

Naples, Florida

May 20, 1987

LET IT BE KNOWN, that the Pelican Bay Improvement District met on this date in Regular Session at 4:00 P.M., in the Naples Federal Savings & Loan Building, Fifth Floor, 5801 Pelican Bay Boulevard, Naples, Florida, with the following members present:

PRESIDENT:	Miles Scofield
SECRETARY:	Sue E. MacAlister (Absent)
TREASURER:	Sylvia A. Moll (Absent)
	Ramer B. Holtan
	James D. Hake

ALSO PRESENT: Mr. Gary L. Moyer, District Manager; Mr. James P. Ward, Assistant District Manager; Mr. Tom Peek and Steve Means of Wilson, Miller, Barton, Soll & Peek; Mr. Harmon Turner, Consultant to the Board; Mr. Tracy Bolesky, Attorney for the District; Mr. Ron Wood of Rogers, Wood, Hill, Starman & Gustason; Mr. John Petty of the Pelican Bay Improvement District; Messrs. Lou Hoegsted and Jack McKenna of Westinghouse Communities of Naples, Inc.; Mr. James Dunwiddie, Representative of the Pelican Bay Property Owner's Association and Jean Smith, Assistant Secretary.

AGENDA

1. Roll Call.
2. Approval of Minutes of the Meeting held April 15, 1987.
3. Public Hearing for the Consideration of Proposed Rates, Fees & Charges for the District's Water & Sewer System.

AGENDA (CONT.)

4. Discussion on Street Lighting Program.
5. Public Hearing for the Consideration of Fiscal Year 1988 Street Lighting Budget.
6. Consideration of Street Lighting Loan Renewal with Barnett Bank for Unit IV Street Lights.
7. Presentation of Audited Financial Statements for Fiscal Year 1986.
8. Consideration of Change Order to Contract with Jacaranda Landscape to Include Unit VI and Glenview Place.
9. Authorization to Bid Proposed Right-Of-Way Landscape Improvements.
10. Discussion on Glen Cove Maintenance Agreement.
11. Engineer's Report
 - a) Update on the Wastewater Treatment Plant Construction
12. Manager's Report.
 - a) Discussion on Pending Litigation - Mr. & Mrs. Curtis Ivey.
 - b) Policy Discussion by Rate Study Committee.
13. Confirmation of Invoices and Requisitions.
14. Supervisor's Requests.
 - a) Discussion on Legal Counsel.
15. Adjournment.

ROLL CALL

Mr. Scofield called the meeting to order at 4:00 P.M. and asked the record show Ms. Moll and Ms. MacAlister absent, with all other members present.

MINUTES OF MEETING OF APRIL 15, 1987 - APPROVED AS PRESENTED

Mr. Holtan moved, seconded by Mr. Hake and approved unanimously, the Minutes of April 15, 1987, as presented.

PUBLIC HEARING FOR CONSIDERATION OF PROPOSED RATES, FEES AND CHARGES FOR THE DISTRICT'S WATER AND SEWER SYSTEM

Legal Notice having been published in the Naples Daily News on May 5 and May 12, 1987, as evidenced by the Affidavit of Publication presented for the Record, a Public Hearing was held to consider the proposed rates, fees and charges for the District's water and sewer system.

Mr. Moyer recalled for the Board that several months ago the Board authorized the firm of Coopers and Lybrand to prepare a Rate Study

and the Board at their meeting held on September 24, 1987 had adopted new rates, fees and charges effective October 15, 1986. He explained that since the September 24, 1987 meeting, certain notice violations that were a part of the scheduled September Public Hearing, had been brought to staff's attention and in order to correct these problems an additional Public Hearing had been scheduled to obtain public input regarding the District's rates, fees and charges. He explained that one of the requirements which had been overlooked was to provide the proposed rates, fees and charges to the County Commission thirty days prior to the Public Hearing. He stated that District staff had subsequently provided the proposed rate schedule to the County Commission and the Agenda Package contained a letter from Mr. Max Hasse, Chairman of the Board of County Commissioners, which stated that the Board of County Commissioners had received and reviewed the proposed rates, fees and charges and that the information had been formally filed with the Clerk to the Board.

Additionally, Mr. Moyer explained that the original newspaper advertisement had not specified the actual proposed rates, fees and charges and subsequently the new advertisement outlined the proposed rate schedule to correct this error. In summary, Mr. Moyer advised that both procedural errors had been addressed and corrected and this was the purpose of the scheduled Public Hearing. In addition, Mr. Moyer explained that the proposed fee schedule contained new rates which dealt with the irrigation system. He explained that the new irrigation rates were the result of several workshop sessions, in which Coopers & Lybrand had presented irrigation rate alternatives and their recommendations. The Irrigation

Rate Alternatives Study analyzed their original recommendations to the Board based upon public input obtained thru the Workshop Meetings. He explained that the new irrigation rate was included as part of the new proposed rate schedule.

In response to a question by Mr. Scofield, Mr. Moyer advised that the proposed rate schedule corrected procedural defects of the past Public Hearing and, in addition, amended the irrigation rates as proposed in Alternative 3 of the Coopers & Lybrand Irrigation Rate Study, dated March, 1987. He also commented that the input from the Rate Study Committee should be available within the next thirty days at which time the Rate Study Committee would present their recommendations to the Board for their consideration and subsequently an additional Public Hearing would be held to revise the rates if it were deemed necessary by the Board.

At this time, Mr. Scofield called for comments from the Public. Mr. James Dunwiddie, speaking on behalf of the Property Owner's Association, told the Board that the Property Owner's Association felt it was a good idea to correct the procedural errors of the past, however, for the record he wished to comment that the Association felt that the increase in the connection fees and the elimination of the standby fee was in error. He suggested that another point the Board might wish to consider before adopting the rates was that incorporated in the existing structure the Board was about to approve was a shortfall fee, i.e., the Developer would be charged for the difference between revenues and expenditures. He stated that he was concerned that the shortfall fee might or might not be legal and stated that the Property Owner's Association had asked that some formal

recognition be obtained from WCN whereby they accepted this concept and without this recognition the Board might wish to consider whether to approve the new rates, fees and charges as proposed.

Mr. Moyer advised the Board, that based upon discussions of the Rate Study Committee, he had written a letter to WCN advising them that this would be an item of discussion at the meeting and asked them to comment or at least give conceptual approval of the standby fee concept. He stated that he had received a letter, dated May 15, 1987, from Mr. Byron Koste which stated that WCN would agree to the overall concept of standby fees as a backup position to connection fees under the following conditions: (1) WCN when paying standby fees had the option of receiving a corresponding credit for connection fees and (2) any surpluses generated solely by connection fee income in one year would be applied against future shortfalls. Mr. Moyer explained that via this letter WCN accepted the concept of standby fees, however, he recognized that this would have to be reduced to a formalized Agreement which outlined specific terms and conditions.

Mr. Moyer explained that the second condition as outlined in WCN's letter was an item that had been addressed in the Coopers & Lybrand Report, i.e., applying connection fee income against future year shortfalls. He explained that the Board would need to identify in the Agreement how this would be done and yet remain within the frame work of the Bond Resolution which governed all of the funds within the utility system.

Mr. Holtan asked Mr. Moyer to explain the first condition as outlined in WCN's letter. Mr. Moyer explained that until the terms and

conditions were defined via a formal agreement he could only advise Mr. Holtan as to what he thought the condition meant. He suggested that WCN referred to money they would contribute to the District via a shortfall fee could be used as a credit against future connection fees. Mr. Hoegsted of WCN further explained this concept by stating that WCN would have the option of paying a shortfall fee or buying down connections whereby minimum monthly capacity charges would go into effect when the connections were taken down. Mr. Holtan asked what was meant by "buying down connection fees." Mr. Hoegsted explained that WCN would pay for connection fees which they would subsequently pass on to future developers. Mr. Holtan asked Mr. Dunwiddie if this concept was agreeable to the Property Owner's Association. Mr. Dunwiddie stated that this was agreeable.

