

Community Development District

**Regular Board of Supervisors Meeting
Agenda Packet**

Thursday, December 21, 2017 at 8:30 a.m.

Key Marco Community Center

505 Whiskey Creek Drive

Marco Island, FL 34145

Community Development District

Board of Supervisor's Regular Meeting

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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.
October 19, 2017
5. Audience Questions and Comments on Agenda Items
6. Specific Items of Old Business
7. Specific Items of New Business
 - a. Election of New Officers
 - b. Presentation by Dawn Aitkenhead

8. Reports:

District Counsel — Greg Urbancic

District Manager — Katie Maline

i) Financial Statement ending October 31, 2017

ii) Post Hurricane Irma Update

iii) Street Light Research Update

iv) Bridge Inspection Report

9. Supervisors Request and Comments

10. Audience Questions and Comments

11. Schedule Next Meeting Date and Time

12. Adjournment

Community Development District

KEY MARCO COMMUNITY DEVELOPMENT DISTRICT

REGULAR BOARD MEETING

(Not approved)

OCTOBER 19, 2017

The Board of Supervisors of the Key Marco Community Development District met at 8:30 a.m. on October 19, 2017, at the Key Marco Community Center, Marco Island, Florida.

APPEARANCES:

Maureen McFarland, Chairman/Treasurer
Corrie Grado Supervisor/Assistant Secretary
Mary Beth Schewitz, Supervisor/Co-Chair
Johanna Parkes, Supervisor

ALSO PRESENT:

Katie Maline, District Manager/Secretary Neil
Dorrill, Dorrill Management Group Greg
Urbancic, Board Counsel

ROLL CALL/APPROVAL OF AGENDA

Mrs. McFarland indicated that a quorum was present, with four Board members as noted above in attendance. Mrs. Maline noted that the meeting had been properly noticed.

On a MOTION by Mrs. Grado and a second by Mrs. McFarland, the Agenda as presented was unanimously approved by the Board.

PUBLIC COMMENT ON AGENDA ITEMS

No comments from the public on the agenda items were received at this time.

SPECIAL GUEST SPEAKERS

Mrs. Maline introduced Clark Ryals, Forester and Samantha Quinn, Wildfire Mitigation Specialist, from the State of Florida Forestry Division. They will speak to those present about being Fire Wise, where the District stands and what they need to do to improve.

Mr. Ryals indicated that his job involves many things, and this week is Forestry Week in Florida where they celebrate the Forest Service, in both the public and private sectors. An informational sheet was passed out which provided information on some of the facts on forestry in Florida. He noted that there were over 124,000 jobs in Florida associated with forest industries. That includes pulp mills, logging mills, and Florida firefighting organizations, just to name a few. Forestry has a big economic impact on the state, at \$25,000,000 a year, second only to the orange industry.

Mr. Ryals visits schools as well, impressing on them the importance of the forest industry and all the things it provides. Marco Island has everything to offer, with clean air, water, trees and green spaces and wildlife habitats, and attracts people from all over the world. The forests in the area help provide some of these things, and the Forest Service realized long ago that sustainability is very important, and what is cut down must be replaced for future generations. This important message is stressed by the Forestry Service as more and more people move into the area.

Mr. Ryals also provided handouts on all the different trees they may have on the Key Marco property, that are found throughout the state, and calendars. He added that he can always come back to Key Marco if they have any questions about trees in the Key Marco community.

Mrs. Quinn then addressed those present, noting that she was the arbor specialist in the area as well as an information officer on wildfire issues, and works right in the middle of the things that Key Marco is concerned about. What she will talk about are things that work, that she has personally seen working with first responders and other communities and residents.

She noted that Key Marco was a Fire Wise community in 2008, 2009, 2010 and 2011. She was not sure why the renewal status did not continue, but it is inactive at this point. Mr. Tsandoulas was noted as the resident who had initiated the Fire Wise community status. Mrs. Quinn then indicated that she wanted this visit to be informal, and urged those present to ask her questions during the presentation.

Fire Wise was started back in 1986 when 1,400 homes like those on Key Marco were destroyed by fire in the country, 600 of them in the State of Florida. The discussion began on how some homes survived while others did not, and what the common thread was, which started Fire Wise communities. There are things that residents can do to help make their homes safer, and these simple steps also help the fire fighters respond more effectively and keep homes standing in the event of a wildfire.

The first and most important recommendation noted was 30 feet of accessible space around a home, for two reasons. It keeps the fire away from a home and allows the first responders in to fight it with a containment line around the house. She noted that if this space is not available, and the fire moves in, the first responders will make a quick decision at that point as to whether the house can be saved or not, and will possibly move on to the next house.

The second important item is to be sure that all dead vegetation is off the roof and the gutters and around the home. Pine needles are often used as mulch in this area, but she does not recommend it, and suggested that rock would be the best alternative, anything that is not like grass. Additionally, it is important not to have branches or limbs hanging over roofs, as they can ignite the roof if a fire comes through. Additionally, dead leaves from those branches could be ignited by a live ember that gets blown onto the roof. There is also a Fire Wise website with many other suggestions.

Sadly, there has been a great increase in wildfires responses, and during the month of October they responded to four districts for 161 wildfires. During all of 2016 they responded to 126.

In 2016 it was the driest November on record since 1932. If that happens again with all the dried debris on the ground, and if there is no rain to saturate the vegetation that is still living, there will be such a huge amount of debris that the Forestry Service would anticipate a very active wildfire season.

Mrs. Quinn indicated that she has been spending her time flying over the districts and driving through them, looking at the land and determining what areas will automatically require a response with two bulldozers if there is a fire. Typically, the wildfire season is January through July, the peak activity months, but they do respond year around. There were two very large fires in Collier County this year, one in March and one in April.

The Forestry Division is being proactive since the hurricane with the additional hazards the dead material presents, in advising people what they can do to help keep their homes safer.

Mrs. Schewitz noted that Mrs. Quinn had focused quite a bit on housing, but the vast majority of the Island is vacant land that is presently filled with debris. She asked what kinds of things communities are being advised to do about that problem. Mrs. Quinn indicated that they are seeing quite a bit of this issue, and 80 percent of the wildfires occur within one mile of what they call the wildlife base. Listed now are Pine Island, North Fort Myers, and Lehigh Acres in Lee County, and in Collier County, Golden Gate Estates and Marco, where this vacant land exists where debris has come down and the owners don't clear it. Mrs. Maline indicated that Marco is one of the communities that require that these lots be kept clear. Additionally, bulldozers and perhaps a supervisor can be sent to some of these areas mentioned by Mrs. Schewitz.

When asked about any jurisdiction that the Forestry Division has to enforce the cleaning of certain debris filled areas, Mrs. Quinn indicated that they cannot force anyone to do anything, but they will highly recommend something. Many times, they will work with the state on this when certain things need to be done. Code Enforcement and the County Government and City Governments do have jurisdiction and can make certain things happen. The HOAs in a community also has rules and regulations that must be followed.

Zone 1 with 30 feet, Zone 2 with 30 to 100, and Zone 3 with 100 and beyond are defensible areas, and The Forestry Service is happy to work with engineering or management companies to create or update these management plans. They will go full force with everything Fire Wise, but will also meet in the middle to make it happen.

A member of the audience stated that the community is somewhat unique in that there is a great deal of vegetation, but also only one entrance and exit, which can present a potential problem.

Mrs. Quinn noted that they had worked with another community with this same problem, and developed an area where they could escape on foot if it became necessary.

It was also noted that much of the land around them is controlled by the Conservancy, and wondered how that may potentially work. Mrs. Quinn indicated that all they can do is ask, and they would work with Key Marco in order to figure out a solution to that.

Mr. Krutisch indicated that they had been told several years ago that the trees on Key Marco are so lush and green that they are very hard to ignite. Mrs. Quinn indicated that she would agree with that, but everything burns, even if it is green it will burn. So, if the conditions were right, she would not say it would never catch on fire, but it would probably be easy to contain or extinguish. Mr. Krutisch added that Key Marco has areas where there could certainly be a fire, and others, according to the experts, where it would be impossible to start one.

Mr. Ryals noted with today's weather, with dry weather for a while and a strong wind, those could be factors. It is not so much fires starting as it is how fast they can move. It is also how you are going to get in and out, and how are you going to get big trucks into Key Marco. The biggest concern is getting people out of the area.

In response to the question of what Fire Wise means, Mrs. Quinn indicated that in order for the community to be Fire Wise, there are five steps that have to be taken. First, you have to be willing to have the organization come in and do an assessment, and then someone must be appointed to head up the Fire Wise Committee.

Once a committee is in place, an annual event must be planned that can be a presentation, or the neighborhood getting together and cleaning off roofs, or an ice cream social to raise money for fallen fire fighters and their spouses. An application is then filled out, and there is a per capita investment of \$2.00 per person, and whatever that number is, is paid off in volunteer hours. That can be done by attendance at Fire Wise meetings, and the Fire Wise event day. Once that is done, the application is filled out and renewed every year on that day.

