

**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, December 16, 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
Charles Custer	Assistant Secretary
Theodore Bissell	Assistant Secretary

Also present were:

Calvin Teague	District Manager
Daniel Cox	District Counsel
Robert Casey	Field Manager
Robert Migdal	Severn Trent Services
Frank Feeney	Hole Montes & Associates
Anthony Davis	Orchid Cove HOA
Jean Kungle	POI Realty
Signe Backus	Resident
Dave Molberg	Resident
Jerry Winters	Resident

*The following is a summary of the discussions and actions taken at the December 16, 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 the Minutes of the  
November 18, 2011 Meeting**

Mr. Ziko stated each Board member received a copy of the Minutes of the November 18, 2011 Meeting; requesting any additions, corrections or deletions.

- On Page 4, Lines 142 and 143 should be moved after Line 151 on Page 5.
- On Page 5 in Line 158, *turn around* should replace *turnaround*.
- On Page 5 in Line 159, *the eastern* should replace *road at the western*.

There being no further additions, corrections or deletions,

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

**THIRD ORDER OF BUSINESS**

**Audience Comments**

- Mr. Winters commented one backflow preventer valve has not been installed in the building in which he resides.
  - Mr. Casey confirmed it will be installed this year.
- Ms. Kungle reminded the Board Ms. Donna Fiala will be at the Orchid Cove Clubhouse on January 5<sup>th</sup> from 5:00 p.m. to 6:00 p.m. for the primary in which she is running for County Commissioner.

**FOURTH ORDER OF BUSINESS**

**Old Business**

**A. Review of Landscape Maintenance Performance**

Mr. Custer discussed his ride-through with Mr. Soto.

- The most contentious issue appears to be the brown spots developing in the grass.
  - This is crab grass which dies in the winter, but grows back green in the summer.
  - Several large areas were replaced with new sod.
- Fertilization is complete.
- Trimming of approximately 158 Palm Trees is complete.
  - The mulch will be applied tomorrow.
  - Mr. Soto advised the Palm Trees should be trimmed twice per year.
- The lenses on the lights at the Cays Drive entrance are dull and need to be changed.

- Mr. Custer believes a landscape architect is necessary to advise staff on what needs to be done on the berm at a reasonable cost.
  - He believes the current landscape company should not be relied upon for this advice.
  - Mr. Casey is waiting for advice from the landscape architect from Hole Montes.
  - Mr. Feeney will follow up with Mr. Benson.
  - Mr. Lambert advised landscaping needs to be installed on the berm as soon as it is repaired.

**FIFTH ORDER OF BUSINESS**

**New Business**

There being no new business, the next item followed.

**SIXTH ORDER OF BUSINESS**

**District Manager's Report**

**A. Update on Insurance Claim for Loss of Pumps**

- The insurance claim was approved and paid in the amount of \$1,850; and will be reflected as *Miscellaneous Income* in the budget.

**B. Report on Delinquent Accounts**

Mr. Teague distributed a spreadsheet and status report for discussion; a copy of which will be entered into the official record.

- Mr. Teague discussed his recommendations on the accounts.
  - Linda Brazzel and Joann Struble will likely be paid.
  - Dennis Sayan was removed from delinquency, which was not reflected when this report was prepared.
  - Great Lakes Homes may be categorized as *Shut Off Waiting for Payment*.
    - The company is no longer active and the accounts will be paid once those properties are sold.
  - Doug Collier, Jo Anne Scott and Vincent Grasso should be written off immediately.
    - The accounts are closed and the balances are low.
  - Christopher Clark, Vanessa Perez, Susan Corrigan, R.M. Teibel and Ian Wood are shut off and waiting for payment.

- The units are currently vacant, but will have to be paid as soon as someone moves in and tries to open the account.
- C. Oenes paid the balance in full.
- Holly Schwin is paying \$150 per month in addition to the current payment.
- The accounts under *Delinquent Balance New Owner* are still outstanding, but new owners reside in the units and are paying their current bills.
- A. The new owners were not aware of an outstanding balance and may have recourse with the title companies for not making them aware of the debt.
- B. Renters cannot be held responsible for delinquent accounts; and Severn Trent will have to pay it.
  - Mrs. Dillon recommends the individuals who are shut off be sent a letter requesting payment.
- C. The Board agreed the accounts for Great Lakes Homes should fall under this category.

