

Naples, Florida

June 21, 1989

LET IT BE KNOWN, that the Board of Supervisors of the Pelican Bay Improvement District met on this date in Regular Session at 3:00 P.M., in the Naples Federal Savings & Loan Building, Fifth Floor, 5801 Pelican Bay Boulevard, Naples, Florida, with the following members present:

PRESIDENT:	James D. Hake
SECRETARY:	Ramer B. Holtan
	J. Russell Mudge
	James R. Dunwiddie
	Walter B. Potter (Absent)

ALSO PRESENT: Mr. Gary L. Moyer, District Manager; Mr. James P. Ward, Assistant District Manager; Mr. Joe McMackin, Attorney for the District; Mr. Steve Means of Wilson, Miller, Barton, Soll & Peek; Mr. Lou Hoegsted and Edward Griffith of Westinghouse Communities of Naples, Inc.; Mr. John Petty of the Pelican Bay Improvement District; and Ms. Jean C. Smith, Assistant Secretary.

AGENDA

1. Roll Call.
2. Approval of Minutes of the Meetings held May 17, 1989 and May 31, 1989.
3. Discussion of Proposed Connection Fee of New Nine (9) Hole Golf Course.
4. Consideration of a "Letter of No Objection" to the Board of County Commissioners of Collier County to Vacate a Rear Lot Platted Utility Easement Within the Plat of Unit VII.
5. Attorney's Report.
6. Engineer's Report.
7. Manager's Report.

AGENDA (CONT.)

8. Certificates of Payment.
9. Confirmation of Invoices and Operating Summaries.
10. Supervisor's Requests & Audience Participation.
11. Adjournment.

ROLL CALL

Mr. Hake called the meeting to order at 3:00 P.M. and asked the record show Mr. Potter absent, with all other members present.

MINUTES OF MEETING OF MAY 17, 1989 - APPROVED AS AMENDED

Mr. Mudge moved, seconded by Mr. Dunwiddie, with Mr. Holtan abstaining as he was not present at the meeting, and approved unanimously, the Minutes of May 17, 1989, subject to the following corrections:

Page 3227 - In the first line of the page the words, "Board of Supervisors of" be inserted before the words, "the Pelican Bay Improvement District."

Page 3240 - The sixth line of the second paragraph be amended to read as follows: "...if it hadn't taken place when would it take place so that this provision can...."

Page 3243 - In the seventh line from the bottom of the page the word, "whether" be deleted.

Page 3274 - A copy of Mr. Dunwiddie's Report written to the Board of Supervisors regarding his trip to United Industries to Investigate the Boat Clarifier be attached to the Minutes.

Page 3278 - In the twelfth line of the page, the word, "there" be deleted and the word "there" be inserted after the word, "should" and the first "be" be deleted.

MINUTES OF MEETING OF MAY 31, 1989 - APPROVED AS AMENDED

Mr. Mudge moved, seconded by Mr. Dunwiddie and approved unanimously, the Minutes of May 31, 1989, subject to the following corrections:

Page 3288 - In the first line of the page the words, "Board of Supervisors of" be inserted before the words, "the Pelican Bay Improvement District."

Page 3301 - In the twelfth line of the page the word, "or" be amended to "and".

DISCUSSION OF PROPOSED CONNECTION FEE OF NEW NINE (9) HOLE GOLF COURSE

Mr. Ward advised that during the past month he and Mr. Mudge had met with Mr. Paul Cumiskey, the author of the Coopers & Lybrand Rate Study, to discuss the proposed connection fee for the new nine hole Golf Course and to see how the District might be able to fit the proposed Golf Course into the District's existing rate structure, since the District's current rate structure does not delineate connection fees for golf courses. During the course of the discussion, he explained that three proposed methods of calculating the connection fee for the Golf Course were set forth using the following assumptions: (1) the new Golf Course would be requesting irrigation service only from the District; (2) the Golf Course would build its own line distribution system and would not be connecting to the District's system and (3) to maintain consistency with current District's rate philosophy from the Coppers & Lybrand Report.

Mr. Ward outlined the first method used for calculating the proposed Golf Course Connection Fee. He explained that this method allocated the District's existing connection fees into its component parts for potable water, irrigation water, wastewater, existing golf course and line distribution. Then, the expected golf course usage was equated into an ERC and a golf course connection fee of \$223,392.27 was calculated. This method also assumed expected usage of 225,000 gallons per day over a one year period, which was divided by 550 gallons per day, which is the

average irrigation use for a single family unit for a one day period. This calculated to approximately 409 units connecting to the District's system and the 409 units was then multiplied by \$546.07 (irrigation percentage of the connection fee) to arrive at a total connection fee for the Golf Course of \$223,293.27. (Connection Fee = $225,000 \text{ gpd} / 550 \text{ gpd} \times \$546.07 = \$223,392.27$)

Mr. Ward then outlined the second method for calculating the proposed Golf Course Connection Fee. He explained that this method assumed a commercial allocation of 5.75 ERU (Equivalent Residential Unit) and multiplied the gross golf course acreage (54 acres) to arrive at a proposed fee of \$169,556.29. This method equated to 310 units connecting to the District's system.