She advised the Board that if anyone has questions, she is the liaison for this County, and she would help them through the process and send them interesting articles that she receives on the issue.

Mrs. Quinn indicated that she is working with one of her communities now to create an exit sign, as they didn't have a secondary exit either. What they did was create an easement out to the interstate, where they can walk out of the community in the event of a fire. She is willing to help the Key Marco Community in any way she can.

Insurance companies are now becoming involved, and there are six states that offer 10 percent discounts if a community is Fire Wise. Apparently State Farm and USSA are going to be moving into Florida at some point, and will recognize communities who are part of Fire Wise.

Mr. Krutisch pointed out that their bridge is surrounded on both sides by mangroves, and they are only allowed to trim those mangroves. He wondered how dangerous this would be in the event of a wildfire to the bridge if the mangroves were burning.

Mr. Ryals noted that it was not that mangroves can't burn, but in this case, it would be a 500 to 1,000-year event to have swamps like that burn.

A member of the audience asked if the residents were going to be shown the results of the survey that was done, and Mr. Ryals indicated that they will come back and do another survey, as the one they did was pre-hurricane.

Mrs. Quinn also referred the Board to a website called Southward, the Southern Wildfire Risk Assessment Portal, and the Public link enables you to put your address in and look at the different layers, and it will give you a better understanding of what your risk is. If their organization comes out and does a risk assessment, they will actually incorporate a Southward analysis into the risk assessment along with an actual plan for the community if they want to move forward with Fire Wise.

Mrs. Grado noted that when you drive through Key Marco post hurricane, there is so much debris in the interior. Most of the outside areas have been cleaned up, but in the water near the mangroves and the interior all the trees are on top of each other, and she felt that Key Marco is an accident waiting to happen.

Mrs. Quinn indicated that this is where the map comes in on the survey they are doing, as it is a great concern not only for this community but for the state. They will do whatever they can to help the residents, and asked if they had a landscape company that could get in and work on these areas, as these circumstances fall outside of their management plan.

Mrs. Quinn also talked to them about prescribed fire, which is good for the ecosystem and also helps the animals and cleans off the ground. The other side of that is if Key Marco does a regular cycle of prescribed burning in an area, a wildfire coming into the area would be less of an issue, and the intensity of a fire would be much less. It can be contained much more quickly, as the vegetation on the ground will be gone, and a prescribed fire can be utilized to reduce the wildfire risk.

A resident asked if there was available funding for doing remedial work, and if a recommendation for prescribed burning comes out of an analysis or survey. Mrs. Quinn indicated that the recommendation is going to be based on the management plan and that they will come out and help with that prescribed fire as it is Fire Wise, and they will all work together on it.

Mrs. McFarland noted that most of the land they are talking about is the property of the HOA, and while they do want to understand the issue, they should clarify that. Mrs. Maline explained that there is the CDD, the Homeowner's Association, and the Conservancy, which means the State of Florida involved, as well as private land owners, so there are many different aspects at Key Marco.

Mr. Tsandoulas noted that they did have a fire on Key Marco on April 1, 2008, when there was a fire in the preserve and one or two lots. The fire marshal came out, but the origin was undetermined. It was put out quickly as the wind was not there to feed it, and the extent of it was limited. The point he wanted to make was that the issue of prescribed burning is tied to the Florida Constitution, as Chapter 590 of the Florida Statutes gives property owners the right to use prescribed burning to protect their property from wildfires.

Although it is allowed, trying to take advantage of it is tricky, because in the case of Key Marco, almost all of the preserves and all the private lots are under the Conservancy also, and the Conservancy is unwilling to do any type of burning. This was Mr. Tsandoulas' past experience, but he noted that maybe things have changed now, but he was not sure. If prescribed burning were to be used on Key Marco, it would have to be worked out with the Conservancy to avoid any type of problem with them.

Mrs. Quinn agreed, but indicated that she was not sure that the public would be able to do acreage burns, as often you have to be certified to do it. A class has to be taken and a certification number given. A call can then be made to the Forestry Division who may or may not allow it, but a certification number would allow you to do the burn.

What the public is allowed to do without taking a class is burn yard debris, and it has to be eight feet by eight feet wide, not too tall, and composed of very small underbrush such as sticks, leaves, pine needles and small branches. It cannot be large pieces of wood, and this issue has arisen lately as large limbs are considered to be hurricane debris and must be put on the side of the roadway for pickup and not burned, unless you are certified. For any type of burning, however, setback requirements have to be met. In a community like Key Marco it may be difficult to meet those setbacks, and some HOAs don't allow even simple bonfires.

If Key Marco becomes a Fire Wise community again, the Forestry Division will work with the Conservancy and will do the burn, or Key Marco could hire a certified vendor through their agency to conduct the burn.

Mr. Tsandoulas noted that related to burning small piles of debris, you must get permission from the city of Marco, and they will not give it. Mr. Tsandoulas attempted to get permission several years ago, and he had a meeting with the fire marshal and the city manager, who advised him that the Florida Constitution notwithstanding, they do not allow burning in the City of Marco Island. He added once again that perhaps things have changed on this issue.

Mrs. Maline suggested that Mr. Tsandoulas was talking about yard trash in this case, but he noted that any time you have an open fire, you have to get city permission.

Mrs. McFarland indicated that she thought what they would like to do is to nominate Mrs. Maline, as the District Manager, to coordinate for Fire Wise as this is what her job entails. Mrs. Maline was asked to be the conduit for this information, and she indicated that she felt the Joint Environmental Committee may be a good place to start the discussions.

Mrs. Maline has done a good job in updating the community on different issues, and there is an email blast that goes out for this purpose.

Mr. Tsandoulas suggested that another approach would be to contact the City, and the HOA as the owner of much of the land could do that. (inaudible section) Mrs. McFarland indicated that the HOA could do that on their own, but this discussion relates to the CDD, and for the CDD Mrs. Maline is the point person.

Mr. Ryals and Mrs. Quinn noted that they would stick around for a short time if there were any further questions, and they were thanked for their presentation for Key Marco, which was very helpful.

APPROVAL OF AUGUST 24, 2017 BUDGET HEARING and REGULAR MEETING

MINUTES On Page 4, in the middle of the page, "2917" should be changed to "2017".

On the next line, the word "stated" should be inserted after Mr. Dorrill's name.

With those corrections, the minutes were unanimously approved on a MOTION by Mrs. Grado and a second by Mrs. Schewitz.

APPROVAL OF SEPTEMBER 21, 2019 REGULAR MEETING MINUTES

On Page 5 in the second paragraph, Mrs. McFarland was not the one who requested what the dumping fees would be, and Mrs. Maline indicated that she would check the audio to make that determination.

The Minutes were then unanimously approved by the Board on a MOTION by Mrs. Grado and a second by Mrs. Schewitz.

SPECIFIC ITEMS OF OLD BUSINESS

There were no old business items addressed.

SPECIFIC ITEMS OF NEW BUSINESS

There were no new business items addressed.

STAFF REPORTS

1. District Counsel

At the August meeting the Board had authorized a change in the existing policy regarding the ability of supervisors to contact legal counsel. The Board members received copies of the memorialization of that resolution, and Mr. Urbancic asked them to ratify it for the record so it will show up in the minutes.

The resolution indicates that District counsel may be contacted by any supervisor providing that upon making such a contact they advise the District Manager that they had contacted counsel about a legal question or concern. The Board can authorize counsel to undertake some sort of project by motion at a meeting, or the District manager or a consultant, like Mr. Dorrill, could authorize counsel, provided, however, that it has first been authorized by the chair or the vice-chair in the absence of the chair, and that any communication is also copied to the chair or vice-chair. That way they are made aware of what is going on and of any expenditures. An emergency situation would be similar to the first case, a supervisor could authorize the District Counsel to do something, and then copy the District Manager.

Mr. Urbancic then asked the Board to ratify this Resolution 2018 -1 for the record.

Mrs. McFarland reminded everyone why they had this done, which would be primarily costs, as so many people were contacting counsel and the CDD was being billed for it. With this resolution supervisors are the only people who can contact Mr. Urbancic. If someone else wishes to contact counsel they must first contact the chair or vice-chair to discuss the issue. Secondly, the issue of transparency in communication is also addressed, and that the five supervisors know what is happening, and approve it.

On a MOTION by Mrs. Schewitz and a second by Mrs. Parkes, Resolution 2018-1 was unanimously ratified by the Board.

Mr. Urbancic also advised Mrs. Schewitz that he was not present when she was appointed to the Board, but to the extent she has any questions on the Sunshine Laws, public records and duties of a supervisor, to let him know, and he will either refresh the Board at the next meeting or speak with her individually.

A. Resident Question

At this point a resident asked what the interrelationship was between the HOA and the CDD, and what the limitations are. It seemed to him that discussing something like fire

safety would be a common interest for both entities, and wondered why there would be difficulty coordinating between the two entities.

