

Community Development District
Board of Supervisors' Regular Meeting

March 15, 2018 at 8:30 a.m.

505 Whiskey Creek Drive
Marco Island, FL 34145

AGENDA

Note: Requests to address the Board on all subjects, which are not on today's agenda, will be accommodated under "Public Comments". Public Comments should be limited to 2 minutes.

Any person who decides to appeal a decision of this Board will need a record of the proceedings pertaining there to and may need to ensure that a verbatim record of these proceedings is made at their expense.

Any person requiring special accommodations at this meeting because of a disability of physical impairment should contact the District Office at 239-394-4346 at least five days prior to the meeting.

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes a.
February 15, 2018
5. Audience Questions and Comments on Agenda Items
6. Specific Items of Old Business
 - a. Gatehouse Light Fixtures - Dawn
7. Specific Items of New Business
 - a. C3 Gardens Presentation

8. **Reports:**
 - i. **District Counsel** — Greg Urbancic
 - ii. **District Manager** — Katie Maline
 - a. Financial Statement Ending December 31, 2017
 - b. Resolution 2018-03 — InfraMark Designated Signors
 - c. Approval of FINAL Financial Report FY Ending September 30, 2017
 - d. FEMA Update
 - e. Street Lights Update
 - f. Johnson Engineering— District Engineer Agreement Discussion
 - g. Additional Temporary Crawford Crew
 - h. Release Tour De Marco Deposit
9. Supervisors Request and Comments
10. Audience Questions and Comments
11. Schedule Next Meeting Date and Time
12. Adjournment

Community Development District

REGULAR BOARD MEETING

**FEBRUARY 15, 2018
(Not Approved)**

The Board of Supervisors of the Key Marco Community Development District met at 8:30 a.m. on February 15, 2018, at the Key Marco Community Center, Marco Island, Florida.

APPEARANCES: Maureen McFarland, Chairman/Treasurer
Mary Beth Schewitz, Vice-Chairman
Johanna Parkes, Assistant Secretary
Dawn Aitkenhead, Assistant Secretary

ALSO PRESENT: Katie Maline, District Manager/Secretary
Greg Urbancic, District Counsel

ROLL CALL/APPROVAL OF AGENDA

Mrs. McFarland indicated that a quorum was present, with all Board members in attendance with the exception of Mrs. Grado. Mrs. Maline provided copies of the publication and advertising of the meeting showing that it had been properly noticed.

The Agenda was unanimously approved on a MOTION by Mrs. Parkes and a second by Mrs. Aitkenhead.

APPROVAL OF MINUTES OF JANUARY 2017 MEETING

On Page 8 in the third paragraph, the words "between the HOA and the CDD" will be added to the first sentence, "Mrs. Maline suggested that it may be difficult crossing records...",

On Page 9 in the second to last paragraph, Mrs. McFarland clarified that a particular invoice paid by the COD which included both CDD and HOA costs, and that they had approved the CDD costs only.

In the last paragraph, the double use of the word "that" should read, "that payment".

Under the Post Hurricane Irma Update, it was asked that a date be inserted in the first line as to when the case manager was to come to Key Marco.

Under Landscaping, the phrase "had covered the COD areas and measured" was left out of the corrected copy and should be reinserted before the words, "where re-sodding".

On Page 11, **in** the second paragraph, the fact that the exterior of the guardhouse was repainted in 2016 should be inserted.

On a MOTION by Mrs. Schewitz and a second by Mrs. Parkes, the January minutes were then unanimously approved by the Board as corrected.

AUDIENCE QUESTIONS AND COMMENTS ON AGENDA ITEMS

No questions or comments were received at this time.

SPECIFIC ITEMS OF OLD BUSINESS

No items of old business were discussed at this time.

SPECIFIC ITEMS OF NEW BUSINESS

No items of new business were discussed at this time. **REPORTS**

DISTRICT COUNSEL Greg Urbancic

Public Records Request Policy

Mr. Urbancic handed out copies of an updated Key Marco CDD Public Records Policy showing the modification of the language on the "first 30-minutes" issue. The statute indicates that when extensive use of IT technology or personnel is required, that can be charged for. Some instances that would apply were noted, such as pulling and supervising the copying of records, or reviewing and redacting material on records.