Mr. Ward summarized the third method of calculating the connection fee and identified this method as "curve fitting". He explained that this method recalculates the connection fees derived from Exhibit V of the Coopers & Lybrand Report of September 1986 excluding excess line distribution costs to arrive at a revised connection fee of \$1,000 per unit. The revised connection fee is then multiplied by the percentage of irrigation debt allocated to the system to determine a revised connection fee per unit. Then, to determine the number of equivalent residential units for the golf course the expected irrigation use is divided by the allocation per unit to arrive at a connection fee of \$155,420. (A copy of the Memorandum to the Board of Supervisors from Mr. Mudge and Mr. Ward outlining the proposed connection fees, dated June 9, 1989 is attached to these Minutes).

Mr. Mudge asked the amount of the connection fee charged by the District for the first eighteen hole Golf Course. Mr. Moyer responded that WCN contributed \$300,000 for the initial construction of the Phase I Water & Sewer expansion. He further explained that when the Coopers & Lybrand Report was prepared and they went back and actually allocated the new methodology to the Golf Course on the use of 450,000 gallons it came out to be very close to the \$300,000 that was originally contributed.

Mr. Mudge explained that there were two other possible methods of calculating the proposed connection fee that could be used. The first would be to take the existing commercial rate of \$12,940/acre x 54 acres x 38% to arrive a connection fee of \$265,528.80. The second method would be to take \$2,250 (current connection fee) times 38% x 54 acres x 5.75 ERU to arrive at a connection fee of \$265,477.50.

Mr. Dunwiddie wondered whether the Board should focus its attention on what the connection fee was really for, i.e. the current connection fee of \$2,250 was derived from the Coopers & Lybrand Report and essentially it was a forced number to generate money to pay the debt service over a period of time. He did not feel the \$2,250 was an exact number but was some number larger than necessary to meet debt service and it also involved some estimated debt service. In his opinion, if the District was really going to revise its rates and charges, it might be advisable, as part of this revision, to generate a new connection fee which would be based on the Report which is expected from the District's Engineers and which would outline their estimate of what it is going to cost the District to build a plant to last the District until build-out.

If this number and the estimated debt service is available and used to calculate a new connection fee, it would in his opinion, be more equitable.

Mr. Mudge asked Mr. Means when the figures from WMBS&P would be ready. Mr. Means responded that he expected the Report to be presented at the July meeting.

Mr. Hake asked Mr. Mudge whether he was prepared to make a recommendation on the proposed connection fee for the new Golf Course at this time or did he wish to defer his recommendation until after the Report from WMBS&P was completed. Mr. Mudge responded he had been prepared to recommend a connection fee of \$223,392.27 as calculated in Method #1, however, as the result of the comments by Mr. Dunwiddie and if the District is close to receiving the updated figures from WMBS&P, he felt it might be better to wait. Mr. Means cautioned that the figures that WMBS&P would be supplying would be based on preliminary design and not final design. Mr. Dunwiddie commented that there was no question that the numbers would not be definitive numbers, however, the current figures are based on the money that the District spent and the debt service it is currently incurring and what he was suggesting was that the Board has an alternate available to them, i.e., to wait a little bit and to revise the connection fee based on the Engineer's estimates and then refine these numbers when the facilities are actually built. He stated he had no idea how much the numbers would change. He also advised that it is a month away until the Report is received and it would take approximately another month to run the calculations. Mr. Mudge then suggested that the Board defer and action of the proposed connection fee.

Mr. Hoegsted asked at what point in time WCN would be required to pay the connection fee, i.e., if the Golf Course is going to utilize the system immediately would they pay the rate today or would they pay the fees based on some future rate that would be established. Mr. McMackin responded that the Golf Course would pay the rate that was in effect at the time of connection. Mr. Hoegsted remarked that there is no connection fee for the Golf Course currently in effect. Mr. McMackin asked Mr. Hoegsted whether the Golf Course was currently connected to the system. Mr. Hoegsted responded in the affirmative. Mr. Hake asked whether the District, by allowing a connection to be made and used and not having a rate, is putting themselves in a box. Mr. McMackin did not feel this was the case. It was his opinion that the District allowed the Golf Course to connect to the system at WCN's request and that WCN understands that they will have to pay the connection fee when it is established and the Board has the opportunity to take a reasonable time to establish the fee.

Mr. Hake suggested that the District has a connection fee in place for commercial property and the Golf Course is a commercial establishment. Mr. Dunwiddie stated that to use the commercial rate would be erroneous, not because the Golf Course is not a commercial operation, but because the commercial rate is based on a typical commercial area which is mostly paved and only has a small amount of land under irrigation, whereas the Golf Course is almost 100% irrigated.

Following further discussion, Mr. Hake recommended that this item be postponed and Mr. Mudge continue working on this issue and come back to the Board with his recommendation. The Board concurred.

