



Community Development District

Board of Supervisors

Preliminary Budget Review and Special Meeting

April 24, 2024

8:30 AM

505 Whiskey Creek Drive, Marco Island, FL 34145

Anyone wishing to listen and participate in the meeting can do so by calling
1-888-468-1195, Participant Pin 636522.

Additionally, participants are encouraged to submit questions and comments to the District Manager in advance to facilitate the Board's consideration of such questions and comments during the meeting.

The agenda is as follows:

1. Call to Order/Roll Call
2. Approval of Agenda
3. Public Comments
4. Approval of Minutes
 - a. February 21, 2024 Regular Meeting Minutes
5. Organizational Matters
 - a. Appointment of Supervisor to Fill an Unexpired Term of Office (Seat 1, Expiring 11/2026)
 - b. Appointment of Supervisor to Fill an Unexpired Term of Office (Seat 3, Expiring 11/2024)
 - c. Oath of Office for Newly Appointed Supervisors
 - d. Resolution 2024-01 - Designation of Officers
6. Old Business
7. New Business
 - a. LJA (Formerly ABB) Contract for District Engineering Services
 - b. FEMA Eligibility Determination Memo
 - c. Consideration of Professional Services Agreement for Filing of FEMA Appeal
8. Attorney Report
9. Engineer Report
10. Supervisors' Requests
11. District Manager Report
 - a. Acceptance of Financials Ending March 31, 2024
 - b. Review of 2024-2025 Preliminary Budget
 - c. Resolution 2024-02 - Setting Budget Hearing Date
 - d. Form 1 & Supervisor Ethics Compliance Reminder
12. Public Comments

13. Set Next Meeting Date:
 - a. June 19, 2024 – Budget Meeting & Regular Meeting to Follow
14. Adjournment

1
2 **Key Marco Community Development District**
3 **Regular Meeting**
4 **February 21, 2024**
5 **8:30 AM**

6 **Appearances**

7 Mary Beth Schewitz, Chairman
8 Luanne Kerins, Co-Chair
9 Terri Stanton
10 John Esposito
11 Lynn Narath (Via Speakerphone)

12 **Also Present**

13 Joshua Carter, District Manager
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15 **CALL TO ORDER/ROLL CALL**

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17 The meeting was called to order by the Chairman at 8:30 AM, and it was noted that four
18 supervisors were in attendance constituting a quorum with one supervisor participating via
19 speakerphone.
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21 **APPROVAL OF AGENDA**

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24 On a voice vote by Mrs. Kerins and a second by Mrs. Schewitz, the agenda was unanimously
25 approved.
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28 **Public Comments**

29 Mr. Howard Clement of 1247 Blue Hill Creek Drive made a comment regarding the street light
30 poles, noting that the new painting is a major improvement.
31 No further comment was made.
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34 **Approval of Minutes**

- 35 a. December 6, 2023 Second Audit Committee and Regular Meeting Minutes
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37 On a voice vote by Mrs. Schewitz and a second by Mrs. Kerins, the December 6, 2023 Second
38 Audit Committee and Regular Meeting Minutes were approved unanimously.
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Old Business

a. Establishment of New Bank Account at Seacoast Bank

Mr. Carter noted that following the December 6, 2023 regular meeting, he had met with Seacoast Bank regarding the establishment of the new bank account to maintain FDIC limits for District Funds under \$250,000 in one account. Mr. Carter noted that the authorized signers for the account would need to fill out a signer sheet and a transfer could be authorized to establish the account. Mr. Carter noted that Seacoast Bank was willing to meet at the Key Marco Community Center to complete the outstanding items so that Signers would not be required to drive into Naples to complete the process. Mr. Carter noted that he would work with Mrs. Schewitz, Mrs. Kerins and Seacoast Bank to set up a date to complete the process in the coming week.

New Business

a. RFQ Responses for District Engineering Services

Mr. Carter noted that two RFQ responses had been received to the Request for Qualifications for District Engineering Services from the current District Engineer, Holes Montes and Agnoli, Barber & Brundage. Mr. Carter noted that Johnson Engineering opted not to submit an RFQ Response due to the project location of Key Marco. Mr. Carter presented the RFQ responses submitted by each engineer to the Board of Supervisors and a copy of the ranking criteria matrix to be completed. Mr. Carter noted that each supervisor would fill out and sign the ranking criteria and the cumulative score of all criteria would calculate the highest rated firm. The highest-ranking firm would enter into negotiation with the District and an agreement would be submitted to the board for approval and signature in the subsequent meeting of the board of supervisors.

Mrs. Schewitz noted that the proposal from Holes Montes would now be reviewed and ranked. The first criteria for Familiarity with the Project, Holes Montes awarded 25/25 points due to their portfolio of Special District engineering experience and past experience as Key Marco CDD’s District Engineer. The second criteria for Staffing – Ability of Personnel was awarded 15/25 points as Holes Montes’ engineers have a breadth of engineering experience but difficulty in keeping up with and moving along District projects. The third criteria for Workload, Location, Ability to Meet time and Budget Requirements was awarded 15/25 points due to the location of the firm’s office in North Naples about one hour from Key Marco and workload with other large projects paired with timelines concerns for Key Marco on recent projects. The fourth criteria, Experience with State and Local Regulations and Permitting was awarded 20/20 points due to the firm’s in depth knowledge of local, state and District specific regulations. The fifth criteria for Certified Minority Business was awarded 0/5 points as the firm is not a certified minority business. The total cumulative score for Holes Montes RFQ is 75/100 points.

Mrs. Schewitz noted that the proposal from Agnoli, Barber & Brundage would now be reviewed and ranked. The first criteria for Familiarity with the Project was awarded

85 25/25 points due to the firms portfolio of Special District Engineering Experience in
86 Districts similar to Key Marco. The second criteria for Staffing – Ability of Personnel was
87 awarded 25/25 points due to the firm’s proposed District Engineer availability and
88 organization of support personnel to complete District projects in a timely manner
89 according to well defined timelines agreed upon by the District and Engineer. The third
90 criteria for Workload, Location, Ability to Meet time and Budget Requirements was
91 awarded 25/25 points due to the firms closer location at 45 minutes from the District as
92 well as availability of District Engineer to participate in meetings as needed and be
93 available by phone during meetings as questions arise. The firm also expressed a lighter
94 workload as the proposed District Engineer was focused primarily on District
95 Engineering services as their main scope. The fourth criteria for Experience with State
96 and Local Regulations and Permitting was awarded 20/20 points due to the firm’s
97 experience and understanding of Special District regulations as well as state and local
98 regulations. The fifth criteria for Certified Minority Business was awarded 0/5 points as
99 the firm is not a Certified Minority Business. The total cumulative score for Agnoli,
100 Barber & Brundage is 95/100 points.

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102 Mr. Carter noted that the Board of Supervisors would now take their Ranking Criteria
103 scores and rank the firm’s RFQ Responses to enter into negotiations. Mr. Carter noted
104 that if negotiation should fall through with the highest ranked firm, the next highest
105 ranked firm would be engaged for the negotiations process. After discussion, Agnoli,
106 Barber & Brundage would be ranked First with 95/100 points awarded and Holes
107 Montes ranked second with 75/100 points awarded.

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109 On a voice vote by Mrs. Schewitz and a second by Mr. Esposito, a motion to enter negotiation
110 for District Engineering Services with Agnoli, Barber & Brundage as the first ranked firm was
111 approved unanimously.

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113 b. Records Storage Facilities Alternative Options

114 Mr. Carter noted that Key Marco Community Association was looking into storage
115 solutions and had found a storage unit at Extra Space Storage in the south Naples area
116 to store records, equipment and other items overcrowding the community center. Mr.
117 Carter presented to the District that the storage unit could be shared between the two
118 entities, eliminating the need for the costly records storage fee currently paid by the
119 District. Mr. Carter noted that the Robert Flinn Records Center monthly fee is \$79 and
120 can only store records. Other items needing storage would need to be stored elsewhere.
121 Mr. Carter noted that the storage unit was much closer than the Records Center to the
122 District and the cost charged was flat for the entire unit rather than by records storage
123 box. After discussion Mrs. Schewitz suggested that unless there is any requirement to
124 store records at a facility like the records, the records should be moved to the storage
125 unit procured by Key Marco Community Association. Mr. Carter noted that he would
126 check with Mr. Urbancic to confirm any requirements and move the boxes from Robert
127 Flinn Records Center and close the account. Mrs. Schewitz suggested setting a not-to-

128 exceed amount for moving services of the records. Mr. Carter noted that he would be
129 capable of moving the boxes to the unit without the need for moving services.

130 On a voice vote by Mrs. Schewitz and a second by Mr. Esposito, a motion to approve the
131 moving of records from Robert Flinn Records to the storage unit at Extra Space Storage pending
132 confirmation of any facility requirements was approved unanimously.

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135 c. Consideration of Vendor Strategy for Disaster Debris Monitoring and Reimbursement
136 Management Services

137 Mr. Carter noted that other special districts utilize specific Disaster Debris Monitoring
138 vendors for hurricane cleanup. These vendors are paid a retainer for their services and
139 arrive on site following any natural disaster to provide cleanup services as well as
140 monitoring to satisfy requirements of FEMA and oversight for reimbursement. Mr.
141 Carter noted that while working through the FEMA process, the monitoring
142 requirements are critical to the viability of the project and require strict oversight from
143 debris collection to final disposal at a debris disposal & management site. Mr. Carter
144 noted that having the District's landscaping contractor handle debris removal allows for
145 quick cleanup but does not ensure that the monitoring of all debris cleanup at all debris
146 locations are being enacted. Mr. Carter further noted that Reimbursement Management
147 Services are being utilized in other Districts to assist with reimbursement claims and
148 suggested this may of be of value to Key Marco Community Development District. Mr.
149 Carter noted that while FEMA's representatives can assist in scoping projects for federal
150 reimbursement, reimbursement management services can provide opportunity in
151 identifying and qualifying local and state level grants for mitigation and improvement
152 following a natural disaster. Mrs. Schewitz noted that both items seemed of value and
153 was curious how retainer and payments for both services are handled. Mr. Carter noted
154 that he would make contact with a Disaster Debris Monitoring firm to get an idea of
155 pricing and follow up in a future meeting.

