

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

3 Public Meeting of the Board of Supervisors
4 November 21, 2025

5 The public meeting of the Port of the Islands Community Improvement District Board of
6 Supervisors was held on Friday, November 21, 2025, 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 Zachary Lombardo, District Counsel, Via Zoom
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 Four supervisors were present in person, establishing a quorum. The meeting was
24 convened at 9:30 a.m. The meeting was also properly noticed. The notice and affidavit
25 are on file with the District Office at 5672 Strand Court, Naples, FL 34110.

26 Mr. Dorrill added Item E under the Manager's Report to include a discussion on the
27 Parcel 13 default. He arranged for Attorney Lauren Josephson, who prepared the legal

1 memorandum presented last month to participate via Zoom. Item 12A was added to
2 discuss security and thefts, and a community utility building.

3 **The agenda as amended and Mr. Truckey's full participation via Zoom due to**
4 **extenuating circumstances was approved on a MOTION by Mr. McNamee, a**
5 **second by Ms. Hansen, and all in favor.**

6 PUBLIC COMMENTS

7 Steve Cunningham – Stella Maris Dr. N – Reported that his total 2024 tax payment was
8 \$3,870.11, which included the CID water service. His bill this year is \$2,814.30, and he
9 asked about the \$400 discrepancy, noting that he had been told it would decrease by
10 \$1,400. He has a 3/4-inch meter and pays \$128 per month for water, or \$1,536 per
11 year. Mr. Kish noted that a water bill increase has not been implemented in 6–8 years.
12 He added that 3% of the total goes to the County, which affects the total tax bill amount.

13 Mr. Dorrill also noted that this is the first year the CID has been annexed into the
14 Mosquito Control District. Mr. Truckey and Steve Gunther referenced their non-ad
15 valorem charges: \$1,899.63 in 2024, which dropped to \$721.26 in 2025—a difference of
16 \$1,178.37. Mr. Gunther added the base-rate water charge for the year is \$1,540.56,
17 reflecting a 30% increase in the water bill.

18 A. Co-Counsel Review

19 The Board reviewed the Parcel 13 contract and the default related to the ERC/impact
20 fee charges, along with how it wishes to proceed regarding those fees. Mrs. Josephson
21 explained that there may be a possible cause of action against the purchaser if the
22 Board chooses to pursue it. While the Salvatori firm does not have in-house litigation
23 counsel, they have co-counsel options available, including Mark Mueller with Mueller
24 Law or Lenore Brakefield with Woodward, Pires, and Lombardo. Staff needs direction
25 on whether the Board wants to engage co-counsel to pursue the default against Mr.
26 Case involving Parcel 13.

27 Mr. Truckey spoke with Ms. Brakefield about the issue, and she explained that the
28 District Attorneys' position is that the Board had 30 days after the default to take action
29 or the contract would be considered void. Now that the contract is terminated, she
30 indicated the Board may actually be in a better position when Mr. Case returns to
31 purchase water connections, as the Board could then set the pricing—including any
32 increases—and explore different avenues for recovering the funds. The District would
33 ultimately be able to get the funds back because Mr. Case will have to return; without

1 water rights, his land is unusable. Although the Board could still pursue litigation, Ms.
2 Brakefield did not believe the contract provided strong grounds and emphasized that
3 litigation would likely take several years. Her recommendation was to wait for Mr. Case
4 to come back, as the opportunity to act under the contract existed only within the
5 original 30-day window.

6 Mrs. Josephson agreed and stated that after speaking with Mr. Case's counsel, Mr.
7 Truxton, she believes the District will be in a stronger position to negotiate when Mr.
8 Case seeks a connection. Mr. Truxton asked whether Mr. Dorrill and the Board would
9 be willing to meet to discuss the matter. Mr. McNamee expressed frustration over not
10 pursuing the \$500,000 but said he must defer to the attorneys' recommendations and
11 respects Ms. Brakefield's guidance. Mr. Truckey recalled that Salvatori's initial review
12 identified provisions in the contract that were still enforceable, including the "no later
13 than" clause requiring the purchase of ERCs, which Mrs. Josephson interpreted the
14 same way.

15 When asked how she would proceed, Mrs. Josephson explained that although she does
16 not have the full background, her conversations with Mr. Truxton suggest that a prompt
17 meeting between counsel and the Board could lead to a written agreement that would
18 save significant time and money compared to litigation. Mr. McNamee stated he wants
19 to avoid litigation if possible. Mr. Dorrill suggested the Board appoint a liaison so a
20 Board representative may attend the meeting with the attorneys and expressed hope
21 that the meeting could take place within the next 30–60 days. Action must be taken by
22 March, and the goal is to schedule the meeting during the first week of December.