Mr. Hoegsted remarked that he had recently performed some calculations on his own and wished to discuss a connection fee for the new Golf Course somewhere in between \$223,000 (Method #1) and \$170,000 (Method #2). Mr. Hoegsted advised that the bulk of the acreage for the new Golf Course is Group II acreage and in support of his proposal distributed an outline of the Group II densities for Pelican Bay and a calculation of the new connection fee WCN was proposing. (WCN's proposed connection fee calculation is attached to these Minutes.) Mr. Hoegsted explained that the Group II density based on gross acres is 5.52 units per acre, while the net acres is 6.45 units per acre. For his calculations, he used a connection fee based on Mr. Ward and Mr. Mudge's Memorandum of \$546.07, somewhat supporting Method #2; that the density that the golf course is getting is on Group II land and is in the 5.75 units per acre area. Mr. Hoegsted remarked that if one used the 409 units outlined in Method #1 and divided this out on a gross and a net basis, you arrive at 7.6 units per acre on a gross basis and 9.1 units per acre on a net basis, which from his perspective is higher than WCN would normally get on this type of land. Mr. Dunwiddie asked the rationale behind using the density of the property around the Golf Course. Mr. Hoegsted responded that in Method #1 of the Memorandum, single family gallons per unit is being used in the calculations and he felt the Golf Course was being penalized because the single family usage of irrigation water is higher than what would be used on the Golf Course. In other words, the District would be charging the Golf Course for 409 units in Method #1 and if this area remained residential, WCN would not get this kind of unit count in this area.

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Mr. Hake recommended that this matter be continued and advised that Mr. Mudge had been asked to look at this task with all the concerned parties and he suggested that this continue on until the next meeting and he, for one, was prepared to accept Mr. Mudge's recommendation. The Board concurred.

CONSIDERATION OF A "LETTER OF NO OBJECTION" TO THE BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY TO VACATE A REAR LOT PLATTED UTILITY EASEMENT WITHIN THE PLAT OF UNIT VII

Mr. Ward explained that Sites 92 and 93, Unit VII Plat, are being purchased by one purchaser who will be building one home in the middle of the two sites and, therefore, WCN has requested that the District submit a "Letter of No Objection" to the County to vacate the ten-foot utility easement that is on the rear lot line between the two sites. Mr. Ward further explained that the District currently has underground street light wiring in this easement which WCN has agreed to relocate at their expense. Mr. Ward advised that the District has side lot utility easements on the side of everyone's property, however, many of them are not used. Mr. Petty offered that the District has no facilities planned for the area WCN wishes the District to vacate.

Following discussion, Mr. Dunwiddie moved, seconded by Mr. Mudge and unanimously approved, the vacation of the District's utility easement running between Lots 92 and 93, Unit VII Plat.

ATTORNEY'S REPORT

Mr. McMackin responded to a question raised by Mr. Dunwiddie at the May 17th meeting, regarding the Guaranteed Revenue Agreement with WCN, and whether the District has the right to amend this Agreement. Mr.

McMackin remarked that this Agreement runs to the benefit of the District in that it gives the District a guarantee of having enough cash flow to maintain its debt service on the outstanding bonds. In other words, WCN via the Agreement, has agreed to make certain minimum payments to the District, sufficient for the District to meet its debt service payments and WCN would make these payments either by direct payment or as a cumulation of connection fees that they would purchase during a six month period, in the course of development. Mr. McMackin advised that Paragraph One (1) of the Agreement sets forth the connection fees and allows the District to unilaterally change the connection fees without having to amend the Agreement. He also stated that Paragraph Two (2) of the Agreement states that, "The Developer shall remit to the District, the connection fees then in effect, regardless of the actual service connection requested by the Developer, however, the Developer shall pay at least the minimum payment obligations specified below." Thus, in Mr. McMackin's opinion, if the District increases its connection fee, WCN would have to pay the amended connection fee, however, this would reduce WCN's obligation for the six month period. In response to the question can the District unilaterally abrogate the Agreement because of some new factors, in his opinion, would be no, however, the District can increase the connection fees and get more money or lower the connection fees and get less, but the Agreement was designed to give the District a guaranteed cash flow to service existing debt and if the District accumulates more debt, this Agreement would not meet this.

Mr. Dunwiddie stated that his problem has always been two fold:

the first that he knew that someday the District would adjust the fees and secondly the Agreement itself doesn't cover the question of what happens if in 1991 or 1992 the District borrows more money and generates additional debt service. He commented the Agreement is tied to the Table in the Coopers & Lybrand Report, which in itself is an estimate, and asked what the District would do when the District needed an additional guarantee when it incurs additional debt service. He remarked that the only reason the Agreement was ever drawn up was that the Coopers & Lybrand Report stated that the District should have a stand-by fee, which would be paid for by the Developer, if the District did not generate enough cash flow and that he had originally suggested that the District get a letter from WCN agreeing to this and this Agreement was the result of the request for this letter.

He asked if the District is limited by the Agreement to not putting the Developer on the hook for more than what is in the Agreement, at least until 1993 or could the District ask for more based on the new debt service. Mr. Hake thought the intent of the Agreement was that when the District had to expand into its next expansion phase and the Coopers & Lybrand numbers changed significantly to pay for this expansion and the connection fees were increased accordingly, there were provisions in the Agreement for this to increase. Mr. McMackin responded that the District can increase the connection fees, however the total dollars in the Agreement would not change. As he viewed it, the Agreement is designed to service existing debt.