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158 **ATTORNEY'S REPORT**

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160 Mr. Urbancic did not attend the February 21 meeting but submitted a memo regarding New
161 Ethics Training for Special Districts. Mr. Carter noted that per the memo, all Supervisors would
162 be required to complete 4 hours of ethics training and mark a box certifying completion for the
163 2024 training when 2025 Form 1 – Statement of Financial Interests are submitted. Mr. Carter
164 noted that the memo includes resources for the ethics training including free training programs
165 offered through the Florida Commission on Ethics as well as paid courses. Mrs. Schewitz
166 suggested that supervisors become familiar with the resources offered and complete the
167 required ethics training well in advance of the due date. Mr. Carter noted that he would post a
168 reminder for the training on the agenda in the following meeting.

169
170 **ENGINEER'S REPORT**

171 No Engineer's Report was Provided at the February 21, 2024 meeting.

172 **SUPERVISORS' REQUESTS**

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174 No Supervisors' Requests were made at this time.

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176 **DISTRICT MANAGER'S REPORT**

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179 Acceptance of Unaudited Financials Ending January 31, 2024

180 Mr. Carter presented unaudited financials ending January 31, 2024 to the Board of Supervisors.

181 Mr. Carter highlighted in the balance sheet the \$468,283.04 balance in the Fifth Third Public

182 Fund bank account noting that once the Seacoast Bank Money Market Account be opened, a

183 deposit to establish the account would be withdrawn from the public fund to keep below FDIC

184 limits. Mr. Carter noted that an operating reserve for the first half of the year would be kept in

185 the public fund. Mr. Carter referenced the Profit and Loss, highlighting the \$170,349.77 from

186 October 1, 2023 to January 31, 2024 collected for maintenance assessments, leaving about 27

187 properties unpaid at January 31. Mr. Carter highlighted the expense item 'Rentals & Leases'

188 showing the monthly cost associated with records storage at Robert Flinn Records center for a

189 total annual cost of \$900. No questions were posed regarding the unaudited financials ending

190 January 31, 2024.

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192 On a voice vote by Mrs. Schewitz and a second by Mrs. Stanton, a motion to approve the
193 unaudited financials ending January 31, 2024 was approved unanimously.

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195 Bridge Rail Painting & Streetlight Painting Completion

196 Mr. Carter noted that the contractors at Al's Painting Plus had completed the bridge rail and

197 streetlight painting in the community. Mr. Carter noted that he took a drive through the

198 property with David Schmidt of Holes Montes and the work inspected showed as being done to

199 the agreed upon scope. Mr. Carter noted that the newly painted bridge rails and streetlights

200 highlight the need to re-finish the bridge sidewalk and pavers and should be budgeted for in the

201 next fiscal year. Mrs. Schewitz noted that the bridge rail and streetlights looked to be painted

202 correctly and looked much better than prior. Mr. Carter noted that Al's Painting Plus would

203 drop off spare and touch up paint from the project to the District to have on hand should any

204 repairs be required and available if anything showed issue with the work performed over time.

205

206 FEMA Update

207 Mr. Carter noted that other than questions regarding access to the community and the road

208 use fee, he did not have a FEMA update to share. Mr. Carter noted that the project was still in

209 the process of being reviewed by the Atlanta office following the funding agreement. Mr. Carter

210 noted that he would follow up in a future meeting with any updates.

211

212 Solar Bridge Streetlight Update

213 Mr. Carter noted that he had continued to research and discuss the viability of solar

214 streetlighting for the Key Marco Bridge with Florida Solar Design Group. Mr. Carter noted that

215 the firm specializes in off-grid systems and took an account of the District's use case for the

216 bridge and power calculations to help come up with a solution. Mr. Carter noted that in
217 speaking with their solar installers, the project would be difficult as the solar system needed to
218 power the bridge lights fully solar would require an array that is both more costly and
219 significantly larger than would be required for a less mission critical application. Mr. Carter
220 noted that the 'mission-critical' element of the project meaning the need for the bridge lights
221 to work at all times the sun is not up. An off-grid solar power system could suffer downtime on
222 a rainy and dark day while the lights are needed both for the streetlights and marine navigation
223 lights. Mr. Carter noted the they vetted the concept of a hybrid solar system, which would feed
224 power back to the grid and offset electricity usage and cost. This solution allows for a more
225 simple array installation than that of a fully off-grid solution by requiring less panels and fewer
226 battery enclosures. This strategy was described by the representative as being costly on the
227 front and ultimately not worth the expense as the lights are billed on a flat rate of around \$10
228 each, regardless of usage. Mr. Carter noted that while they could send power back to the grid
229 and offset usage, the cost savings would not be recognized under this strategy. Finally, the
230 contractor suggested that the most viable option for solar at the bridge would be to install self-
231 contained solar lights like the ones around the community. Mrs. Schewitz noted that the solar
232 lights throughout the roadways would be difficult to maintain and take away from the
233 appearance of the bridge. After discussion, Mrs. Schewitz noted that the downtime possibility
234 for the navigation lights in the event of a hurricane or other severe outage should be the
235 primary focus of any solar change to the bridge. Mr. Carter noted that a solution to support the
236 navigation lights specifically could be explored and would follow up.

237

238 Upcoming Event in District – Marco Island Half Marathon

239 Mr. Carter noted that the Marco Island Half Marathon would hold their event on March 17 and
240 would pass through Key Marco as in prior years. Mr. Carter noted that he had spoken with
241 event staff and no restroom facilities would be placed inside the District property and staff would
242 be on site following the event to clean up any trash the day of the event. Mr. Carter noted that
243 the guardhouse would be briefed on the event and would send a reminder out to the
244 community leading up to the event for awareness and caution. Mrs. Schewitz noted that it
245 would be important to emphasize that no spray paint be applied to the District Roadways, an
246 issue that had arisen in a past year. Mr. Carter noted that he would echo this concern to the
247 event staff.

248

249 **PUBLIC COMMENT**

250 No Public Comments were received at this time.

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252 **NEXT MEETING**

253 The next meeting will be held on April 24 at 8:30 AM.

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255 **ADJOURNMENT**

256 The meeting was then adjourned at 10:15 AM on a Motion by Mrs. Schewitz and a second by
257 Mrs. Kerins. The motion was passed unanimously.

Section 4. **Conflicts.** All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

Section 5. **Effective Date.** This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Key Marco Community Development District this 24th day of April, 2024.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair

**AGREEMENT FOR
PROFESSIONAL ENGINEERING SERVICES**

THIS AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES (this “**Agreement**”) is made and entered into effective this 9th day of April, 2024, by and between **KEY MARCO COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes* (the “**District**”) and **LJA ENGINEERING, INC.**, a Texas corporation (the “**Engineer**”).

RECITALS

WHEREAS, the District is a local unit of special purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes, by ordinance of the Board of County Commissioners of Collier County, Florida; and

WHEREAS, the District is authorized to plan, acquire and/or maintain improvements, facilities and services in conjunction with the development and maintenance of the lands within the District; and

WHEREAS, pursuant to Sections 190.033 and 287.055, Florida Statutes, the District solicited qualifications from qualified firms and individuals to provide professional engineering services to the District on a continuing basis; and

WHEREAS, Engineer submitted a proposal to serve in this capacity; and

WHEREAS, the District's Board of Supervisors ranked Engineer as the most qualified firm to provide professional engineering services for the District and authorized the negotiation of a contract pursuant to Section 287.055, Florida Statutes; and

WHEREAS, the District intends to employ Engineer to perform engineering, construction administration, environmental management and permitting, financial and economic studies, as defined by a separate work authorization or work authorizations; and

WHEREAS, the Engineer shall serve as District’s professional representative in each service or project to which this Agreement applies and will give consultation and advice to the District during performance of these services.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the acts and deeds to be performed by the parties hereto and the payments by the District to the Engineer of the sums of money herein specified, it is mutually covenanted and agreed as follows:

ARTICLE 1. INCORPORATION OF RECITALS. The recitals stated above are true and correct and are incorporated by reference herein as a material part of this Agreement.

ARTICLE 2. SCOPE OF SERVICES.

A. The Engineer will provide general engineering services, including:

1. Preparation of any necessary reports and attendance at meetings of the District’s Board of Supervisors.

2. Assisting in meeting with necessary parties involving bond issues, special reports, feasibility studies or other tasks.
 3. Providing professional engineering services including but not limited to review and execution of documents under the District's Trust Indentures and monitoring of District projects.
 4. Any other items requested by the Board of Supervisors.
- B. Engineer shall, when authorized by the Board, provide general services related to construction of any District projects including, but not limited to:
1. Periodic visits to the site, or full time construction management of District projects, as directed by District.
 2. Processing of contractor's pay estimates.
 3. Preparation of, and/or assistance with, the preparation of work authorizations, requisitions, change orders and acquisitions for review by the District Manager, District Counsel and the Board.
 4. Final inspection and requested certificates for construction including the final certificate of construction.
 5. Consultation and advice during construction, including performing all roles and actions required of any construction contract between District and any contractor(s) in which Engineer is named as owner's representative or "Engineer."
 6. Any other activity related to construction as authorized by the Board.
- C. With respect to maintenance of the facilities, Engineer shall render such services as authorized by the Board.

ARTICLE 3. METHOD OF AUTHORIZATION.

- A. Each service or project shall be authorized in writing by the District. The written authorization shall be incorporated in a work authorization which shall include the scope of services, compensation, project schedule, and special provisions or conditions specific to the service or project being authorized ("**Work Authorization**"). Authorization of services or projects under this Agreement shall be at the sole option of the District.
- B. Engineer shall perform its obligations under this Agreement as expeditiously and efficiently as are consistent with professional skill and care and the orderly progress of the construction of the District's facilities and improvements and meet such project schedules as may be developed by District and consistent with information provided to Engineer by District and applicable government agencies. Engineer agrees that all services shall be provided in such a manner as to meet District's reasonable expectation and to provide Engineer's best efforts to ensure the timely progression of the work being performed by the District.

ARTICLE 4. COMPENSATION. It is understood and agreed that the payment of compensation for services under this Agreement shall be stipulated in each Work Authorization. One of the following methods will be utilized:

- A. Lump Sum Amount** – The District and Engineer shall mutually agree to a lump sum amount for the services to be rendered payable monthly in direct proportion to the work accomplished. For any lump-sum or cost-plus-a-fixed-fee professional service contract over the threshold amount provided in Section 287.017 of the Florida Statutes for CATEGORY FOUR, the District shall require the Engineer to execute a truth-in-negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of contracting. The price for any lump sum Work Authorization, and any additions thereto, will be adjusted to exclude any significant sums by which the District determines the Work Authorization was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such adjustments must be made within one (1) year following the completion of the work contemplated by the lump sum Work Authorization.

