



Community Development District

**Board of Supervisors
Regular Meeting**

**November 15, 2018
Immediately Following Landowners' Meeting**

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 are limited to a maximum of three (3) minutes per attendee in order to facilitate orderly and efficient District business.

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. Audience Questions and Comments on Agenda Items**
- 5. Approval of Previous Meeting Minutes**
 - a. September 7, 2018
- 6. Specific Items of Old Business**
 - a. Culvert Cleaning

- b. Street Light Update

7. Specific Items of New Business

- a. Holiday Bonuses

8. District Counsel – Greg Urbancic, Coleman, Yovanovich & Koester, P.A.

- a. Land Lease Termination

9. District Finance

- a. Financial Statement Month Ending September 30, 2018

10. District Manager

- a. FEMA Update
- b. Irrigation
- c. Turf Condition - Chinch Bugs
- d. Florida Fish & Wildlife
- e. Holiday Décor

11. Supervisors Request and Comments

- a. Gatehouse Roof Tile

12. Audience Questions and Comments

13. Schedule Next Meeting Date and Time

14. Adjournment

**KEY MARCO COMMUNITY DEVELOPMENT DISTRICT
REGULAR BOARD MEETING
SEPTEMBER 7, 2018**

The Board of Directors of the Key Marco Community Development District met on September 7, 2018, at 8:30 a.m. at the Key Marco Community Center, Marco Island, Florida.

APPEARANCES: Maureen McFarland, Chairman/Treasurer
Mary Beth Schewitz, Vice-Chairman
Corrie Grado, Supervisor, Supervisor
Dawn Aitkenhead, Supervisor
Luanne Kerins, Supervisor

ALSO PRESENT: Katie Maline, Manager
Greg Urbancic, Board Counsel
Jere Earlywine, Hopping, Green and Sams

CALL TO ORDER/ROLL CALL

All five supervisors were in attendance, and Mrs. Kerins was welcomed to the Board.

APPROVAL OF AGENDA

On a MOTION by Mrs. Grado and a second by Mrs. Schewitz, the Agenda was unanimously approved.

AUDIENCE QUESTIONS AND COMMENTS ON AGENDA ITEMS

Mr. Krutisch asked why the speeding problem was not noted on the agenda, it will be added to it for discussion.

The issue of feeding the wildlife was also brought up, and will also be added to Item 12, Audience Questions and Comments.

APPROVAL OF PREVIOUS MEETING MINUTES

There were no minutes to approve at this time.

SPECIFIC ITEMS OF OLD BUSINESS

A. Consideration of a Resolution Authorizing Rule-Development and Rule Making Proceedings for a Proposed Rule Establishing Rates for the Use of District Roads.

Jere Earlywine discussed the purpose of the proposed Roadway User Rate and Enforcement Rule, reviewed the history of the District's capital improvement plan, described the rule-making process, reviewed the consultant's report from Fishkind & Associates supporting proposed rates for the rule, reviewed the proposed rule, and discussed next steps. Among other points, Mr. Earlywine advised that the purpose of the rule is to help the District ensure that everyone – both owners and non-owners – pay their fair share of the costs of operating and maintaining the District's roadways and appurtenant improvements. Historically, the District's owners have paid over \$12 million for the District's capital improvement plan, and, on an annual basis, pay operations and maintenance assessment costs for the roadways and related improvements (for FY 2018, those costs amounted to approximately \$4,700 per lot), while non-owners historically have used the roadways but paid nothing. A discussion ensued.

On a MOTION by Mrs. Schewitz and a second by Mrs. Grado, the Board then unanimously approved Resolution 2018-09 authorizing rule-development and rule-making proceedings based on the proposed rule, subject to the changes noted in the discussion, and further subject to the rates of \$10 per trip for 2-axle vehicles, \$20 per trip for 3+ axle vehicles, and \$5 per trip for all other non-owner visitors.