To address Mr. Dunwiddie's concern, Mr. Moyer commented that this

Agreement did not preclude the Board from establishing a Stand-By Fee, i.e. if the District goes ahead with another bond issue and WCN is not willing to enter into a similar Agreement with a new debt service table, the Board would not be precluded from establishing a Stand-By Fee on vacant property, if the property would receive the benefit of the plant expansion. Mr. McMackin offered that this Agreement is a "snapshot of a period of time" to meet the current debt service and give the bondholders more security. However, he advised the bondholders bought the bonds without this Agreement, so presumably the District could sell the bonds again without an Agreement, however, he concurred with Mr. Moyer that the District could establish another fee (Stand-By Fee) if it so desired. Mr. Moyer offered that the Agreement was an accommodation to WCN not to impose a Stand-By Fee, and depending on the number of connections the District gets every year, the District might not have to have a Stand-By Fee, and WCN was willing to enter into an Agreement to guarantee the debt service payments, however, if WCN is not willing to enter into such an Agreement on the next bond issue, then the Board has the right to go back to the concept of the Stand-By Fee.

In response to a question by Mr. McMackin, Mr. Moyer responded that WCN has not had to make any payments under this Agreement as the connection fees have been sufficient to date, and this is verified yearly by the Auditors. Mr. Dunwiddie asked whether the excess connection fees over the required debt service are put into a separate account and segregated for future use. Mr. Ward replied that the excess fees are kept in the same account, however, they are identified.

Mr. McMackin advised that at the May 17th meeting there had been a presentation made by Mr. Ron Custance of Forum Lifecare regarding an access easement on the property for the Forum Lifecare Facility and as he had just recently received the information from Mr. Custance, this matter is still pending.

Mr. McMackin further advised he had previously sent a copy of the Attorney General's opinion regarding the possibility of including cablevision charges on the District utility bill to the members of the Board. He remarked that the Attorney General's opinion was that the District is not authorized to bill or collect for cablevision services from the residents of the District. Mr. Hake suggested that Mr. McMackin's letter offered an alternative to the adverse opinion from the Attorney General; that being to contact Representative Mary Ellen Hawkins with a request that the District's Enabling Act be amended to allow the latitude to provide these services and asked the Board's pleasure on whether they desired to proceed with this alternative. Mr. Dunwiddie asked how the issue stood with Telestat at the present time and commented that if it is a dead issue he did not think it made much sense for the District to spend any money going to Representative Mary Ellen Hawkins. Mr. Hake did not feel it was a dead issue and felt the matter ought to be pursued. Mr. Mudge concurred with Mr. Hake. Mr. Dunwiddie then suggested that if the Board authorized Mr. McMackin to contact Representative Mary Ellen Hawkins to ask for a change in the District's Enabling Act, then the Board might desire to request other changes they desired at the same time. Mr. McMackin stated that his thoughts were to ask that the District be given

some sort of broad power, and he would come back to the Board with some amendment to the Act, which might allow the District the flexibility to pursue these unrelated Improvement District authorities.

Following further discussion, the Board authorized Mr. McMackin to proceed with this matter.

ENGINEER'S REPORT

Mr. Hake asked the size of the conventional clarifier Mr. Ron Orach had discussed at the May 17th meeting. Mr. Means responded that it would be sixty-five (65) feet in diameter. Mr. Hake asked how much it will cost for the machinery that will go inside the clarifier. Mr. Means remarked he did not have the breakdown with him but would gladly send it to him. Mr. Hake commented he would like to have these figures and stated he was working on some numbers with suppliers outside the state on what it should cost to build a conventional clarifier and the numbers he was receiving showed that Mr. Orach's estimate to be approximately one-third higher than the going rate around the rest of the country.

Mr. Hake felt there had been a considerable delay in coming up with the answers on the street light repairs and informed the Board that he had recently been advised by Mr. Means that the Board should have this information by the July meeting. Mr. Means remarked he could present the plans at the July meeting and after this meeting, it would have to go out for bid.

MANAGER'S REPORT

Mr. Ward reported that at the May 31st meeting, the Board had discussed how the District might be able to proceed with a Special

Assessment for the Street Lighting System to pay off the existing debt for the two loans that are currently outstanding and to pay for the balance of the Street Lighting System necessary to complete Pelican Bay. He distributed copies of a Report he had prepared outlining the Special Assessment Program. (A copy of this Report is attached to these Minutes).

He advised there are two loans currently in place, the Phase V Loan and the Phase VI Loan, and explained that the Phase V loan has a current balance of \$30,000 and covers the Unit IV Single Family Area. He further advised that if the District proceeded with a Special Assessment to pay off this loan it would run approximately \$358.25 per homesite to retire this debt. He advised the Phase VI Loan has an outstanding balance of \$66,000 and covers the Street Lighting System in Unit VI, Lake Vista Court and Glenview Place. He commented that in his Report he allocated the cost of the facilities that were applicable to the Phase VI Loan to each of the different areas to see how the District could proceed with a Special Assessment. He advised that the loan balance for Glenview Place is approximately \$5,148.00; for Lake Vista Court the balance is approximately \$3,432.00; for Greentree Drive the balance is approximately \$12,540.00 and for Unit VI the outstanding balance is \$44,880.00. He suggested the special assessment for these areas could be done one of two ways. He offered that since the loan balance for Glenview Place is \$5,148.00 it could be paid off through the existing tax monies that would be available in 1990. He commented that the loan balance for Lake Vista Court is \$3,432.00 and only has five single family lots and if a special assessment is done for this area, the per unit assessment would be \$816.40 per unit.