Mr. Hake commented that this concept had been thoroughly discussed by the Rate Study Committee, i.e., WCN expected to buy down connection fees and instead of calling it a shortfall they would actually buy connection fees and when this occurred they would be subject to minimum monthly fees; thus, WCN would have something for their money, a connection fee that would be passed on to future developers. He explained that no member of the Rate Study Committee had any problem with this concept.

There being no additional comments from the Public, President Scofield asked for a motion to close the Public Hearing. Mr. Hake moved, seconded by Mr. Holtan and approved unanimously, that the Public Hearing be closed.

At this time, Mr. Hake moved, seconded by Mr. Holtan and approved unanimously, the Resolution adopting the schedule of rates, fees and

charges as outlined in the Rate Study performed by Coopers & Lybrand, dated September, 1986 with the modifications outlined in Option 3 of the Irrigation Rate Study Alternatives, dated March 1987, and that the President and Secretary be authorized to sign the Resolution.

Following this motion, Mr. Holtan asked Mr. Hake what the Rate Study Committee was going to do next. Mr. Hake advised Mr. Holtan that the Committee was in the process of refining all of the rates just presented. He said they have been discussing such things as what should be part of the tax base, what should be part of the user fees, what to base the rates upon, what to base the use of the wastewater and irrigation upon, etc. He explained that their discussions should be concluded and their recommendations ready in the near future.

DISCUSSION ON STREET LIGHTING PROGRAM

Mr. Moyer explained that this item concerned the continuing discussion regarding the Street Lighting System for Pelican Bay and a letter from Mr. Tom Peek and Mr. Jeff Hassell regarding some of the history on the Pelican Bay Roadway Lighting System had been included in the Agenda Package. He also stated that a Breakeven Analysis on the Street Lighting System for the Unit VI area had been included in the Agenda Package. He explained that this Analysis showed a breakeven point for the Unit VI Street Lighting System after 20 years. He advised that this Analysis took the capital costs and the interest carry on the short term debt into consideration and the effect of changes in the FP&L rental rates were excluded from this Analysis and further that the Analysis only applied to Unit VI and not all of Pelican Bay.

Mr. Moyer advised that the issue at hand was whether the District proceed with the current street lighting program of providing Sterner street lights or change the program. Mr. Hake questioned whether the Sterner System would last twenty years. Mr. Scofield commented that FP&L had used cor-ten poles in their trans-state utility line and they felt they were the most permanent structure they could obtain. He also commented that the poles had been in place approximately 15 years and to date showed no sign of any wear. Mr. Holtan asked how long cor-ten had been on the market. Mr. Hake commented that cor-ten was the result of World War II technology and thus it had been around for a long period of time.

Mr. Dunwiddie commented that according to his calculations it was costing the District approximately twice as much to use Sterner poles vs. Florida Power & Light poles. Mr. Scofield suggested that aesthetic value as well as cost had to be taken into consideration. He also commented that he had driven around Pelican Bay and felt that if the intensity of the lighting was increased, the glare would be increased and this would be objectionable to many of the single family residents. He suggested that currently there was a nice soft lighting. Mr. Hake commented that he personally did not find fault with the current intensity of the lighting, however, stated that there had been some complaints from single family residents who suggested that the intensity of the lighting in the single family area was not strong enough.

Mr. Scofield asked who paid for the lights in the residential area. Mr. Moyer replied that they were paid for by the Pelican Bay Municipal Street Lighting District. Mr. Scofield asked why Tierra Mar

had to pay for their own lights while the single family lights were paid for through the Municipal Lighting District. Mr. Moyer replied that the difference was that the single family areas were publicly dedicated rights-of-way and Tierra Mar had a private road that technically was not available for public use.

Mr. Moyer commented that a companion item to the previous discussion was consideration of the boundaries of the Street Lighting District. Mr. Moyer explained that currently the areas in the Street Lighting District were those areas which were developed and that undeveloped areas were not included in the District. He explained that if the Board desired to take this matter under consideration a Public Hearing should be held to obtain public input on this matter.

Mr. Hake suggested that the first residents in Pelican Bay were paying the price for the future users of the system and possibly the Street Lighting Loans should be spread over a twenty year period to make it more equitable for all the residents. Mr. Dunwiddie commented that it was his opinion that growth was not paying for growth. He stated that the Pelican Bay Municipal Street Lighting District was different than other Districts in two ways: (1) it was an expanding District and (2) the District owned the facilities. He explained that when the system first started there were too few residents to pay for the system and thus the Phase I loan was obtained to pay for the first phase and the charges were on a ad-valorem basis to all of the initial residents. He commented that the usual method of financing was by special assessment but said he could understand why in the initial stages this had not been done. He suggested that as he saw it,

the problem came about when additional areas were added to the initial street lighting phase and that this was when special assessments should have come about so that each subsequent street lighting phase could pay for itself. He stated that instead, as new areas were added to the previous incorporated areas unit owners in Phase I, Phase II, etc., were charged a pro-rata share of each phase. He further commented that new construction was currently financed by existing users, not new users and thus growth was not paying for growth and existing users were paying a disproportionate share for growth. He suggested there were two ways to improve the Street Lighting System: (1) to include the entire District within the boundaries of the Municipal Street Lighting District and (2) initiate the use of special assessments on each new phase as it is built on an ad valorem basis to pay for the facilities. He then suggested that the District retire all of the debt for Phases I, II, III & IV with the current surpluses of the Lighting District and administer a one time special assessment for Units V & VI in order to pay off the balance of these loans.

In conclusion, Mr. Scofield stated that there were two different issues as he saw it: (1) whether to stay with the cor-ten poles or go with the FP&L poles and (2) whether to remain with the current street lighting philosophy.

At this time, Mr. Hake moved, seconded by Mr. Holtan and approved unanimously that the District remain with the Sterner cor-ten poles.

Mr. Scofield then suggested that the Rate Study Committee undertake the study of the Street Lighting Policy Issue at their next meeting and provide the Board with their recommendations at the next

meeting. Mr. Hake suggested that District staff should perform some preliminary work prior to the study of this issue by the Committee. In Mr. Hake's opinion Mr. Dunwiddie's suggestions had a great deal of merit, however, stated that some preliminary "homework" needed to be accomplished before any decisions could be made. Mr. Moyer commented that he could certainly appreciate Mr. Dunwiddie's opinion, however, suggested there was another side to this issue. He suggested that all of the residents benefit from the expansion of the system through the use of the roadways in Pelican Bay. Thus, it was not clear cut that new users should pay for new street lights and that is why there was merit to the thought of bringing the balance of the property into the boundaries of the Street Lighting District. He stated that if the District started a program of special assessments the Board would be "changing the rules" in the middle of the game. Mr. Hake again suggested that Mr. Dunwiddie's suggestions had a lot of merit and should be taken under consideration. Mr. Scofield agreed and asked that staff look into the matter, make recommendations to the Rate Study Committee and schedule this item on the Agenda for the next meeting. Mr. Moyer concurred, however, stated that the Board had an immediate problem to consider on the street lighting issue and that was consideration of the Budget. He advised that the District did not levy the tax, that they simply made a recommendation to Collier County, who through the Public Hearing process, adopt the Budget. Mr. Hake asked Mr. Moyer to elaborate on this process. Mr. Moyer advised that this was an Ad Valorem Tax, based on millage (the assessed value of the property within the District this year is estimated by the Property Appraiser to be approximately

\$292,000,000). He explained that the District was the Operating Agent for the Pelican Bay Special Municipal Street Lighting District, pursuant to an Agreement with Collier County. He stated the reason for the Agreement was that the District did not have the authority to levy an Ad Valorem Tax and thus the County was actually the responsible Governmental Agency for Pelican Bay but had assigned the day-to-day operations to the District via the Agreement. He explained that the Budget was prepared yearly by District staff and once the Budget had been approved by the Board, staff informed the County as to the funds the District would need for the following year. The District's Budget then becomes part of the County-wide Budget through the MSTU process. He explained that the millage rate for 1988 would be approximately \$.33/\$1,000 of assessed value.

