

**MINUTES OF MEETING
PORT OF THE ISLANDS
COMMUNITY IMPROVEMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Port of the Islands Community Improvement District was held Friday, April 15, 2011 at 10:00 a.m. at the Orchid Cove Clubhouse; 25005 Peacock Lane; Naples, Florida.

Present and constituting a quorum were:

Richard Ziko	Chairman
Norine Dillon	Vice Chairperson
Dale Lambert	Assistant Secretary
Theodore Bissell	Assistant Secretary
Charles Custer	Assistant Secretary

Also present were:

Calvin Teague	District Manager
Daniel Cox	District Attorney
Ronald Benson	District Engineer
Robert Casey	Field Manager
Jean Kungle	POI Realty
Anthony Davis	Orchid Cove HOA
Sam Marchand	Orchid Cove HOA
Kathryn Kehlmeier	Resident
Tom Mack	Resident
Dan McConnell	Resident
Erich Minier	Resident
Dave Molberg	Resident
Tom Weis	Resident
Anne Marie Zacclus	Resident

The following is a summary of the discussions and actions taken at the April 15, 2011 Port of the Islands Community Improvement District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Ziko called the meeting to order and Mr. Teague called the roll.

SECOND ORDER OF BUSINESS

**Approval of Minutes of the
March 18, 2011 Meeting**

Mr. Ziko stated each Board member received a copy of the Minutes of the March 18, 2011 Meeting and requested any additions, corrections or deletions.

- On Page 3, the second and third bullets should be arrows.
- On Page 7 in the third bullet, *county* should replace *contractor*.
- On Page 7, Mr. Lambert reminded Mr. Teague he needs to see the invoices as specified in the first bullet under the **TENTH ORDER OF BUSINESS**.

There being no further additions, corrections or deletions,

On MOTION by Mr. Lambert seconded by Mrs. Dillon with all in favor, the Minutes of the March 18, 2011 Meeting were approved as amended.

THIRD ORDER OF BUSINESS

Audience Comments

- Ms. Kungle received a letter from a resident in one of the multi-family units wanting to know how he can identify which backflow preventer belongs to his property.
 - Mr. Casey will pull the identification information from the meter itself.
 - Many backflow preventers have not been installed yet.

FOURTH ORDER OF BUSINESS

Old Business

A. Discussion of Big Cypress Lodge Developers Agreement

- Mr. Cox reported that the developers are in general agreement with the CID's suggested language.
- They have yet to send an executed agreement.

B. Review of Landscape Maintenance Performance

- Mr. Casey briefly discussed a list of items from Soto.
 - All hard wood and Palm Tree trimming was completed.
 - They continue to treat medians for weeds.
 - Sea Grapes were trimmed on Newport.
 - They continue to monitor for ant mounds on the medians.
- Mr. Casey presented an estimate from Soto's Lawn Service, Inc. for removal of two Palm Trees which are growing inside of the pump station by the canal; white

shell; and installation of matting and clips in the amount of \$1,300; a copy of which is attached hereto and made part of the public record.

- Mrs. Dillon recommended staff look for a less expensive method than the shells.
- Perhaps they can use gravel or rock.
- Mr. Benson suggested that lime rock will be much cheaper.
- Mr. Custer asked Mr. Cox to find out the size of the CID's easement in this area because he is concerned the trees are hanging over the fence, which may contribute to fire danger.
 - Mr. Benson suggested proceeding with trimming since the CID has an easement over the larger area.
 - Mr. Casey will follow up with Mr. Soto regarding this issue.
- This will be discussed at the next meeting.
- Mr. Custer asked for a status of the *No Trespassing* signs.
 - Mr. Casey recommends going with a generic sign which costs approximately \$1.50.
 - Mr. Casey would like to include other informational signage in this area with staff telephone numbers in the event of an emergency.
 - The sign will cost approximately \$30.
 - Mr. Ziko recommends that *High Voltage* signage should also be posted.
 - The Board was in consensus to purchase and put up these signs.
- Mr. Bissell discussed an invoice from Soto regarding replacement of rotor heads.
 - Mr. Bissell is of the opinion that payment for repair of broken rotor heads should be Soto's responsibility.
 - Mr. Custer is concerned that it is difficult to determine who breaks these items since they do not walk around the property with the irrigation person.
 - Mr. Underwood is going to ensure that Soto looks into this and it will be discussed at the next meeting.
- A Resident wants to know if the tree at the beginning of Cays Drive which died and was removed is going to be replaced.