- B. Hourly Personnel Rates** – For services or projects where the scope of services is not clearly defined or recurring services or other projects where the District desires the use of the hourly compensation rates outlined in **Exhibit A**, attached hereto and incorporated by this reference. The District and Engineer may agree to a “not to exceed” amount when utilizing hourly personnel rates for a specific work authorization.

ARTICLE 5. REIMBURSABLE EXPENSES. Reimbursable expenses consist of actual expenditures made by Engineer, its employees, or its consultants in the interest of the services for the incidental expenses as listed as follows:

- A.** Expenses of transportation and living when traveling in connection with a project and fees paid for securing approval of authorities having jurisdiction over the project. All expenditures shall be made in accordance with Chapter 112, *Florida Statutes*, and with the District’s travel policy.

- B.** Expense of reproduction, postage and handling of drawings and specifications.

ARTICLE 6. TERM OF AGREEMENT. It is understood and agreed that the term of this Agreement will be from the time of execution of this Agreement by the parties hereto until terminated in accordance with its terms.

ARTICLE 7. SPECIAL CONSULTANTS. When authorized in writing by the District, additional special consulting services may be utilized by Engineer and paid for on a cost basis.

ARTICLE 8. BOOKS AND RECORDS. Engineer shall maintain comprehensive books and records relating to any services performed under this Agreement, which shall be retained by Engineer for a period of at least four (4) years from and after completion of any services hereunder, or such further time as required under Florida law. The District, or its authorized representative, shall have the right to audit such books and records at all reasonable times during normal business hours upon five (5) business days’ advance written notice to Engineer.

ARTICLE 9. OWNERSHIP OF DOCUMENTS.

- A. All rights in and title to all plans, drawings, specifications, ideas, concepts, designs, sketches, models, programs, software, creation, inventions, reports, or other tangible work product originally developed by Engineer pursuant to this Agreement (the "**Work Product**") shall be and remain the sole and exclusive property of the District when developed and shall be considered work for hire.

- B. The Engineer shall deliver all Work Product to the District upon completion thereof, unless it is necessary for the Engineer in the District's sole discretion to retain possession for a longer period of time. Upon early termination of the Engineer's services hereunder, the Engineer shall deliver all such Work Product whether complete or not. The District shall have all rights to use any and all Work Product. Engineer shall retain copies of the Work Product for its permanent records, provided the Work Product is not used without the District's prior express written consent. The Engineer agrees not to recreate any Work Product contemplated by this Agreement, or portions thereof, which if constructed or otherwise materialized, would be reasonably identifiable with the Project.

- C. The District exclusively retains all manufacturing rights to all materials or designs developed under this Agreement. To the extent the services performed under this Agreement produce or include copyrightable or patentable materials or designs, such materials or designs are work made for hire for the District as the author, creator, or inventor thereof upon creation, and the District shall have all rights therein including, without limitation, the right of reproduction, with respect to such work. The Engineer hereby assigns to the District any and all rights the Engineer may have including, without limitation, the copyright, with respect to such work. The Engineer acknowledges that the District is the motivating factor for, and for the purpose of copyright or patent, has the right to direct and supervise, the preparation of such copyrightable or patentable materials or designs.

ARTICLE 10. ACCOUNTING RECORDS. Records of the Engineer pertaining to the services provided hereunder shall be kept on a basis of generally accepted accounting principles and shall be available to the District or its authorized representative for observation or audit during normal business hours, at mutually agreeable times, upon five (5) days' advance written notice to Engineer.

ARTICLE 11. REUSE OF DOCUMENTS. All documents including drawings and specifications furnished by Engineer pursuant to this Agreement are instruments of service. Such documents are not intended or represented to be suitable for reuse by District or others on extensions of the work for which they were provided or on any other project. Any reuse without specific written consent by Engineer will be at the District's sole risk and without liability or legal exposure to Engineer. All documents including drawings, plans and specifications furnished by Engineer to District are subject to reuse in accordance with Section 287.055(10), *Florida Statutes*.

ARTICLE 12. ESTIMATE OF COST. Since Engineer has no control over the cost of labor, materials, or equipment or over a contractor's methods of determining prices, or over competitive bidding or market conditions, Engineer's opinions of probable cost provided as a service hereunder are to be made on the basis of his experience and qualifications and represent Engineer's best judgment as a design professional familiar with the construction industry, but Engineer cannot and does not guarantee that proposals, bids, or the construction costs will not vary from opinions of probable cost prepared by

Engineer. If the District wishes greater assurance as to the construction costs, it shall employ an independent cost estimator at its own expense. Services to modify approved documents to bring the construction cost within any limitation established by the District will be considered additional services and justify additional fees.

ARTICLE 13. INSURANCE.

A. Subject to the provisions of this Article, the Engineer shall, at a minimum, maintain throughout the term of this Agreement the following insurance:

- 1.** Workers' Compensation Insurance in accordance with the laws of the State of Florida.
- 2.** Commercial General Liability Insurance, including, but not limited to, bodily injury (including contractual), property damage (including contractual), products and completed operations, and personal injury with limits of not less than One Million and No/100 Dollars (\$1,000,000.00) per occurrence, and not less than Two Million and No/100 Dollars (\$2,000,000.00) in the aggregate covering all work performed under this Agreement.
- 3.** Automobile Liability Insurance, including without limitation bodily injury and property damage, including all vehicles owned, leased, hired, and non-owned vehicles with limits of not less than One Million and No/100 Dollars (\$1,000,000.00) combined single limit covering all work performed under this Agreement.
- 4.** Professional Liability Insurance for Errors and Omissions, with limits of not less than Two Million and No/100 Dollars (\$2,000,000.00).
- 5.** Cyber Liability Insurance, with limits not less than \$1,000,000 per occurrence or claim, \$1,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Engineer in this Agreement and shall include, but not be limited to, claims involving security breach, system failure, data recovery, business interruption, cyber extortion, social engineering, infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, and alteration of electronic information. The policy shall provide coverage for breach response costs, regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations. This insurance requirement will be considered met if the general liability insurance includes an affirmative cyber endorsement for the required amounts and coverages.

B. All insurance policies secured by Engineer pursuant to the terms of this Agreement shall be written on an "occurrence" basis, except Professional Liability Insurance for Errors and Omissions shall be written on a "claims" basis, to the extent permitted by law.

- C. The District and the District's officers, supervisors, staff, and representatives shall be named as additional insured parties (or such insurance should have a blanket additional insured endorsement), except with respect to the Worker's Compensation Insurance and Professional Liability Insurance for Errors and Omissions, for which only proof of insurance shall be provided. The Engineer shall furnish the District with the Certificate of Insurance evidencing compliance with the requirements of this Section. No certificate shall be acceptable to the District, unless it provides to the District thirty (30) day notice of any change within the policy periods of the insurance coverage, as certified, or cancellation except ten (10) day notice of cancellation for non-payment of premium. Insurance coverage shall be from a reputable insurance carrier, licensed to conduct business in the state of Florida
- D. If the Engineer fails to have secured and maintained the required insurance, the District has the right (without any obligation to do so, however), to secure such required insurance in which event, the Engineer shall pay the cost for that required insurance and shall furnish, upon demand, all information that may be required in connection with the District's obtaining the required insurance.

ARTICLE 14. CONTINGENT FEE. The Engineer warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Engineer, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the Engineer, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement.

ARTICLE 15. AUDIT. Records of the Engineer pertaining to the services provided hereunder shall be kept on a basis of generally accepted accounting principles and shall be available to the District or its authorized representative for observation or audit at mutually agreeable times. The Engineer agrees that the District or any of its duly authorized representatives shall have access to, during normal business hours and upon five (5) business days' advance written notice, and the right to examine any books, documents, papers, and records of the Engineer involving transactions related to the Agreement for a period of four (4) years or longer as required by law. The Engineer agrees that payment made under the Agreement shall be subject to reduction for amounts charged thereto that are found on the basis of audit examination not to constitute allowable costs. All required records shall be maintained until either (a) the completion of an audit and resolution of all questions arising therefrom, or (b) three years after the expenditure of all funds under this Agreement, or (c) the public record retention period established by the District's records retention policy, whichever comes later.

ARTICLE 16. COMPLIANCE WITH GOVERNMENTAL REGULATIONS. In performing its obligations under this Agreement, the Engineer and each of its agents, servants, employees, or anyone directly or indirectly employed by the Engineer, shall comply with all applicable laws, ordinances, rules, regulations, and orders of any public or governmental authority having appropriate jurisdiction. If the Engineer fails to notify the District in writing within five (5) days of the receipt of any notice, order, required to comply notice, or a report of a violation or an alleged violation, made by any local, State, or Federal governmental body or agency or subdivision thereof with respect to the services being rendered under this Agreement or any action of the Engineer or any of its agents, servants, or employees, or fails to comply with any requirement of such agency within five (5) days after receipt of any such notice, order request to comply notice, or report of a violation or an alleged violation, the District may terminate this Agreement, such termination to be effective upon the giving of notice of termination.

ARTICLE 17. COMPLIANCE WITH PROFESSIONAL STANDARDS. In performing its obligations under this Agreement, the Engineer and each of its agents, servants, employees, or anyone directly or indirectly employed by Engineer, shall maintain the standard of care, skill, diligence, and professional competency for such work and/or services used by similarly situated professionals in the same or similar circumstances in Collier County, Florida. Any designs, drawings, reports, or specifications prepared or furnished by Engineer that contain errors, conflicts, or omissions will be promptly corrected by Engineer at no cost to the District.

ARTICLE 18. INDEMNIFICATION. The Engineer agrees, to the fullest extent permitted by law, to indemnify and hold harmless the District and the District's officers and employees (together, the "**Indemnitees**"), from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused wholly or in part by the negligence, recklessness, or intentionally wrongful conduct of the Engineer and other persons employed or utilized by the Engineer in the performance of this Agreement, including without limitation the Engineer's contractors, subcontractors, and sub-subcontractors. To the extent a limitation on liability is required by Section 725.06, Florida Statutes or other applicable law, liability under this section shall in no event exceed the sum of Two Million Dollars and No Cents (\$2,000,000.00) and Engineer shall carry, at his own expense, insurance in a company satisfactory to District to cover the aforementioned liability. Engineer agrees such limitation bears a reasonable commercial relationship to the Agreement and was part of the project specifications or bid documents. The Engineer agrees and covenants that nothing herein shall constitute or be construed as a waiver of the District's sovereign immunity pursuant to Section 768.28, *Florida Statutes*, or other law, and nothing in the Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law. In the event that any indemnification, defense, or hold harmless provision of this Agreement is determined to be unenforceable, the provision shall be reformed in accordance with the mutual intent of the Engineer and the District to provide indemnification, defense, and hold harmless provisions to the maximum effect allowed by Florida law and for the benefit of the Indemnitees.