Mr. Earlywine will revise the draft resolution based on the Board's direction, and District Staff will move forward with the necessary publications. Mr. Earlywine was thanked for his appearance at the meeting.

B. Status of Lu's Garden

Three additional requests for quotes have been sent out but not yet received. It is expected that the information will be provided soon, and this project will move forward as soon as possible, with a target date of October 17.

C. Status of Gatehouse Projects

Mrs. Aitkenhead reported that a professional pressure cleaning company will be hired to clean the oil stains on the pavers. The budget for the landscaping project was exceeded by \$4,148.12. The cost increase was due to a massive cluster of stumps in the garden behind the gatehouse. This also included plumbing and irrigation repairs. On a MOTION by Mrs.

Aitkenhead and a second by Mrs. Grado, the Board unanimously approved the additional \$4,148.12 for the gatehouse project.

D. Roof Project

Mrs. Maline is going to go to the County offices on Monday to determine what the holdup is on the permit for the roof. She will keep the Board advised on this.

E. Lights on Gatehouse

This project is going forward, and the new lights are expected to arrive this week.

F. Review of RFP for Landscaping Maintenance

This item will be put on the agenda for October for a full discussion of what is expected of the landscape maintenance contractor and how management of their work will be handled.

G. Security Cameras at Gatehouse

This item will be addressed at the October meeting where privacy issues will be discussed as well.

H. Supervisor Appointments to Specific Tasks

The Board agreed that Mrs. Kerins will be a regular supervisor. If her landscaping expertise is needed in the future, the Board will address it at that time.

I. Insurance for Financial Funds and Assets

Two accounts will be set up at Fifth Third Bank, and safeguards will be put in place to prevent unauthorized withdrawals. Two supervisors will be needed to approve withdrawals, and Mrs. McFarland and Mrs. Maline will act in that capacity.

On a MOTION by Mrs. McFarland and a second by Mrs. Aitkenhead, the Board unanimously approved Mrs. McFarland and Mrs. Maline to act as signatories on any checks and/or withdrawals from Fifth Third Bank, and additionally, they were approved to sign any and all forms and resolutions required by the bank.

J. Irrigation Meeting

This meeting was held on August 2nd to address irrigation issues, and Mrs. Maline will provide those minutes to the Board in the next agenda packet.

SPECIFIC ITEMS OF NEW BUSINESS

A. Designation of New Officers

Three seats will be filled in the coming elections, and Mrs. McFarland asked those present to consider running to sit on the Board.

Mrs. McFarland indicated that she will continue to serve as Chair and Treasurer until such time as someone steps up to replace her, and Mrs. Schewitz will continue to sit as vice-chair. The remainder of the Board members agreed to continue to be assistant secretaries.

On a MOTION by Mrs. Mrs. Schewitz and a second by Mrs. Grado the preceding appointments were unanimously approved by the Board.

DISTRICT COUNSEL

A. Statewide Mutual Aid Agreement

This optional program was created by the State after a significant event, such as Hurricane Irma to make known resources and pricing of these resources, such as tree clearing, from other districts throughout the State. These could be call upon in the event of need.

Special Districts around the state can join in, and it does not obligate a District to do anything, but if assistance is needed, a district can call on another and get help according to the set fee schedule. Mr. Urbancic will provide the paperwork with the Resolution at the October meeting.

B. FEMA Pilot Program

In 2013, the Sandy Recovery Improvement Act amended Section 428 of the Stafford Act, authorizing FEMA to enact new Public Assistance Alternative Procedures (PAAP). Commonly referred to as “alternative procedures” or “428”, the new model is intended to reduce disaster costs, streamline delivery and expedite the delivery of recovery funds, while most importantly providing grantees (states) with greater flexibility on how disaster recovery funds are applied for certain types of work. The alternative procedures model also means federal funding for hazard mitigation can now be made available sooner in the recovery process, providing a unique window of opportunity for grant recipients to build back infrastructure in ways that ensure resiliency. The pilot program is generally used for projects the are over \$120,000.