However, he advised this area could be combined with the Unit IV Assessment which would lower the overall assessment to \$341.37 per homesite. He remarked that the assessment for Greentree Drive would be a low assessment per homesite, as this is a high density parcel with 184 homesites and, therefore, the assessment would be \$98.04. However, the assessment for Unit VI would be high, approximately \$751.94 per homesite, as this is a low density area with only 67 homesites. He suggested an alternative to assessing these areas individually would be to include the Fiscal Year 1990 assessment which includes the continuation of the Street Lighting System up Greentree Drive, the remainder of Unit 7, Unit 11 and Unit 13 and create the Special Assessment to include all of the areas outlined in red on Exhibit B of the attached map and add the value of the future street light installations for the remainder of Greentree Drive and Oakmont Parkway, along with the value of the loans that are outstanding for Greentree Drive and Unit VI. He explained that if this area is all combined and a Special Assessment is done on this total area, it would be approximately \$357.10 per homesite.

Mr. Hake asked whether there is a private area within the red area outlined in Exhibit B. Mr. Ward responded in the affirmative and advised there is a parcel containing approximately 28 acres that will have its own interior lighting system, however, he had allocated approximately seven units per acre to this area and included this number in the Special Assessment, as the residents living in this area would be benefitting from the Street Lighting System.

Mr. Ward advised that these calculations included constructing a

system similar to that in the single family areas.

Mr. Hake remarked it might be a good idea to hold discussions with the various Associations located within this Special Assessment Area to prepare them for this assessment. Mr. Mudge suggested that the District could send a letter to each of these Associations outlining the assessment. Mr. Hake felt this was a cold way of proceeding. He suggested that the Pelican Bay Foundation should be contacted to see if they desired to hold a meeting pertaining to this matter, as well as contacting the Pelican Bay Property Owner's Association to make them aware of the assessment. He further suggested that Mr. Ward prepare a letter explaining to the Associations why the District is doing a Special Assessment and the benefit of a Special Assessment to the residents; have the letter reviewed by Mr. McMackin; compile a list of the various associations and private developments within the Special Assessment area and then he would hand deliver this document to the Associations.

Mr. Dunwiddie asked whether a Public Hearing would be required to set the Special Assessment. Mr. McMackin responded in the affirmative.

Mr. Hake offered that another way to proceed with the Special Assessment would be to combine the entire Special Assessment area into one, rather than one area paying one amount and another area paying another amount, and arrive at one figure for all the homesites within the Special Assessment area.

Mr. McMackin cautioned that the District could not send one bill to each Condominium Association, but rather a separate bill would have to be sent to each unit owner.

Following further discussion, Mr. Hake directed Mr. Ward to prepare a letter outlining the reason for the Special Assessment and the benefits to the residents, have it reviewed by Mr. McMackin, and send a copy of the letter to each Board member.

Mr. Ward recalled for the Board that at the May 17th meeting, they had begun discussion on the Fiscal Year 1990 Water Management Budget and one issue that had come up was the difference in costs for the maintenance of a lake on a Golf Course versus the maintenance of a lake outside the Golf Course. He stated that during the month he has had the opportunity to begin thinking through how the Board might accomplish the goals they had outlined and he took the Fiscal Year 1990 Budget and went back and performed some elaborate calculations on allocating the variable costs in the Budget to all of the lakes within the system, excluding the lakes in System IV & System V as there is very little anticipated expenditures for these lakes in F.Y. 1990, to arrive at an average maintenance cost for a lake contained in a Golf Course versus an average cost of maintenance for a lake outside of a Golf Course. He determined that based upon the F.Y. 1990 Budget, if the lake is located within a Golf Course it is going to cost about \$305.00 an acre to maintain and if the lake is in a residential area it is going to cost about \$185.00 an acre to maintain, a difference of \$120.00 per acre. He also commented that he used the assumption that the District just maintains the lake, not the banks, or cutting the grass, etc.

Mr. Ward advised that in the existing eighteen hole golf course and the new nine holes coming on line and counting all the acreage within

the Golf Course, there is approximately 30 acres of lakes within the existing eighteen hole golf course and the new nine hole golf course and this works out to be a cost differential of approximately \$3,600.00 per year for the variable costs of maintaining a Golf Course lake versus a residential lake.

Mr. Dunwiddie explained that the Board originally had two problems regarding the question of maintaining the Golf Course lakes; the first being whether maintaining the Golf Course lakes was more expensive because they received more run-off from nutrients, etc. and secondly on the additional nine hole course, additional lakes were created thus creating a lot more lake boundary and asked whether the additional boundary created additional maintenance expense. Mr. Ward responded in the affirmative to both questions.