ARTICLE 19. EMPLOYMENT VERIFICATION. The Engineer agrees that it shall bear the responsibility for verifying the employment status, under the Immigration Reform and Control Act of 1986, of all persons it employs in the performance of this Agreement.

ARTICLE 20. INDEPENDENT CONTRACTOR. In all matters relating to this Agreement, the District and the Engineer agree and acknowledge that the Engineer shall serve as an independent contractor of the District. Neither the Engineer nor employees of the Engineer, if any, are employees of the District under the meaning or application of any Federal or State unemployment, insurance laws, or any other potentially applicable laws. The Engineer agrees to assume all liabilities or obligations by any one or more of such laws with respect to employees of the Engineer, if any, in the performance of this Agreement. The Engineer shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Engineer shall have no authority to represent as agent, employee, or in any other capacity the District, unless set forth differently herein or authorized by vote of the Board.

ARTICLE 21. CONTROLLING LAW. The Engineer and the District agree that this Agreement shall be controlled and governed by the laws of the State of Florida. Venue for all proceedings with respect to this Agreement shall be Collier County, Florida. Notwithstanding any provision of this Agreement to the contrary, in no event shall either party be liable to the other for consequential, incidental, punitive, special, or exemplary damages, including lost revenues, profits,

delays, or other economic loss arising from any cause including breach of warranty, breach of contract, tort, strict liability or any other cause whatsoever. To the extent permitted by law, any statutory remedies that are inconsistent with this provision of the Agreement are waived.

ARTICLE 22. NOTICE. Any notice provided by this Agreement to be served in writing upon either of the parties shall be deemed sufficient if hand delivered, sent by commercial overnight courier, or regular U.S. mail, to the authorized representative of the other party at the addresses below or to such other addresses as the parties hereto may hereafter designate in writing. Any such notice or demand shall be deemed to have been given or made as of the time of actual delivery, or, in the case of mailing, such notice shall be effective from the date the same is deposited in the mail with proper postage prepaid. The addresses for notice purposes are as follows:

- A. If to Engineer:** LJA Engineering, Inc.
Attn: Dominick J. Amico, P.E.
7400 Trail Blvd., Suite 200
Naples, FL 34108

- B. If to District:** Key Marco Community Development District 1
Attn: Joshua Carter
Key Marco Community Development District
505 Whiskey Creek Drive,
Marco Island, FL 34145

- With a copy to:** Coleman, Yovanovich & Koester, P.A.
Attn: Gregory L. Urbancic, Esq.
4001 Tamiami Trail N., Suite 300
Naples, Florida 34103

Counsel for the District and counsel for the Engineer may deliver Notice on behalf of the District and the Engineer. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days' written notice to the parties and addressees set forth herein.

ARTICLE 23. PUBLIC RECORDS. The Engineer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, the Engineer agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. The Engineer acknowledges that the designated public records custodian for the District is Joshua Carter ("**Public Records Custodian**"). Among other requirements and to the extent applicable by law, the Engineer shall 1) keep and maintain public records required by the District to perform the Services; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, *Florida Statutes*; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the Agreement term and following the Agreement term if the Engineer does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the Agreement, transfer to the District, at no cost, all public records in Engineer's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Engineer, the Engineer shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft

Word or Adobe PDF formats. Failure of Engineer to comply with Section 119.0701, Florida Statutes may subject Engineer to penalties under Section 119.10, Florida Statutes. Further, in the event Engineer fails to comply with this Section or Section 119.0701, Florida Statutes, District shall be entitled to any and all remedies at law or in equity. The following statement is required to be included in this Agreement pursuant to Section 119.0701(2), Florida Statutes:

IF THE ENGINEER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE ENGINEER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (239) 394-4336, JOSH@MANAGERKEYMARCO.COM, 505 WHISKEY CREEK DRIVE, MARCO ISLAND, FL 34145.

ARTICLE 24. E-VERIFY. Engineer shall comply with all applicable requirements of Section 448.095, Florida Statutes. Engineer shall register with and use the U.S. Department of Homeland Security's E-Verify system to verify the work authorization status of all newly hired employees. If Engineer enters into a contract with a subcontractor relating to the services under the Agreement, the subcontractor must register with and use the E-Verify system and provide Engineer with an affidavit stating the subcontractor does not employ, contract with, or subcontract with an unauthorized alien. Engineer shall maintain a copy of said affidavit for the duration of the contract with the subcontractor and provide a copy to the District upon request. For purposes of this section, the term "subcontractor" shall have such meaning as provided in Section 448.095(1)(j), Florida Statutes and the term "unauthorized alien" shall have such meaning as provided in Section 448.095(k), Florida Statutes.

If Engineer has a good faith belief that a subcontractor with which it is contracting has knowingly violated Section 448.095, Florida Statutes, then Engineer shall terminate the contract with such person or entity. Further, if District has a good faith belief that a subcontractor of Engineer knowingly violated Section 448.095, Florida Statutes, but Engineer otherwise complied with its obligations hereunder, District shall promptly notify the Engineer and upon said notification, Engineer shall immediately terminate its contract with the subcontractor.

Notwithstanding anything else in the Agreement to the contrary, District may immediately terminate the Agreement for cause if there is a good faith belief that Engineer knowingly violated the provisions of Section 448.095, Florida Statutes, and any termination thereunder shall in no event be considered a breach of contract by District.

By entering into this Agreement, Engineer represents that no public employer has terminated a contract with Engineer under Section 448.095(2)(c), Florida Statutes, within the year immediately preceding the date of the Agreement. District has materially relied on this representation in entering into this Agreement with Engineer.

ARTICLE 25. NO THIRD PARTY BENEFITS. Nothing in the Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred by operation of law.

ARTICLE 26. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

ARTICLE 27. ASSIGNMENT. Except as provided otherwise in this Agreement, neither the District nor the Engineer shall assign, sublet, or transfer any rights under or interest in this Agreement without the express written consent of the other. Any purported assignment without such written consent is void. Nothing in this paragraph shall prevent the Engineer from employing such independent professional associates and consultants as Engineer deems appropriate and consistent with this Agreement.

ARTICLE 28. AMENDMENT. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing that is executed by both the District and the Engineer.

ARTICLE 29. ARM'S LENGTH TRANSACTION. This Agreement reflects the negotiated agreement of the District and the Engineer, each represented by competent legal counsel. Accordingly, this Agreement shall be construed as if both parties jointly prepared it, and no presumption against one party or the other shall govern the interpretation or construction of any of the provisions of this Agreement.

ARTICLE 30. INDIVIDUAL LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREUNDER, UNDER THIS AGREEMENT, AND PURSUANT TO THE REQUIREMENTS OF SECTION 558.0035, FLORIDA STATUTES, THE REQUIREMENTS OF WHICH ARE EXPRESSLY INCORPORATED HEREIN, AN INDIVIDUAL EMPLOYEE OR AGENT OF THE ENGINEER MAY NOT BE HELD INDIVIDUALLY LIABLE FOR NEGLIGENCE.

ARTICLE 31. TERMINATION. The District may terminate this Agreement for cause immediately upon notice to Engineer. The District or the Engineer may terminate this Agreement without cause upon thirty (30) days written notice. At such time as the Engineer receives notification of the intent of the District to terminate the contract, the Engineer shall not perform any further services unless directed to do so in writing by the District. In the event of any termination or breach of any kind, the Engineer shall not be entitled to consequential damages of any kind (including but not limited to lost profits), but instead the Engineer's sole remedy will be to recover payment for services rendered to the date of the notice of termination, subject to any offsets.

ARTICLE 32. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall neither control nor affect the meaning or construction of any of the provisions of this Agreement.

ARTICLE 33. ENFORCEMENT OF AGREEMENT. In the event that either the District or the Engineer is required to enforce this Agreement by court proceedings or otherwise, then the prevailing

party shall be entitled to recover from the other party all costs incurred, including reasonable attorney's fees and costs at all judicial levels.

ARTICLE 34. ACCEPTANCE. Acceptance of this Agreement is indicated by the signatures of the authorized representatives of the District and the Engineer in the spaces provided below.

ARTICLE 35. COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

Attest:

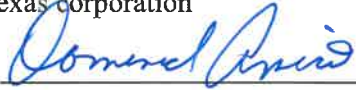
**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT 1**

Joshua Carter, Secretary

By: _____
Mary Beth Schewitz, Chairman

Date: _____

LJA ENGINEERING, INC.,
a Texas corporation

By:  _____

Name: Dom Amico

Title: Sr. Vice President

Date: 04/09/2024

EXHIBIT A: Schedule of Rates

Exhibit A
Schedule of Rates

RATE SCHEDULE
(Effective May 8, 2023)

	<u>Hourly Rate</u>
Professional VI	\$244
Professional V	\$210
Professional IV	\$189
Professional III	\$146
Professional II	\$138
Professional I	\$130
Tech VI	\$160
Tech V	\$140
Tech IV	\$114
Tech III	\$103
Tech II	\$ 92
Tech I	\$ 85
Admin	\$ 92
4-Man Survey Crew	\$ 250
3-Man Survey Crew	\$ 200
2-Man Survey Crew	\$ 170
1-Man Survey Crew	\$ 130
Expert Witness	Hourly Rate x 1.5/hour
Reimbursable Expenses	Cost plus 15%



FEMA

March 13, 2024

Kevin Guthrie
Director
Florida Division of Emergency Management
2555 Shumard Oak Boulevard
Tallahassee, FL 32399-2100

Joshua Carter
Manager
Key Marco Community Development District
2323 San Marco Road
Marco Island, Florida 34145

Re: FEMA Public Assistance Eligibility Determination – Key Marco Community Development District, PA ID 021-UDB4K-00, FEMA-4673-DR-FL, Project 703839

Dear Kevin Guthrie and Joshua Carter:

The Department of Homeland Security's Federal Emergency Management Agency (FEMA) has determined that the facility/work/cost is ineligible. Please see the enclosed FEMA Public Assistance Determination Memorandum for detailed information.

Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and applicable regulations, Key Marco Community Development District is entitled to appeal this eligibility determination. The Applicant may appeal this determination to the FEMA Region 4 Regional Administrator pursuant to Title 44 Code of Federal Regulations § 206.206. The appeal must: (1) contain documented justification supporting the Applicant's position, (2) specify the monetary figure in dispute, and (3) cite the provisions in federal law, regulation, or policy with which the Applicant believes the initial action was inconsistent. The Applicant should also include a current email address to receive electronic correspondence. The Applicant must submit the appeal to the Florida Division of Emergency Management (Recipient) within 60 days from the date FEMA electronically transmits its determination or first appeal decision. The Recipient must then submit the appeal through Grants Manager, with a written recommendation, to Region 4 within 120 days of receiving the Applicant's appeal.

Lastly, the Applicant must submit all relevant supporting information with its first appeal. For reference, a current index of documents relevant to this determination is enclosed.

FEMA-DR-4673-FL
Key Marco Community Development District
March 13, 2024

If you have any questions, please contact Melody Cantrell, Florida Division of Emergency Management Appeals Officer, 850-815-4442 or email FDEM-PA-APPEALS@em.myflorida.com

Sincerely,

ANGELA D
GILLMAN



Digitally signed by
ANGELA D GILLMAN
Date: 2024.03.13
20:58:16 -04'00'

Angela D. Gillman
Infrastructure Branch Director
Federal Emergency Management Agency
FEMA 4673-DR-FL

Enclosures:
FEMA PA Eligibility Determination Memorandum
Index of Documents



ELIGIBILITY DETERMINATION MEMORANDUM

Key Marco Community Development District

Project No.	703839	Applicant Type	<input type="checkbox"/> State Agency
Version No.	0		<input checked="" type="checkbox"/> Local Government
Damage Inventory Nos.	1294818		<input type="checkbox"/> Tribe <input type="checkbox"/> Private Nonprofit
Project Title:	Key Marco Community Development District - 100%		
Category of Work:	Category A - Debris Removal		

Amount Requested:	\$47,720.00	Eligibility Issue Type(s)	<input type="checkbox"/> Applicant Eligibility
Amount Denied:	\$47,720.00		<input checked="" type="checkbox"/> Facility Eligibility <input checked="" type="checkbox"/> Work Eligibility <input checked="" type="checkbox"/> Cost Eligibility
Issue Keyword(s):	Open to the General Public, Ineligible work/costs		

Project Description:

Hurricane Ian caused strong winds and torrential which resulted in extensive damage in Florida. The incident period for this disaster is September 23, 2022, through November 4, 2022. The widespread damage resulted in a major disaster declaration (FEMA-4673-DR-FL) on September 29, 2022. This disaster declaration authorized Category A Public Assistance (PA) in 27 counties, including Collier County.

The Key Marco Community Development District (Applicant) is an eligible applicant under the FEMA Public Assistance Program, established by Ordinance 92-45 as a special district authorized by Florida Statute 190. The Applicant is an independent, special-purpose local government providing specific services to property owners within the Key Marco Community Development District (CDD), located in Collier County Florida. The CDD is a gated 500-acre community of Key Marco with spectacular water views surrounded by nature preserves. The CDD has the authority to exercise powers to finance, plan, acquire, construct, and equip certain systems including: Roadway (repairs and maintenance of District roadways, sidewalks, and roadway signage, as well as the bridge located within the community), Access Control (include staffing and ensuring the operation of access control gates), street lighting, Water Management (maintain the water management system and wetland areas to ensure proper water flow and appearance), landscaping, and Irrigation (supplies irrigation water to the CDD controlled grounds through a well field, retention pond and a pump station system which distributes the



water through a network of delivery lines and is responsible for managing electric, repair and maintenance costs for this service). *Project #703839 - DR4673FL - Amended and Restated CDD-HOA Facilities Maintenance Agreement 6-10-201194.pdf*

The Applicant is claiming \$47,720.00 for its Category A debris removal operations. Work was performed by contract for vegetative debris removal from September 29, 2022, through November 21, 2022.

Issue:

Are the costs for debris removal eligible for FEMA Public Assistance if a Community Development District is not open to or serve the general public?

Can FEMA provide funding for debris removal if the Applicant did not monitor its contract debris removal operations?

Applicable Statutes, Regulations, and Policies in Effect as of the Declaration of the Emergency or Disaster:

- **The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (2022) (Stafford Act):**

- § 403. Essential Assistance (42 U.S.C. § 5170b)
- § 407. Debris Removal (42 U.S.C. § 5173)

- **Title 2 of the Code of Federal Regulations (2 C.F.R.) (2022):**

- § 200.403 Factors affecting allowability of costs.

- **Title 44 of the Code of Federal Regulations (44 C.F.R.) (2022):**

- § 206.221(c)(d)(e7)(h) Definitions
- § 206.223(a) General Work Eligibility
- § 206.224(a)(b) Debris Removal
- § 206.225(a)(b) Emergency Work

FEMA Policy:

Public Assistance Program and Policy Guide FP 104-009-2 Version 4 (June 1, 2020) (PAPPG)

Chapter 3, Section VI, Applicant Eligibility, pp.42-47.
Chapter 4, Section I, General Work Eligibility, pp. 51-56
Chapter 5, Section III, Damage Information, pp. 63
Chapter 6, Costs Eligibility, pp 65-66, Section VIII, pp. 76-85



Chapter 7, Emergency Work Eligibility, pp. 97-110.

Analysis:

FEMA is authorized to provide assistance with essential services to meet immediate threats to life and property resulting from a major disaster, including work that “reduce[s] immediate threats to life, property, and public health and safety.” *Stafford Act § 403(a)*. Section 403 specifically names debris removal as an example of such work. The Stafford Act also defines emergency work as work performed to clear and remove debris and wreckage. *Stafford Act § 403(c)(6)(B)*. Emergency work is defined as work which must be done immediately to save lives and to protect improved property and public health and safety, or to avert or lessen the threat of a major disaster. *44 C.F.R. § 206.201(b)*. Costs must be directly tied to the performance of eligible work, adequately documented, and “necessary and reasonable to accomplish the work properly and efficiently.” *2 C.F.R. § 200.403, 200.403(g)*

Community development districts are special government districts that finance, plan, establish, acquire, construct or reconstruct, operate, and maintain systems, facilities, and basic infrastructure within their respective jurisdictions. To be eligible, CDDs must own and be legally responsible for maintenance and operation of an eligible facility that is open to and serves the public. *PAPPG at 42-43*.

FEMA has determined that the Applicant is an eligible applicant that may receive contribution for disaster-related repairs, only in accordance with all Federal Regulations and policy.

FEMA requests information and documentation required to substantiate the eligibility of a project. The Applicant is responsible for providing this information and documentation to support that its facilities, work, and costs are eligible based on the applicable laws, regulations, EOs, and policies. At a minimum, FEMA usually requires the “who, what, when, where, why, and how much” for each item claimed. *PAPPG at 63*.

FEMA is authorized to provide funding for emergency work, *44 C.F.R. § 206.201(b)* including emergency protective measures and debris removal. FEMA may make contributions for removal of storm-related debris to eliminate immediate threats to lives, public health, and safety and significant damage to improved property. *Stafford Act § 407, 42 U.S.C. § 5173*

To be eligible for reimbursement under the FEMA Public Assistance Program, costs must be

- Directly tied to the performance of eligible work;
- Adequately documented; *2 C.F.R. § 200.403(g)*
- Reduced by applicable credits such as insurance proceeds and salvage values; *Stafford Act § 312, 42 U.S.C. § 5155*
- Authorized and not prohibited under Federal or SLTT government laws or regulations
- Consistent with the Applicant’s internal policies, regulations, and procedures that apply uniformly to bot Federal awards and other activities of the Applicant; and



- Necessary and reasonable to accomplish the work properly and efficiently. *2 C.F.R. § 200.403*

Private roads are those that are not owned or operated by or otherwise the legal responsibility of a Federal or SLTT entity (including orphan roads, roads in gated communities, homeowners' association roads, etc.). If the public has unrestricted access (no locks, gates, or guards) and frequently uses the private road, then removal and disposal of the debris, including debris placed at the curbside by residents, is in the public interest and the Applicant is not required to submit documentation demonstrating the debris removal is in the public interest. This does not include debris on private driveways or parking lots. It also does not include removal and disposal activities from private roads in areas with restricted access (roads behind locks, gates, or guards) or private roads that are unrestricted but rarely used by the public. The Applicant must provide further documentation to establish that removal is in the public interest in these areas and, though not required, Applicants should consider obtaining approval from FEMA prior to starting removal and disposal. Debris clearance (push or cut and toss) for emergency access may be eligible as Category B work if it meets the criteria in Chapter 7:II.J. Emergency Access. *PAPPG at 108-109*. Because this community is gated and not open to the general public, without paying a fee, debris removal is not in the public interest and ineligible for Public Assistance.

Key Marco Community Development District is claiming \$47,720.00 for its Category A debris removal operations. Access to Key Marco Community Development District is through one entry/exit point with a monitored gate for visitors during the hours of 6:30 AM – 6:30 PM; after hours require an access code for entrance. Residents must obtain an electronic gate card for community access. Owner guests are exempt from the payment of the rates established under Section 5. User Rates per Entry accessed on visitors to the CDD. *Project #703839 - DR4673 - 2018-09 Resolution and Rule for Road User Rate.docx*, Pages 7-8. The rates apply for all visitors without an exemption: walkers and bicyclist, \$5; cars (2-axels) \$10; and trucks (over 2-axels) \$20 per entry. The HOA (located within the boundaries of the CDD) has a new world-class fitness center, a community center with a catering kitchen and event spaces, private tennis courts, and each lot is assigned a permanent boat slip at the exclusive private marina. Guests may utilize the Community Center, Tennis Courts and Marina and must be accompanied by the sponsoring member at all times. <https://keymarco.net/wp-content/uploads/2020/08/Key-Marco-House-Ground-Rules-2020.pdf>, Page 5. Because access to the community requires a user fee and access to amenities are only allowed if accompanied by a member, the community and facilities within the community are not open to the general public or provide a service to the general public.

Debris Removal and Monitoring

Furthermore, even if the community was open to the general public or provide a service to the general public, FEMA requires the Applicant to monitor all contracted debris operations to ensure that the quantities and work claimed are accurate and eligible. This includes documenting debris quantities by types, quantities reduced, reduction methods, and pickup and disposal locations. If the Applicant does not monitor contracted debris removal operations, it jeopardizes its PA funding for that work. *PAPPG at 107*. The Applicant completed its debris removal operations, through a time and material contract that was unmonitored. The Applicant did



provide some photos of its debris impacts, but did not provide any other information needed to validate the debris was eligible.