Mr. Hake asked when the County needed the Budget in order to act upon it. Mr. Ward replied that the County needed the Budget immediately, that they would begin their Budget process during the next few weeks. Mr. Holtan asked whether the Board would be prevented from making changes to the Budget once it had been presented to Collier County. Mr. Ward replied that since the Budget had to go through the Public Hearing process it could be changed at that time; that all that was being done at this time was that the District was recommending to Collier County that they adopt the Street Lighting Budget for Fiscal Year 1988. Mr. Scofield asked if the Rate Study Committee arrived at a new Street Lighting Policy, whether the Board could amend the Budget. Mr. Moyer explained that the Board could have input into the process through the Public Hearings and suggested that if the Budget was adopted as is, the transmittal letter to the County could state that

the District was exploring various alternatives to the current Street Lighting Program in order to put them on notice that there might be changes to the Budget. In response to a question by Mr. Holtan, Mr. Moyer suggested that there were two issues involved in the Street Lighting Program. One issue was whether to expand the boundaries of the Street Lighting District and he advised that this needed to go through Collier County and was a time consuming process. Mr. Peek commented that Collier County closed the Public Hearing process two months ago for the addition of any Special Municipal Street Lighting Districts for the Budget Year beginning October 1, 1987. He suggested that if the District decided to add property to the Street Lighting District it would have to be for Fiscal Year 1989. Mr. Bolesky advised that should the Board decide to levy a Special Assessment it could probably still be done for the areas currently in the Street Lighting District, but not for any property outside the current boundaries of the system. Mr. Scofield suggested that the Board remain with the Budget for Fiscal Year 1988 and any further action taken by the Board be for Fiscal Year 1989. Mr. Moyer advised the Board that the District had Street Lighting authority within its Charter and although it did not have the authority to levy an Ad Valorem Tax, it did have the authority to levy a Special Assessment over any property in the District. He also advised that since the time frame was so short, the Board would probably have to proceed this year as they proceeded in past years and at a later date address the Street Lighting Policy issue, pursuant to Public Hearings to arrive at a policy for Fiscal Year 1989. Mr. Hake advised the Board that he preferred that the Street Lighting issue did not get mingled

with the study of the rates by the Rate Study Committee, however, suggested that as soon as the Committee concluded its study of the rates that the Committee address the issue of the Street Lighting Policy. Mr. Holtan questioned whether the Rate Study Committee should study the issue of the Street Lighting Policy. Mr. Scofield suggested that the Committee was a well balanced Committee which consisted of knowledgeable people and his recommendation was that the Rate Study Committee complete their study of the rates and then visit the issue of the Street Lighting Policy.

Following this discussion, Mr. Scofield moved, seconded by Mr. Hake and approved unanimously that the Rate Study Committee address the issue of the District's Street Lighting Program upon completion of the study of the rates and that Coopers & Lybrand be released from the Committee upon completion of the Rate Study.

PUBLIC HEARING FOR CONSIDERATION OF THE FISCAL YEAR 1988 STREET LIGHTING BUDGET

Legal Notice having been published in the Naples Daily News on May 5 and May 12, 1987, as evidenced by the Affidavit of Publication presented for the Record, a Public Hearing was held to consider the District's Street Lighting Budget for Fiscal Year 1988.

Mr. Moyer advised that a copy of the proposed Budget had been included in the Board's Agenda Packages for their review and consideration. He stated that the total Street Lighting Budget for Fiscal Year 1988 was anticipated to be \$198,207.26, and consisted of an Ad Valorem Tax Levy of \$93,181.40, interest income of \$5,944.86 and an unappropriated fund balance of \$99,081.00.

Mr. Moyer called the Board's attention to three typographical

errors in the proposed Budget:

On Page Two, the interest income figure of \$103,675.99 be changed to \$99,081.00.

On Page Six of the Budget, the figure used under Calculation be amended from 85 Units to 95 Units.

On Page Six of the Budget, the sentence under Repairs and Maintenance be amended to read, "From Past experience, replacement of bulbs is estimated to be approximately 20% per year."

Mr. Scofield asked why the Debt Service Requirement as shown on Page 1 of the Budget was so far off. Mr. Ward replied that when preparing the Budget staff usually anticipates that a certain amount of money will be carried forward into the next Fiscal Year for funding of the principal and interest payment on the loans that will come due in the early part of Fiscal Year 1989 and secondly when the Budget was prepared for Fiscal Year 1987, a debt service payment for the Unit VI Street Lighting Area was taken into consideration, however, because of the timing of the loan, this payment did not come due until Fiscal Year 1988.

At this time, Mr. Scofield called for comments by the Public. There being no comments from the Public, President Scofield called for a motion to close the Public Hearing. Mr. Holtan moved, seconded by Mr. Hake and approved unanimously, closing of the Public Hearing.

At this time, Mr. Holtan moved, seconded by Mr. Hake and approved unanimously, the Street Lighting Budget for Fiscal Year 1988 as amended and the Resolution adopting the Budget and that the President and Secretary be authorized to sign the Resolution.

CONSIDERATION OF STREET LIGHTING LOAN RENEWAL WITH BARNETT BANK FOR UNIT IV STREET LIGHTS

Mr. Moyer presented, for the Board's consideration, renewal documents for the Unit IV Street Lighting Loan with Barnett Bank. He explained that the original Note was dated April 18, 1984, in the principal amount of \$60,000, and carried an interest rate of 8.75%. He explained that the Note was renewable annually upon the principal payment of \$12,000 and the funds were available for the renewal of this Note, having been budgeted in the Fiscal Year 1986 Street Lighting Budget. Mr. Moyer recommended the renewal of the Note.

At this time, Mr. Hake moved, seconded by Mr. Holtan and approved, with Mr. Scofield abstaining due to conflict of interest, that the renewal of the Single Payment Note with Barnett Bank be approved and that the President and Secretary be authorized to sign the Note.

PRESENTATION OF AUDITED FINANCIAL STATEMENT FOR FISCAL YEAR 1986

Mr. Moyer introduced Mr. Ron Wood of Rogers, Wood, Hill, Starman & Gustason, the District's Auditing Firm. At this time, Mr. Wood asked if he could briefly comment on the previous discussions on the Municipal Street Lighting District. He stated that one of the big pluses of having an MSTU was that it kept the District out of the billing and collection business and he commented that the District currently had the best of both worlds by having an MSTU. He also explained that there was currently a moratorium on MSTUs by the County and that they were not approving any additional Special Lighting Districts and were not likely to approve any new lighting Districts in the near future. He explained the reasons for this were two-fold; one was that administratively they were becoming too

expensive and secondly in some areas it affected the County's total millage cap.

Regarding the 1986 Audited Financial Statement, Mr. Wood advised the Board that, very importantly, the District had a "clean opinion" this year. He stated that at the end of September 1986, the District had almost \$25,000,000 in assets, \$18,000,000 worth of debt, and equity of \$6,800,000 and thus the ratio of debt to equity was very favorable.

Mr. Wood advised that the General Fund, Debt Service Fund and Capital Projects Fund generated \$1,508,494 in revenue, offset by expenses of \$823,009 for an increase in the total fund balance for the year of \$367,436, which represented a very healthy increase for the year.

He advised the Board that there was one problem he wished to bring to the Board's attention, as shown on Page 9 of the Financial Statement, and this was that the District was not generating enough revenue on the water/sewer services and he advised that a rate increase would be very appropriate and needed at this time.

In Mr. Wood's opinion the significant part of the Financial Statement appeared on Page 24, under Bond Compliance, which showed that on September 30, 1986, the District had excess revenue of approximately \$500,000.

Mr. Wood advised the Board that the Management Letter to the Auditor General was a new requirement this year. He commented that the first recommendation regarded the General Ledger Maintenance. He explained that the Audit for Fiscal Year 1986 took place at an inappropriate time of the year as the District was in the process of implementing a computerized

accounting system and currently the District was maintaining its General Ledger on a timely basis.

Their second recommendation regarded property, equipment and capital expenditures. Mr. Wood explained that as required by Rule 10.400 of the Auditor General, periodic inventory should be taken and thus his firm recommended the use of an I.D. Tag System to identify District property and equipment. Mr. Ward advised the Board that the District had already purchased the Tag System and would implement the Auditor's recommendation.