23 **Ms. Hansen made a MOTION to designate Mr. McNamee, Mr. Dorrill, and Mrs.**
24 **Josephson to negotiate a resolution of this matter if possible. Mr. Kish made the**
25 **second and, all were in favor.**

26 **APPROVAL OF MINUTES - OCTOBER 2025**

27 **The October minutes were accepted as presented on a MOTION by Ms. Hansen, a**
28 **second by Mr. Kish, and all in favor.**

29 **UTILITY OPERATIONS SUMMARY**

30 All operations at the facility were performed in accordance with contract and regulatory
31 requirements. All wastewater plant and water distribution requirements were met, and
32 the reuse system is functioning properly. The station on the canal is still operating on
33 two pumps. In October, the facility received and treated 1.86 million gallons of

1 wastewater, produced 2.69 million gallons of drinking water, and distributed 8.51 million
2 gallons of irrigation water. A total of 864 meters were read, and 655 gallons of chlorine
3 were used. All pump stations were inspected, odor control checks were performed, and
4 all pumps and motors were greased. Staff replaced a pump in the master lift station at
5 the plant, repaired a leak on a service line going to a home's meters, and replaced a
6 backflow preventer. The computer in the plant office failed and was replaced. The rehab
7 of the master lift station on Cays Drive was completed and is now in good long-term
8 condition.

9 Mr. Truckey requested an update on the lift stations on Newport Drive. Mr. Gilinsky
10 reported that work has begun on the southern station and is progressing well, with the
11 project currently at the reassembly stage. On the well road there has been an issue with
12 bugs getting into the generator, so screens were installed to prevent intrusion. Staff also
13 replaced seals on the recycle pumps behind the plant after they began leaking,
14 requiring custom-made gaskets. During the most recent check of the generator on the
15 well road, it was discovered that the transfer switch is not functioning automatically.
16 Although a new generator was installed after Hurricane Ian, the transfer switch—which
17 detects power outages and automatically switches power to the generator—was not
18 replaced. The generator still starts, but the switch does not transfer the load. The
19 generator company inspected the system and quoted \$16,000 for a new automatic
20 transfer switch with a 10-year warranty.

21 **The \$16,000 proposal for a new transfer switch was approved on a MOTION by**
22 **Ms. Hansen, a second by Mr. Baird, and all in favor.**

23 Mr. Gilbert shared that they received a quote to have all of the piping under the bridge
24 on U.S. 41 sandblasted, cleaned, and coated with an epoxy coating. They also obtained
25 a quote for completely replacing the piping, which was approximately \$170,000. The
26 cost to recoat the existing piping was quoted at around \$80,000.

27 **The \$170,000 proposal to replace the pipe was approved on a MOTION by Mr.**
28 **McNamee, a second by Ms. Hansen, and all in favor.**

29 Utility staff will need to schedule shutdowns and issue boil water notices as part of the
30 work. The preference is to complete the project in the spring or summer, outside of peak
31 season. Although the pipe is rusted, it is not in critical condition, and Mr. Gilbert believes
32 the work can wait until June or July. Mr. Dorrell has contacted the insurance company to
33 add the value of the pipe to the District's coverage and will send them the quote. He will

1 request a budget amendment next month, once the proposals are in, to move funds
2 from reserves for this capital project.

3 **MANAGER'S REPORT**

4 **A. ERU Methodology/Impact Fee**

5 Mr. Dorrill has just received an agreement from Mr. Russ Weyer to perform a
6 methodology update. The update will address certain methodology revisions, such as
7 accounting for double lots, and will include research on commercial wet slips in the
8 marina and potential impacts on ecotourism or fishing guides. Another component of the
9 update is to assign a value to the ERC capital charge or impact fee, so that going
10 forward, any new construction or reconstruction with more intensive use will have a
11 Board-adopted fee schedule for water, wastewater, and irrigation impact fees. There is
12 no indication that this has previously been done. In the past, charges for certain real
13 estate transactions were negotiated directly with the Board. This methodology work has
14 been previously authorized.

15 **B. Utility Receivables Summary**

16 October utility billing shows current 30-day utility receivables have decreased to \$2,800
17 on a \$1.5 million operation.

18 **C. Orchid Cove Streetlight Account**

19 Based on the Board's discussion at last month's meeting, there was a historical
20 arrangement between Orchid Cove and former Boards for the CID to pay the streetlight
21 bill to offset certain charges related to irrigation or make-up water at the community
22 swimming pool. Staff now has backup information to segregate those bills and is
23 working with the condo association to revise billing for the various accounts in question.
24 This work is in progress at the Board's direction. The goal is to determine what remains
25 owed, issue a check, and settle the matter once and for all. Mr. Gunther has been
26 working on this for the past six months. He believes the real issue is that LCEC is
27 overcharging Orchid Cove. He wants to do a rate review with LCEC, there is an
28 upcharge for decorative poles and light bulbs. The CID is charged \$10.22 a month for
29 LED bulbs while Orchid Cove is charged \$29.68 a month for LED. Mr. Gunther desires
30 to go to have the meeting with LCEC along with a CID representative. Mr. Carter was
31 designated to do this. Mr. Gunther thinks the former agreement for the CID to cover the
32 bills was silly as it had no end date and he does not think it fair to continue to hold
33 Board to it. He desires to partner and resolve it; Mr. McNamee was in agreement. Mr.