Mr. Urbancic indicated that they now have a common manager, and did not feel that there was difficulty, but the question becomes who owns what property and whose responsibility is it to maintain. The common areas are owned by the HOA, and they have their own responsibilities fire-wise as opposed to those the CDD has. In response to the resident's question about what the differences in what each can and cannot do, Mr. Urbancic noted that the CDD is a public governmental entity, while the HOA is a private entity under Chapter 720 of the Florida Statutes. There are separate duties and responsibilities, and some of them can or cannot be intermingled, which in Key Marco's case, there is an intermingling with regard to management. The HOA provides the management, and the CDD pays them a fee. On the whole, however, the CDD and the HOA each have their separate assets, functions and responsibilities which is why the distinction is seen.

Mrs. McFarland also indicated that the CDD operates under the Sunshine Law, which has an impact when two or more supervisors are together outside of a meeting, the topics they can discuss are very limited if those topics will come before the CDD Board. She added that they do try to have cooperation between the two entities, and she and Mr. Krutisch meet with Mrs. Maline on a regular basis to talk about different issues that are happening on Key Marco. For such a small community it can become difficult to have two Boards, and they are extremely cautious about adhering to the Statutes in this regard.

One of the key mandates for the CDD is safety, and Mrs. McFarland agreed that working together for fire safety is important. Today's presentation was excellent, but the CDD cannot talk about what happens with the HOA property.

2. District Consultant

A. FEMA Application Update

Dorrill Management Staff has been working with Mrs. Maline regarding reimbursement from FEMA on hurricane related expenses, and the most important thing to be done is to make sure that any contractor doing work in the District either before or after the storm adheres to and signs Certification A, which in this case would be primarily Crawford Landscaping, who did the initial recovery debris removal. Certification A entails the contractor acknowledging that the District will be seeking reimbursement from the

Federal Government, and there is a whole list of disclosures that generally refer to Federal procurement, law and procedure, and predetermined pricing.

By way of example, Mr. Dorrill noted that in Naples day labor and equipment costs in some cases have risen dramatically, and if a CDD, for example, paid this amount during the course of an emergency, they will not be eligible for the differential amount.

A conference call will be held later in the day with Mr. Dorrill's senior accountant and the FEMA liaison, and Mrs. Maline will be contacted at the end of the day or early tomorrow to make sure they can maximize the amount of money that they are trying to recover, as there is a presidential declaration of disaster.

Mr. Krutisch asked if it was only the CDD that would be eligible for reimbursement, or if the HOA would also. He was advised that unfortunately, the HOAs are not eligible to recovery from FEMA, as it only extends to subdivisions of the State, and the CDD is a micro-government and subdivision of the State government.

In certain cases, the HOA could make an application for grants to do mitigation, for example, on a hard structure such as they are meeting in.

B. Eleventh Month Financials

The financials were for the month ending August 31, and Mr. Dorrill noted that they will have the yearend financials available at the next meeting, but there are a few material things he wished to point out to the Boar for this set. Mrs. Maline and Mr. Dorrill have had the opportunity to review these financials.

At the end of August there was \$912,000 in cash in the primary operating account. The District spends from \$40,000 to \$45,000 a month in terms of operational and maintenance expenses. As the District approaches year end, Mr. Dorrill anticipates that they will have somewhere between \$800,000 and \$850,000 in cash at the beginning of the new fiscal year against about \$24,000 in payables. He was not sure what kind of hurricane costs were expensed in September, but the District's cash position remains very strong.

The income statement showed year-to-date revenues that have been received were about \$587,000, against a budget of \$603,000, the difference being those discounts

that applied. That is 97.2 percent of the budgeted revenue, which is a very good percentage and speaks generally to the economy and investor owned property in the community.

Mrs. McFarland asked if this included 15 sites that did not pay and were collected by the County, and Mr. Dorrill indicated that they were not paid at one time, but this is one of the advantages of the revenue stream, that sooner or later an investor is going to purchase one of those. Mrs. McFarland understood that it went through the auction, and thought that they were guaranteed that money as a CDD.

Mr. Dorrill indicated that in the 10 years he has been at Key Marco there were actually one or two occasions where investors did not purchase certificates as they were just not considered investor worthy. In those cases, the certificates default to the Board of County Commissioners, and they don't have to pay anything. In this case, however, all taxes were paid, either directly or with penalties following April first, or purchased by an investor at the auction. Mrs. McFarland indicated that they have had this going on for the past several years, and it is something for Mrs. Maline to work on over time, so a count can be had on the lots that have not paid their assessment and gone to auction. This would be an important point for the CDD if it were to dissolve at some point.

This year there were 15 lots that did not pay their annual assessment, and if they don't have the auction to count on every year, the HOA would be in a difficult position every year.

Mr. Dorrill indicated that he did not know a lot about the individual home sites on Key Marco, but it is clear that there are some inferior lots, perhaps with some jurisdictional wetland problems, which may be very hard to develop or receive permits for. There are also some incredible lots on Key Marco, but the other lots alluded to are probably the ones that are not paying their annual tax bill or in some case the annual HOA assessment.

Mrs. McFarland indicated that in the case of Key Marco over 10 percent do not pay and they go to auction. She then asked Mr. Dorrill what would be considered average. Mr. Dorrill noted that this was the average for Key Marco, but the area average is probably less than 1 percent. Pelican Bay is the gold standard in town for planned communities, but they also have a large number of commercial and institutional properties, including a Catholic Church, the Ritz Carlton, and others that contribute their fair share.

Key Marco is a very unique community, and very special in many respects, so it is difficult to compare it to an average community. To the good side, 97 percent of

revenue has been received, even with the number of discounts taken, which means that more people paid earlier.

Mrs. McFarland also noted that the interest income in August was \$900, and wondered what that was from. Mr. Dorrill will call his office and check on that and advise her before he leaves, indicating that it may have been an accumulation of a few months or a misclassification.

Expenses were over budget year-to-date, but not alarmingly so. Mr. Dorrill felt that they should wait until the end of the following month to see the year end numbers. At that point they were \$34,000 over budget on the expense side, attributable to some administrative and repair of fences. Legal fees year -to-date were \$41,000 against a budget of \$10,000, most of it for special counsel who was researching and advising the Board on dissolution of the CDD.

Engineering fees were about \$12,000 over budget, which he believed had a lot to do with the pavement assessment, and/or the repairs to the bridge. Field Management was also over budget, as a result of the first quarter change to contract District Management services from the HOA, which was not contemplated when the budget was done the previous year. Mrs. McFarland asked what the entry was in August for field management.

The entry indicates it was for \$3,800, which Mrs. Maline felt was a mistake. She highlighted that, and indicated that it should be under street lighting. Mrs. McFarland indicated that every month they have issues like this, and she and Mrs. Maline are going to come up and meet with Leigh to straighten some things out.

Year-to-date, however, the District was substantially under budget for tree pruning and mulch. There were some unbudgeted expenses earlier in the summer related to the gate house, and all of the above taken in combination came to about \$34,000 over budget year- to-date.

Mrs. Parkes wondered about the potential benefits from FEMA, and asked if Mr. Dorrill had any idea at this point how much money they may be talking about in refunds from FEMA. Mrs. Maline indicated that the main expense is Crawford, at \$39,310 for debris removal through the month of September. There will be additional expenses in October from Crawford. There are also additional expenses for Hoover Pump Service for the two stations at \$7,000. Hopefully that much money will be received from FEMA. The paperwork has been filed, and Mrs. Maline will report on this under her report. Mr. Dorrill indicated that one of the things he will be talking to the FEMA people about

this afternoon is seeing if they are eligible to capture a portion of the field management charges, Mrs. Maline's time for salary, and the time she would have incurred following the storm for debris removal and recovery efforts. As she was totally preoccupied with storm recovery for the first couple of weeks following the storm, an attempt will be made to recover some of her salary as well.

Mrs. Parkes asked that if they had dissolved the CDD before the storm happened, would the CDD insurance be paying for the expenses. Mr. Dorrill indicated that he is not aware of anyone who has insurable coverage for landscaping, and while it may exist, he has never seen it. For landscape related damage and loss and debris removal, HOAs are not going to be able to obtain insurance for that loss or coverage.

Mrs. McFarland noted that one of the things they are finding out is one of the reasons for not dissolving the CDD would be because FEMA may or may not reimburse Key Marco for some expenses. She and Mrs. Maline worked with the auditor to come up with the actual dollar number for how much it cost the community to have a CDD structure which is \$75,000 every year. Right now, there is a bill for \$39,000 for the hurricane from Crawford, and they are waiting to see if FEMA will reimburse them, and for how much. Then they can say that maybe once every eight or ten years they would have a bill like that. Dividing the amount received from FEMA by eight years would be the benefit of having a CDD solely for FEMA reimbursement.

As they don't know how much FEMA is going to reimburse them, they are going to wait on the discussions of potentially dissolving the CDD until they receive the data from FEMA.

Mr. Dorrill noted that he had just received an engagement letter from Grau and Associates, their auditors. He will leave it with Mrs. Maline to take a look at and have Mr. Urbancic look at it for legal sufficiency prior to it being signed by the chairman.