A new case manager is being assigned to Key Marco. Once the new case manager is appointed Mrs. Maline will set up an onsite meeting with Mrs. McFarland, the new case manager and Mrs. Maline.

C. District Counsel Monthly Bill

Mrs. McFarland reminded Mr. Urbancic that the District has a Board Resolution that only supervisors can contact him. Mrs. Maline will also check with a supervisor before she contacts counsel and will copy Mrs. McFarland on all emails to Mr. Urbancic.

FINANCIALS

A. Month ending July 30, 2018 Financial Statement

The District was under budget as of July, and by the end of September they will know if the budget needs to be amended due to any overages.

The insurance reimbursement of \$70,000 will be moved from FEMA to a separate line item.

DISTRICT MANAGER

A. Street Light Update

Casa Grande has provided estimates for both solar and hard wiring for the street lights. The first estimate for direct wiring the streetlights was \$300,000.

A presentation will be made at the October meeting, and Mrs. Maline will prepare a map showing light locations and which ones are no longer connected. Options will be discussed at that time.

B. Culvert Clean Out Proposal

Earthview came back with a proposal to clean all the existing culverts for \$7,500. This will help with the water ponding on the roadways, which is a project that the CDD will have to fund.

On a MOTION by Mrs. Aitkenhead and a second by Mrs. McFarland, the Board unanimously authorized Mrs. Maline to manage this project and determine what culverts need to be cleaned in an effort to reduce ponding.

C. FEMA UPDATE

The Board was provided a copy of the printout from FEMA listing the projects and possible reimbursements of approximately \$143,000. A retro DEP permit for the maintenance yard had to be submitted, which has held up payment. That permit has been obtained and all projects are now going through the process.

SUPERVISORS REQUESTS AND COMMENTS

No additional comments or requests were received.

AUDIENCE QUESTIONS AND COMMENTS

Mr. Krutisch expressed concern about the ongoing problems with speeding on Key Marco, many of them construction trucks and contractors, despite efforts to ease this issue. Wildlife is also affected. The contractors no longer park on the grass as they will be towed if they do, and the gate guards will be advised to let contractors know that speeding will not be tolerated.

The Board agreed that any violation of parking and speeding rules should be memorialized with a picture and sent to Mrs. Maline immediately for action.

A brief discussion was held regarding distemper in raccoons which seems to have decimated the population on Key Marco. Mrs. Grado urged everyone to be aware that poisoning raccoons and other animals is against the law, nor should these wild animals be fed.

SCHEDULE NEXT MEETING DATE AND TIME

The next meeting will be held on October 17th at 8:30 a.m.

ADJOURNMENT

On a MOTION and a second, the meeting was adjourned at 11:35 a.m.

KEY MARCO
Community Development District

Financial Statements

(Unaudited)

September 30, 2018

Balance Sheet
September 30, 2018

ACCOUNT DESCRIPTION	GENERAL FUND	FIXED ASSETS FUND	TOTAL
ASSETS			
Cash - Checking Account	\$ 641,355	\$ -	\$ 641,355
Accounts Receivable	338	-	338
Prepaid Items	150	-	150
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 - Improvements	-	(681,688)	(681,688)
Accum Depr - Infrastructure	-	(4,204,655)	(4,204,655)
Machinery & Equipment	-	126,860	126,860
Accum Depr - Mach & Equip	-	(33,006)	(33,006)
TOTAL ASSETS	\$ 641,843	\$ 4,616,385	\$ 5,258,228
LIABILITIES			
Accounts Payable	\$ 37,429	\$ -	\$ 37,429
Accrued Taxes Payable	412	-	412
TOTAL LIABILITIES	37,841	-	37,841
FUND BALANCES			
Nonspendable:			
Prepaid Items	150	-	150
Unassigned:			
	603,852	4,616,385	5,220,237
TOTAL FUND BALANCES	\$ 604,002	\$ 4,616,385	\$ 5,220,387
TOTAL LIABILITIES & FUND BALANCES	\$ 641,843	\$ 4,616,385	\$ 5,258,228