1 Gunther thinks the Board should have a treasurer to go through all of the bills so an
2 issue like this does not happen in the future.

3 **D. Utility Lift Station Rehab**

4 Discussed in the Utility report.

5 **FINANCIALS - SEPTEMBER 2025**

6 Preliminary unaudited year-end FY 2025 financials showed a strong cash position of
7 \$5.186 million. Fixed assets, net of depreciation, totaled \$7.8 million, bringing total
8 assets on hand to \$13,077,000. There were \$93,000 in payables, and year-to-date
9 interest income was \$154,000. Nearly 97% of assessments were received, with the
10 remaining difference reflecting early payment discounts.

11 Operationally, expenses were over budget, as discussed throughout the year.
12 Professional, legal, and engineering fees related to litigation accounted for most of the
13 overage, with \$107,000 over budget for the year. Many engineering costs were on the
14 utility side, reflecting a large number of capital improvements undertaken during the
15 year. Commercial insurance costs were slightly higher than anticipated, increasing by
16 \$5,000 over budget due to prior underinsurance. On the field side, expenses came in
17 \$7,000 under budget. Landscape costs were slightly over budget, mainly due to repairs
18 on the irrigation system. Mosquito control was under budget following annexation into
19 the mosquito control district. Capital expenditures were also under budget, as planned
20 landscape enhancements at the primary entrance were postponed. The operating
21 contingency was not used this year, and the capital reserve transfer was fully funded.
22 Overall, the District ended the year \$517,000 under budget.

23 Mr. McNamee asked Mr. Gilbert about the roof needed for the water tank. Mr. Gilbert
24 said they can handle the piping but cannot cover the cost of the roof. In discussions with
25 Mr. Brown, it was noted that Mr. Truckey was working on a grant for it. Mr. Truckey
26 provided an update: they are moving forward with a 404 grant for a new water tank,
27 funded by FEMA but allocated through the state under a different grant program. The
28 plan is that as soon as the new water tank is operational and in use, the other tank
29 could be taken out of service to have its roof redone. The grant for the water line to the
30 wellheads is currently under appeal, and there is a backup grant option available
31 through the 404 program if FEMA denies.

32 **The financials were accepted as presented on a MOTION by Ms. Hansen, a**
33 **second by Mr. Baird, and all in favor.**

ATTORNEY'S REPORT

Lauren Mello agreed to attend the meeting as part of the discussion regarding a fire district solution. Mr. Lombardo requested a specific time for her attendance. Staff is also working on filing to pursue attorney's fees in the Prepmac case and coordinating with the manager on various items on the task list.

Mr. Truckey asked whether the Board could discuss other matters with Ms. Mello, and Mr. Lombardo confirmed that it would be possible. While there is no formal protocol, he recommended giving her a heads-up about the agenda so she could prepare accordingly. Mr. Truckey will send the information to Mr. Lombardo. Since the session begins in January, this timing is appropriate. Ms. Mello is scheduled to attend the December meeting.

Mr. Baird inquired about progress on the demand letter related to arsenic and lead levels reported by the water testing company. Mr. Lombardo and Mr. Dorrill have been trying to locate the base contract. Mr. Dorrill provided an update, noting that the vendor was not directly engaged by the District; the expense was a pass-through from Florida Utility Systems for the groundwater monitoring program, and the District was not a party to that specific agreement. Mr. Gilbert added that sample results from the last few years were reviewed. While samples almost always exceeded the MCL for lead in one specific well, they had been mislabeled by this company. The paperwork indicated one well was the problem while the samples were actually taken from a different one. The sample data was accurate, but the well identification was incorrect. Mr. Gilbert said if MI Homes had spoken to him, he could have clarified the situation. Based on all this information, the Board decided not to proceed with a demand letter.

ENGINEER'S REPORT

No report was given at this time.

OLD BUSINESS

A. Action Items

Many tasks from August and September that were completed have been removed. There are currently no outstanding items or items needing review. Items added today will be reflected in December. Ms. Mello's attendance at the December meeting is confirmed.

