

**PELICAN BAY SERVICES DIVISION BOARD SPECIAL SESSION
APRIL 30, 2018**

The Pelican Bay Services Division Board met in Special Session on Monday, April 30, 2018, at 11:00 a.m. at the Community Center at Pelican Bay, 8960 Hammock Oak Drive, Naples, Florida 34108.

In attendance were:

Pelican Bay Services Division Board

Scott Steckenbein, Chairman
Tom Cravens, Vice-Chairman
Joe Chicurel
Jacob Damouni
Ken Dawson

Nick Fabregas
Pete Griffith
Bohdan Hirniak (*absent*)
Susan O'Brien
Mike Shepherd
Rick Swider

Pelican Bay Services Division Staff

Neil Dorill, Administrator
Marion Bolick, Operations Manager

Mary McCaughtry, Operations Analyst
Lisa Jacob, Associate Project Manager
Barbara Shea, Recording Secretary

Also Present

Charles Bodo, Pelican Bay Foundation
John Chandler, Pelican Bay Foundation
Dave Cook, Pelican Bay Foundation

John Gandolfo, Pelican Bay Foundation
Jim Hoppensteadt, Pelican Bay Foundation
Trent Waterhouse, Pelican Bay Foundation

APPROVED AGENDA (AS PRESENTED)

1. Pledge of Allegiance
2. Roll call
3. Agenda approval
4. Approval of the 04/13/18 Budget Committee meeting minutes
5. Audience comments
6. Review of the proposed FY2019 Budget
 - a. Routine expenses cost center
 - b. Capital projects
 - c. Consolidated budget
 - d. PBSB special assessment history
 - e. Progress on extinguishing accumulated deferred maintenance
7. Adjournment

ROLL CALL

Mr. Hirniak was absent and a quorum was established

AGENDA APPROVAL

Mr. Cravens motioned, Mr. Dawson seconded to approve the agenda as presented. The motion carried unanimously.

APPROVAL OF 04/13/18 BUDGET COMMITTEE MEETING MINUTES

Mr. Dawson motioned, Mr. Cravens seconded to approve the 04/13/18 meeting minutes as amended. The motion carried unanimously.

AUDIENCE COMMENTS

Mr. Bill Flashins asked for the timing and description of new trees which will be planted in the PBSB maintenance area. Mr. Dorrill responded that two dozen native sabal palms of varying heights have been priced out at approximately \$375/tree; quotes will be brought to the Landscape & Safety Committee.

Dr. Joseph Doyle commented (1) on April 10, the Board of County Commissioners approved a new stormwater utility fee of \$120 per residential unit; hopefully Pelican Bay residents will receive two credits resulting in a reduced fee of \$60, and (2) the North Collier Fire District is seeking to impose a \$254 service fee on top of its ad valorem fire tax.

Ms. Anne Fleming of the Waterside Shops commented that the PBSB ERU's should be re-evaluated, as the current mechanism results in a significant and disproportionate burden on commercial property owners.

Mr. Ted Raia commented on (1) recent PBSB landscaping improvements and, (2) PB pathways need improvement and concrete replacement would be favorable.

Mr. Jim Clement of CRE Consultants commented on the need for better communication with commercial property owners regarding scheduled PBSB meetings.

Ms. Molly Moffatt commented that the PB berm looks like an "eyesore."

REVIEW OF THE PROPOSED PBSB FY19 BUDGET

Mr. Shepherd provided a powerpoint presentation on the proposed PBSB FY19 budget. Highlights included:

- The PBSB Budget Committee approved the proposed FY19 budget unanimously at their April 13 meeting.
- Total PBSB routine expenses show an increase of 2.68% in FY19 from the prior year.
- Capital projects include (1) projects already approved by the PBSB Board, (2) "accrual accounts" to be spent on future projects, and (3) extraordinary expenditures.
- \$500,000 is included in the budget for restoration of one out of ten lake banks which were cited by our engineer as needing immediate attention.
- \$1,840,000 is included in the budget for Hurricane Irma related items to include (1) \$1,290,000 to repay loans from other accounts, (2) \$400,000 for berm restoration, and (3) PB interior restoration.
- \$200,000 is included for beach renourishment, and \$375,000 for other discretionary projects.
- The proposed FY19 assessment will rise to \$1,016.73, from \$652.86 in FY18.
- The PBSB has accrued \$12 million in deferred maintenance over the last 14 years, resulting from many years of assessments which remained virtually unchanged from year to year.
- Items not included in the FY19 budget include (1) beach super renourishment, (2) walkway replacement, (3) funds to examine possible failing stormwater structures, (4) 90% of

recommended lake bank remediation, (5) US 41 noise mitigation, (6) funds to research a possible migration to an independent district, and (7) staffing additions.

