



Minutes of the Pelican Preserve Committee Meeting May 10, 2012 DRAFT

1. Call to Order/ Roll Call

Brian King called the meeting to order at 2:00 pm.

Chairperson: Herb Freese

Vice-Chairman: Brian King - Absent

Committee Members Present:

Bob Geppert - Absent

Bill van der Have

Nancy Hall

Ned Haile

John Grega – Absent

Management: Marybeth Goldman

Staff Members:

Diane Collins: Administrative Assistant

Al Abdo: Operations Manager

2. APPROVE MEETING MINUTES

MOTION TO: Approve the minutes from April 12, 2012.
MADE BY: Nancy Hall
SECONDED BY: Herb Freese
DISCUSSION: None further
RESULT: Motion PASSED 4/0

3. RESERVE STUDY PRESENTATION

Mr. Jack Richards gave a presentation on his Reserve Study Proposal for Pelican Preserve. He stated there are two approaches to doing a Reserve Study. He stated one approach is to utilize current repair and replacement costs in establishing reserves and the other approach is to use future values. He stated forecasting must be done annually. He stated legally it is required by law to do this but there is no enforcement in place. He suggested laddered investing of reserve funds in 5 year Treasurer Bill because it is guaranteed and provides a good overall return and does not tie up funds for an inordinate amount of time. He stated the 5 year T-bill averages 6.4%. He reviewed the Scope of Study with the committee.

Al Abdo joined us at 2:53 p.m.

Al stated the Board directs to invest and DMS hires an accountant to make the financial decisions. He further stated Pelican Preserve has a separate pool of money collected from the Pelican Preserve residents. Nancy stated there is still money set aside by the CDD from bond proceeds which are being held in reserve from a WCI construction bond to pay for the second lift. Mr. Richards concluded based on his preliminary review and the time



constraints to meet your June 1, 2012 deadline, his cost proposal to complete this Reserve Study would be \$6,000.

4. FINANCIALS

Ned gave an overview on financials regarding the cash projections and he stated there should be adequate funds at the end of the year.

Actual expenses one-third of the way into the current year are running well below budget despite unfavorable variances in several accounts. While some of the favorable variances will eventually come up to budget it is expected that total year expenses will remain within budget. As noted in the past some expenditures are seasonal in nature occurring sporadically one or more times during the year rather than on a linear basis.

As noted on the funds balances schedule the projected CDD fiscal year-end cash balance is equal to almost 4 months budget expenses at the time of funding transfer to the CDD and nearly three months of expenses at the current budget rate.

Significant Budget Variances

The single largest unfavorable variance is in the roving patrol account and is due to delayed billing of seven weeks of 2011 costs. This unfavorable variance will not impact the cash situation since it was budgeted for but unexpended in 2011. For the full year 2011 this account showed a favorable variance to budget of more than 24,000.

The next largest unfavorable variance is in the combined sod and tree treatment accounts, for 6,408. There is an invoice in hand of 7,620 disease prevention treatment of the Medjool palm which will bring year to date expenses up to 18,690 versus an annual budget of 14,000.

Combined mulch and pine straw expenses are 4,518 over budget on a year to date basis. Residents expenses were 16,173 against an annual budget of 17,500 while nothing has been charged to the shared expense account as yet. Total annual expenses in this account did not exceed 15,000 prior to last year when the cost was 37,000. Total budget this year is set at 35,000. An explanation for the increased level of spending has been requested.

Ned stated there is money budgeted for the Infrared Technology Perimeter Security System but Pelican Preserve never moved forward on this. Nancy Hall suggested putting it in the budget. Marybeth Goldman stated the management company will move forward on this item. Ned asked what the monetary value was and Herb Freese stated to send out an email and find out what is the proposal. Marybeth stated \$4400 was budgeted for installation and if still the same will proceed.

Year to date combined tree trimming costs of 16,128 are 5,472 over budget, but no additional significant expenditures are expected here and on an annual basis total cost should be well under the budgeted figure of 32,000.



VOIP/Hosting/Support is under-budgeted and on an annual basis will be some 9,000 over budget. Omitted from the budget was the amortization of the financed portion of the technology package. This oversight was corrected in the proposed 2013 budget.

On the favorable side are the irrigation electric reimbursements which, on the annual basis, are running 26,000 under budget. The trap gate cost will come in more than 2,000 less than budget, and no decision has been made with regard to the perimeter security system budget at 10,400 including monitoring. Insurance budget of 6,500 is a HOA expense and will not be charged against the CDD budget.

Provided expenditures remain within budget for the balance of the CDD fiscal year ending 10/31 and no additional receipts this year the cash balance at the end of year will be approximately 219,000 or the equivalence of 3.9 months budget expenses at time of transfer of funding to CDD and 2.8 months at the current year budget rate.

5. UPDATE ON TREELINE PLANS AND LANDSCAPING

Herb stated WCI still needs to plant oak trees along the outside of the Treeline fence which would require an irrigation system. Marybeth stated the recommendation from John and Robert was WCI needs to do the planting and irrigation prior to turning this asset over to the CDD.