Mrs. McFarland indicated that in the future that should go to Mrs. Maline, and Mrs. Maline will send them a letter to that effect. Also, any communication with Dorrill Management from Grau should be cc'd to Mrs. Maline and the Chairman. The financials were not approved at that time.

Mr. Urbancic asked if there was anything further needed from him, and Mrs. McFarland Thanked him for his help, and reminded him to leave her the Resolution to sign.

3. District Manager

A. Post Hurricane Irma Update

Debris continues to be picked up, and it has been challenging to coordinate with Crawford, and they continue to work on that coordination as messages can get mixed. Mrs. Maline estimated that they were approximately 75 percent complete with picking up debris out of the CDD rights-of-way. The HOA and common areas are a different subject, which will be discussed at the HOA meeting.

At this point Crawford's instructions now are to get everything out of the right-of-way or hanging into it, and all those need to be cut, including the Brazilian Pepper. All of the debris is being deposited into two different areas, the marina parking lot and the maintenance yard. All the debris must be separated by hard debris versus landscape.

The FEMA application has been done, and the request for public funds, and the message she received was that Key Marco was in a holding pattern. Mrs. Maline is working with Mrs. Briant and Mr. Dorrill on FEMA, and she had a login account and is in the system. At this point they are just waiting for a reply.

B. Street Lighting

There was quite a bit of damage to the street lighting. Casagrande knows that we have many lights out and they are trying to get as many of the lights repaired as possible, and are taking parts from the downed street lights to do so. Mrs. Maline could not comfortably say that every street light is going to get up and running as there are many different issues with them. They have reached out to an electrical engineer who has a conduit plan of the Association, which is old and may not be what is present today. LCEC is also very much involved as they are paid to operate the lights.

Mrs. McFarland clarified this situation, indicating that at this point they are concentrating on getting everything lit that can be, and the next part is that the street lights are old and an autopsy and lighting study is being done on them to see if they are too old to meet current standards, to see if they need to be replaced, and if the height needs to be changed.

Mrs. Maline noted that she is working with LCEC, REEB Engineering and Casagrande Electric and they are going to determine if the spacing is correct, if there is the right number of lumens, and if the fixtures are correct. She has also learned from many sources

during this process that the light bulb put into these fixtures is called a corn cob LED. It slides up into a glass sleeve, and a globe is put around it. When LED lights are confined in this way they get hot, and there is no way for that energy to be disbursed or ventilated. A corn cob light is made with a fan on it, but it will not fit in these fixtures. The heads may be able to be replaced on these lights, or a complete new fixture may be needed. At this point, they are just attempting to get some of the lights working as it is very dark on Key Marco at night.

Mrs. McFarland noted that one of the residents, Dave DiPrato, mentioned that with all the clearing the hurricane caused, the light seems to be directed towards the homes as opposed to the street. If the street lights have to be replaced, they will be sure that they are within code, at the proper safety distance, and have the light directed correctly.

Mrs. McFarland noted that they did not want to spend a lot of time and money on the lights if they are going to be replaced, as many people are having issues with the lights at this point as it relates to where the light is being projected.

When asked what they will cost, Mrs. Maline indicated that they run the gamut of inexpensive to very expensive, and she suggested that the ones they presently use will be about \$3,500 per light, which includes the pole and fixture. The bases will not need replacing. These street lights are also direct wired and have no transformer. There is also no surge protection. Mrs. Maline will keep the Board advised, and Kevin Kerins will assist her with this project.

Additionally, LCEC advised that Key Marco has 57 street lights, and Mrs. Maline counted 79. That is a big discrepancy, and another issue that needs to be addressed. LCEC's only involvement is the power which is sent from their transformer to the little box at the base of the lights. There are many options available at this time on how to power the lights.

Mrs. Grado recalled that these lights were originally purchased from LCEC, and Mrs. Maline indicated that they did have the 57 concrete poles and lights, and the fixtures were then replaced with the green fixtures purchased from a company called Bentley.

There was a statement in the last set of minutes that street lights are not covered by insurance, but they now know that they are covered if they decide to invest in the street lights. Mrs. Maline noted that she had filed a claim with their insurance company for the street lights, and the adjustor has come out to see them. She is waiting to hear from him at this point.

Mr. Krutisch noted that buying surge protection from LCEC is an option, as they did it in their home, and Mrs. Maline agreed that this will be a necessary improvement over the direct wiring that is presently in place.

C. Entry Access Keypad Directory/Security Cards

Before the storm, Key Marco had problems with the card reader and an email was sent to all landowners that the old cards need to be replaced with the new cards were issued to those that have requested them. Mrs. Maline noted that she hoped everyone's card was working fine now. There was also a problem with what is called the linear system, which is what connects the keypad entry to individual resident's phones to operate the gates remotely after gate hours. Apparently, in some cases, someone calling from the gate on the keypad could not get connected, but that has been corrected and is now up and running. The security cards can also be used on the inside exit lane, interior entrance lane, and the community center.

If new security cards are needed, both Mrs. Maline and Ed Ferrar, Gate staff, have new cards to issue. To date they have issued 117 cards, and the old cards should be disposed of. None of the old codes that allowed entrance will now work.

Mrs. McFarland advised those present that Mrs. Maline has been very active in managing the gate staff, and it has gone extremely well. She has noticed a big difference in their demeanor and politeness. Mrs. Maline indicated that some on-the-job training is still required, and if anyone has an issue with the guards, however minor it may be, that she be advised of it.

D. Debris Pickup

Mrs. Maline advised that she had reached out to the City of Marco and Collier County, and they are going to come and pick up Key Marco's debris. It will be a pickup at the staging area as opposed to up and down the street, but Key Marco is on the list for pickup. She will be meeting with Mrs. McFarland and Mr. Krutisch regarding a form that must be filled out, but the rumor that they are not picking up in gated communities is untrue. The pickup is for hurricane landscape debris only; hard debris pickup has been suspended at this point.

Mrs. Maline has also spoken to the few people who still had debris and garbage around their homes, and they have promised to get it picked up. If anyone has bulk items it should be put in the garbage cans. It should not be left on the street as it will not be picked up.

Mrs. Parkes asked if sawed up logs could be put out on the street, and she was advised that the problem is that they do not know when the pickup will be, and they are trying to get the roadway cleared of all landscape debris so that they can get the mowers and irrigation system up and running. She would prefer that any people hired to do cleanup move the landscape debris to the maintenance yard.

Mrs. McFarland suggested that a time line be put on this, as people are still putting debris on CDD property by the street. Crawford has not finished cleaning everything on Whiskey Creek yet, but Mrs. McFarland noted that Crawford goes through and picks debris up, and the residents put more out, and this has been repeated many times. This unfortunately makes it hard for them to get to all the areas, and the question then becomes at what point the deadline will be when residents have to start putting debris in the maintenance yard. Mrs. Maline asked that no more debris be put in the marina parking lot as it is full.

The maintenance yard is unlocked, and sawed up logs and other large debris can also be deposited there. It was suggested that designated areas be noted for different types of debris so everyone can have access and the entrance remains unblocked and the heavy equipment can get in to pick it up.

Mrs. Maline is working with the County on the pickup, and the right of entry form that they will fill out will allow the County to come in the gate. She has also explained to them that the roadways and 30 feet either way is CDD public road, and everything else is HOA. They will still pick up the HOA debris in the maintenance yard and the marina parking lot. While she does not yet know when the County will start the pick up on Key Marco, she will advise everyone as soon as she is contacted.

Mrs. Schewitz asked if they were looking for a timeframe where people may continue to put debris on the curbside and then eventually have that stopped, as people will want to continue to place the debris there, as there is no other place to put the house garbage. She asked if what they are looking for is a defined hurricane debris process, and Mrs. Maline indicated that she and Mrs. McFarland were thinking about setting a deadline for putting landscaping debris in the roadway. Bulk debris cannot be put out at all, as waste

management has suspended that pickup activity indefinitely. Mrs. Schewitz advised that people are not allowed to take their own debris to the landfill either, as they are full.

A resident indicated that it was fairly sure that you can still load up your car with the heavy logs and that type of debris and take it to the City dump. There was a brief discussion on where different items can be taken, and Mrs. Maline will check with the City and County dumping areas in this regard and advise everyone via email.

A resident advised that he called the County and they indicated that they would come out and pick up the recycling items. It has not happened yet, but it is hoped that it will happen soon.

Mr. Krutisch suggested that when a street has its debris picked up, they should be advised that no more can be put out on CDD property because it is damaging the grass and the sprinkler system. Mr. Krutisch stated that there are only one or two piles left on Blue Hill Creek, and once it is finished, all the owners on that roadway should be advised that no more should go out, and their cans should be used. Mrs. McFarland and Mrs. Maline agreed and this will be done. People who have garbage on CDD property will have to remove it.

A resident indicated that they were unable to find the at-the-street water turnoff for their residence. They finally found it three weeks after the storm as it was totally covered with vine overgrowth. When it was found they marked it with spray paint. They found this to be a very big concern with broken pipes, and advised everyone that they need to know where their water turn off was. Mrs. McFarland indicated that it is called a backflow preventer and is on private property.