PBSD BOARD COMMENTS ON THE PROPOSED PBSD FY19 BUDGET

Mr. Shepherd commented that the current ERU allocation to our commercial members could be a discussion in the future, but not for this meeting. Ms. O'Brien commented that a \$364 increase in the PBSD assessment would have a huge impact on our commercial members. Mr. Dorrill commented that a methodology study of perceived benefits to PB parcels was performed 45-50 years ago when PB was first conceived, which resulted in a proration of benefits to 7,615 units among residential (84-85%) and commercial parcels (15-16%).

Mr. Swider commented on the need to address our accumulated \$12 million deferred maintenance.

Ms. O'Brien commented on \$500,000 budgeted for lake bank remediation including (1) the lack of review of the four lake bank remediation options (with large differences in cost) by the full board, and (2) the lack of discussion on the necessity to address critical and/or secondary erosion by the full board.

Ms. O'Brien commented on \$1.3 million budgeted to pay back the IRMA loan. This seems unnecessary as the PBSD is expecting partial reimbursement from FEMA and insurance. She also questioned why we are not using any of the \$2.1 million in "capital projects reserves."

AUDIENCE COMMENTS ON THE PROPOSED PBSD FY19 BUDGET

Ms. Peggy Thorne requested that the extraordinary expenses included in the FY19 budget be spread over a few years.

Mr. Dave Cook commented on (1) the importance of researching our aging stormwater management system, and (2) taking a look at obtaining a loan to pay for large projects (such as sidewalk replacement).

Mr. Jeff Brown commented on the Ritz Carlton's opposition to the huge increase in the proposed FY19 assessment.

Dr. Joseph Doyle commented on (1) the lack of a PBSD IRMA recovery committee, (2) the lack of information on the number of claims filed and their status, (3) the lack of a defined PBSD budget policy, and (4) the ability of the PBSD to obtain a loan to complete large projects.

Mr. Bob Foster questioned whether the high FY19 assessment would be a one-time event, followed by a much lower assessment in FY20.

Mr. Jim Zinger commented on the "low level" of the PBSD assessment, considering the large amount of services provided.

Mr. Bill Griffin questioned whether there is a legal basis to abolish the PBSD and have the PBF take over its responsibilities. Mr. Dorrill commented that as a "micro-governmental" entity (part of Collier County), this option is not possible.

Mr. Henry Bachman commented that PBSD easements exist for the purpose of maintaining proper drainage throughout Pelican Bay, and therefore, lake bank remediation is not a PBSD responsibility (lake banks are all privately owned and should be maintained by the respective associations).

Ms. Sharon Feldman requested a copy of the 2017 ABB report on PB lake banks.

Mr. Ted Raia commented that the PBSD budget should not include any funds for private lake improvements or storm drains and sewer pipes (County responsibility).

Mr. Jim Issenman commented positively on the PBSD "doing the fiscally responsible thing" and working to ensure that PB remains a premier community.

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Mr. Bob Sanchez commented on the numerous PBSB unfunded projects and the inability to catch up.

Mr. Craig Matthews suggested the PBSB Board develop a five-year plan.

Mr. Gerry Moffatt commented that PB residents should receive the same benefits as other County residents, and that PB residents should be paying an assessment only for incremental benefits over the base level.

Mr. John Chandler commented on (1) the high cost estimates for lake bank remediation, and (2) his preference for properly naming a contingency fund for future disasters.

Ms. Mary Johnson commented on (1) the need for additional discussion on the four lake bank remediation options by the PBSB Board, (2) the lack of funds set aside for stormwater structure failures, and (3) the need to maintain our stormwater management system.

ADJOURNMENT

The meeting was adjourned at 12:46 p.m.

Scott Streckenbein

Scott Streckenbein, Chairman

Minutes approved [] as presented OR [] as amended ON [6-6-18] date