The third recommendation regarded Investments. Mr. Wood explained that this recommendation was the result of their understanding that pooled collateral pledged pursuant to Pennsylvania Act No. 72-1971 could not be used to secure deposits of governmental bodies created by laws other than Pennsylvania law. Their recommendation was that any deposits made in banks that were not participants in the Florida Multiple Financial System Collateral Pool be secured by specific collateral held by a third party bank, the trustee, or the District. He advised the Board that this problem had been straightened out and First Pennsylvania Bank now had collateral on deposit to protect the District's investments. In response to a question by Mr. Hake, he said he could not point a finger at or blame any one person for this violation. Mr. Hake asked who normally would be responsible for this violation. Mr. Ward advised that under the Trust Indenture it was the Trustee's responsibility to insure that the collateral pledge was in place.

Mr. Hake asked how the District originally became involved with

First Pennsylvania Bank. Mr. Moyer explained that when the first Bond Issue was sold in 1979 First Pennsylvania Bank purchased a large share of the bonds and as part of the underwriting negotiations, First Pennsylvania Bank desired to be Trustee. Mr. Hake asked Mr. Moyer whether he was aware that First Pennsylvania Bank was one of the "shakiest" banks in the United States. Mr. Moyer commented that in 1979, First Pennsylvania Bank was a very reputable, well established and well secured bank. Mr. Wood explained that the District would be protected regardless of the status of the First Pennsylvania Bank, as the collateral was with the Federal Reserve System. Mr. Wood also stated that in fairness to all concerned parties, everyone thought the District was covered by the collateral pool and District staff had been told by the Trustees and the Attorney's for Trustees that the funds had been well protected.

Regarding additional comments in the Auditor's letter regarding District adherence to various rules and regulations, Mr. Ward advised the Board that the Fiscal Year 1988 Water and Sewer Budget would be presented to the Board prior to August 15th in order to comply with Chapter 74-462, Laws of Florida. Additionally, he advised the Board that the District would adhere to the rules regarding publication dates and hearing dates for the Budgets.

CONSIDERATION OF CHANGE ORDER TO CONTRACT WITH JACARANDA LANDSCAPE TO
INCLUDE UNIT VI AND GLENVIEW PLACE

Mr. Moyer explained that this agenda item concerned approval of a Change Order to the Contract with Jacaranda Landscape to include the maintenance of Unit VI and Glenview Place. He explained that the maintenance of Unit VI had been included in the Fiscal Year 1987 Water

Management Budget and had originally been scheduled to come on line in November and Glenview Place had not been included in the Fiscal Year 1987 Budget and thus an amendment to the Contract was required. He commented that a map which outlined the areas under consideration had been included in the agenda packages. Mr. Hake asked whether these roadways had been dedicated to the County. Mr. Ward replied that it was his understanding that currently it was being contemplated to turn them over to the County, however, at this point in time they were not public roads but were open for public access. Mr. Ward explained that a major portion of Oakmont Parkway contained natural vegetation and would not require a great deal of maintenance on the part of the District, thus, no additional fees outside the scope of the contract would be required for these areas. Mr. Ward also explained that this Change Order would cover the Contract period from June 1, 1987 through December 31, 1987.

Mr. Holtan asked Mr. Ward if District staff was satisfied with Jacaranda's work. Mr. Ward replied that he felt Jacaranda was doing an excellent job maintaining the rights-of-ways and commented that they have been extremely responsive to the requests by District staff. Mr. Holtan commented that he also was pleased with their work and Mr. Hake stated that he liked the fact that Jacaranda had someone on site every day.

Following this discussion, Mr. Hake moved, seconded by Mr. Holtan and approved unanimously, that Change Order No. 1, to increase the Contract with Jacaranda Landscape & Maintenance in the amount of \$14,455.00 be approved.

AUTHORIZATION TO BID PROPOSED RIGHT-OF-WAY LANDSCAPE IMPROVEMENTS

Mr. Moyer commented that this item concerned the request by District staff for authorization to bid landscaping improvements to the median strips along the Boulevards. Mr. Moyer advised the Board that the estimated cost of these improvements was approximately \$16,747.00, however, that it would have to be put out for bid.

Mr. Scofield asked Mr. Ward to describe Fakahatchee Grass. Mr. Ward replied that Fakahatchee Grass looked similar to Pampass Grass only was approximately one-quarter the size.

Mr. Hake asked why the replanting was being put out for bid rather than have it performed by Jacaranda Landscape. Mr. Ward replied that he had discussed this program with David Boose of Jacaranda and was advised that they preferred this work be done by an outside firm as they currently did not have the personnel available to perform the work. Mr. Ward also commented that this was a replacement program and not a maintenance program. He advised that the program was mainly designed to try and upgrade the existing landscaping which over the past seven years had deteriorated and staff thought it might be a good idea to budget additional funds to begin a program of landscape replacement to upgrade the Boulevards.

Following further discussion, Mr. Hake moved, seconded by Mr. Holtan and unanimously approved, that District staff be authorized to seek bids for right-of-way landscaping improvements.

DISCUSSION ON GLENCOVE MAINTENANCE AGREEMENT

Mr. Moyer advised the Board that at the meeting held on April 15,

1987, the Board had approved a Maintenance Agreement for on-site water and sewer facilities in Glencove for the maintenance of twelve meters to be installed at the twelve buildings in the Glencove project. Mr. Moyer stated that since this meeting, Parker-Naples, Inc. had changed their minds and decided to install a master meter at the property line rather than provide twelve individual building meters.

Mr. Holtan asked whether any formal agreement had been consummated. Mr. Moyer replied that no agreement had been signed.

At this time, Mr. Holtan moved, seconded by Mr. Hake and approved unanimously, that the Maintenance Agreement with Parker-Naples, Inc. to provide twelve building meters for Glencove be withdrawn.

ENGINEER'S REPORT

Mr. Tom Peek of Wilson, Miller, Barton, Soll & Peek showed the Board updated aerial photographs of the Wastewater Treatment Plant. He advised the Board that the Contractor was proceeding according to schedule with one exception. He stated that it was discovered by Crom Tank Company, a sub-contractor to Metro Equipment, that the metal on top of the storage tank had been formed 3" too high and they had elected to take the forming down and reform it rather than cut three inches off the top of the tank. Thus, Mr. Peek indicated that an approximate seven day delay could be identified in the construction schedule.

Mr. Holtan asked Mr. Peek if he knew why there was still a problem with odor at the Utility Site. Mr. Peek advised that at this point in time, he did not know exactly what was causing the varying odors. He explained that from time to time there are various operations which take

place at the site that could contribute to the odor however, the odor problem could not be isolated to one specific factor.

Mr. Holtan asked if there was anything that could be done with regard to the odor problem. Mr. Peek replied that a number of things were being explored and he identified a number of possibilities for the Board. He stated that the Sewage Treatment Plant was currently operating within the design parameters and at this time it could not be determined that the Sewage Treatment Plant was the source of the odor. He explained that several months ago there had been some difficulty with the Lagoon and this was a source of some odor, however, in the past few weeks, he had not been able to determine that the Lagoon was the source of odor. He explained that periodically sludge was drawn from the treatment plant and put into sludge drying beds and for a short period of time after this operation, this was a potential source of odor. He stated that another possibility was hydrogen sulfide from the aeration of the water supply. The resolution to this problem, he explained, was still under investigation and he advised the Board that he should have a recommendation to the Board by the June Meeting as to a possible course of action to take with regard to the rearrangement of the facilities at the completion of the current construction project. In other words, he explained that they were currently looking at alternatives to the degasifier, scrubber system, that might be less costly and a more effective solution. Mr. Holtan asked Mr. Peek how often the hydrogen sulfide was put into the atmosphere. Mr. Peek replied that any time the raw water well pumps were running and delivering raw water to the storage tank, the aeration devices were vented and he

advised that this process was a continual one.