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending September 30, 2018

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	SEP-18 ACTUAL	SEP-18 BUDGET	VARIANCE (\$) FAV(UNFAV)	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (\$) FAV(UNFAV)
REVENUES							
Interest - Investments	\$ 4,000	\$ 1,189	\$ 333	\$ (856)	\$ 14,896	\$ 4,000	\$ (10,896)
Interest - Tax Collector	-	-	-	-	40	-	(40)
Special Assmnts- Tax Collector	629,800	-	-	-	607,890	629,800	21,910
Special Assmnts- Discounts	(25,000)	-	-	-	94	(25,000)	(25,094)
Other Miscellaneous Revenues	100	-	8	8	466	100	(366)
Insurance Reimbursements	-	-	-	-	70,024	-	(70,024)
TOTAL REVENUES	608,900	1,189	341	(848)	693,410	608,900	(84,510)

EXPENDITURES**Administration**

P/R-Board of Supervisors	4,000	800	333	467	7,200	4,000	3,200
FICA Taxes	500	61	42	19	414	500	(86)
ProfServ-Engineering	2,000	-	167	(167)	7,500	2,000	5,500
ProfServ-Legal Services	25,000	3,988	2,083	1,905	24,343	25,000	(657)
ProfServ-Mgmt Consulting Serv	80,000	6,000	6,667	(667)	76,750	80,000	(3,250)
ProfServ-Property Appraiser	9,045	-	-	-	9,045	9,045	-
ProfServ-Special Assessment	1,000	-	-	-	1,000	1,000	-
ProfServ-Tax Collector	13,000	-	-	-	8,790	13,000	(4,210)
Accounting Services	7,200	1,179	600	579	13,163	7,200	5,963
Auditing Services	5,000	-	-	-	4,925	5,000	(75)
Postage	400	15	33	(18)	287	400	(113)
Rentals & Leases	1,500	25	125	(100)	300	1,500	(1,200)
Insurance - General Liability	31,000	640	-	640	27,845	31,000	(3,155)
Legal Advertising	2,000	1,106	167	939	2,958	2,000	958
Miscellaneous Services	500	46	42	4	949	500	449

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Period Ending September 30, 2018

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	SEP-18 ACTUAL	SEP-18 BUDGET	VARIANCE (\$) FAV(UNFAV)	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (\$) FAV(UNFAV)
Transcript Cost	1,000	310	83	227	1,735	1,000	735
Computer Support	600	190	50	140	993	600	393
Office Supplies	400	-	33	(33)	476	400	76
Dues, Licenses, Subscriptions	200	-	17	(17)	265	200	65
Total Administration	184,345	14,360	10,442	3,918	188,938	184,345	4,593
Field							
Rentals & Leases	500	-	42	(42)	-	500	(500)
Total Field	500	-	42	(42)	-	500	(500)
Maintenance and Landscaping							
Contractual Services	134,000	15,534	11,167	4,367	142,898	134,000	8,898
R&M-Trees and Trimming	25,000	7,455	2,083	5,372	32,330	25,000	7,330
Plant Replacement Program	20,000	2,662	1,667	995	26,078	20,000	6,078
Exotic Maintenance	13,000	-	1,083	(1,083)	116	13,000	(12,884)
Flower Program	5,000	-	417	(417)	1,825	5,000	(3,175)
Irrigation Supplies	3,000	-	250	(250)	38	3,000	(2,962)
Land Lease	31,000	-	2,583	(2,583)	-	31,000	(31,000)
Mulch Program	15,000	1,925	1,250	675	11,848	15,000	(3,152)
Misc-FEMA Expense	-	600	-	600	150,911	-	150,911
Total Maintenance and Landscaping	246,000	28,176	20,500	7,676	366,044	246,000	120,044
Irrigation Services							
Contractual Services	6,100	234	508	(274)	1,934	6,100	(4,166)
Utility - Water	15,000	1,047	1,250	(203)	22,921	15,000	7,921
Utilities-Electric	5,000	4,409	417	3,992	6,219	5,000	1,219