Mr. Ward offered an alternative to WCN paying the District an additional \$3,600 per year for lake maintenance. He explained that within the Fiscal Year 1990 Water Management Budget, he had including \$10,000 for an Aquascaping Program to try and help with the type of problems the District is currently experiencing in Pelican Bay with the high nutrient loadings and suggested an alternative might be to work with the Golf Course and let them do some type of Aquascaping Program within a Golf Course lake that the District is having a problems with. He suggested one of the lakes could be the lake near Hyde Park and Chateaumere, as this seems to be the lake causing the District the greatest problems.

Mr. Hake asked whether there was a budget for maintaining all the lakes in Pelican Bay. Mr. Ward replied in the affirmative. Mr. Mudge

commented that in maintaining a lake there are two things, the boundary area of the lake and the surface area of the lake and in his opinion it is easier to maintain a round lake than it is a long, narrow lake. He asked Mr. Ward the budget figure for the variable portion of maintaining the lakes. Mr. Ward replied that to arrive at the \$305.00 cost for maintaining a Golf Course Lake, he took the total chemical costs, the total labor costs, the size of the lake, the configuration of the lake, and the perimeter of the lake.

Mr. Hake asked whether there was enough money in the Budget to maintain the lakes the way everyone in Pelican Bay wants them maintained. Mr. Ward responded in the affirmative.

Mr. Dunwiddie commented that what Mr. Ward was saying was that the amount of money to be paid by WCN is not really very significant. Mr. Ward commented that he did not see it in the numbers he worked up.

Mr. Hake asked Mr. Hoegsted whether he would like to do a little "horse trading". He commented that at the May 31st meeting, the Board heard a discussion on the problem being experienced in the Water Management System Three area and the need for the District to install an additional two lengths of pipe to correct the problems in this area. He recalled for the Board that WCN had agreed to proceed with the modifications to System Three, subject to using the \$25,000 left in the Agreement for the construction of the Water Management facilities with WCN, with the remainder to be paid for by the District. He suggested that WCN pay for the entire cost of the modifications, with WCN using the \$25,000 left in the Agreement, and the Board would waive the \$3,600 per year for the

maintenance of the Golf Course lakes. Mr. Hoegsted asked if he could have an answer for the Board at the next meeting. Mr. Hake responded in the affirmative. The Board agreed with Mr. Hake's offer.

Mr. Hake mentioned that staff had not forwarded the Board any information regarding where an Aquascaping program was being used and whether it worked. Mr. Ward offered that he has not gotten to this step but the information would be forthcoming. Mr. Hake advised Mr. Ward not to plan on doing any aquascaping until it was determined the program worked.

Mr. Ward advised that Mr. Dunwiddie had asked him to talk about the status of the City-County Agreement that provides for the County to take over the North Naples Service Area from the City at some point in the future. He explained that there are two portions to this Agreement: the first being the County's obligation to install the potable water line from their storage tank to tie into the Pelican Bay facility and he advised that the County is currently under contract with a Contractor to start the installation of this potable water line and the line should be installed within ninety days; the second portion being the Agreement between the County and the City on taking over the potable line that runs north on U.S. 41 to serve the North Naples area and the switching of the County and the City's storage tanks. It was his understanding that the negotiations regarding the swapping of the tanks are still on-going and he had no idea when the Agreement between the County and the City would be consummated.

Mr. Hake asked what this all meant to the District. Mr. Ward responded that the importance of this matter is that the County is proceeding with one important step in terms of connecting the District's

system to the County system. He commented that the potable line is a 12" line that will connect with the County's storage tank to the District facilities and this is an important step for the County to take in terms of its obligations under the Agreement between the County and the District.

Mr. Dunwiddie remarked that he had asked Mr. Ward to bring this matter to the Board's attention because he personally heard about it at a meeting he had recently had with Mr. Ward and it was his opinion, staff did not have any authority to make any decisions regarding this matter without approval from the Board. Mr. Ward advised that he had not made any decisions in regard to the facilities being constructed by the County, as it is not the District's responsibility to build these facilities. Mr. Dunwiddie remarked that he did not think the County was a part of the Agreement. Mr. Ward explained that there are three Agreements currently in place: one between the City of Naples and the District; a second between the County and the District and a third between the County and the City. Mr. Dunwiddie asked if there was anything in any Agreement that spelled out what the District will have to pay for water when the County starts supplying potable water to the District. Mr. Ward responded that in the County/District Agreement the rates are spelled out and are basically the same as the District is currently paying to the City. Mr. Hake offered that these rates were all set forth at the time of the Agreements. Mr. Moyer advised that to clarify the concern of the Board, he would forward them a copy of the three Agreements for their review.

Mr. Dunwiddie asked whether a 12" line was large enough to meet the requirements of the District. Mr. Ward responded that this should be

looked at, however, he was aware that ultimately this line has to be a 16" line. Mr. Dunwiddie commented that the Board, or more particularly the District's Engineer, should be making strong recommendations to the County that they don't think that a 12" line is going to be adequate to supply the District to build-out. Mr. Mudge asked why the County would install such a small line. Mr. Ward responded that he did not know, that this is a County project. He also advised he had only recently learned that the County was out to bid for this job when he was informed about the pre-construction meeting.