Mr. Holtan commented that he had been led to believe that upon completion of the new plant, the odor problem would disappear. Mr. Peek stated that there could be no guarantees, i.e., no one could be sure of this until the new plant was in operation. He advised that a number of steps were currently being taken to alleviate potential sources of odor upon completion of the new facilities. He stated that among these were that hydrogen sulfide would be removed from the air and secondly, the treatment plant capacity would be substantially increased which should prevent reoccurrence of the problems which contributed to the odor from the Lagoon. Mr. Peek also explained that as a part of the construction process of the storage tank an epoxy sealant was put on the tank and epoxy had a very substantial odor that took several days to dissipate after application. He advised that this could have been a possible source of the odor which initiated the complaint from the Iveys. He also advised Mr. Holtan that upon completion of the plant the operation of the drying of the sludge would continue and this could still be a potential source of intermittent odor.

Mr. Hake asked whether the oxidation ditch would give off the odor of raw sewage. Mr. Peek replied that the liquid in the oxidation ditch contained a high degree of oxygen and microorganisms work quickly to break down the raw sewage and under the normal operating procedures, the oxidation ditch would not contribute to bad odor.

Mr. Hake asked Mr. Peek if the possible odor problem was due to the fact that the plant had been pumping above designed capacity.

Mr. Peek replied that in the height of the season, the plant was pumping at capacity, however, unless specific dates of the Ivey's complaint could be determined, he could not specifically state that this was the cause of the odor and furthermore, no correlation could be made as to the possible sources of the odor.

Mr. Hake suggested that Mr. Peek look at the projected rate when new services would be coming on line to determine when another expansion program would be in order so the plant would not once again experience overloading. Mr. Peek concurred that this should take place.

Mr. Dunwiddie asked if there was anything that could be done to insure that construction proceeded on schedule and whether there was any way the schedule could be accelerated. Mr. Peek replied that he would take a look at the existing construction schedule and if there is anything that could be done to speed up the construction, they would do it. Mr. Peek replied that a detailed construction schedule was not part of the Contract documents and the construction schedule they were currently using to check construction progress was simply an item schedule. Mr. Hake suggested that a "critical path schedule" be obtained from the Contractor. Mr. Moyer advised Mr. Hake that Mr. Petty had already requested such a schedule from the Contractor and their response was that they did not have the capability of performing this type of programming. Mr. Ward advised that based upon the meeting he had with the Contractor during the previous week with regard to equipment, the Contractor indicated that there was nothing they were aware of that would cause a delay in the completion of the facilities. Mr. Hake asked whether the Contractor was being paid for material on site. Mr.

Ward replied that the Contractor was paid for items on site which were to be installed during the next thirty days. Mr. Hake and Mr. Scofield suggested that this method of payment might affect the completion date of the project and advised that the Contractor should be paid for material on site. Mr. Ward advised that he and Mr. Peek would take a look at this method of payment to determine an appropriate payment schedule for material stored on site.

MANAGER'S REPORT

Discussion On Pending Litigation - Mr. & Mrs. Curtis Ivey

At this time, Mr. Scofield asked whether Mr. or Mrs. Ivey or their Attorney, Mr. Frederick Hardt were present. They were not in attendance at the meeting.

Mr. Moyer explained that this agenda item concerned a letter from Mr. Frederick Hardt, the Attorney representing Pelican Bay residents Mr. & Mrs. Curtis Ivey, which threatened possible litigation over odor from the Utility Site. He advised the Board that he also was in receipt of a letter expressing Mr. Hardt's concern that the District had not responded to his original letter and as such desired to review various operating reports for the water and sewer system in order to begin preparation of litigation.

Mr. Moyer distributed a draft copy of a letter written by District staff which responded to Mr. Hardt's original letter. Mr. Moyer advised that District staff needed some time frame in which the occurrences took place so they could try and identify the offender. He commented that he would hate to see this go to suit because there was not a great deal more the District could do about the odor problem even if the Court

mandated that the District do something, because everything that was reasonably possible to do was being done. He was hopeful that through discussions with the Ivey's, he could prevent the District going to Court over this matter.

After the Board reviewed the draft letter they had several comments. Mr. Holtan asked why the letter was being written to the Iveys and not their Attorney. Mr. Ward replied that by doing this, it showed the Ivey's that staff would like to talk to them directly rather than having to go through their Attorney. Mr. Holtan stated that in his opinion the letter should not be written to the Iveys. Following discussion, the Board concurred that the letter should be directed to the Ivey's Attorney, Mr. Hardt.

Mr. Hake commented that two years ago discussions on the scrubber and degasifier had taken place after odor complaints were raised by certain PBID residents. He suggested that at that time the residents were told that the degasifier on top of the raw water tank would solve the odor problem. He stated that the money was then put into the budget for this purpose, however, for some reason later had been removed.

Mr. Moyer explained that originally the residents were told that the District would install the degasifier and scrubber system and firmly believed this until they had received better Engineering estimates on the costs of what had originally been proposed and at that time what was relatively an inexpensive system ended up being a very expensive system. He advised that the system was scaled down in the 1986 Bond Issue to include the scrubber and degasifier system for the irrigation system only and since the District was now purchasing bulk treated potable water from

the City of Naples this made good sense.

Mr. Holtan told Mr. Moyer that he did not think he appreciated the seriousness of the odor problem and stated that the Ivey's were mad, disgusted and disillusioned and didn't blame them. Mr. Moyer replied that any problem could be solved by applying resources and this was the issue the Board needed to address. From an operational standpoint, he advised that he could tell them what it would take to operate the plant in order to meet the standards, however, in terms of what level of protection the Board desired, he indicated, was a policy issue the Board needed to address.

Mr. Scofield called for further comments on the draft letter to Mr. Hardt. Mr. Scofield thought the section in the letter regarding the degasifier was rather vague. Mr. Ward advised that the hydrogen sulfide problem had been anticipated to be corrected by the end of the year and this was still on track. He assured the Board that there would a solution to the hydrogen sulfide problem by the end of the year.

Mr. Holtan suggested that on Page 3 the sentence which stated that, "more importantly we have not detected any smell from this plant...", be deleted. Mr. Hake suggested that on Page 2, the sentence which read, "I can assure you that this odor was not caused by the Wastewater Treatment Plant" be amended to "I do not think..." and the words, "I can assure you, be deleted". District staff agreed to these changes.

Mr. Scofield said that as far as he was concerned the odor was considerably less now than it had been a few weeks ago.

Mr. Hake asked Mr. Moyer why staff seemed reluctant to state that the plant had been working at capacity or slightly over capacity and that

this problem had now been solved. Mr. Moyer replied that neither he nor any one on the staff was sure that it could categorically be said that the Wastewater Treatment Plant was the source of the odor. He stated that Mrs. Ivey could have gotten ill from the smell from the epoxy rather than the odor from the Treatment Plant and this is why it was important to obtain the dates of the odor occurrences from the Iveys. Mr. Moyer reminded the Board that the District was running a sewer plant in the middle of a high class community and there were daily operations involved in the running of a sewer plant which one had to reasonably expect. He explained that this didn't mean that staff couldn't take reasonable steps to try and minimize the impact to the community, however, anyway you looked at it, it was a sewer plant. He advised that it was impossible to run a sewer plant without occasional operating problems. He advised that periodically there would be operating problems and odors from the site and even though staff would try and do everything in their power to minimize the problems, he could not realistically tell the Board that there would never be any problems in running the water and sewer system.

Policy Discussion By Rate Study Committee

Mr. Moyer advised the Board that there were two items on which the Committee desired input from the Board. One issue concerned the letter written by Mr. Scofield regarding the use of treated effluent in Collier County and the second issue regarded the use of connection fees vs. standby fees for paying for the cost of construction of the line distribution system. He advised that the Committee was looking for some direction regarding these two issues.

Concerning the standby fee, Mr. Moyer advised the Board that Mr. Dunwiddie felt the standby fee should represent, at the very least, the interest carrying costs on the lines that were not being used, while some of the other members of the Committee felt that the threshold issue was that current users were not penalized or were not paying for new growth.