There are times when the incident causes damage or debris blockage to access routes to an essential community service, or to a community with survivors. If the extent of damage or blockage makes these areas inaccessible, work related to providing access is eligible. This includes clearing debris from or conducting emergency repairs to an access facility, such as a road or bridge. Eligible work is limited to that necessary for the access to remain passable. *PAPPG at 115*. The Applicant did not monitor their contract debris removal, as required, and failed to provide documentation to identify locations, immediate threats and quantities for debris removal; therefore, costs for debris removal enabling access to emergency responders cannot be determined.

Eligibility Determination: Partially Approved Denied

Because the Community Development District is not open to or provide a service to the general public and the Applicant’s claimed contracted debris removal operations was not monitored, all work and costs claimed by the Applicant is denied.

Notice of Right to Appeal:

The Applicant may appeal this determination to the Regional Administrator, pursuant to Title 44 of the Code of Federal Regulations § 206.206, Appeals. If the Applicant elects to file an appeal, the appeal must:

- 1) Contain documented justification supporting the Applicant’s position;
- 2) Specify the monetary figure in dispute; and
- 3) Cite the provisions in federal law, regulation, and/or policy with which the Applicant believes the initial action was inconsistent.

The Applicant must submit the appeal to the Florida Division of Emergency Management (Recipient) within 60 days from the date FEMA electronically transmits its determination or first appeal decision. The Recipient must then submit the appeal through Grants Manager, with a written recommendation, to Region 4 within 120 days of receiving the Applicant’s appeal. If you have any questions, please contact the Florida Division of Emergency Management, Melody Cantrell [at melody.cantrell@em.myflorida.com](mailto:melody.cantrell@em.myflorida.com).



Approval:

PA Management: Angela D. Gillman, Infrastructure Branch Director

Signature: ANGELA D GILLMAN
Digitally signed by ANGELA D GILLMAN
Date: 2024.03.13 20:57:35 -04'00'

Date: 3/13/2024

Document Index:

Document Description	Filename
Post Orders (Gatehouse)	https://www.keymarcocdd.com/pdfs/pdfFile_99.rtf
HOA: House and Ground Rules Revised December 20, 2019	https://keymarco.net/wp-content/uploads/2020/08/Key-Marco-House-Ground-Rules-2020.pdf
Key Marco CDD website	https://www.keymarcocdd.com/
User Rates per Entry	Project #703839 - DR4673 - 2018-09 Resolution and Rule for Road User Rate.docx



April 11, 2024

Joshua Carter
Key Marco Community Development District
505 Whiskey Creek Drive
Marco Island, FL 34145

Subject: FEMA Consultant Services

Dear Mr. Carter:

Berquist Recovery Consulting, LLC is pleased to provide this proposal in response to your request for FEMA consulting services to the Key Marco Community Development District.

Berquist Recovery Consulting, LLC provides program management and grant administration services. Our affiliated disaster management services' experts have administered or supported the administration of over \$2 billion in federal grants. More importantly, with more than a decade of audit history, not a single audit finding has been identified or reimbursement funds de-obligated. We routinely deploy to support and augment our client's staff in post-disaster situations.

Berquist Recovery Consulting, LLC is comprised of a team of experienced professionals who have served in a variety of leadership and advisory roles directly for local, county and state governments during presidentially declared disasters, including the nation's most complex and devastating incidents. In this capacity our team has developed and implemented response and recovery constructs which immediately incorporate all aspects of needed recovery and mitigation work; thus, ensuring timely and comprehensive community recovery while maximizing opportunities and federal recovery funding to rebuild communities stronger and more resilient than before.

Jonathan Berquist who is Columbia, SC-based and been involved in state and local disaster recovery and mitigation programs for more than 14 years, leads Berquist Recovery Consulting, LLC. Jonathan Berquist will receive additional support from various corporate professionals, including Tim Donnelly. He is a former Manager at

Adjusters International, Inc., spanning eighteen presidentially declared disasters, and, he will serve as Senior Project Advisor.

We look forward to working with Key Marco Community Development District personnel. I am eager to discuss the proposal with you at your convenience and may be contacted at 518.229.4367, jberquist@berquistrecoveryconsulting.com

Looking forward to partnering with you,



Jonathan Berquist, President
Berquist Recovery Consulting, LLC

If this letter proposal with the attached Scope of Services, Hourly Rate Sheet and terms sheet is acceptable, please indicate such by signing below:

Name, Title

Date

Scope of Services

Consulting and Representation Services – Disaster Recovery

CONSULTANT will provide professional services and technical assistance to support the Applicant to apply for Public Assistance for Post Declaration Activities, Project Listing Development and Project Formulation as described in Attachment A.

CONSULTANT will assist with documenting activities performed before, during and after the disaster.

- Grant Management

The CONSULTANT is to provide assistance and support for grants management and administration as needed for federal and state programs, including primarily, but not limited to, the Federal Emergency Management Agency Public Assistance Program and Federal Emergency Management Agency Hazard Mitigation Program. The CONSULTANT shall work closely and collaborate with various funding agencies and internal departments to ensure the proper use and application of federal and state funds. The CONSULTANT shall focus on maximizing eligible, allocable federal dollars. The CONSULTANT will provide technical knowledge and experience, proven business processes, and policy strategies. In order to develop and implement the framework of grant activities, the CONSULTANT may perform services and work to complete the following objectives and tasks:

- Effectively maintain efficient and complete records concerning any and all applicable grant programs.
- Compile and summarize/justify costs for presentation to Federal agencies and State agencies for reimbursement of eligible costs, ensuring compliance with applicable regulations.
- Attend meetings with the District, Federal agencies, and State agencies to negotiate and represent Project Worksheet's and the obligation of eligible amounts.
- Provide grant management advice to maximize reimbursements of disaster recovery expenses.
- Provide advice to District personnel and consultants; attend and participate in meetings as required.

- Prepare draft correspondence to local, Federal and State officials as necessary.
- Prepare and conduct the closeout process, ensuring maximum recovery and retention of all eligible funding, satisfactory disposition of appeals and availability of supporting documents for future audits.
- Keep track and monitor CONSULTANTS own time and activities by project, or as allowable under the provisions of Federal guidance for direct administrative, indirect, and project management costs.
- Provide written performance and status reports to District on the status of the FEMA Public Assistance program and other grant programs as requested. The performance and status reports should include, but not limited to, the following:
 - Hours billed and amount invoiced by personnel
 - Project Worksheets and grant application development and revisions
 - Project Worksheets and grant application submissions and approvals
 - Obligated amounts versus eligible estimates
 - Issues with Project Worksheets and grant application submissions and resolutions
 - Issues requiring assistance
 - Amounts awarded to District per Project Worksheets and grant application
 - Requests for reimbursement submitted
 - Estimated and actual costs
 - Reimbursements received by District

- Grant Development

The CONSULTANT shall provide services to maximize grant funding for the District, including but not limited to the following objectives and tasks:

1.2.1 Prepare and coordinate the development of Project Worksheets and versions as required with the District, Federal agencies and State agencies. This includes project development, formulation, and processing as required for small and large projects.

1.2.2 Prepare, submit and track Hazard Mitigation Grant program applications as required. This includes project or program development, formulation, processing, and monitoring as required.

1.2.3 Review eligibility issues for the District and develop justifications for presentation to the Federal Agencies, and State agencies. All eligible damages shall be incorporated into Project Worksheets and grant applications with supporting

documentation and proper cost estimates, using the FEMA Cost Estimating Format when necessary.

1.2.4 Review contracts, bid documentation, change orders, and other records to support the proper preparation of Project Worksheet's, grant applications and eligible activities.

1.3 Policy Support

The CONSULTANT shall provide support to the District on all relative grant policies, including but not limited to providing the District with any changes in policies, procedures, processes or deadlines throughout the financial disaster recovery process.

- Additional Services

The CONSULTANT shall provide professional experts to prepare damage assessments and technical reviews and oversight in the furtherance of program objectives.

- Project Management

The CONSULTANT shall perform work that is considered Project Management in order to seamlessly and efficiently support the District's grants and programs objectives.

- Contact District departments and consultants for information and coordinate their participation.
- Oversee and coordinate project decisions
- Participate in document management
- Assist in processing and tracking financial transactions related to such grants
- Other project management activities as requested
- Provide coordination services between District departments on capital projects.

BUDGET

Fees and Reimbursable Project Expenses

Positions	FEE
Subject Matter Expert	\$300/HR

Notes:

- 1) Appeal preparation NTE 15 hours.

TERMS of AGREEMENT

COMPENSATION

CONSULTANT shall submit invoices no more frequently than monthly for services rendered. Each invoice must describe the services for which payment is requested and the person(s) rendering such service(s). The District shall pay the amount due the CONSULTANT on account of services rendered within thirty (30) days of receipt of the invoice.

PERIOD OF SERVICE

CONSULTANT shall begin rendering on-call services as of the effective date of this Agreement and continue such on-call services until such time that the FEMA Project Worksheets are properly closed out or this Agreement is terminated by either the CONSULTANT or the District.

OWNERSHIP OF RECORDS

Consultant shall provide the District one (1) electronic copy of all records produced under this Agreement to become the property of the District upon completion of the services and payment in full of the monies due the CONSULTANT. Notwithstanding the ownership of the records, the CONSULTANT shall make available for examination all its records with respect to all matters covered by this Agreement during the ongoing Period of Service.

TERMINATION

This Agreement may be terminated in whole or in part by either the District or the CONSULTANT in the event of a substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party, provided that no termination may be effected unless the other party is given (1) not less than ten (10) days written notice of intent to terminate; and (2) an opportunity for consultation with the terminating party prior to termination.

This Agreement may be terminated in whole or in part by the District for its convenience, provided that the CONSULTANT is given ten (10) days written notice of intent to terminate.

INSURANCE

CONSULTANT shall procure and maintain during the term of this Agreement such insurance as required by statute, ordinance, or this Agreement, to adequately protect CONSULTANT from any claims or damages including bodily injury or death, which may arise from them during operations under this Agreement.