- There is a proposal for replacement.
- This resident is not impressed with Soto's work and is willing to get estimates from other landscapers.
- Mr. Custer does not believe the tree should be replaced until such time as the CID has a general landscaping plan.
- Mr. Davis recommends removal of the Mahogany Trees in Orchid Cove by the pool.
 - Mr. Ziko believes these trees may be part of the county's landscaping plan; in which case removal may be prohibited.
- Mr. Custer asked Mr. Underwood to find out when Soto is going to trim the Coconut Palms and the other tall trees.
 - One tree is about to burst with flowers and the other has ripe coconuts which are ready to fall.
 - Mr. Casey was told he is going to have to rent a lift, as his was not high enough to reach the appropriate levels.
 - Mr. Ziko suspects some of the trees do not belong to the CID.
 - Mr. Custer and Mr. Benson will check the area after the meeting to determine which trees belong to the CID.

C. Update on 2011 Backflow Preventer Installations

- This year's allotment of 100 backflow preventers will be installed over the summer.
- They will be ordered through the CID as opposed to Severn Trent in order to avoid the sales tax.
- Mr. Branch will submit a schedule to Mr. Teague.
- Installation will be determined by the age of the water meter, with the oldest ones being replaced first.
- Mr. Casey spoke to Mr. Branch.
 - All parts and fittings were ordered.
 - They will be pre-assembled and put right in the ground.
 - Mr. Branch is looking to start the week of April 29th.
- The fittings will be brass as opposed to PVC.

- Mr. Casey indicated staff tested 60% of the previously-installed backflow preventers and found no failures or the need for replacement kits.
- D. Update on Signature of Orchid Cove Agreement for Acceptance of Utilities**
- The Board is still waiting for Orchid Cove to sign off on the agreement.
 - Mr. Davis indicated that as soon as he receives an agreement executed by the CID, he will submit to their attorney for final review and approval.
- The Board and Mr. Davis discussed installation of hydroguards in Orchid Cove.
 - Mr. Casey indicated he would be more comfortable if the community had one since they are going to be doing quarterly compliance sampling.

There being no further discussion,

On MOTION by Mr. Lambert seconded by Mr. Custer with all in favor, Severn Trent was authorized to commence the process of installing a hydroguard in Orchid Cove, with the District Engineer directing location of said installation.

- Mr. Casey clarified that a fully executed agreement must be on file prior to Severn Trent being able to start up and maintain the lift station in Orchid Cove.
- Mr. Benson will have one of his staff send a proposal for the hydroguard.

FIFTH ORDER OF BUSINESS

New Business

There being no new business to discuss, the next item followed.

SIXTH ORDER OF BUSINESS

District Manager's Report

A. Presentation of Proposed Draft Fiscal Year 2012 Budget

Mr. Teague presented the draft Fiscal Year 2012 Budget for discussion; a copy of which is attached hereto and made part of the public record.

- There should be no increase in assessments for both the General and Utility Funds.
- Mr. Teague would like the Board to review this for further discussion at the next meeting.
- The Board needs to set the assessment levy and approve a proposed budget prior to June 15th.

- Mr. Lambert indicated the income amount to be taken in will be at least \$100,000 short and wants to know if it should be budgeted.
 - Mr. Cox indicated anticipated and uncollected revenue can be budgeted.
 - Mr. Lambert indicated this is going to be difficult to tie down until such time as the tax sale certificates are determined.
 - o The District is 25% short as of the end of March.
 - o Mr. Teague confirmed that most of the remaining collections come in as of April 30th.
 - o Mr. Cox assured Mr. Lambert that any homes currently in foreclosure will be paid by the bank.
- Mr. Bissell asked Mr. Teague to send him the assessed property value of the CID.
 - The CID does not have this information since it is not subject to ad valorem taxes, but it can be obtained from the Property Appraiser's Office.
- Most expenses are in Capital Improvements.
 - The Board can delay some of these capital improvements or draw on the reserves.
 - Mr. Teague assured the Board the CID has enough cash to cover expenses until such time as the Motwani bankruptcy is resolved, which will not be in the near future.
 - Mr. Teague suggested the road resurfacing can be delayed.
- The Board can determine at the May meeting whether or not a budget workshop will be necessary.
- B. Update on Sidewalk Repairs**
 - A proposal with Eagle Engineering was signed; and the total amount of the contract is \$4,800.

Miscellaneous issues were addressed.

- Mr. Teague contacted Lykins Signtek to take care of the sign which was discussed at the last meeting.
 - The sign is visibly pulling apart.
 - This will be taken care of before the warranty expires.

- The telephone bill was discussed.
 - Staff continues to work on correcting it.
 - Mr. Teague is awaiting a response from the telephone company.

SEVENTH ORDER OF BUSINESS**Field Manager's Report**

Mr. Casey distributed the March 2011 Operations Report for discussion; a copy of which is attached hereto and made part of the public record.