Apparently, the County didn't even know where their shutoff was located, and Mrs. Maline suggested that she call their Distribution Department to come out and clean around those turnoffs. After that is done, she will send an email to people advising them that she had contacted the County, as this really is not a CDD issue.

Mrs. Parkes asked what she should do with the large Royal Palm fronds that are sitting right up against her house. She was advised that she can put them out on the road, as there is other debris out there that Crawford has not yet picked up.

Mrs. Grado asked about Mrs. Maline's statement made earlier in the meeting about her telling Crawford to do one thing, and the crew ends up doing another thing. Mrs. Maline

explained that she was not talking about the regular crew, but the grapple truck driver and the wood chipping men. Mrs. Grado also suggested that if the crews would just rake the grass underneath the piles once they pick them up, it would possibly help it snap back. Mrs. Maline indicated that there is a crew that is doing that, and it comes in behind the big grapple trucks. Mrs. Grado felt that if they did one area at a time it would be helpful, but Mrs. Maline indicated that it is difficult as there are different crews doing different things, and the grapple truck driver is not going to get out and rake the area he just picked up. She appreciated the frustration everyone is experiencing.

Mrs. McFarland noted that Mrs. Maline has control over the crews that come in on Monday, Wednesday and Friday, and she has been showing them what needs to be picked up and where the mowing needs to take place. She will continue to manage of them until these issues are taken care of. Mrs. Grado also asked about the street light that has a tree hanging on it, and Mr. Maline indicated that it has been on the list for attention for three weeks, and eventually it will get done.

AUDIENCE QUESTIONS AND COMMENTS

No additional questions or comments were received from the audience.

SUPERVISORS' REQUESTS AND COMMENTS

No additional questions or comments were received from the supervisors.

SCHEDULING OF NEXT MEETING

It was agreed that the November meeting would be held on November 16th at 8:30 a.m.

ADJOURNMENT

On a MOTION by Mrs. Grado and a second by Mrs. Schewitz, the meeting was adjourned at 10:15 a.m.

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD MEETING
NOVEMBER 16, 2017**

The Board of Supervisors of the Key Marco Community Development District met at 8:30 a.m. on November 16, 2017, at the Key Marco Community Center, Marco Island, Florida.

APPEARANCES: Maureen McFarland, Chairman/Treasurer Corrie
Grado Supervisor/Assistant Secretary Johanna
Parkes, Supervisor/Assistant Secretary

ALSO PRESENT: Katie Maline, Manager/Secretary
Neil Dorrill, Dorrill Management Group
Greg Urbancic, Board Counsel

ROLL CALL/APPROVAL OF AGENDA

Mrs. McFarland indicated that a quorum was present, with the Board members as noted above in attendance. Mrs. Maline noted that the meeting had been properly noticed.

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

PUBLIC COMMENT ON AGENDA ITEMS

No comments from the public on the agenda items were received at this time.

SPECIFIC ITEMS OF OLD BUSINESS

There were no items of old business addressed at this time.

SPECIFIC ITEMS OF NEW BUSINESS

A./B. Resignation of Patty Quartuccio, Appointment of Dawn Aitkenhead

Mrs. Quartuccio has resigned, and **on a MOTION by Mrs. Grado and a second by Mrs. Parkes, Dawn Aitkenhead was appointed to the CDD Board on a unanimous vote of the Board members present.**

Mr. Urbancic noted that any time there is a resignation and reappointment to the Board, the law requires that the officer list be redone. That will be addressed at the next meeting, and Mr. Urbancic will remove Mrs. Quartuccio's name from the Resolution and add Mrs. Aitkenhead's.

STAFF REPORTS

District Counsel

A. Ethics Question

Mr. Urbancic noted that he had recently had a question from a supervisor regarding ethics, and whether or not the Board members were required to take an ethics course. At this point they do not, but there is a bill pending in the Legislature which would require them to do so in the future. He will keep the Board advised on this.

B. Contract with Dorrill Management

Mrs. McFarland advised everyone present that all invoices get approved by both herself and Mrs. Maline before they are paid. On Dorrill Management's monthly invoice there was a cost of living increase which changed the invoice from the previous month. As noted in Dorrill's previous contract, there was an ability to roll the contract forward for an additional six months. Mr. Urbancic was asked to look at that contract increase, and he indicated that he thought the amount was set as a flat fee in the contract language.

Mr. Dorrill indicated that he would go back and speak with the senior accountant in his office, as she may have been under the impression that they had extended the agreement based on a conversation they had earlier with Mrs. Maline proposing a 3 percent increase on or about October first. He will run that down with her. Mrs. McFarland noted that the written contract does not allow for this cost of living increase, but they will wait to hear from Mr. Dorrill before the invoice is paid.

C. Sunshine Law Information for New Board Member

Mr. Urbancic agreed that he would go over the Sunshine Law at the next meeting with Mrs. Aitkenhead and Mrs. McFarland added that any time there are any emails sent on CDD business they must go through Mrs. Maline, who will handle all communication between and among the supervisors.

Mrs. Aitkenhead will be sworn in before the next meeting, and Mr. Urbancic indicated that they will redo the officers' resolution at the December meeting as well as offering a short course on the Sunshine Law. He also reminded the Board that Mrs. Quartuccio must file Form 1, and Mrs. Maline indicated that she already had.

District Consultant

A. FEMA Application Update

Mr. Dorrill advised the Board that there are about seven different categories that the District is eligible for, and he felt that 99 percent of the costs will come under Category A, which is debris removal, and those costs were noted as ***\$44,000 thus far.

The next thing that will occur is a case manager will be designated for Key Marco, and if Dorrill Management gets any information on this they will pass it on to Mrs. Maline.

(Inaudible) Mr. Dorrill expects that they will have a case manager at this time the following month.

Mr. Urbancic asked if the case manager would come to Key Marco to meet with the Board once he or she is appointed, and Mr. Dorrill indicated that this is what has been happening in other Districts, to have an on-site meeting to do an assessment of the damage claims. If it requires documentation, Mr. Dorrill indicated that Mrs. Maline has a number of pictures, and other detail can be provided on the invoices from Crawford and other vendors.

Mr. Dorrill also noted that Mrs. Maline took the initiative to have a structural evaluation done of the bridge, which he felt was a smart thing to do because of the tidal surge that occurred in that area. He added that the bridge evaluation should be one of the eligible expenses that they would be reimbursed for .

B. Preliminary Year-End Financials

These preliminary year-end financials did not show any real changes from the previous month. As of September 30 there was \$883,000 in cash, which Mr. Dorrill felt was outstanding. There was only \$77,000 in payables at year's end.

The income statement showed year -to-date assessment collections at \$586,000, which was almost 97 percent of the budgeted amount of \$603,000, the difference being the discounts taken for early payments. If there is any shortfall going forward, what they have done is budgeted some of the beginning fund balance, which was done for 2017 as well. Rather than assess people for the difference, some of the available surplus cash was spent down and used to balance the budget going forward. The \$25,000 at the end of the report related to the discounts.

In terms of overall expenses, year -to-date the number is over budget and Mr. Dorrill noted that these were conscious decisions. For example, in the Administrative cost center they are \$31,000 over budget, primarily attributable to outside counsel. Engineering fees were about \$10,500 over budget. Mrs. McFarland noted that the audit fee was under \$5,000, and asked

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how the accounting fees could be over \$10,000, which is \$600 a month. Mr. Dorrill advised that this was the normal DMG fee year-to-date. Mrs. McFarland noted that this does not work out to \$10,000 a year, and Mr. Dorrill will check on that extra \$4,000 in the ledger to see if there were any other accounting charges or expenses, and it could be misclassified. The final amount over budget was for gatehouse repairs at \$8,300 over, and the total operating expenses for the year were \$635,000 against a budget of \$559,000, or \$74,000 over for the year.

Mrs. McFarland noted that they had the general ledger with 20 pages or so, and wondered why this was included in the Board's packet. She suggested that going forward they would not need to have that, and the packet should only include the first four or five pages. The Board agreed.

Mrs. McFarland asked what the charge for Guzzo Electric was about, and Mrs. Maline advised that this was the charge for fixing the power line that Comcast had cut.

Mrs. McFarland did not want to approve the financial statements at this time, as there were a few items that needed to be clarified first.

MANAGER'S REPORT

A. Public Records Request Policy

In August of this year the Board adopted a Public Records Request policy, which was the same policy the State Board uses. The one thing that was not included in the policy was the costs associated with copying, and they are going to amend the policy to add that information. Mr. Urbancic added that this addition can be enforced and it is a good idea to memorialize what the costs are, which is consistent with State law. The only thing he would caution the Board about is some of these things are not always black and white, which makes it difficult.