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Period Ending September 30, 2018

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	SEP-18 ACTUAL	SEP-18 BUDGET	VARIANCE (\$) FAV(UNFAV)	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (\$) FAV(UNFAV)
Lease	31,000	2,553	2,583	(30)	30,636	31,000	(364)
Repairs & Maintenance	15,000	7,278	1,250	6,028	25,811	15,000	10,811
Total Irrigation Services	72,100	15,521	6,008	9,513	87,521	72,100	15,421
<u>Capital Expenditures & Projects</u>							
Street Light Project	37,000	-	3,083	(3,083)	5,000	37,000	(32,000)
Bridge Repair	15,000	-	1,250	(1,250)	15,124	15,000	124
Guardgate Roof	21,000	-	1,750	(1,750)	-	21,000	(21,000)
Cap Outlay-Roads	230,000	8,025	19,167	(11,142)	28,950	230,000	(201,050)
Total Capital Expenditures & Projects	303,000	8,025	25,250	(17,225)	49,074	303,000	(253,926)
<u>Lighting</u>							
Utilities-Electric	15,000	2,319	1,250	1,069	24,187	15,000	9,187
R&M-General	14,000	3,590	1,167	2,423	6,547	14,000	(7,453)
Misc-Holiday Lighting	3,000	-	-	-	3,588	3,000	588
Total Lighting	32,000	5,909	2,417	3,492	34,322	32,000	2,322
<u>Access Control</u>							
Contractual Services	84,000	6,822	7,000	(178)	83,057	84,000	(943)
Utilities-Electric	10,000	(3,434)	833	(4,267)	8,360	10,000	(1,640)
R&M-Gate	5,000	291	417	(126)	6,785	5,000	1,785
R&M-Gatehouse	8,000	3,512	667	2,845	13,722	8,000	5,722
Op Supplies - General	1,200	418	100	318	796	1,200	(404)
Capital Outlay	-	-	-	-	10,000	-	10,000
Total Access Control	108,200	7,609	9,017	(1,408)	122,720	108,200	14,520

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending September 30, 2018

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	SEP-18 ACTUAL	SEP-18 BUDGET	VARIANCE (\$) FAV(UNFAV)	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE (\$) FAV(UNFAV)
<u>Maintenance: Landscape/Hardscape</u>							
Capital Outlay	-	-	-	-	46,300	-	46,300
Total Maintenance: Landscape/Hardscape	-	-	-	-	46,300	-	46,300
<u>Roadway Services</u>							
Repairs & Maintenance	10,000	-	833	(833)	4,812	10,000	(5,188)
Total Roadway Services	10,000	-	833	(833)	4,812	10,000	(5,188)
TOTAL EXPENDITURES	956,145	79,600	74,509	5,091	899,731	956,145	(56,414)
Excess (deficiency) of revenues Over (under) expenditures	(347,245)	(78,411)	(74,168)	4,243	(206,321)	(347,245)	(140,924)
<u>OTHER FINANCING SOURCES (USES)</u>							
Contribution to (Use of) Fund Balance	(347,245)	-	-	-	-	-	-
TOTAL FINANCING SOURCES (USES)	(347,245)	-	-	-	-	-	-
Net change in fund balance	\$ (347,245)	\$ (78,411)	\$ (74,168)	\$ 4,243	\$ (206,321)	\$ (347,245)	\$ (140,924)
FUND BALANCE, BEGINNING (OCT 1, 2017)	810,323				810,323	810,323	
FUND BALANCE, ENDING	\$ 463,078				\$ 604,002	\$ 463,078	