Additionally, a sentence was added at the end which states that when multiple requests are made by one individual, the requests can be considered as one request, and extensive use charges may be applied after the first 30 minutes of staff or resource time.

He advised the Board to act in a reasonable manner, and if someone submits a request now and 12 months later, that would not be considered an unreasonable request.

On a MOTION by Mrs. Aitkenhead and a second by Mrs. Parkes, the amended policy was unanimously approved by the Board.

There have been no record requests made as of February 15, 2018.

Possible Legislative Changes

There may be some changes coming from the Legislature regarding how audits have to be done and certifications from the District that they had gone through the auditor selection process, among other things. Mr. Urbancic will keep the Board advised on any legislation that passes.

DISTRICT MANAGER - Katie Maline

Financial Statement

A financial report is not available at this time. infraMark is in the process of importing data and will produce a report for review and make the necessary journal entries. Financials will be for 4 Months Ending January 31, 2018 and will be provided in March.

Annual Audit

The auditors, Grau & Associated provided and open items list. The only item remaining is Item 5, Expenditure Variances. Mrs. Maline and Mrs. McFarland will go through the draft audit to make sure all the corrections are made. Upon completion of that review, Mrs. Maline and Mrs. McFarland will notify Grau. It is expected that the Final Audit will be available at the April meeting. After Board of Supervisors approval of the final audit it will be filed with the Florida Department of Revenue.

In response to a question from a resident, Mrs. Maline indicated that Infra Mark will only be entering the historical data provided by Dorrill Management. All of the other historical files are stored at Robert Flinns Records Center in Naples.

Mrs. McFarland asked the Board members to go over the documents in their packets that were provided by Grau, and Mrs. Schewitz asked about the depreciation shown on Page 4 of this document noting that if the \$287,000 in depreciation continues to be taken, the District will soon be in negative numbers.

Mrs. McFarland explained that the depreciation is done over a 20-year cycle, and the number shown is an accounting formula that they use, and assets will not depreciate below their value.

FEMA Update and Expenses

Mrs. Maline reported she is approaching her deadline for submittals to FEMA. She has had several onsite and phone meetings with the case manager, inspectors, and reviewers. She has signed off on four of the projects within the last few days. Once the project is signed off by Mrs. Maline and the Case Manager it is further reviewed by various departments within FEMA. Completed projects included debris removal from September 4 through 17; debris removal from September 18 through October 17; debris removal from October 18 through December 16, for a total of \$141,406 in debris removal costs.

Collier County's contractor for debris removal, AshBritt/TetraTech removed 6,013 cubic yards of debris had no charge to Key Marco.

Mrs. Maline further explained that the insurance payments are taken out of the costs, and then FEMA will pay a percentage of what was spent. Mrs. McFarland asked if they will be paid a smaller percentage by FEMA because they did not have Crawford come earlier, and Mrs. Maline advised that FEMA would pay

100 percent of the debris removal for the first seven days, and after that, the percentage fluctuates, the lowest percentage being 75. Other project items that were submitted include irrigation repairs, Hoover Pumping System repairs, gatehouse roof replacement, loop detectors for the gates, repairs to pedestrian entrances, sidewalk repairs, 17 streetlights, bridge scour inspection, street signs and direct administrative costs.

Mrs. Maline has solicited proposals for removing the fencing at the maintenance yard. Mrs. Maline had asked Mr. Urbancic and Dorrill Management Group about this property and what the agreement was between the CDD and HOA and when was the property was returned to the HOA. The downed fence is part of the FEMA application. Mrs. McFarland noted that they had an agreement with the HOA to relinquish their lease of the property prior to the hurricane, and Mr. Urbancic did not know if they had any rights to make a claim for the fence, unless some other public purpose could be established for it. Mrs. Maline suggested that this item be removed from the FEMA submittal and the Board agreed that they would not include it in the FEMA request. **Mrs. Maline will remove that item from the list.**

Catch basins were not included as this is a project that was planned before the hurricane.