Mr. Hake asked the size of the line coming in from the City of Naples. Mr. Petty responded that this is a 16" line.

Mr. Moyer advised that before any speculation takes place and so everyone understands all the facts, it might be better for staff to compile all the facts regarding this matter and find out exactly what the County's Master Plan calls for and forward this information to the Board.

Mr. Means stated that there is an existing 12" water main at the corner of Seagate Drive and U.S. 41 and this is where the connection will be made.

Mr. Dunwiddie advised that his main concerns were whether the District had a guaranteed price for potable water from the County and whether the line is properly engineered to supply the District. Mr. Means offered that WMBS&P is the Design Engineer for the County and when they were told to proceed with the design of this line, the County gave WMBS&P the size of the line to design to.

Mr. Moyer remarked that the County/District Agreement and the

City/District Agreement address the matters of water pressure which then relate to line sizes and quantity, so upon review of the Agreements, these questions could be asked of the County, i.e, whether this line, will in fact, provide the District with the pressures and quantities outlined in the Agreement.

Mr. Dunwiddie asked what would eventually happen to the 16" line used by the City to supply the District with potable water. Mr. Petty responded that this line would be capped.

Mr. Hake suggested that all these matters are outlined in the Agreements and he asked that copies of the Agreements be sent to all the Board members for their review.

CERTIFICATES OF PAYMENT

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>
1989 Refunding Issue Cost of Issuance Legal Services	No. 198	Quarles & Brady	\$ 16,762.59
1989 Refunding Issue Cost of Issuance Accounting Services	No. 199	Rogers, Wood, Hill, et. al.	2,000.00
1989 Refunding Issue Cost of Issuance Legal Services	No. 200	Cummings & Lockwood	14,329.45
1989 Refunding Issue Phase III Facilities Expansion	No. 201	Wilson, Miller, et. al.	6,406.50
1989 Refunding Issue FDER Permit Bring Utility Site in FDER Criteria 17.610	No. 202	Wilson, Miller, et. al.	1,099.50
Oakmont Unit 11 Street Lighting	No. 3	Wilson, Miller, et. al.	189.00
Oakmont Unit 11 - Design Services	No. 5	Wilson, Miller, et. al.	1,456.05

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<u>CERTIFICATE NO.</u>		<u>CONTRACTOR</u>	<u>AMOUNT</u>
Bay Colony Shores Design Services	No. 7	Wilson, Miller, et. al.	937.05
Northwest Fill Area Contract D-29 - Design	No. 8	Wilson, Miller, et. al.	142.00
P.B. Blvd., Oakmont Pkwy., Greentree Dr., Vanderbilt Connector Road - Design Services	No. 4	Wilson, Miller, et. al.	1,889.70
Bay Colony Shores Phase I Construction	No. 5	Mitchell & Stark Construction	15,200.00
Oakmont Unit 7 Street Lighting Construction	No. 1	Mid-Continent Electric	13,537.80
		TOTAL AMOUNT	\$ 73,949.64

Mr. Dunwiddie remarked there is a \$16,762.59 bill from Quarles & Brady for services associated with the 1989 Refunded Bond Issue when Cummings & Lockwood, the Attorney's hired by the Board to perform these services, was paid \$14,329.45 for their services with regard to this issue and \$30,000 in legal costs to perform the services for the refunding seemed rather high. Mr. Ward responded that two Attorneys are required to do a bond issue; Bond Counsel is required to give certain opinions regarding the issue, and so is the District's Attorney, Quarles & Brady. He offered that he had reviewed the invoices from Quarles & Brady, as well as from Cummings & Lockwood, in great detail and although Quarles & Brady's invoice is higher, they put in substantially more work and, in his opinion, a much higher quality work than Cummings & Lockwood. It was also Mr. Ward's opinion that Quarles & Brady did a great deal to bring about the closure of the issue.

Following further discussion, Mr. Mudge moved, seconded by Mr. Holtan and unanimously approved, payment of the Certificates of Payment, as

presented.

CONFIRMATION OF INVOICES

Water/Sewer Operating Summary and Invoices For May 1989 - Approved As Presented

Mr. Mudge commented that on the Water/Sewer Operating Summary the cost for City of Naples Water is \$14,242 over budget for the month, yet the water revenue is 10% under budget and he asked Mr. Ward to comment on this. Mr. Ward responded he did not have a good answer for this at this time. It was Mr. Dunwiddie's opinion that some of the discrepancy might be due to the difference in time spans. Mr. Ward responded this was part of the problem. Mr. Dunwiddie asked that Mr. Ward research this matter and bring this matter to the Board's attention at a future meeting.

Following discussion, Mr. Mudge moved, seconded by Mr. Hake and carried unanimously, that the Water/Sewer Operating Summary and Invoices for May 1989, be approved as presented.

Water Management Operating Summary and Invoices For May 1989 - Approved As Presented

Following discussion, Mr. Dunwiddie moved, seconded by Mr. Mudge and carried unanimously, that the Water Management Operating Summary and Invoices for May, 1989, be approved as presented.