1 Mr. Baird asked about the surplus mosquito trailer. Mr. Dorrill reported that he spoke
2 with the Mosquito Control District office yesterday. Mr. Lombardo is drafting a Board
3 resolution to declare the trailer surplus at the December meeting, with the intention of
4 either incorporating it into the Lely CDD auction or including it in the County's annual
5 auction. Mr. Lombardo clarified that the resolution has been drafted and they are
6 currently working on tracking down identification numbers for the trailers. Depending on
7 the value of the items, they can either be auctioned or disposed of. The trailer does not
8 have a tag.

9 The generator trailers have not yet been received due to FEMA-related delays; Mr.
10 Truckey will follow up on this. Mr. Kish asked if there are any other items that should be
11 auctioned. Mr. Gilbert noted there is a container that is not being used. Mr. Dorrill
12 suggested offering the chemicals to the Mosquito Control District at a minimum. Mr.
13 Lombardo stated that any item valued over \$5,000 must be auctioned, otherwise it can
14 be disposed of in the most economical manner. Ms. Hansen noted that a license is
15 required to purchase the chemicals, so they cannot be auctioned. Mr. Gilbert added that
16 Everglades City uses the same chemicals with the same machine, making them a
17 viable option to transfer the chemicals. Mr. Gilbert was asked to deliver the chemicals to
18 them.

19 **NEW BUSINESS**

20 No new business was discussed.

21 **SUPERVISORS' REQUEST**

22 **A. Security**

23 Mr. Dorrill shared that the next best step is to seek proposals from the Sheriff's office,
24 as there were no responses to the RFQ for a security assessment. According to Mr.
25 Frank Lee, over 154 residents have expressed a desire for community security.

26 Mr. Kish reported noticing an unmarked lawn care vehicle on his street two weeks ago.
27 A man wearing a mask, hat, and glasses was driving around alone with. Two hours
28 later, the same man returned, alone and pulling a trailer. Mr. Kish positioned himself in
29 front of the vehicle, at which point the man left the community.

30 Mr. McNamee encouraged residents to take photos of license plates and other
31 identifying details when they notice suspicious activity. Mr. Dorrill suggested that the
32 next step should be contacting the Sheriff's Department and their community policing

1 officer to help identify potential vendors. Mr. Baird was asked to continue working on
2 this matter.

3 **B. Sign on Newport**

4 Ms. Hansen asked about the sign on Newport that is never lit. It belongs to the CID, but
5 the electricity is provided through the hotel. Mr. McNamee will speak to Tom about it.

6 Ms. Hansen also noted that the area should have more lighting in general. Mr.
7 McNamee agreed and said he likes the lighting near Cays and Orchid Cove, and that
8 something similar should be installed along Newport Drive.

9 **C. Community Building e**

10 Mr. McNamee said they may need to establish a consistent meeting location, as the
11 Board was informed by the hotel that they may no longer be able to use the bathroom
12 during meetings. It appears there could be a future issue with securing a meeting
13 space. Mr. Dorrill shared that Pelican Bay and Pelican Marsh are using the same
14 design-build firm for their community projects. He can request a range of cost per
15 square foot for what a building like this might cost, including site work, parking, service
16 utilities, and related needs.

17 Mr. McNamee suggested starting with a bare-bones building to store the generators and
18 provide space for meetings, with the goal of completing the rest of the facility through
19 fundraising rather than charging it entirely to the expense account.

20 Ms. Hansen asked if the CIP is on the District website. Mr. Dorrill confirmed the utility
21 portion is posted. He will ask Mr. Brown about the public facilities report and will share it
22 in December.

23 **PUBLIC COMMENTS**

24 Ron Westerman – Cays Drive – Commented on the generator trailers and stated that
25 the utility building should have a permanent generator. He said the generator should be
26 large enough to be hard-wired to the lift stations, with the trailers serving as backup if a
27 permanent hard-wired solution is installed.

28 Kyle McKenzie – Hotel – Stated that the hotel has withstood hurricanes and asked if the
29 Board could sign an agreement with the hotel to host meetings. He suggested the
30 second story could serve as a good place to store the generators and recommended
31 reaching out to Tom about paying to use this facility. He believes it could function as an
32 emergency community center.

1 Leo Ramos – Hotel Condominium Association – Noted that the hotel has an Egret
2 Room where the condo association previously held its meetings. He explained that the
3 bathrooms are owned by the association, and they have had ongoing issues with Tom
4 that they are trying to resolve, with the bathroom access being one of those issues. For
5 that reason, the bathrooms are currently not available, and he believes their use will be
6 at a cost going forward.

7 Kerrick White – Cays Drive – Stated that it is a petty discussion to lock and charge for
8 the bathrooms during the meeting and thanked the Board for all their work.

9 **ADJOURNMENT**

10 The next meeting will be on December 19, 2025, at 9:30 a.m. **On a MOTION by Mr.**
11 **McNamee with all in favor, the meeting was adjourned at 11:00 a.m.**