Mr. Hake stated that the standby fee had been a lengthy topic of discussion at the meetings of the Rate Study Committee and at each meeting Mr. Dunwiddie had made a plea for the Property Owner's Association's position on this issue. He commented that he felt very strongly it was the Board's mission to see that the rates protected the District's revenues and its commitments to the Bond Holders. He suggested that as long as the District had a commitment letter from WCN which stated that negotiations would take place and WCN would be willing to make up the revenue shortfall, he felt the Committee had the protection they were looking for and also any study which adopted the "shortfall fee" would be conditioned upon a formal Agreement with WCN.

Mr. Dunwiddie stated that the letter from the Pelican Bay Property Owner's Association, dated May 4, 1987, set forth the position of the Association. He advised that the Association felt it was more equitable to charge a standby fee, however, concurred that if the proper letter was received from WCN whereby they agreed to pay shortfalls on a timely basis, the District would be protected. He disagreed with Mr. Hake's opinion that if the problem was solved regarding existing users not paying for new lines and if the District made sure they had the funds available to pay for debt service then the Board had done all they needed

to do. It was his opinion that the District must proceed one step further. He stated that the real question was who ended up paying for the "shortfall" fee. In his opinion, if the shortfall was paid for through connection fees then new buyers would end up paying for the shortfall and, in the alternate, if a standby fee was in place, the Developer would end up paying for the shortfall. He asked the Board to consider who benefited from the line that was built to the Ritz-Carlton Hotel. He suggested that this line permitted the Developer to make a one time sale to the Ritz and the Developer was the party who benefited. His position was that the fair thing to do would be to put the bulk of the charges onto the Developer in the form of a standby fee and let the Developer try and recover these costs rather than have the new buyer pay for these fees and have them try to negotiate with the Developer to recover these costs. He concluded by stating that growth should pay for growth and he who benefited should pay the costs.

Mr. Moyer advised that there were many ways to raise revenue to pay for capital facilities and the Coopers & Lybrand Report recommended one method whereby the District raise revenue through connection fees, with the shortfall being paid for by WCN. He commented that Mr. Dunwiddie had suggested another way of raising revenue and that both these methods had been debated by the Rate Study Committee.

Mr. Moyer summarized the two basic positions; in the Coopers & Lybrand Report WCN's exposure became secondary and if the District did not receive the projected connections, could look to WCN to make up the shortfall and in the Property Owners' position, WCN was put into a primary

position whereby they actually paid some direct contribution in the way of a fee to pay for the D-14 line. It was his opinion that under both philosophies new growth paid for new growth.

Mr. Dunwiddie summarized his position by commenting that the basic issue was whether the District was going to look to the Developer to recover the cost of the line distribution or whether the District was going to ask the buyer to pay these costs.

Mr. Hoegsted commented that under the Property Owner's proposal, one thing had to be considered and that was if a standby fee was instituted it had to be taken into consideration that the cost of the line to the Ritz was built into the standby fee and therefore, the connection fee would have to be adjusted. As he saw it, the issue was whether WCN or the buyer paid for the lines and commented that the buyer would be the ultimate beneficiary of the lines and should pay for them through connection fees.

Mr. Scofield asked to address the issue of the treated effluent. He asked Mr. Moyer whether the Committee had taken into consideration the fact that the Golf Course had paid for and installed its own distribution system. He stated that currently the County and the City were fighting to build lines to Golf Courses to get rid of their effluent. He asked that the Committee take into consideration his position that the Golf Course should receive a quantity discount for irrigation water. Mr. Hake advised Mr. Scofield that this issue was still being discussed by the Rate Study Committee and to date, no conclusions had been reached.

Mr. Moyer stated that the one benefit the District would lose if the current rate structure was changed was that the shortfall fee was

very similar to a guarantee and if the District did not receive the anticipated connections, they would have to absorb the risk of future occurrences. He explained that via a shortfall fee, if the anticipated connections did not come on line, WCN would be available to cover shortfalls in revenue and the District would be guaranteed of meeting its debt service and operating and maintenance expenses. At this time Mr. Hake asked for direction from the Board regarding connection fees or standby fees.

There being no further discussion, Mr. Hake moved, seconded by Mr. Scofield and approved, with Mr. Holtan voting nay, the philosophy of using connection fees in accordance with the Coopers & Lybrand Rate Study.

CONFIRMATION OF INVOICES AND REQUISITIONS

Change Order No. 1, Denco Construction Co., Contract D-24 Construction Services, to decrease the Contract Amount by \$603.00 - Approved As Presented

Mr. Ward explained that this Change Order was for final quantity adjustments on Contract D-24.

Following this presentation, Mr. Holtan moved, seconded by Mr. Hake, and approved unanimously, that Change Order No. 1, to decrease the Contract with Denco Construction Co., by the amount of \$603.00 for Contract D-24 Construction Services, be approved.

Change Order No. 1, Mid-Continent Electric, Unit 6 Street Lighting Construction Services, to Increase the Contract Amount by \$560.00 - Approved As Presented

Mr. Ward explained that this Change Order was for an additional jack and bore that had to be performed to run wiring under Oakmont Parkway.

Following this presentation, Mr. Hake moved, seconded by Mr.

Holtan, and approved unanimously, that Change Order No. 1, to increase the Contract with Mid-Continent Electric Co., in the amount of \$560.00 for the Unit 6 Street Lighting Construction Services, be approved.

At this time the following Certificates Of Payment were presented for approval by the Board:

<u>CERTIFICATE NO.</u>		<u>CONTRACTOR</u>	<u>AMOUNT</u>
City of Naples Interconnect - Contract D-24 Design Services	No. 119	Post, Buckley, Schuh & Jernigan	1,983.39
City of Naples Interconnect - Contract D-24 Construction Services	No. 120	Denco Construction	24,151.50
1985 Bond Proceeds WWTP - Construction Services	No. 121	Post, Buckley, Schuh & Jernigan	6,100.76
1985 Bond Proceeds WWTP - Construction Services	No. 122	Metro Equipment & Construction	168,760.42
City of Naples	No. 123	City of Naples	7,000.00
Unit VI Street Lights Construction Services	No. 1	Mid Continent Electric	35,700.75
Unit VI Street Lights	No. 3	Sterner Lighting Systems	47,884.00
Unit VI Street Lights	No. 4	Wesco	781.48
TOTAL AMOUNT ALL INVOICES			\$ 292,362.30

Following this discussion, Mr. Holtan moved, seconded by Mr. Hake and approved unanimously, that the Certificates of Payment be approved as presented.

CONFIRMATION OF INVOICES

Water/Sewer Operating Summary and Invoices For April 1987 - Approved As Presented

At this time, Mr. Hake moved, seconded by Mr. Holtan and carried unanimously, that the Water/Sewer Operating Summary and Invoices for April, 1987, be approved as presented.

Water Management Operating Summary and Invoices For April 1987 - Approved
As Presented

At this time, Mr. Hake moved, seconded by Mr. Holtan and carried unanimously, that the Water Management Operating Summary and Invoices for April, 1987, be approved as presented.

SUPERVISORS REQUESTS

Discussion On Legal Counsel

Mr. Holtan stated that in his experience the position of legal counsel has never been a permanent position and after a certain number of years the position ought to be changed. He said that he believed the consensus of the Board was this time had come. Mr. Hake suggested that the Board request proposals from the Legal Community to see what was received. Mr. Holtan suggested that District staff contact the Bar Association of Collier County to find out what lawyers might wish to be involved in this type of work and what lawyers knew anything about the business.

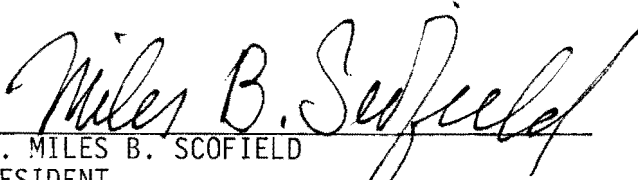
Mr. Scofield commented that he has had horrible experiences with approximately 80% of all the lawyers in town and he felt that Mr. Bolesky had kept the District out of the Courtroom up to this point in time and was greatly appreciative.

Mr. Scofield called for additional comments. There being none, Mr. Holtan moved, seconded by Mr. Hake, with Mr. Scofield voting nay, that District staff be authorized to contact the local Bar Association and other Attorneys to inform them there would be a possible vacancy with the Pelican Bay Improvement District and to solicit proposals from the Legal Community for providing General Legal Consulting Services to the Board.