Coleman, Yovanovich & Koester, P.A.
Northern Trust Bank Building
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103-3556
Telephone: (239) 435-3535
Fax: (239) 435-1218

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

Page: 1
September 30, 2018
File No: 3944-001M
Statement No: 117

Attn: Katie Maline

Gen Rep

SENT VIA EMAIL TO: katie@managerkeymarcohoa.org

Fees

09/03/2018	GLU	Review email correspondence from Katie Maline on agenda; Initial review of agenda for Board meeting; Commence review of matters relating to creating fee for use of roadways	325.00
09/05/2018	AMK	Review FEMA documents in connection with funding agreement. Provide comments to G. Urbancic regarding FEMA questions	156.25
	GLU	Review Fishkind report and proposed resolution adopting Resolution regarding rule development; Brief research; Preparation for conference call; Conference call with Chairman, Manager, Jere Earlywine on report and proposed resolution	650.00
09/06/2018	GLU	Review information and research regarding PAAP Pilot Program relating to FEMA claim; Review applicability; Review agenda and prepare for Board of Supervisors meeting; Review email correspondence from Jere Earlywine; Review updated resolution and rule for meeting	487.50
09/07/2018	GLU	Attendance at Board of Supervisors meeting	1,235.00
09/09/2018	GLU	Review email correspondence from Jere Earlywine on updated rule following meeting	65.00
09/10/2018	GLU	Draft resolution to approve statewide mutual aid agreement; Draft email correspondence to Katie Maline with documents for the agenda	162.50
09/18/2018	GLU	Review email correspondence from Robert Pritt; Draft email correspondence to Katie Maline and Maureen McFarland on public records request (no charge)	
09/26/2018	GLU	Review and respond to email correspondence from Katie Maline on conference call (no charge)	
09/28/2018	GLU	Conference call with Chair and Manager on maintenance services and RFP questions	81.25

Gen Rep

Professional Fees through 09/30/2018	3,162.50
Total Current Work	3,162.50
Balance Due	<u>\$3,162.50</u>

Hopping Green & Sams

Attorneys and Counselors

119 S. Monroe Street, Ste. 300

P.O. Box 6526

Tallahassee, FL 32314

850.222.7500

===== STATEMENT =====

October 26, 2018

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

Bill Number 103516
Billed through 09/30/2018

CDD Special Counsel

KMCDD 00101 JLE

FOR PROFESSIONAL SERVICES RENDERED

09/05/18	JLE	Conference call regarding upcoming meeting; revise resolution and rule relating to the same; email correspondence regarding the same; prepare speaking notes for upcoming meeting.	2.10 hrs
09/07/18	JLE	Finalize resolution, rules and notices based on comments from meeting; email correspondence regarding the same.	0.70 hrs
09/07/18	JLE	Prepare for, travel to and from, and attend Board meeting.	3.10 hrs
09/28/18	JLE	Prepare for and attend conference call regarding upcoming meeting; follow-up email regarding meeting items.	0.60 hrs
Total fees for this matter			\$2,080.00

DISBURSEMENTS

Travel	220.76
Travel - Meals	2.40
Conference Calls	26.65
Total disbursements for this matter	\$249.81

MATTER SUMMARY

Earlywine, Jere L.	6.50 hrs	320 /hr	\$2,080.00
TOTAL FEES			\$2,080.00
TOTAL DISBURSEMENTS			\$249.81
TOTAL CHARGES FOR THIS MATTER			\$2,329.81

BILLING SUMMARY

Earlywine, Jere L.	6.50 hrs	320 /hr	\$2,080.00
TOTAL FEES			\$2,080.00
TOTAL DISBURSEMENTS			\$249.81

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TOTAL CHARGES FOR THIS BILL

\$2,329.81

Please include the bill number on your check.