6. OLD BUSINESS

Nancy Hall gave an update on the A1 Pipe situation and they have done nothing.

7. MANAGEMENT TOPICS FOR DISCUSSION

a. Cart Path on the Boardwalk Discussion

Marybeth stated a resident came to the last Board meeting had an issue with golf carts on the pathway. The resident stated it was a liability issue and also increases maintenance cost for replacement of the boards. MB stated they do weekly checks on the boardwalk. She suggested posting positive signage along the path. Bill stated the path is not intended for golf carts. Herb stated it is not built to handle that weight. Bill stated it is deteriorating quickly. Bill stated the committee should consider reserves for future repairs. A question was raised regarding how these paths and bridges differ from those on the golf course and the committee asked MB to check on this. MB stated she will need to research what the original intent was and locate an engineer report. Nancy stated we need to verify that it is safe. Bill stated he is against golf carts on the path. Nancy stated if carts cannot be on the path then bikes will not be allowed either. MB stated if carts and bikes are allowed the path may need to be widened especially on the bridges. Bill stated Colonial Country Club have put post in the entry of their path to prevent carts from using the path. Nancy stated Pelican Landing would be another community to reference for information regarding the use of golf carts on pathways. Herb suggested it needs to be done prior to the snowbirds returning. No decision was made as the committee needs more information prior to making a recommendation to the Supervisors.

b. Traffic Engineering Report

Gateway Services Community Development District
Office: 239.561.1313 Fax 239.561.1350
<http://www.gatewaydistrict.org>



MB stated WCI is doing a Traffic Report and will make recommendations. Nancy asked when this is happening and suggested it should be done in season when the seasonal residents are here.

c. Additional Dog Stations

MB stated a resident requested an additional dog station at 359 Siena was made. Ned suggested going ahead and doing it.

d. Finishing of Awabuki Hedge on Treeline

MB updated the committee regarding the unfinished hedge. She stated it is on the south end of Treeline by Walgreens Center. She suggested finishing the hedge even if we go with the infra red monitoring technology. She stated the cost is \$90 per hedge and there are a total of three hedges.

e. Picnic Tables on the Preserve

Nancy stated we need to check on ownership – WCI or HOA or CDD before recommending the repairs on new tables on the boardwalk. MB stated the cost per table made with composite, non-degradable material is \$1000. She stated a cheaper version from Highland Products is \$739 per table. She stated she will also check at Home Depot.

f. Striping of Pelican Preserve Boulevard

MB stated there are two methods of striping, thermal plastic or glass beads. There was discussion on cost and how they varied. No decision was made on proceeding with this work at the present time.

MB also stated the Ameriscape contract went through.

8. RESERVES STUDY DISCUSSION BY COMMITTEE CONTINUED

Ned stated the pump house is owned by the golf course. He further stated the HOA is reserving funds for the pumping stations. MB stated the actual structure belongs to WCI. Nancy asked who owns the Toro System. MB stated the Toro System has been moved to the maintenance shop within the golf course. The committee requested Jesse Yandle to join the meeting. Jesse stated the Toro System is owned by the golf maintenance and it use to be in the sales center. Jesse stated he could pull paperwork to verify who actually owns it. Jesse stated the pump station and the irrigation is owned by the golf course.

Herb Freese asked if the reuse water was tertiary. Jesses asked him to define tertiary. Jesse stated yes then it is tertiary and good enough to water lawns.

Ned voiced his concerns regarding Mr. Richard's piggybacking on the Reserve Advisor Study and the District Counsel had not called him back at this time. He stated Peter Altman suggested he go ahead and use it since the District paid for it and owns it.



Jesse confirmed with the committee that WCI does own the Toro System and it will be transferred at a future time to the Master Association per David Caldwell.

MOTION TO: Recommend to proceed with Richards' proposal pending District Counsel approval to piggyback on the Reserve Advisors study.
MADE BY: Nancy Hall
SECONDED BY: Bill van der Have
DISCUSSION: None further
RESULT: Motion PASSED 4/0

HF stated we needed to run through this exercise at least once to see what are reserves are. Ned stated it will be presented to the Board next Thursday on May 17, 2012. Nancy stated to just pick a number and make it an unspecified fund. Ned suggested using the Surplus Fund for \$200,000. Nancy stated to use the bond funds for the road.

MOTION TO: Proposed earmarking \$200,000 of the undesignated GF002 funds for the establishment of reserves funding.
MADE BY: Nancy Hall
SECONDED BY: Ned Haile
DISCUSSION: None further
RESULT: Motion PASSED 4/0

AA will contact Mr. Richards once District Counsel has approved the contract.

9. SET NEXT MEETING DATE June 14, 2012 @ 2 P.M.

10. ADJOURNMENT @ 4:15 P.M.

MOTION TO: Adjourn the meeting on 4:15 p.m.
MADE BY: Nancy Hall
SECONDED BY: Herb Freese
DISCUSSION: None further
RESULT: Motion PASSED 4/0