There being no further discussion,

On MOTION by Mrs. Dillon seconded by Mr. Lambert with all in favor, the District Attorney was authorized to file notices of Lien on the properties owned by Christopher Clark, Vanessa Perez, Susan Corrigan, R.M. Teibel, Ian Wood and the accounts for Great Lakes Homes due to non-payment of their outstanding balances.

- Mr. Cox commented Mr. Teague may sign off on these notices as the CID's District Manager in order to get them processed in a timely manner.
- The CID is at fault regarding the accounts under *Delinquent Balance New Owner*.
- It does not make sense for the CID to expend any funds trying to collect on the three accounts under *Recommend Writing Off* which have small outstanding balances.

There being no further discussion,

On MOTION by Mr. Custer seconded by Mrs. Dillon with all in favor, write-off of the accounts for Suncoast Federal, Kathy Burke, Robert Rowan, Samantha Wilson, Tara Halpern, Doug Collier, Jo Anne Scott and Vincent Grasso was approved.

- Mrs. Dillon wants to ensure the next water bill includes the late charge notification.
  - Mr. Teague will follow up with Operations.

**SEVENTH ORDER OF BUSINESS**

**Field Manager's Report**

**A. Update of Inventory List of CID Equipment and Materials**

- Mr. Casey resolved the formatting issues on the *Small Tools* list.
- This will be a working document.

**B. Report on Audit of Meter Reading Procedures**

- Mr. Casey had a professional meter reader supervisor go through the entire system with the CID's meter reader.
  - The routing system was inefficient and is now better organized.

Mr. Casey distributed the December 2011 Operations Report for discussion; a copy of which will be entered into the official record.

- The MBR operations issue was discussed.
  - Mr. Casey added a step to the cleaning process mandated by Parkson.
    - Parkson staff assured Mr. Casey this additional step will not cause any further damage to the process.
    - They are going to pull tubing from the bottom of the modules and flush the contained sludge prior to cleaning the skid.
    - Mr. Casey will update the Board how this additional step will affect the process.
    - This cleaning needs to be done twice per month and takes approximately six hours.
    - Mr. Lambert suggested a letter be sent to Parkson memorializing the action.
- The roto mesh is working well since the sprockets and chain were replaced.
  - Mr. Casey order spare sprockets and chains.

- Mr. Casey opened a tax exempt account with Parkson to expedite these items.
- Staff noticed a blow-by on lift station #5 upon inspection.
  - The riser pipe was replaced with PVC piping in the duct which was rusting, as PVC stands up better to rust.
- There was a failure in one of the return-activated sludge pumps (RAS).
  - Records indicate this pump was repaired less than one year ago; and Mr. Casey is going to try to have it repaired as a warranty issue.
- Well #2 was replaced; and bacteriological samples indicated everything was clear.
- All hydrant painting and repairs should be complete by the beginning of the year.
- Mr. Lambert asked for an update regarding the shaft which needs to be straightened.
  - The shaft had to be heated to a certain degree and there was a break in the middle of one of the heated areas.
  - Mr. Casey determined a different type of pump was installed as part of an improvement project at the well field in 2009; and nothing can be done as far as reimbursement or any other concessions.
  - The CID has no recourse with the manufacturer since the vendor actually purchased them.
  - Mrs. Dillon asked Mr. Casey to contact the manufacturer since it appears the product itself was shoddy.
- There was an internal power failure in one of the modules within the facility surge suppression unit to the generator.
  - Mr. Casey contacted the electrical contractor who confirmed the modules were bad, with the replacement cost being in excess of \$10,000.
  - The electrical contractor is assisting Mr. Casey in navigating with the warranty process; and was assured most of the parts are still under warranty.
  - The electrical contractor will have to install them which will present an additional expense, but the work will be done quicker and more efficiently.

- Staff did an inspection of all street signs within the community and determined 16 signs need to be replaced at a total cost of \$821.36, which includes labor from Severn Trent Operations staff.