- Mr. Casey discussed the Collier County Health Department inspection.
 - They had an issue with the rotomesh screen which screens all sewage coming into the wastewater treatment plant.
 - The drain was blocked with a piece of slab; and a small amount of debris was leaking over the slab instead of draining.
 - Staff is looking into some sort of containment around the slab to prevent the debris from soaking into the ground.
 - Mr. Benson suggested the slab needs to be made bigger and a curb installed on three sides.
 - This repair is not anticipated to be expensive.
- The MBR system was discussed.
 - The air compressor continues to fail.
 - It is difficult to determine the location of leaks since this air compressor line is buried under the ground.
 - Staff recommends removing the line from out of the ground and changing the material.
 - Mr. Casey wants to purchase a galvanized air line which will be strapped to the walls for easy access.
 - Mr. Casey warned the MBR will shut down if there is no consistent air flow.
 - Mr. Bissell suggested purchasing a separate compressor to be stored in a shed outside of the plant.
 - Fabrication of the piping costs approximately \$3,500.

Mr. Lambert MOVED to authorize the Chairman to execute a Work Order from Severn Trent Services to purchase and install a new air compressor within the MBR system to replace the one which continues to fail.

- Mr. Casey will present two separate Work Authorizations.
 - One will be for a stand alone compressor.
 - The other one will be for a compressor in the shed.

Mr. Custer SECONDED the prior motion.

- Mr. Benson indicated a portable compressor would have to be purchased in the meantime in order to keep the system in service.
- Mr. Custer suggested a not to exceed amount of \$5,000.

There being no further discussion,

On VOICE vote with all in favor, the Chairman was authorized to execute a Work Order from Severn Trent Services in an amount not to exceed \$5,000 to purchase and install an air compressor within the MBR system to replace the one which continues to fail.

- Collier County watering restrictions were discussed.
 - Mr. Casey presented a document from the county's website titled, *Just the Facts* which explains when residents can water.
 - Mr. Benson indicated that all residents' sprinklers should be set to Collier County's restriction requirements.
 - These restrictions present a challenge to the utilities because a large volume of irrigation is squeezed into a smaller window.
 - In this situation, they may be able to apply for a variance from the SFWMD for the water treatment plant to open the window or add another watering day.
- The mosquito sprayer is working fine and is being calibrated today.
 - Mr. Bob Dick is licensed to operate it.
- Painting of fire hydrants was discussed.

- Mr. Underwood committed to painting the outside assembly.
- Mr. Casey is under the impression the CID decided not to take over Orchid Cove's irrigation and fire safety; and Orchid Cove should paint those hydrants.
- The backflow preventer to the meter is still leaking in Orchid Cove.
 - It can be removed at a cost of approximately \$1,500; which is cheaper than installing one.
 - Severn Trent can look into just removing the guts.
 - The backflow preventer is downstream from the meter and thereby is Orchid Cove's responsibility.

EIGHTH ORDER OF BUSINESS

Attorney's Report

A. Update on North Hotel Bankruptcy Proceedings

- Mr. Cox is under the impression from Mr. Motwani's attorney that he is no hurry to proceed.
- Mr. Cox has not been able to pin down any deposition dates.
- There will be a pre-trial conference on May 10th; at which time Mr. Motwani's attorney will ask for another extension.
- Mr. Cox is prepared to agree to one more extension only at approximately 60 days out.
- Mr. Cox is planning on having a deposition testimony on May 6th and May 9th with the plaintiff's representatives.

NINTH ORDER OF BUSINESS

Engineer's Report

Mr. Benson discussed his report regarding the drainage swale at Lot 45 in Windward Cay; a copy of which is attached hereto and made part of the public record.

- The main issue is that the riprap may extend further into the backyard, in which case the easement is mostly into the water, leaving no room for the swale.
- The builder of the home intends to put the swale at the practical location to the dimensions Mr. Benson sent to them.
- The house should not encroach into the swale and definitely will not encroach onto the CID's easement.

- Mr. Benson will issue the builder a utility availability letter, as required.
- The berm will be brought up to where it should be for the entire length and reinforced with any missing riprap.
- Mr. Cox should advise as to whether or not an additional easement is necessary.
- Mrs. Dillon recommended that Mr. Teague, Mr. Benson and Mr. Cox work through this issue with the builder and new homeowner and come up with an agreement going forward.
- Mr. Ziko wants to ensure the agreement does not hold the CID responsible for what the builder and owner are doing.
- Mr. Bissell wants to ensure the drainage meets all specifications.