Pelican Bay Improvement District
May 20, 1987

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned. Time: 6:50 P.M.


MR. MILES B. SCOFIELD
PRESIDENT
PELICAN BAY IMPROVEMENT DISTRICT

PELICAN BAY IMPROVEMENT DISTRICT
WATER/SEWER INVOICES
APRIL 1987

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
Alpha Chemical	Chlorine - Lagoon	\$1,384.00
Bay Electric of Collier	Repair Circuit Breaker Lift Station	209.24
Bay Electric of Collier	Repair STP Surge Tank System	736.23
Bay Electric of Collier	Repair STP Transformer	162.50
B & B Builders	R.O. Plant Supplies	124.23
B & H Sales	Meters	1,146.60
B & H Sales	8" Gate Valve	3,725.00
B & H Sales	Meter Supplies	5.10
Calgon Corporation	Flocon	47.45
Coast Pump & Supply	Flagging	16.14
Coral Springs Improvement District	W/S Portion April Health & Dental Insurance	460.64
Coral Springs Improvement District	W/S Portion Office Supplies & Water Quality Testing	576.57
Day-Timers, Inc.	W/S Portion Office Supplies	13.70
Federal Express Corp.	W/S Portion Courier Service	63.50
File One	W/S Portion March Office Supplies	93.79
Fischer & Porter	Charts - Flow Recorder	348.00
Florida Power & Light	W/S Portion March Electric	9,537.04
Gulf Oil	Fuel - W/S Inspection	25.46
Hach	Laboratory Supplies	22.34
H.F. Scientific	Laboratory Supplies	113.70
J.N. Environmental	Bacteriologicals	94.00
J.N. Environmental	March W/W Analyses	100.00
J.N. Environmental	April W/W Analyses	92.50
Jackson, Nancy	Reimbursement For Travel Expenses	10.54
Manatron, Inc.	W/S Portion Program Updates & Window Envelopes	73.21
Mitchell & Stark	Outfall Line - W.W.T.P.	1,855.00
Neptune Water Meter Co.	Meters	7,653.31
North Trail Auto Parts	W/S Portion Transportation Supplies	11.96
Park Tire Center	Repair 1983 Ford Ranger	58.98
Parmelee, Robert	Reimbursement - Jan. Film Development	7.67
Parmelee, Robert	Reimbursement - Tune Up 1985 Ford Pickup	35.38
PB&S Chemical	Chemicals	402.70
Robbins Telephone Answering Service	W/S Portion April Answering Service - R.O. Plant	32.16
Sadez & Son	W/S Portion Office Furniture	2,127.53
Sears, Roebuck & Co.	W/S Portion Phone - R.O. Plant	93.98
Sir Speedy	W/S Portion Office Letterhead	164.97
Smith Aerial	Aerial Photographs W.W.T.P. Construction	100.50
Southwest Electric	Electrical Supplies	121.82
Stevenson, Mark	Reimbursement For Class C License	15.00

PELICAN BAY IMPROVEMENT DISTRICT
WATER/SEWER INVOICES
APRIL 1987
(PAGE 2)

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
Taylor Paving	Repair Asphalt - Water Line Break	500.00
Tri-County Blue Print	Blueprints	14.82
U.S. Postmaster	Postage Stamps	44.00
United Telephone	W/S Portion March Telephone	354.08
WCN	Testing Services - Unit 6	158.00
Wearguard	W/S Portion Employee Uniforms	54.33
Weavers Office Supply	W/S Portion Office Supplies	91.27
Weavers Office Supply	W/S Portion File Cabinets	132.00
Wesco	R.O. Plant Supplies	215.50
William Simpson	W/S Portion Furniture R.O. Plant	75.00

PELICAN BAY IMPROVEMENT DISTRICT
 WATER MANAGEMENT INVOICES
 APRIL 1987

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
Cash Development	Sand Pointe Swale	\$ 1,100.00
Coral Springs Improvement District	W/M Portion April Health & Dental Insurance	460.64
Coral Springs Improvement District	W/M Portion Lake Samples & Office Services	766.58
Day-Timers	W/M Portion Office Supplies	13.70
Federal Express Corp.	W/M Portion Courier Service	63.50
File One	W/M Portion Office Supplies	93.80
Florida Power & Light	Crayton Road Sprinkler Clock - March	9.00
Gulf Oil Corporation	W/M Portion Fuel	25.46
Jacaranda Landscape	March R-O-W Maintenance	13,003.57
Jacaranda Landscape	Irrigation Repairs	186.42
Jacaranda Landscape	Plantings - Ridgewood	182.25
Jacaranda Landscape	Sand Pointe - Sod	1,427.50
Jackson, Nancy	Reimbursement For Travel Expenses	10.55
Landscape Services	Sod - Sand Pointe	600.00
Manatron	W/M Portion Program Updates & Window Envelopes	73.24
Naples Daily News	Legal Advertising	28.25
North Trail Auto Parts	W/M Portion Transportation Supplies	11.95
PBID W/S Account	R-O-W Maintenance 01/15/86 - 2/15/87	834.50
Robbins Telephone Answering Service	W/M Portion April Answering Service - R.O. Plant	32.16
Sadez & Son	W/M Portion Office Furniture	2,127.52
Sears, Roebuck & Co.	W/M Portion Telephone - R.O. Plant	93.99
Sir Speedy	W/M Portion Office Letterhead	164.98
U.S. Postmaster	Postage Stamps	44.00
United Telephone	W/M Portion March Telephone	255.90
W.H. Turner	February Consultation Services	350.00
W.H. Turner	March Consultation Services	350.00
Wearguard	W/M Portion Employee Uniforms	54.34
Weavers Office Supply	W/M Portion March & April Office Supplies	91.28
Weavers Office Supply	W/M Portion Filing Cabinets	132.00
William Simpson	W/M Portion Furniture - R.O. Plant	75.00

PELICAN BAY IMPROVEMENT DISTRICT
WATER AND WASTEWATER OPERATING SUMMARY
APRIL 1987

	FISCAL YEAR 1986 BUDGET	MONTH TO DATE			YEAR TO DATE		
		BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<u>CHARGES FOR SERVICES</u>							
Connection Fees	\$ 830,750	24,630	37,340	12,710	144,860	482,591	337,731
Meter Use Fees	28,250	2,000	3,500	1,500	12,500	76,380	63,880
<u>USER REVENUE</u>							
Water	482,866	40,304	49,027	8,723	276,187	302,223	26,036
Sewer	395,998	32,977	36,392	3,415	246,307	243,340	(2,967)
Irrigation	368,298	30,501	30,034	(467)	194,343	193,925	(418)
<u>TOTAL REVENUE</u>	<u>\$2,106,162</u>	<u>130,412</u>	<u>156,293</u>	<u>25,881</u>	<u>874,197</u>	<u>1,298,459</u>	<u>424,262</u>
<u>PROFESSIONAL FEES</u>							
Engineering	\$ 18,000	0	0	0	9,000	3,644	5,356
Legal	15,000	1,250	0	1,250	8,750	11,140	(2,390)
Audit	8,058	0	7,388	(7,388)	8,058	8,058	0
Trust	6,584	0	2,000	(2,000)	6,584	6,584	0
<u>SYSTEM OPERATING EXPENSES</u>							
Office	23,367	1,947	1,174	773	13,629	13,239	390
Billing	2,484	207	0	207	1,449	0	1,449
Insurance	26,894	1,673	1,673	0	26,894	26,894	0
Payroll	130,238	10,018	6,930	3,088	75,135	61,734	13,401
Transportation	9,750	812	142	670	5,687	674	5,013
Water Quality	18,183	1,515	948	567	10,605	8,702	1,903
Repairs & Maintenance	75,100	5,946	5,946	0	54,640	54,656	(16)
Electric	124,103	9,743	9,537	206	74,402	74,322	80
Chemicals	34,411	1,990	450	1,540	24,241	24,199	42
Contingencies	5,000	0	2,260	(2,260)	5,000	4,631	369
City of Naples Conn.	134,473	15,153	0	15,153	78,442	0	78,442
Meters	6,272	512	12,530	(12,018)	3,200	27,522	(24,322)
<u>TOTAL EXPENSES</u>	<u>\$ 637,917</u>	<u>50,766</u>	<u>50,978</u>	<u>(212)</u>	<u>405,716</u>	<u>325,999</u>	<u>79,717</u>

