District to Greater Naples. Mr.
21 Lombardo will prepare a memo summary on how the transition could occur. The
22 millage rate for the District is currently four times the millage rate for the Greater
23 Naples district.

24 **B. Parcel 13**

25 Mr. Baird asked about the default status for Parcel 13. Mr. Lombardo explained that
26 there is no default action; the property simply did not purchase ERCs and would need

1 Board approval to do so in the future. In their meeting Mr. Weyer advised Mr. Kish that
2 the District can charge an impact or hookup fee, which would be collected by the District
3 not the County.

4 An action item was added to send a demand letter to the former testing company. Mr.
5 Lombardo requested the vendor information. Mr. Truckey informed him that Mr. Gilbert
6 has it. Mr. Lombardo will review the company's base contract, and Mr. Dorrill will
7 contact Mr. Gilbert to obtain the necessary information.

8 **C. Electricity Payment**

9 Mr. Baird requested the documentation between Orchid Cove and the CID regarding
10 payment responsibility for electricity at the clubhouse. Mr. Truckey has a copy of the
11 paperwork and stated he would like to work with Mr. Gunther and LCEC to review
12 electricity costs and prepare a presentation for the Board. Mr. Dorrill will get Mr. Truckey
13 a copy of one of the LCEC bills.

14 Mr. Kish inquired whether CDDs can charge a franchise fee on the LCEC bills. Mr.
15 Dorrill and Mr. Lombardo do not believe it extends to CDDs but will confirm.

16 **D. Landscaping**

17 Mr. Baird shared that Orchid Cove submitted a request regarding shrubs that were
18 damaged by a vehicle. Soto cut down the damaged shrubs and said that it will take
19 about a year for them to regrow. Orchid Cove also inquired about placing mulch on the
20 median along Union Road. Mr. Baird mentioned that the District received a plan from a
21 landscape architect that was never implemented and suggested incorporating the Union
22 Road work into that overall plan.

23 The Board requested another meeting with the County about taking over the median
24 landscaping. Mr. Dorrill and Mr. Lombardo shared that the County is not interested in
25 taking on more maintenance responsibilities for landscaping. Mr. Dorrill thinks the
26 Commission should be petitioned to make taxing districts so everyone can pay for
27 everything in the district that they live in.

28 **PUBLIC COMMENTS**

29 No additional public comments were received.

1 **ADJOURNMENT**

- 2 The next meeting will be on September 19, 2025, at 9:30 a.m. **On a MOTION by Mr.**
3 **McNamee and a second by Mr. Truckey, with all in favor, the meeting was**
4 **adjourned at 12:20 p.m.**