A. Update on New Water Treatment Plant

Mr. Benson distributed the Monthly Progress Report; a copy of which is attached hereto and made part of the public record.

- The information contained in the report is updated from yesterday's Progress Meeting.
- The storm water pond was dug and the only item remaining is the grass, which will be done next.
- There was a bid which included a line item called, *Owner's Allowance*.
 - This allows for small items which may come up; and has not been spent to date.
 - Mr. Benson is going to ask that a couple of directional street signs be posted along the property in order to make people aware that the road does not continue into the retention pond.
 - They are also going to ask for a quote to put up some landscaping along the bank.
- The landscaping plan required to meet the county code was approved.
- The water plant contractor has given additional submittals which need approval before certain items are constructed.
- There are 90 technical submittals; many of which were already approved.
- The fire review staff is asking for more clarification on some sprinkler system items, which is delaying the building permit.

- The baseline schedule was approved.
 - The contractor submitted a revised schedule at yesterday's meeting, which will continue to be revised throughout the project, against the original baseline schedule.
- Earth work commenced since this can be done prior to the building permit being issued.
 - Vegetation, trees and bushes will be removed first.
- The office trailer is on site.
- A temporary line for drainage was put into the ground.
- The old monitoring well was abandoned, as required.
- They may request a slight extension prior to completion of the project due to the building permit delay which is out of their control, which Mr. Benson will bring forward for the Board's approval.
- Mr. Lambert suggests that future contracts should also be given to the company overseeing the work contract to avoid some of the problems which have already occurred in this project.
 - This is no reflection on Hole Montes.
- Mr. Lambert has concerns with the SCADA portion of the project.
 - Severn Trent has not presented any costs.
 - He wants Severn Trent to proceed with this portion of the project.
 - Mr. Benson commented that Mr. Migdal has had a great deal of involvement with the project since its commencement and should be involved in this portion.
 - Mr. Teague and Mr. Benson will get together with Mr. Migdal in order to come up with a proposal for the next meeting.
 - This project is already included in the CIP.
- Mr. Lambert indicated that Cardinal is assigning a new Project Manager as of today.
 - Mr. Benson assured Mr. Lambert that Cardinal has been in business for a long time and both Hole Montes and Mr. Benson personally have done a great deal of work with them over the last 20 years.

- The estimated completion date is January 2012.
- The estimated completion date to be able to start up the system is November 13, 2011.
- Mrs. Dillon asked for a status of the paint color for the water treatment plant.
 - The architect presented paint chip samples to Mr. Lambert and Mr. Cliff Pepper.
 - The paint chip, mortar color and block all together, made the block and mortar color appear much more acceptable.
 - Mr. Benson assured Mrs. Dillon the colors will match.

TENTH ORDER OF BUSINESS

Supervisors' Requests

- Mr. Custer suggested the current plant be painted a light green in order for it to blend in with the background.
 - Mr. Lambert advised that no other painting will be done until such time as the project is complete and the new building is painted.
- Mr. Bissell asked Mr. Cox if the CID can legally put up a barricade across the two entrances to the road which belongs to the person who owns Mr. Holecek's old road in order to prevent people from using that road to go across the boulevard and possibly cause further damage.
 - Mr. Benson indicated a large trailer with large excavation equipment which was used for the water treatment plant project caused the damage because they could not make the turn going around the hotel.
 - They are going to repair the damage.

ELEVENTH ORDER OF BUSINESS

Audience Comments

- A Resident wants to know if the CID is under the umbrella of the City of Naples Water Management District because the backflow preventers are installed after the meter.
 - The CID is under the umbrella of the SFWMD.
 - The CID does have permits with the City of Naples Water Management District.

- The CID adheres to the Collier County Standard Details for installation of backflow preventers which was approved by the State of Florida DEP.
- This is possible because the CID has dedicated easements.

TWELFTH ORDER OF BUSINESS

Approval of March 31, 2011 Financial Statements and Check Register

Mr. Teague presented the March 31, 2011 Financial Statements and Check Register for the Board's review and approval; copies of which are attached hereto and made part of the public record.

- Mrs. Dillon indicated there are two instances of Check #32987 on the Check Register.
 - One of those checks should have gone to Mr. Cox.
 - The financial statements should reflect a credit of the duplicate check amount.
 - This was for a report which Mr. Cox requested to be written by the planner as an expert for the lawsuit.

There being no further discussion,

On MOTION by Mr. Bissell seconded by Mr. Lambert with all in favor, the March 31, 2011 Financial Statements and Check Register were approved.

THIRTEENTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Bissell seconded by Mr. Custer with all in favor, the meeting was adjourned at 12:45 p.m.



Calvin Teague
Secretary



Richard C. Ziko
Chairman