Key Marco Community Development District

Balance Sheet

As of March 31, 2024

04/16/24

Accrual Basis

	<u>Mar 31, 24</u>
ASSETS	
Current Assets	
Checking/Savings	
Fifth Third Money Market	229,912.11
Fifth Third Public Fund	230,241.41
First Horizon Money Market	245,946.96
Seacoast Bank Money Market	230,004.41
Total Checking/Savings	<u>936,104.89</u>
Total Current Assets	<u>936,104.89</u>
TOTAL ASSETS	<u>936,104.89</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	4,863.57
Total Accounts Payable	<u>4,863.57</u>
Total Current Liabilities	<u>4,863.57</u>
Total Liabilities	4,863.57
Equity	
Retained Earnings	866,505.21
Net Income	64,736.11
Total Equity	<u>931,241.32</u>
TOTAL LIABILITIES & EQUITY	<u>936,104.89</u>

Key Marco Community Development District Profit & Loss Budget Performance March 2024

	Mar 24	Budget	Oct '23 - Mar 24	YTD Budget	Annual Budget
Income					
FEMA Proceeds	0.00	0.00	0.00	0.00	0.00
Interest Income	1,448.28	41.66	9,777.21	250.04	500.00
Maintenance Assessments (4%)	0.00	-670.00	-6,656.00	-4,020.00	-8,040.00
Maintenance Assessments - Levy	12,800.00	17,866.66	191,149.77	107,200.04	214,400.00
Miscellaneous Income	0.00	0.00	1,000.00	0.00	0.00
Road Use Fee Revenue	553.55	416.66	2,353.53	2,500.04	5,000.00
Total Income	14,801.83	17,654.98	197,624.51	105,930.12	211,860.00
Gross Profit	14,801.83	17,654.98	197,624.51	105,930.12	211,860.00
Expense					
ACCESS CONTROL					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Operating Supplies	0.00	0.00	0.00	0.00	0.00
R&M Gatehouse	0.00	0.00	0.00	0.00	0.00
R&M Gates	0.00	0.00	0.00	0.00	0.00
Utilities	0.00	0.00	0.00	0.00	0.00
Total ACCESS CONTROL	0.00	0.00	0.00	0.00	0.00
ADMINISTRATION					
Accounting Services	0.00	0.00	0.00	0.00	0.00
Assessment Rolls	0.00		500.00	1,000.00	1,000.00
Attorney Fees	1,150.00	583.33	4,312.50	3,500.02	7,000.00
Audit Fees	0.00	0.00	0.00	6,000.00	6,000.00
Bank Fees	0.00	0.00	0.00	0.00	0.00
Computer- Website Support	0.00	50.00	300.00	300.00	600.00
Dues, Licenses, Subscriptions	0.00		175.00	175.00	175.00
Engineering Fees	0.00	1,250.00	4,272.25	7,500.00	15,000.00
FICA Taxes	0.00	0.00	0.00	0.00	0.00
Insurances	153.33	0.00	43,322.65	44,207.00	44,207.00
Legal Advertising	0.00	208.33	3,169.15	1,250.02	2,500.00
Management Fees	0.00	0.00	10.00	10.00	10.00
Office Supplies	0.00	25.00	0.00	150.00	300.00
Postage	0.00	0.00	16.38	0.00	0.00
Property Appraiser	0.00	66.66	830.00	400.04	800.00
Property Tax Collector (2%)	256.00	358.33	3,642.88	2,150.02	4,300.00
Rentals & Leases	180.18	75.00	554.93	450.00	900.00
Supervisor Expenses	0.00	416.66	3,200.00	2,500.04	5,000.00
Trascription Costs	0.00	41.66	0.00	250.04	500.00
Total ADMINISTRATION	1,739.51	3,074.97	64,305.74	69,842.18	88,292.00
CAPITAL EXPENDITURES & PROJECTS					
Bridge Inspection Reserves	0.00	416.67	0.00	2,499.98	5,000.00
Bridge Painting	0.00	2,250.00	32,200.00	13,500.00	27,000.00
Bridge Reserves	0.00	1,500.00	0.00	9,000.00	18,000.00

Key Marco Community Development District Profit & Loss Budget Performance March 2024

	Mar 24	Budget	Oct '23 - Mar 24	YTD Budget	Annual Budget
Contingency Reserves	0.00	0.00	0.00	0.00	0.00
Gate Access Control	0.00	0.00	0.00	0.00	0.00
Gate Operator Replacement	0.00		27,180.00	28,000.00	28,000.00
Gatehouse Gates	0.00	416.66	9,202.66	2,500.04	5,000.00
Landscape Improvements	0.00	0.00	0.00	0.00	0.00
Roads	0.00	3,750.00	0.00	22,500.00	45,000.00
Roads - Root Barrier	0.00	0.00	0.00	0.00	0.00
Solar Streetlighting	0.00	1,000.00	0.00	6,000.00	12,000.00
Street Lighting	0.00	0.00	0.00	0.00	0.00
Total CAPITAL EXPENDITURES & PROJECTS	0.00	9,333.33	68,582.66	84,000.02	140,000.00
Irrigation Services	0.00	0.00	0.00	0.00	0.00
ROADWAY SERVICES					
Repairs & Maintenance	0.00	416.66	0.00	2,500.04	5,000.00
Total ROADWAY SERVICES	0.00	416.66	0.00	2,500.04	5,000.00
STREET LIGHTING					
Holiday Decor	0.00	0.00	0.00	0.00	0.00
R&M - General	0.00	0.00	0.00	0.00	0.00
Utilities - Electric	0.00	0.00	0.00	0.00	0.00
Total STREET LIGHTING	0.00	0.00	0.00	0.00	0.00
Total Expense	1,739.51	12,824.96	132,888.40	156,342.24	233,292.00
Net Income	13,062.32	4,830.02	64,736.11	-50,412.12	-21,432.00

Key Marco Community Development District
Reconciliation Detail
Fifth Third Public Fund, Period Ending 03/31/2024

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						211,410.03
Cleared Transactions						
Checks and Payments - 6 items						
Bill Pmt -Check	12/05/2023	1307	Lynn Narath	X	-200.00	-200.00
Bill Pmt -Check	02/23/2024	1309	Hole Montes	X	-219.25	-419.25
Bill Pmt -Check	02/23/2024	1311	Lynn Narath	X	-200.00	-619.25
Bill Pmt -Check	02/23/2024	1315	Terri Stanton	X	-200.00	-819.25
Bill Pmt -Check	02/23/2024	1313	Preferred Governme...	X	-153.33	-972.58
Bill Pmt -Check	02/23/2024	1314	Robert Flinn Record...	X	-99.95	-1,072.53
Total Checks and Payments					-1,072.53	-1,072.53
Deposits and Credits - 3 items						
Deposit	02/29/2024			X	7,745.92	7,745.92
Deposit	03/31/2024			X	18.41	7,764.33
Deposit	03/31/2024			X	553.55	8,317.88
Total Deposits and Credits					8,317.88	8,317.88
Total Cleared Transactions					7,245.35	7,245.35
Cleared Balance					7,245.35	218,655.38
Uncleared Transactions						
Checks and Payments - 6 items						
Check	09/28/2020	2689S	Collier County Utilities		-116.88	-116.88
General Journal	09/30/2020	2020-09			-1,171.35	-1,288.23
Bill Pmt -Check	11/08/2021	1118	Naples Daily News		-199.50	-1,487.73
Bill Pmt -Check	11/18/2021	1121	Coleman, Yovanovic...		-260.00	-1,747.73
Bill Pmt -Check	04/20/2023	1228	John Esposito		-200.00	-1,947.73
Bill Pmt -Check	03/26/2024	1318	Robert Flinn Record...		-255.13	-2,202.86
Total Checks and Payments					-2,202.86	-2,202.86
Deposits and Credits - 5 items						
General Journal	09/30/2020	2020-01			0.00	0.00
General Journal	09/30/2021	2020-18			1,171.35	1,171.35
Deposit	09/30/2023				33.43	1,204.78
Deposit	03/31/2024				40.11	1,244.89
Deposit	03/31/2024				12,544.00	13,788.89
Total Deposits and Credits					13,788.89	13,788.89
Total Uncleared Transactions					11,586.03	11,586.03
Register Balance as of 03/31/2024					18,831.38	230,241.41
New Transactions						
Checks and Payments - 3 items						
Bill Pmt -Check	04/11/2024	1319	Coleman, Yovanovic...		-1,150.00	-1,150.00
Bill Pmt -Check	04/11/2024	1321	Preferred Governme...		-306.66	-1,456.66
Bill Pmt -Check	04/11/2024	1320	Juliana M. Kierstein, ...		-80.00	-1,536.66
Total Checks and Payments					-1,536.66	-1,536.66
Total New Transactions					-1,536.66	-1,536.66
Ending Balance					17,294.72	228,704.75

**Key Marco Community Development District
Reconciliation Detail
Fifth Third Money Market, Period Ending 03/31/2024**

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						229,149.62
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	03/31/2024			X	762.49	762.49
Total Deposits and Credits					762.49	762.49
Total Cleared Transactions					762.49	762.49
Cleared Balance					762.49	229,912.11
Uncleared Transactions						
Deposits and Credits - 1 item						
General Journal	09/30/2020	2020-01			0.00	0.00
Total Deposits and Credits					0.00	0.00
Total Uncleared Transactions					0.00	0.00
Register Balance as of 03/31/2024					762.49	229,912.11
Ending Balance					762.49	229,912.11

**Key Marco Community Development District
Reconciliation Detail
First Horizon Money Market, Period Ending 03/31/2024**

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						245,323.60
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	03/31/2024			X	623.36	623.36
Total Deposits and Credits					623.36	623.36
Total Cleared Transactions					623.36	623.36
Cleared Balance					623.36	245,946.96
Register Balance as of 03/31/2024					623.36	245,946.96
Ending Balance					623.36	245,946.96

**Key Marco Community Development District
Reconciliation Detail
Seacoast Bank Money Market, Period Ending 03/31/2024**

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						230,000.50
Cleared Transactions						
Deposits and Credits - 1 item						
Deposit	03/31/2024			X	3.91	3.91
Total Deposits and Credits					3.91	3.91
Total Cleared Transactions					3.91	3.91
Cleared Balance					3.91	230,004.41
Register Balance as of 03/31/2024					3.91	230,004.41
Ending Balance					3.91	230,004.41