There being no comments or questions,

On MOTION by Mr. Lambert seconded by Mrs. Dillon with all in favor, a proposal for replacement of 16 street signs within the CID in the amount of \$821.36, which includes the installation labor from Severn Trent Environmental Services, was approved.

- Mr. Ziko asked Mr. Casey to verify the accuracy of the 12-month average potable water loss at -1.5%.
- C. Update on SCADA Installation at Roto-Mesh and Automated Valves**
- Mr. Casey presented Work Authorization No. 42700 to install a valve position status on the SCADA system in the amount of \$10,381.10.

Upon further discussion,

On MOTION by Mr. Bissell seconded by Mrs. Dillon with all in favor, Work Authorization No. 42700 to install a valve position status and alarms on the SCADA system in the amount of \$10,381.10 was approved.

- Mr. Casey presented Work Authorization No. 42706 which includes a proposal from Cogburn to provide and install soft-starts for the three wells in the amount of \$19,924.
  - The wells have a one-year manufacturer's warranty.
  - The Board would like to review this Work Authorization before approving, as the cost is exorbitant.
  - The Board asked Mr. Casey to get one more price; and ask Cogburn to decrease their mark-up from 15% to 10%.
- Mr. Casey presented Work Authorization No. 42701 to add the influent and effluent meter to the SCADA system in order to be able to retrieve real time information in the amount of \$9,371.
  - This is not required from a permitting standpoint.

- This is considered an enhancement, as the CID is currently in compliance with all regulatory agencies.
- The Board asked Mr. Casey to defer this Work Authorization for the time being.
- Mr. Ziko asked Mr. Casey to send all potential Work Authorizations to the Board the Wednesday prior to the meeting.
- Mr. Bissell asked Mr. Casey to e-mail the Board the latest inventory list.
- Mrs. Dillon reminded Mr. Casey to send an invoice to Sunset Cay Lakes for the work he did over there.
  - Mr. Casey has all of the specifics, but has not prepared the invoice yet.
- Mrs. Dillon asked Mr. Casey whether or not the water issue at the South Hotel was resolved.
  - This issue was resolved from the CID's standpoint and the South Hotel is currently doing their internal work in this regard.
  - The South Hotel has not initiated paperwork authorizing Mr. Casey to have the water service turned on in their name.

**EIGHTH ORDER OF BUSINESS**

**Attorney's Report**

**A. Update on North Hotel Bankruptcy Proceedings**

- Mr. Cox provided the documents in their second request.
- Mr. Cox responded strongly to several objections indicating they were irrelevant and may be construed as a waste of time.
- Mr. Cox commented some of the items he asked for were legitimate, such as the request for the Audit and rules to adopt rates.
- Mr. Cox originally intended to file a Motion for Summary Judgment, but a motion was filed by the U.S. Trustee which is seeking to throw the bankruptcy out because the debtor in possession has an obligation to file certain reports periodically and pay a fee to the Trustee for reviewing these reports and managing the bankruptcy case; none of which have been filed; and no fees have been paid to date.

- The Trustee was able to file a Motion to Dismiss under these circumstances; and the debtor filed one-third to one-quarter of the reports already due, but did not make any payments.
- The reports indicate the income is not sufficient to address current expenses.
- Both Mr. Cox and the Attorney representing the Collier County Tax Collector filed motions with the Trustee and supplemented evidence indicating the case cannot be rehabilitated and a plan of reorganization cannot be presented under the current scenario; thereby requesting a dismissal of the entire bankruptcy.
  - This has not been set for hearing; and Mr. Cox has not prepared the Motion for Summary Judgment.
  - Mr. Cox will continue to monitor whether or not the reports get filed.
  - The Trustee may withdraw his motion if Mr. Motwani gets current on payments.
- It is possible there will be a hearing on the validity of the assessments before the hearing is set on the adversarial proceeding for January 12, 2012.
- Mr. Cox will probably start working on the Motion for Summary Judgment before the first week of January.
- If the bankruptcy is thrown out, the Tax Collector will be free to sell the Tax Certificates which will generate funds for the two years of outstanding taxes.
  - In all likelihood, the institution which holds the mortgage will purchase those in order to avoid having to deal with two other people in the foreclosure.
  - The CID is owed approximately \$240,000 in outstanding taxes, along with the current year's taxes.
- B. Update on Drainage Swale Agreement on Lot 45**
  - Mr. Cox sent a letter last week, but has not received a response yet.
- C. Update on Sunset Cay Utility Dedication**
  - Mr. Cox drafted an agreement with Sunset Cay, but has not had the opportunity to e-mail it to them to review.
  - Mr. Cox acknowledged Sunset Cay does not need to provide the CID any drawings or documentation confirming the installation is acceptable.