Management Contract— InfraMark

This item will be deferred until further information is received from InfraMark. Mr. Urbancic noted that they are quite close to a completed agreement, and there are a few remaining items regarding liability. He added that he is fairly comfortable that there will be no problems. The contract was similar to others he had seen, but the one paragraph he is working on with them has to do with claims against InfraMark that the CDD may file. That paragraph essentially says that if they are covered by insurance, and if the CDD is paid by that insurance, then Infra Mark has no exposure beyond the limits in their insurance. It also says that with respect to any other cause of action or claim against InfraMark arising from their services, their liability will not exceed twice the amount of their annual compensation for services in the year that the claim was brought against them. This would be capping their liability at around \$30,000, which Mr. Urbancic felt was quite low, and is the only issue in this contract that he wished to negotiate, or have the sentence eliminated. A member of the audience suggested that Mr. Urbancic should perhaps ask for a multiple of three as opposed to two. Mr. Urbancic noted that if it is willful misconduct or negligence, that would be another issue, but that if they keep that line in the contract, it would not apply to those two possibilities.

At Mrs. McFarland's request, Mrs. Maline and Mr. Urbancic will negotiate these last issues with InfraMark and bring it back to the Board.

Mr. Urbancic expects to have this issue completed by the end of February.

Street Lights Requests for Proposals

Due to the financial category of this project the work must go out for public bid. Mrs. Maline is putting a bid package together which Mr. Urbancic will make sure is legally correct. Public notice will be posted in the newspaper with an amount of time for bids to be received. After the sealed bids are received the Board will publicly open and award the bid at a public meeting to the lowest, qualified and responsive bidder. If the Board is not satisfied with any of the bidders, no bids will be awarded and the process will be repeated. In response to Mrs. McFarland's question, Mr. Urbancic explained the RFP process, and felt that they could be completed and published in the newspaper by the end of February or beginning of

KEY MARCO
Community Development District

Financial Report
December 31, 2017

Prepared by:
INFRAMARK

KEY MARCO
Community Development District

Financial Statements

(Unaudited)

December 31, 2017

Balance Sheet
December 31, 2017

| ACCOUNT DESCRIPTION | GENERAL FUND | FIXED ASSETS FUND | TOTAL |
|--|---------------------|-------------------------|-----------------------|
| ASSETS | | | |
| Cash - Checking Account | \$ 1,087,188 | \$ | \$ 1,087,188 |
| Accounts Receivable | 324 | | 324 |
| Fixed Assets | | | |
| Land | | 1,969,203 | 1,969,203 |
| Buildings | | 146,196 | 146,196 |
| Accum Depr - Buildings | | (111,345) | (111,345) |
| Improvements | | 882,684 | 882,684 |
| Infrastructure | | 6,522,136 | 6,522,136 |
| Accum Depr u Improvements | | (681,688) | (681,688) |
| Accum D epr - Infrastructure | | (4,204,655) | (4,204,655) |
| Machinery & Equipment | | 126,860 | 126,860 |
| Accum Depr U Mach & Equip | | (33,006) | (33,006) |
| TOTAL ASSETS | \$ 1,087,512 | \$ 4,616,385 | \$ 5,703,897.1 |
| LIABILITIES | | | |
| Accounts Payable | \$ 117,584 | \$ | \$ 117,584 |
| TOTAL LIABILITIES | 117,584 | | 117,584.1 |
| FUND BALANCES | | | |
| Unassigned: | 969,928 | 4,616,385 | 5,586,313 |
| TOTAL FUND BALANCES | \$ 969,928 | \$ 4,616,385 | \$ 5,586,313.1 |
| TOTAL LIABILITIES & FUND BALANCES | \$ 1,087,512 | \$ 4,616,385 | \$ 5,703,897.1 |