PRELIMINARY - BUDGET
FISCAL YEAR 2024-2025

KEY MARCO
COMMUNITY DEVELOPMENT DISTRICT

April 24, 2024
DRAFT #1 April 24, 2024

KEY MARCO

Community Development District

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KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
REVENUES					
Maintenance Assessments - Levy	\$214,400	\$191,150	\$23,250	\$214,400	\$227,800
Maintenance Assessments - Discounts (4%)	(\$8,040)	(\$6,656)	(\$1,384)	(\$8,040)	(\$9,100)
Road Use Fee	\$5,000	\$2,354	\$1,377	\$3,731	\$5,000
Interest Income	\$500	\$9,777	\$7,000	\$16,777	\$10,000
FEMA Proceeds	\$0	\$0	\$0	\$0	\$0
Miscellaneous Income	\$0	\$1,000	\$0	\$1,000	\$0
TOTAL REVENUES	\$211,860	\$197,625	\$30,243	\$227,868	\$233,700
EXPENDITURES					
Administrative					
Accounting Services	\$0	\$0	\$0	\$0	\$0
Assessments Rolls	\$1,000	\$500	\$0	\$500	\$500
Attorney Fees	\$7,000	\$4,313	\$2,688	\$7,000	\$7,000
Audit Fees	\$6,000	\$0	\$4,800	\$4,800	\$5,000
Bank Fees	\$0	\$0	\$0	\$0	\$0
Computer Support	\$600	\$300	\$300	\$600	\$600
Dues, Licenses, Subscriptions	\$175	\$175	\$0	\$175	\$175
Engineering Fees	\$15,000	\$4,272	\$4,000	\$8,272	\$12,000
Fica Taxes	\$0	\$0	\$0	\$0	\$0
Insurance - General Liability	\$44,207	\$43,323	\$884	\$44,207	\$55,000
Legal Advertising	\$2,500	\$3,169	\$1,000	\$4,169	\$3,500
Management Fees	\$10	\$10	\$0	\$10	\$10
Office Supplies	\$300	\$0	\$200	\$200	\$200
Postage	\$0	\$16	\$0	\$16	\$20
Property Appraiser Admin Costs	\$800	\$830	\$0	\$830	\$830

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
Rentals & Leases	\$900	\$555	\$0	\$555	\$0
Road Use Fee Study	\$5,000	\$5,000	\$0	\$5,000	\$0
Supervisors Fees	\$5,000	\$3,200	\$2,000	\$5,200	\$5,000
Tax Collector (2% Commission)	\$4,300	\$3,643	\$657	\$4,300	\$4,300
Transcribing Costs	\$500	\$0	\$0	\$0	\$0
TOTAL ADMINISTRATIVE	\$93,292	\$69,306	\$16,529	\$85,835	\$94,135
<i>Capital Expenditures & Projects</i>					
Hurricane Contingency	\$0	\$0	\$0	\$0	\$40,000
Bridge Sidewalk/Curb Painting	\$0	\$0	\$0	\$0	\$18,000
Bridge Inspection Reserves	\$5,000	\$0	\$0	\$0	\$5,000
Bridge Painting	\$0	\$32,200	\$0	\$32,200	\$0
Bridge Reserves	\$18,000	\$0	\$0	\$0	\$18,000
Gate Operator Replacement	\$28,000	\$27,180	0	\$27,180	\$0
Gatehouse Gates	\$5,000	\$9,203	\$0	\$9,203	\$0
Gatehouse Paver Replacement	\$0	\$0	\$0	\$0	\$0
Roads	\$45,000	\$0	\$45,000	\$45,000	\$40,000
Solar Streetlighting	\$12,000	\$0	\$0	\$0	\$0
TOTAL CAPITAL EXPENDITURES & PROJECTS	\$113,000	\$68,583	\$45,000	\$113,583	\$121,000

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
<i>Lighting</i>					
Utilities-Electric	\$0	\$0	\$0	\$0	\$0
R&M - General	\$0	\$0	\$0	\$0	\$0
Misc.-Holiday Lighting	\$0	\$0	\$0	\$0	\$0
TOTAL LIGHTING	\$0	\$0	\$0	\$0	\$0
<i>Access Control</i>					
Contractual Services	\$0	\$0	\$0	\$0	\$0
Utilities-Electric	\$0	\$0	\$0	\$0	\$0
R&M-Gate	\$0	\$0	\$0	\$0	\$0
R&M-Gatehouse	\$0	\$0	\$0	\$0	\$0
Operating Supplies-General	\$0	\$0	\$0	\$0	\$0
TOTAL ACCESS CONTROL	\$0	\$0	\$0	\$0	\$0
<i>Road Maintenance</i>					
Repairs & Maintenance Catch Basins & Culverts	\$5,000	\$2,500	\$2,500	\$5,000	\$10,000
TOTAL FIELD	\$5,000	\$2,500	\$2,500	\$5,000	\$10,000
<i>Hurricane Ian Expenses</i>					
Misc - FEMA Expenses	\$0	\$0	\$0	\$0	\$0
Total Hurricane Ian Expenses	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$211,292	\$140,388	\$64,029	\$204,417	\$225,135

KEY MARCO

Community Development District

General Fund

DESCRIPTION	Adopted Budget FY 2023-2024	Actual Thru 3/31/2024	Projected Next 6 Months	Total Projected 9/30/2024	Proposed Budget FY 2024-2025
EXCESS REVENUES (EXPENDITURES)	\$568	\$57,236	(\$33,786)	\$23,451	\$8,565
NET CHANGE IN FUND BALANCE	\$568	\$57,236	(\$33,786)	\$23,451	\$8,565
FUND BALANCE - BEGINNING	\$901,199	\$901,199	\$0	\$901,199	\$924,650
FUND BALANCE - ENDING	\$901,767	\$958,435	(\$33,786)	\$924,650	\$933,215

Net Assessment	\$218,688
Discounts 4%	\$9,112
Gross Assessment	\$227,800

<u>Unit Type</u>	<u># of Units</u>	<u>Gross Per Unit</u>	<u>Gross Total</u>
Single Family Home	134	\$1,700	\$227,800
	134		\$227,800

REVENUES:

Interest Income

The District earns interest on the monthly average collected balance for their money market account and operating account.

Special Assessments-Levy

The District will levy a non ad-valorem special assessment on all taxable property within the District to fund all of the General Operating Expenditures for the fiscal year.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments up to a maximum of 4%.

EXPENDITURES:

Administrative:

Supervisor Fees

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$5,000 in one year. The amount for the fiscal year is based upon all 5 supervisors attending the estimated 5 meetings.

Engineering Fees

The District's engineer will be providing general engineering services to the District including attendance and preparation for board meetings, etc.

Attorney

The District's legal counsel will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts, etc.

Management Fees

The District receives Management and Administrative services as part of a Management Agreement with Key Marco Association Inc.

Property Appraiser

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming.

Assessment Roll Costs

Administrative costs for preparation of the District's assessment roll are prepared by AJC Associates, Inc. The annual fee for fiscal year 2022– 2023 is \$1,000.

Assessment Roll Costs

The District reimburses the Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2.0% on the amount of special assessments collected and remitted, whichever is greater. The budget for collection costs was based on a maximum of 2.0% of the anticipated assessment collections.

Annual Audit

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

Rentals and Leases

Storage of District public records.

Insurance

The District's General Liability, Commercial Property & Public Officials Liability Insurance policy is with Public Risk Insurance Agency. The Public Risk Insurance Agency provides insurance coverage to governmental agencies.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

Transcribing Costs

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc. The District also receives Transcription services from Pam Arsenault for meeting and landowner minutes.

Computer Support

The District is mandated to post on the internet the approved and adopted budgets, minutes and audits per State requirements. This service includes Website hosting and annual domain renewal.

Office Supplies

Miscellaneous office supplies.

Road Use Fee Study

The District is responsible for periodically updating the Road Use Fee Study Methodology and must engage consulting services to update the study.

Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

KEY MARCO

Community Development District

EXHIBIT "A"

Allocation of Fund Balances

<u>AVAILABLE FUNDS</u>	<u>AMOUNT</u>
Beginning Fund Balance - Fiscal Year 2024-2025	<u>\$924,650</u>
Net Change in Fund Balance - Fiscal Year 2024-2025	\$8,565
Reserves - Fiscal Year 2024-2025 Additions	\$0
TOTAL FUNDS AVAILABLE (ESTIMATED) - 9/30/2025	\$933,215
 <u>ALLOCATION OF AVAILABLE FUNDS</u>	
Assigned Fund Balance	
Operating Reserve - First Quarter Operating Capital	\$56,284
Subtotal	<u>\$56,284</u>
TOTAL ALLOCATION OF AVAILABLE FUNDS	\$56,284
TOTAL UNAASIGNED (UNDESIGNATED) CASH	<u>\$876,931</u>

RESOLUTION 2024-02

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF
KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
APPROVING A PROPOSED BUDGET FOR FISCAL YEAR
2024-2025 AND SETTING A PUBLIC HEARING THEREON
PURSUANT TO FLORIDA LAW; PROVIDING FOR
SEVERABILITY; PROVIDING FOR CONFLICT AND
PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (the “Board”) of Key Marco Community Development District (the “District”) a proposed budget for Fiscal Year 2024-2025 prior to June 15, 2024, a copy of which is attached hereto and made a part hereof as Exhibit “A”, and

WHEREAS, the Board has considered said proposed budget and desires to set the required public hearing thereon.

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF
KEY MARCO COMMUNITY DEVELOPMENT DISTRICT:**

Section 1. Recitals. The foregoing recitals are true and correct and incorporated herein as if written into this Section.

Section 2. Proposed Budget. The proposed Budget submitted by the District Manager for Fiscal Year 2024-2025 and attached hereto as Exhibit “A” is hereby approved as the basis for conducting a public hearing to adopt said budget.

Section 3. Public Hearing. A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

DATE:	June 19, 2024
HOUR:	8:30 a.m.
LOCATION:	Key Marco Community Center 505 Whiskey Creek Drive Marco Island, Florida 34145

Section 4. Submittal to Local Governing Authorities. The District Manager is hereby directed to submit a copy of the proposed budget to the City of Marco Island and Collier County at least sixty (60) days prior to the hearing date set forth above.

Section 5. Notice. Notice of this public hearing on the budget shall be published in a newspaper of general circulation in the area of the district once a week for two (2) consecutive weeks, except that the first publication shall not be fewer than fifteen (15) days prior to the date of the public hearing. The notice shall further contain a designation of the day, time, and place of the public hearing. At the time and place designated in the notice, the Board shall hear all objections

to the budget as proposed and may make such changes as the board deems necessary. Further, in accordance with Section 189.016, Florida Statutes the proposed budget will be posted on the District’s website at least two (2) days prior to budget public hearing.

Section 6. Severability. Should any sentence, section, clause, part or provision of this Resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of this Resolution as a whole, or any part thereof, other than the part declared invalid.

Section 7. Conflicts. All Sections or parts of Sections of any Resolutions or actions of the Board in conflict are hereby repealed to the extent of such conflict.

Section 8. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 24th day of April, 2024, by the Board of Supervisors of Key Marco Community Development District, Collier County, Florida.

Attest:

**KEY MARCO COMMUNITY
DEVELOPMENT DISTRICT**

Joshua Carter, Secretary

Mary Beth Schewitz, Chair