- The CID will accept the water and irrigation lines up to the meters and the sewer from the clean-outs.
- Mr. Cox recommended the CID maintain the fire hydrants.
- Mr. Lambert would like Mr. Benson to review record drawings prior to finalizing the agreement.
  - Mr. Feeney will confirm with Mr. Benson whether or not he has as-builts for the project.

**NINTH ORDER OF BUSINESS**

**Engineer's Report**

**A. Update on New Water Treatment Plant**

Mr. Feeney distributed the Monthly Progress Report for discussion; a copy of which will be entered into the official record.

- The majority of the building is complete.
- Scaffolding is currently being done in order to install the exterior stucco.
- Plumbing, electrical, duct work for the air conditioning, drywall and studs are being done now.
- They received a large shipment of equipment from ITT just before Thanksgiving; much of which has been installed.
- Piping is going in.
- Interior painting is being done.
- Their goal is to have the plant operational near the end of January.
  - There is a 30-day run time before acceptance and completion.

**B. Update on Storm Retention Pond**

- The contractor has done some repairs to the berms, as discussed earlier in the meeting.
- Mr. Casey reminded Mr. Feeney the Board has a financial interest in getting the pond done in a timely fashion.
  - Once the pond is completed and certified by the regulatory agencies, the CID will submit applications to be removed as the responsible party for the wetlands.

**C. Update on Union Road Condition**

- The contractor did some utility installations on the section adjacent to the berms, and damaged the road.
- This contractor was put on notice he must repair the road; and will do so later in the project because traffic continues going through there and they want to ensure the road does not have to be re-done twice.
- The potable water line to the Gun Club was done, certified by FDEP and put into service.
- Mr. Feeney agrees with Mr. Benson to wait until the end of the project to reevaluate the road, as the road may incur additional damage before the project is complete.

**TENTH ORDER OF BUSINESS**

**Supervisors' Requests**

- Mr. Bissell wants to know if anyone spoke to Mr. Holecek regarding the road switch.
  - Mr. Cox does not believe Mr. Holecek will respond until he has a development plan for the property.

**ELEVENTH ORDER OF BUSINESS**

**Audience Comments**

Hearing no comments from audience members, the next item followed.

**TWELFTH ORDER OF BUSINESS**

**Approval of November 30, 2011**

**Financial Statements and Check Register**

Mr. Teague presented the November 30, 2011 Financial Statements and Check Register for the Board's review and approval; copies of which will be entered into the official record.

- The revenues appear to be down, but Mr. Teague confirmed this is only a timing issue.
- Mrs. Dillon wants to know why there are R&M overage charges.
  - The charges are to the invoice date.
- There are charges on the Check Register for Bobcat Trail CDD.
  - Mr. Teague believes POI FedEx charges were charged to Bobcat Trail; and POI is being charged back.
  - Mr. Teague will double-check these.

There being no further discussion,

On MOTION by Mr. Lambert seconded by Mrs. Dillon with all in favor, the November 30, 2011 Financial Statements and Check Register were approved as discussed.

**THIRTEENTH ORDER OF BUSINESS**

**Adjournment**


The Board will recess to have lunch and tour the new water treatment plant.

There being no further discussion,

On MOTION by Mrs. Dillon seconded by Mr. Custer with all in favor, the meeting was recessed and will reconvene after the Board takes a tour of the new water treatment plant.

The Board adjourned the meeting at the end of the tour.

  
Calvin Teague  
Secretary

  
Richard C. Ziko  
Chairman