The Attorney General publishes a booklet which gets thicker every year on the Sunshine Law and records, and they don't always fit into an exact description, if there is to be a special service charge. The law basically is that if the records request is something causing an excessive amount of money to be spent in labor or IT services in order to respond, or to go through and see if there are exemptions to the law, then a certain labor cost can be charged. This is where it becomes a matter of interpretation, and the opinions suggest that you cannot charge someone for maintaining a data base of files that had to be kept in any event, which is why it is not always black and white.

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Mr. Urbancic suggested that it should be taken on a case by case basis. Mrs. McFarland noted that they had received some requests from Mr. Tsandoulas for supervisors' emails that were very extensive. There have been three or four requests, one of which took her six hours to complete, with hundreds of emails. They are now working on Mr. Tsandoulas' latest request, and it is taking them a significant amount of time to complete. Going forward Mrs. McFarland has asked Mrs. Maline to go through her CDD account with a temporary password, and flag any emails that are requested. From now on they are going to charge for any request that takes over 30 minutes.

The Governor's policy indicates that the cost of the person doing the request is charged, which in the case of Mrs. Maline will be \$49 an hour. Mr. Urbancic agreed that this is a good idea, and labor costs can be figured and charged. If a voluminous request comes in, then an estimate can be made of labor and printing costs and the person requesting is then advised of what the costs will be. A deposit will then be required if they wish to go forward with the request. If the request takes more than time than estimated, when the work is picked up they will be charged for the extra.

Mrs. McFarland suggested that a clause be put in the policy stating that the records will be released when payment for them is made, but there will be no special service charge for the first 30 minutes of the request. Mr. Urbancic agreed that this would be appropriate. The Board discussed how a "request" would be defined in cases of multiple items or if someone requesting documents is inappropriately using the first 30 minutes being without charge, and Mr. Urbancic suggested that this would be handled on a case by case basis.

After a discussion on how to proceed with the request presently being handled, Mr. Urbancic indicated that the Board can go forward with the charge, and under State law they are creating a policy to back up that decision. The clarifying policy will be brought back at the December meeting and voted on.

(Mr. Tsandoulas' question was inaudible.)

Mrs. McFarland indicated that there was no amendment, that they had already approved the policy, and Mrs. Maline clarified for Mr. Tsandoulas that when they acted on his request, they were following their own policy as well as that of the State of Florida. Mrs. McFarland asked what Mr. Tsandoulas meant when he referred to his attorney's comments.

(Mr. Tsandoulas' comments could not be heard.)

Mr. Urbancic suggested that he and Mrs. McFarland and Mrs. Maline meet briefly and have a conversation to clarify this issue and make sure no adjustments are needed. There is a provision in Chapter 119 that allows those charges to be made under certain circumstances.

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B. Post Hurricane Irma Update

Mrs. Maline met with a representative of ***Ashford, and they plan to be in the community as soon as possible. They will be removing the debris at the marina parking lot and in the right-of-way. They will then start on the maintenance yard, and once they leave, they will come back and do a second pass of the entire City of Marco. Mrs. Maline does not know when that second pass will be, but noted that no more debris should be left on the right-of-way after the County contractor has picked up that debris. Mrs. Maline will send out an email advising everyone that the County contractor has come by, and that they should revert to their regular practices of debris removal from here on out.

i. As it relates to the bridge, the engineering firm has come out and inspected the bridge and a written report will be received. The engineer indicated that it looked very good and he did not see any issues. He also inspected the repairs that were recently done and a report will also be submitted on that.

ii. As it relates to street lighting, they are working with a company called ***Reib Engineering, and they have contacted the County to get the plans for the original Installation. He is working with LCEC, and there is a discrepancy between the LCEC invoices and the number of streetlights. LCEC is only billing for 18 lights, and there are actually 75. and the number LCEC has on record is 57. They will have to work with LCEC and get all the street lights separately metered as required. Once all these issues are worked out Mrs. Maline will bring their proposal to the Board.

Mrs. McFarland noted that it was still very dark on Key Marco two months after the storm, and she wanted to move forward with this. Mr. Urbancic suggested that public comment be heard before any action is taken as it was not on the agenda.

Mrs. Maline then read the proposal into the record so those present would be aware of what would be done. This work will include making sure there is proper placement between the lights to make sure this is sufficient lighting. The contractor also made a recommendation about whether the posts and the heads should be kept or replaced. His costs will be \$7,500 for the study as outlined, from which a bid for the work will be created. Presently there are 17 lights that are completely unusable, and Mrs. Maline is working with the insurance company on this.

Mrs. McFarland also explained that they want to get the report from the insurance company before they make a decision on the report results.

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A resident asked if there was any consideration for solar lighting, and Mrs. Maline indicated that this was an option. It was indicated that 20 panels would be needed to run all the ' electricity in the Community Center, and Mrs. McFarland noted that some street lights have small solar panels on them. If this is an option, it will be addressed in the proposal. (Inaudible comments from the audience.) This will be discussed further.

A MOTION was then made by Mrs. McFarland and seconded by Mrs. Parkes to accept the proposal.

The floor was then opened for public comment, and Mr. Krutisch asked if the problem with the continual burn out of the LED lights will be addressed and fixed, and Mrs. Maline noted that the general consensus was that they were overheating. A new head will be needed to prevent this, and that was proposed, that the pole would remain, the top piece removed and the re-wiring done, and a new head put on.

Another resident asked if the engineer knew how many lights they actually have, and Mrs. Maline indicated that they actually have 75 light posts, and when the conversion was done, LCEC was not involved.

The MOTION then passed unanimously.

Once the proposal is done the company will come to Key Marco and make a presentation to the Board.

iii. As it relates to the catch basins, a contract with Earth *** has been approved to clean out the catch basins, and they hope to be at Key Marco sometime in December. There are 79 catch basins on Key Marco, and Mr. Krutisch asked if the company will make sure that the water no longer runs on the roadways, but this item is not included in their contract. Until they can come up with a permanent solution for this problem, they will do sod cuts after heavy rains to make sure the water goes directly to the catch basin.

C. Gate Access, Security Cards and Decals

There have been some issues with the gate staff, and Mrs. Maline has been working with Them. New security cards have been issued, and there were a few incidents when returning residents had old cards and could not get in the gate late at night. In one case the Police Department was called and they came and opened the gate for him. To date about ***121 security keys have been issued. Mrs. Maline is adding herself to the key pad so if anyone gets stopped at the gate they can call her.

In response to a question, Mrs. Maline indicated that when the power goes out the gate will

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automatically go into the open position, but recently when the power went out only one gate opened in the entrance. There is no backup power for the gates. One gate on each side must open as this is an ingress/egress issue. Mrs. Maline will check the gates to make sure that the automatic open position backup is working properly. This will be readdressed at the next meeting.

i. As it relates to Interior Plant Scapes , the eight decorative bowls at the entrance had their contents destroyed by the hurricane. This company, Interior Plant Scapes, comes every other week and maintains those plants and replaces the dead ones. Mrs. Maline anticipates that they will be out the following day to freshen up the bowls with some colorful flowers. Their cost is \$327 a month.

Mrs. Grado noted that she was not impressed with what is being put in those bowls, and suggested that they go back to the ferns, which was a onetime installation . She did not feel that the plants should be replaced as they are small and don't look good. If they had been maintained they would not have gotten leggy. Mrs. McFarland suggested that as a compromise, that they try this company for six months to see what they can do. If they can't get it right after that time, they will talk about another option. Mrs. Grado indicated that she was not a fan of what they are presently doing, and that it is costing the District money. In her opinion that \$4,000 a year could be used somewhere else.

Mr. Parkes liked the idea of some color, as there is so much green throughout Key Marco, and she suggested that bromeliads would be a good selection. Mrs. McFarland suggested that the company be advised that they wanted a little more height and a little more color, and this will be readdressed in December.

D. Crawford Landscaping

A copy of Crawford's contract was included in the Board's packet, so they would be aware of what the regular services are three days a week. There is a crew of three and Mrs. Maline is pushing Crawford to get them a fourth person as they always seem to be behind.

While Mrs. Parkes was aware that Crawford has been dealing with the hurricane damage, she asked when they would be able to deal with the weeds that have been that are growing in the bushes. Mrs. Maline indicated that she is pushing them as hard as possible, and anticipates a significant increase in activity the following week with weed and vine cleaning as well as the eaves that need to be cleaned out by Phil ***Bock and his crew.

At the next meeting the Board can reassess how this has worked out and how things look.

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Mrs. Maline noted that Herb has been working on the irrigation, as there were several breaks, power outages and clock issues. Now there is a problem with salinity in the irrigation which they have not yet been able to track down. The area where the County flushes their lines by the marina is at 220 parts per million, and by the time it reaches the retention pond it has jumped to 7,815. They are troubleshooting this problem and Crawford is involved, and the irrigation specialist came out as well. In the meantime they are backing up on the irrigation so the grass does not get burned.

Mr. Krutisch felt that the problem was in the pressurized pipe, as the tank is fine, but the water when it comes out is yellow and brackish. They are continuing to work on this, and Mrs. McFarland thanked him for his efforts.

Crawford's Clean up invoice for October came in at \$32,296, which to date is in the amount of \$64,000 through October.