PELICAN BAY IMPROVEMENT DISTRICT
 WATER MANAGEMENT
 OPERATING SUMMARY
 APRIL 1987

	<u>MONTH TO DATE</u>				<u>YEAR TO DATE</u>		
	<u>FISCAL YEAR 1987 BUDGET</u>	<u>BUDGET</u>	<u>EXPENSES</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>	<u>BUDGET</u>	<u>EXPENSES</u>	<u>FAVORABLE (UNFAVORABLE) VARIANCE</u>
MEETING EXPENSE							
Supervisors Fees	\$ 6,000	500	500	0	3,500	3,500	0
Travel Reimbursement	300	25	0	25	175	33	142
Legal Notification	500	42	28	14	292	255	37
PROFESSIONAL FEES							
Engineering	10,800	900	0	900	6,300	5,740	560
Legal	6,000	500	0	500	3,500	1,890	1,610
Audit	4,500	3,500	7,388	(3888)	4,500	8,058	(3,558)
Trust	1,500	0	0	0	1,500	1,500	0
SYSTEM OPERATING EXPENSE							
Office	18,007	1,501	1,332	169	10,506	10,699	(193)
Payroll	108,211	8,324	7,083	1,241	62,430	61,816	614
Transportation	4,334	362	48	314	2,531	515	2,016
Swale Maintenance	4,000	333	0	333	2,332	1,449	883
Lake Maintenance	17,340	1,445	0	1,445	10,115	6,071	4,044
Water Quality	6,720	560	715	(155)	3,920	2,549	1,371
Insurance	10,694	0	966	(966)	10,694	13,740	(3,046)
Rights-Of-Way	263,117	21,926	14,936	6,990	153,484	104,518	48,966
Water Connection	70,719	0	0	0	0	0	0
Water Use	17,908	1,492	844	648	10,445	5,380	5,065
Renewal & Replacement	6,000	500	0	500	3,500	0	3,500
Contingencies	8,000	2,878	2,878	0	8,000	8,000	0
TOTAL EXPENSES	<u>\$ 564,650</u>	<u>44,788</u>	<u>36,718</u>	<u>8,070</u>	<u>297,724</u>	<u>235,713</u>	<u>62,011</u>

Affidavit of Publication

State of Florida
County of Collier

Before the undersigned authority, personally appeared
Corbin Wyant, who on oath says that

he is the Publisher of the Naples Daily News, a daily newspaper published by Collier County Publishing Co., Inc., at Naples, Collier County, Florida, that the attached copy of advertisement, being a Notice of Public Hearing

in the matter of Pelican Bay Improvement District

in the _____ Court, was published in said newspaper in the issues of May 5, 12, 1987

Affiant further says that the said Naples Daily News is a newspaper published by Collier County Publishing Co., Inc., at Naples, in said Collier County, Florida and that the said newspaper has heretofore been continuously published in said Collier County, Florida, each day, and has been entered as second class mail matter at the post office in Naples, in said Collier County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this 12th day of May, A.D. 19 87

Walter H. ...
Notary Public

My Commission Expires _____

Notary Public, State of Florida
My Commission Expires **Sept. 10, 1989**
Bonded thru Troy Fair - Insurance Inc.

NOTICE OF PUBLIC HEARING

The Board of Supervisors of the Pelican Bay Improvement District will hold a Public Hearing on May 20, 1987, at 4:00 P.M., in the Naples Federal Savings & Loan Association Building, 5801 Pelican Bay Boulevard, Fifth Floor, Naples, Florida, for the purpose of soliciting public response and input into a proposed change in the rates for water, wastewater and irrigation treatment, distribution, and collection services provided within the boundaries of the Pelican Bay Improvement District; the proposed fiscal year 1988 street lighting budget for the municipal street lighting system and to conduct general business of the District.

The complete rate study and proposed fiscal year 1988 street lighting are available for review at the office of the Pelican Bay Improvement District located at 801 Laurel Oak Drive, Suite 510, Naples, Florida, and will be shown for inspection during regular business hours. Below are listed the proposed new charges:

PROPOSED CHARGES FOR

IRRIGATION WATER, POTABLE WATER AND WASTEWATER SERVICE CONNECTION FEES	
Group I	\$ 2,980/Unit
Group II, III, IV	2,250/Unit
Commercial	12,940/Acre

CITY OF NAPLES SYSTEM DEVELOPMENT CHARGE	
Groups, I, II, III & IV	\$ 195/Unit
Commercial:	

METER SIZE	MINIMUM EQUIVALENT UNITS PER METER SIZE
5/8"	1
3/4"	1
1"	2.5
1 1/4"	4
1 1/2"	5
2"	10
3"	20
4"	30
6"	100
8"	175
10"	275
12"	475

The system development charge for commercial is determined by multiplying the minimum equivalent units per meter size times \$195.00.

METER USE FEE	
Group I & II	\$ 250/Unit
Group III, IV & Commercial	Actual Job Cost

USER RATES & CHARGES (MONTHLY)	Minimum Capacity Charge	Commodity Fee Per 1,000 Gallons
Potable Water	\$ 7.38/unit	\$ 1.66
Wastewater	7.93/unit	1.06
Irrigation		
Group I	28.74/unit	.31
Group II	9.98/unit	.31
Group III	4.97/unit	.31
Group IV	4.26/unit	.31
Commercial	10.78/ERU	.31
Golf Course	770.00/mo	.26

ERU - Equivalent residential unit is a factor of 5.75 times the number of gross parcel acres.

Additionally, this notice advises that, if a person decides to appeal any decision made by the Pelican Bay Improvement District Board of Supervisors, with respect to any matter considered at this meeting, he will need a record of the proceedings and that, for such purpose, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

PELICAN BAY IMPROVEMENT DISTRICT
COLLIER COUNTY, FLORIDA
GARY L. MOYER
DISTRICT MANAGER
May 5, 1987

No. 1474

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Scofield, Miles B.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Pelican Bay Improvement District Board of Supervisors
MAILING ADDRESS 501 Tierra Mar Lane West	THE BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input checked="" type="checkbox"/> OTHER LOCAL AGENCY
CITY Naples	COUNTY Collier
DATE ON WHICH VOTE OCCURRED May 20, 1987	NAME OF POLITICAL SUBDIVISION: MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes. The requirements of this law are mandatory; although the use of this particular form is not required by law, you are encouraged to use it in making the disclosure required by law.

Your responsibilities under the law when faced with a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

A person holding elective county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his special private gain. Each local officer also is prohibited from knowingly voting on a measure which inures to the special gain of a principal (other than a government agency) by whom he is retained.

In either case, you should disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

A person holding appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his special private gain. Each local officer also is prohibited from knowingly voting on a measure which inures to the special gain of a principal (other than a government agency) by whom he is retained.

A person holding an appointive local office otherwise may participate in a matter in which he has a conflict of interest, but must disclose the nature of the conflict before making any attempt to influence the decision by oral or written communication, whether made by the officer or at his direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

You should complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.

- A copy of the form should be provided immediately to the other members of the agency.
- The form should be read publicly at the meeting prior to consideration of the matter in which you have a conflict of interest.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You should disclose orally the nature of your conflict in the measure before participating.
- You should complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, Miles B. Scofield, hereby disclose that on May 20, 1987:

(a) A measure came or will come before my agency which (check one)

inured to my special private gain; or

inured to the special gain of Barnett Bank of Naples, by whom I am retained.

(b) The measure before my agency and the nature of my interest in the measure is as follows:

Consideration of Street Lighting Loan Renewal With Barnett Bank For Unit IV
Street Lights.

Member of Board of Directors of Barnett Bank

May 26, 1987

Date Filed

Miles B. Scofield
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317 (1985), A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$5,000.