E. General Information

At this point Mrs. McFarland reminded everyone of the procedure now in place to speak with Mr. Urbancic. Anyone besides supervisors has to go through a supervisor to get permission. His September bill was included in the packet and will be every month.

Mrs. Maline also noted at this point that with Dorrill Management's help they did file the public depositor report and the compliance report through the Department of Revenue.

F. Severn Trent

The decision was previously made by the Board to keep Dorrill Management on for the previous three months, mostly for help with FEMA and the audit. Mr. Dorrill's contract ends December 31, and that position needs to be filled. The Board was provided with a scope of services that they hope Severn Trent can cover, and Alan from that company was present to speak with them.

Both she and Mrs. McFarland met with a few companies, but some of the larger ones could not provide the necessary services. Mrs. Maline likes the way that she can communicate with Severn-Trent, among other things.

Mr. Urbancic noted that they probably should have an agreement drawn up with Severn Trent in contract form.

Mrs. McFarland then made a MOTION to accept the proposal of Severn Trent, which was seconded by Mrs. Grado.

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Mr. Tsandoulas asked what the contract involved, and it was read to him by Mrs. Maline, advising that their annual cost would be \$14,150.

(Mr. Tsandoulas' question was inaudible.)

Mrs. Maline explained that Dorrill Management's fee was \$22,250 a year. Mr. Dorrill noted that they had been asked to revise their scope of services, and at the time the HOA hired the District Manager, all that changed midyear, and they did introduce their fee proposal at midyear for six months in recognition of that. In August Mr. Dorrill spoke to Mrs. Maline and was asked if they would continue, and if so, if there would be a rate increase. He advised her that he would continue on, and they could expect a small cost-of-living increase of 2 to 3 percent. Mrs. Maline's understanding was that it would be a yearly contract of October to October.

Mrs. McFarland indicated that in any event they were much more expensive than Severn-Trent, and Mr. Dorrill indicated that his firm had not provided with a formal solicitation. He indicated that they can provide a fee proposal to them, and he thought that his firm could be very flexible with the desires of the Board. He reminded the Board that Severn-Trent was previously terminated from Key Marco when two of their employees quit to form their own firm, which was when Dorrill Management was hired following Hurricane Charles. He added that they are willing to bid on this work going forward, and that their fee proposal for bookkeeping and accounting is half of that of Severn-Trent.

Mrs. McFarland indicated that they are not accepting any bids for accounting only, and that they have a whole scope of services, which is very similar to what Dorrill is now providing. They pay about \$22,000 to them to do that, and so they went out and contacted five different firms, and Severn-Trent came in with the same scope of services for much less money. Mr. Dorrill indicated that they did not solicit a proposal from Dorrill Management based on the scope noted to Severn-Trent, and Mrs. McFarland indicated that it was exactly the same. Severn Trent also has an automated accounting service, which the Board was very impressed with which will prevent some of the problems they continue to have with Dorrill Management's system.

Mr. Dorrill responded that the mid-year request they received was not an annual contract, and Mrs. McFarland noted that she appreciated his feedback, and Mr. Dorrill added that that they were not part of a formal solicitation for services, and he thought that was highly irregular given their track record at Key Marco, their performance and what they were asked to do under unusual circumstances. He noted that there were many issues at play, and he wanted it to be clear that they were not asked to give a fee proposal for an annual contract.

Key Marco CDD — Minutes

November 16, 2017

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Mrs. McFarland indicated that his comments had been noted, and Mr. *** added that he felt that it was a quality of service issue.

Mr. Urbancic asked for clarification on the agreement with DMG that expired on December 31, and Mrs. Maline indicated that his contract was extended three months to the end of December, and up to six months. Mr. Urbancic noted that it said there was an option to continue it for an additional six months, not up to six months, and Mrs. Maline said the agreement was for three months, up to December 31.

The MOTION then passed unanimously.

SUPERVISORS' REQUESTS AND COMMENTS

There were no further requests or comments received from the supervisors.

AUDIENCE QUESTIONS AND COMMENTS

Mr. Tsandoulas asked for a clarification on his public records request, noting that his attorney asked for two things, which were a copy of the written policy and if Mrs. Maline's response was the last word. Mrs. McFarland indicated that what they agreed to do was to have a meeting with Mr. Urbancic, Mrs. McFarland and Mrs. Maline to talk about this issue after the meeting, at which point they will contact Mr. Tsandoulas. (further comments by Mr. Tsandoulas inaudible.)

ADJOURNMENT

On a MOTION by Mrs. Grado and a second by Mrs. McFarland the meeting was adjourned at 9:45 a.m.

Key Marco Community Dev District
STATEMENT OF REVENUE AND EXPENSE
General Fund

	One Month Ended October 31, 2017	Current Period Budget	Current Period Variance	One Month Ended October 31, 2017	Year to Date Budget	Year to Date Variance	Annual Budget
Revenue							
Non Ad Valorem Assessments	0.00	\$ 52,483.33	\$ (52,483.33)	0.00	\$ 52,483.33	\$ (52,483.33)	\$ 629,800.00
Interest Income	819.00	333.33	485.67	819.00	333.33	485.67	4,000.00
Revenue Carry Forward	0.00	28,937.08	(28,937.08)	0.00	28,937.08	(28,937.08)	347,245.00
Other Miscellaneous Revenues	0.00	8.33	(8.33)	0.00	8.33	(8.33)	100.00
Total Revenues	819.00	81,762.07	(80,943.07)	819.00	81,762.07	(80,943.07)	981,145.00
Expenditures							
<i>Professional & Administrative</i>							
Board of Supervisor Fees	600.00	333.33	(266.67)	600.00	333.33	(266.67)	4,000.00
Payroll Tax Expense	0.00	41.67	41.67	0.00	41.67	41.67	500.00
Management Fees	7,250.00	6,666.67	(583.33)	7,250.00	6,666.67	(583.33)	80,000.00
Transcription Services	180.00	83.33	(96.67)	180.00	83.33	(96.67)	1,000.00
Audit Fees	0.00	416.67	416.67	0.00	416.67	416.67	5,000.00
Accounting Fees	600.00	600.00	0.00	600.00	600.00	0.00	7,200.00
Special Assessment Roll Prep	0.00	83.33	83.33	0.00	83.33	83.33	1,000.00
Property Appraiser Fees	9,045.00	9,045.00	0.00	9,045.00	9,045.00	0.00	9,045.00
Tax Collector Fees	0.00	1,083.33	1,083.33	0.00	1,083.33	1,083.33	13,000.00
Legal Fees	1,511.25	2,083.33	572.08	1,511.25	2,083.33	572.08	25,000.00
Engineering Fees	0.00	166.67	166.67	0.00	166.67	166.67	2,000.00
Postage & Courier	0.00	33.33	33.33	0.00	33.33	33.33	400.00
Computer Services	0.00	50.00	50.00	0.00	50.00	50.00	600.00
Rentals & Leases	25.00	125.00	100.00	25.00	125.00	100.00	1,500.00
Insurance - General	25,539.00	26,050.00	511.00	25,539.00	26,050.00	511.00	31,000.00
Legal Advertising	185.50	166.67	(18.83)	185.50	166.67	(18.83)	2,000.00
Office Supplies	0.00	33.33	33.33	0.00	33.33	33.33	400.00
Subscriptions & Dues	175.00	200.00	25.00	175.00	200.00	25.00	200.00
Bank Charges	38.38	0.00	(38.38)	38.38	0.00	(38.38)	0.00
Miscellaneous Expense	35.92	41.67	5.75	35.92	41.67	5.75	500.00
Total Expenditures	45,185.05	47,303.33	2,118.28	45,185.05	47,303.33	2,118.28	184,345.00

Key Marco Community Dev District
STATEMENT OF REVENUE AND EXPENSE
General Fund

	One Month Ended October 31, 2017	Current Period Budget	Current Period Variance	One Month Ended October 31, 2017	Year to Date Budget	Year to Date Variance	Annual Budget
Expenditures							
<i>Field Management Services</i>							
Rentals & Leases	0.00	41.67	41.67	0.00	41.67	41.67	500.00
Total Expenditures	0.00	41.67	41.67	0.00	41.67	41.67	500.00
Expenditures							
<i>Landscaping</i>							
Contractual Services	11,392.00	11,166.67	(225.33)	11,392.00	11,166.67	(225.33)	134,000.00
Tree Trimming	0.00	2,083.33	2,083.33	0.00	2,083.33	2,083.33	25,000.00
Flower Program	0.00	416.67	416.67	0.00	416.67	416.67	5,000.00
Mulch Program	0.00	1,250.00	1,250.00	0.00	1,250.00	1,250.00	15,000.00
Plant Replacement Program	516.85	1,666.67	1,149.82	516.85	1,666.67	1,149.82	20,000.00
Irrigation Supplies	0.00	250.00	250.00	0.00	250.00	250.00	3,000.00
FEMA Expenses	5,172.00	0.00	(5,172.00)	5,172.00	0.00	(5,172.00)	0.00
Land Lease	2,553.00	2,583.33	30.33	2,553.00	2,583.33	30.33	31,000.00
Miscellaneous Expense	116.25	1,083.33	967.08	116.25	1,083.33	967.08	13,000.00
Total Expenditures	19,750.10	20,500.00	749.90	19,750.10	20,500.00	749.90	246,000.00
Expenditures							
<i>Environmental Services</i>							
Expenditures							
<i>Lighting</i>							
Electric Services	1,416.79	1,250.00	(166.79)	1,416.79	1,250.00	(166.79)	15,000.00
Repairs & Maint - General	185.00	1,166.67	981.67	185.00	1,166.67	981.67	14,000.00
Holiday Lighting	0.00	250.00	250.00	0.00	250.00	250.00	3,000.00
Total Expenditures	1,601.79	2,666.67	1,064.88	1,601.79	2,666.67	1,064.88	32,000.00

Key Marco Community Dev District
STATEMENT OF REVENUE AND EXPENSE
General Fund

	One Month Ended October 31, 2017	Current Period Budget	Current Period Variance	One Month Ended October 31, 2017	Year to Date Budget	Year to Date Variance	Annual Budget
<i>Expenditures</i>							
<i>Access Control</i>							
Utility Services	559.82	833.33	273.51	559.82	833.33	273.51	10,000.00
Operating Supplies	123.05	100.00	(23.05)	123.05	100.00	(23.05)	1,200.00
Repairs & Maint - Parts	127.98	416.67	288.69	127.98	416.67	288.69	5,000.00
Repairs & Maint - Gatehouse	220.00	666.67	446.67	220.00	666.67	446.67	8,000.00
Contractual Services	6,875.40	7,000.00	124.60	6,875.40	7,000.00	124.60	84,000.00
Total Expenditures	7,906.25	9,016.67	1,110.42	7,906.25	9,016.67	1,110.42	108,200.00
<i>Expenditures</i>							
<i>Roadway</i>							
Repairs & Maint - Parts	30.72	833.33	802.61	30.72	833.33	802.61	10,000.00
Total Expenditures	30.72	833.33	802.61	30.72	833.33	802.61	10,000.00
<i>Expenditures</i>							
<i>Irrigation</i>							
Electric Services	223.61	416.67	193.06	223.61	416.67	193.06	5,000.00
Utilities - Water	1,017.89	1,250.00	232.11	1,017.89	1,250.00	232.11	15,000.00
Repairs & Maint - General	0.00	1,250.00	1,250.00	0.00	1,250.00	1,250.00	15,000.00
Land Lease	0.00	2,583.33	2,583.33	0.00	2,583.33	2,583.33	31,000.00
Contractual Services	124.80	508.33	383.53	124.80	508.33	383.53	6,100.00
Total Expenditures	1,366.30	6,008.33	4,642.03	1,366.30	6,008.33	4,642.03	72,100.00
Total Operating Expenditures	75,840.21	86,370.00	10,529.79	75,840.21	86,370.00	10,529.79	653,145.00

**Key Marco Community Dev District
STATEMENT OF REVENUE AND EXPENSE
General Fund**

	One Month Ended October 31, 2017	Current Period Budget	Current Period Variance	One Month Ended October 31, 2017	Year to Date Budget	Year to Date Variance	Annual Budget
Bridge Repair	0.00	1,250.00	1,250.00	0.00	1,250.00	1,250.00	15,000.00
Street Light Project	0.00	3,083.33	3,083.33	0.00	3,083.33	3,083.33	37,000.00
Guardgate Roof	0.00	1,750.00	1,750.00	0.00	1,750.00	1,750.00	21,000.00
Road Repairs	0.00	19,166.67	19,166.67	0.00	19,166.67	19,166.67	230,000.00
Total Expenditures	0.00	25,250.00	25,250.00	0.00	25,250.00	25,250.00	303,000.00
<i>Expenditures</i>							
<i>Other Fees & Charges</i>							
Revenue Reserve	0.00	2,083.33	2,083.33	0.00	2,083.33	2,083.33	25,000.00
Contingency Reserve	0.00	833.33	833.33	0.00	833.33	833.33	10,000.00
Total Expenditures	0.00	2,916.66	2,916.66	0.00	2,916.66	2,916.66	35,000.00
Total All Expenditures	75,840.21	114,536.66	38,696.45	75,840.21	114,536.66	38,696.45	991,145.00
Excess Revenues (Expenditures)	(75,021.21)	\$ (32,774.59)	\$ (42,246.62)	(75,021.21)	\$ (32,774.59)	\$ 107,795.80	\$ (10,000.00)

Key Marco CDD
c/o Katie Maline
505 Whiskey Creek Drive
Marco Island FL 34145

Statement No:

Attn: Katie Maline

Gen Rep

SENT VIA EMAIL TO: dee@dmgfl.com, Leigh@dmgfl.com and
katie@managerkeymarcohoa.org

F e e s

11/07/2017	GLU	Review and respond to email correspondence from Bob Pritt on public records request; Draft email correspondence to Katie Maline on same	32.50
11/15/2017	GLU	Review agenda and prepare for Board of Supervisors meeting	97.50
11/16/2017	GLU	Attendance at Board of Supervisors meeting; Meeting with Chair McFarland and Katie Maline	1,137.50
	GLU	Exchange email correspondence with Chair McFarland and Katie Maline on public records response and letter to DMG; Review and comment on proposed correspondence	162.50
11/20/2017	GLU	Review and respond to email correspondence from Katie Maline regarding public records matters (no charge)	
		Professional Fees through 11/30/2017	<hr/> 1,430.00
		Total Current Work	1,430.00

Payments

		Total Payments Through 12/13/2017	-1,511.25
		Balance Due	<hr/> <hr/> \$1,430.00

Bridging Solutions, LLC
15863 Secoya Reserve Circle
Naples, FL 34110
Tel. (239) 216-1370
ralph@bridging-solutions.com
www.bridging-solutions.com

SOLUTIONS

November 13, 2017

Katie Maline
Dorrill Management Group
Cho

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

**RE: Whiskey Creek Drive Bridge over Rookery Bay
Bridge Scour Inspection**

Dear Ms. Maline:

THIS ITEM HAS BEEN ELECTRONICALLY SIGNED AND SEALED BY RALPH VERRASTRO, PE. ON NOVEMBER 15, 2017 USING A DIGITAL SIGNATURE. PRINTED COPIES OF THIS DOCUMENT ARE NOT CONSIDERED SIGNED AND SEALED AND THE SIGNATURE MUST BE VERIFIED ON ANY ELECTRONIC COPIES.

Digitally signed by
Ralph Verrastro
PE 39784
DN: cn=Ralph Verrastro
PE 39784, o=Bridging
Solutions, LLC,
ou=Bridge Engineering
Department,
email=ralph@bridging-solutions.com, c=US
Date: 2017.11.15
17:58:54 -05'00'

Bridging Solutions, LLC (BSLLC) performed a scour inspection of **the vehicular bridge that is owned and maintained by the Key Marco Community Development District (CDD) in Collier County, Florida** on November 8, 2017. The request for the scour inspection was prompted due to the potential for scour damage during Hurricane Irma on September 10, 2017. We also reviewed the recent maintenance repairs performed by Quality Enterprises that included resetting of the precast concrete sidewalk panels and repairing the damaged expansion joint seal at Abutment 1 (south abutment).

The bridge scour inspection involved performing drop line measurements at each substructure bent along each fascia line for comparison to the measurements taken in July of 2012 and January of 2017. A summary of our drop line measurements is shown on the attached sheet which also shows the measurements taken in the past scour inspections. A review of the differences in the readings reveals that no significant scour occurred as a result of the hurricane storm surge so no further action is required at this time. These measurements should be repeated and tracked during all future bridge inspections which should occur every 2 years. During the next inspection we also recommend having a diving inspection performed to further document potential scour damage under the bridge.

The repairs performed by Quality Enterprises appeared to be in good condition. The sidewalk panels are securely set and the expansion seal was repaired.

Please contact me at 239-216-1370 if you have any questions or comments.

Respectfully,

BRIDGING SOLUTIONS, LLC

Ralph Verrastro, PE
Principal

We design bridges to fit your site and budget.

Invoice

Date	Estimate#
12/12/2017	234508

Bill To
Key Marco C/O Dorrill Management Group 5672 Strand Court, Suite #1 Naples, FL 34110

Service Address
2323 San Marco Road Marco Island, FL 34145

P.O. NO.	Terms	Project
	Due on receipt	1966-T&M

Description	Amount
Storm Clean-up-progress billing through November 30, 2017 Charges for storm clean-up include labor hours, machine hours, debris removal, and staking	\$20,243.00
Total	\$20,243.00

THANKS YOU FOR YOUR BUSINESS!!

Payment Options:

If paying by check, please send in the provided envelope.

If you would like to pay by credit card, please call Mary at 239-449-5013

Sign here to use the credit card already on file and return this in the provided envelope.

Signed

Date