Street Lighting Invoices For May 1989 - Approved As Presented

Following discussion, Mr. Mudge moved, seconded by Mr. Holtan and carried unanimously, that the Street Lighting Invoices for May 1989, be approved as presented.

SUPERVISOR'S REQUESTS

Mr. Dunwiddie reported that recently he happened to be at Ferguson Supply, a retail outlet which sells plumbing supplies, and a person walked in who he had never seen before and ordered supplies to be charged the account of the Pelican Bay Improvement District and he found out this person worked for the Contractor who is installing the meters at St. Nicole. Mr. Dunwiddie asked Mr. Ward how a contractor could purchase materials and charge them to PBID, as he did not like people ordering supplies in the District's name who are not employees of the District. Mr. Ward commented that in this specific instance, Mitchell & Stark Construction was installing the meters at St. Nicole and they have performed a substantial amount of work for the District over the past several years, and District personnel sent Mitchell & Starks' employee down to Ferguson Supply to pick up the materials that were needed by them to perform the meter installation. He explained that once the materials are brought back to the site, they are compared with the invoice to make sure they were specifically ordered and covered under the Purchase Order. He remarked that in this particular instance he had no problem with the purchase, however, he has since advised the field staff that this should not be a standard procedure. Mr. Dunwiddie commented that he felt this matter was under Mr. Mudge's realm which is why he brought this matter up at the meeting.

Mr. Dunwiddie asked the status of the fencing at the Utility Site. Mr. Ward responded that on Friday of last week he had received the preliminary fencing plans from WMBS&P and staff is in the process of

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reviewing these plans and once staff and Mr. Means finalize the plans, they would be sent to the Board for their review. Mr. Means commented that the specifications and the quantities have been completed and once the plans are approved, the project can be put out for bid. Mr. Dunwiddie advised Mr. Means he would like a copy of the specifications. Mr. Hake asked what type of fencing material was called for in the specifications. Mr. Means explained that he has a base bid in the specifications for galvanized chain link fence and an alternate bid for an industrial grade PVC coated fence, with the Owner to select the color.

Mr. Dunwiddie asked if a chlorine alarm had ever been installed. Mr. Ward replied that the alarm had been installed approximately one month ago and although it's a fairly simple system, it dials the answering service who is on call twenty-four hours a day, seven days a week, and in turn the answering service calls the on-call District operator.

Mr. Dunwiddie commented that the lake at Hole #14 needs immediate attention, as it looks like sludge floating in this lake. Mr. Petty commented that there is an iron deposit in this lake which account for its appearance.

Mr. Dunwiddie remarked that he assumed the Golf Course paid a connection fee for the Clubhouse and the grounds and the District developed a capacity fee for the existing eighteen hole Golf Course and he suggested

reviewing these plans and once staff and Mr. Means finalize the plans, they would be sent to the Board for their review. Mr. Means commented that the specifications and the quantities have been completed and once the plans are approved, the project can be put out for bid. Mr. Dunwiddie advised Mr. Means he would like a copy of the specifications. Mr. Hake asked what type of fencing material was called for in the specifications. Mr. Means explained that he has a base bid in the specifications for galvanized chain link fence and an alternate bid for an industrial grade PVC coated fence, with the Owner to select the color.

Mr. Dunwiddie asked if a chlorine alarm had ever been installed. Mr. Ward replied that the alarm had been installed approximately one month ago and although it's a fairly simple system, it dials the answering service who is on call twenty-four hours a day, seven days a week, and in turn the answering service calls the on-call District operator.

Mr. Dunwiddie commented that the lake at Hole #14 needs immediate attention, as it looks like sludge floating in this lake. Mr. Petty commented that there is an iron deposit in this lake which account for its appearance.

Mr. Dunwiddie remarked that he assumed the Golf Course paid a connection fee for the Clubhouse and the grounds and the District developed a capacity fee for the existing eighteen hole Golf Course and he suggested that the District now needed to develop a new capacity fee for the next nine hole Golf Course. It was his opinion the capacity fee for the existing eighteen Golf Course left out a lot of things and the District needs to allocate a fair share of all its capital expenditures to the new

Golf Course. Mr. Ward agreed with Mr. Dunwiddie's suggestion and advised that he and Mr. Mudge have been discussing this matter.

Mr. Mudge suggested the District should establish a straight commodity charge rather than a capacity and a commodity charge for irrigation service for all residents of the District.

Mr. Mudge commented that Mr. Hake had recently received a report from the Collier County Tax Collector's office which talked about the unused fees that were dispersed to the Board of County Commissioners and the Independent Taxing Districts and that it showed the Pelican Bay Improvement District received \$3,322.66. He asked Mr. Ward whether the District had received these funds. Mr. Ward responded in the affirmative.

Mr. Mudge stated that on Page 3279 of the Minutes of the meeting held on May 17th, he had asked for a Memorandum regarding the philosophy behind who pays for what for the line distribution system in Pelican Bay. Mr. Ward advised that this was on his list of things to do and the Memorandum would be forthcoming.

Mr. Mudge asked whether the plans for parking at the North Boardwalk have been submitted to the District for review. As he understood it, the Foundation was considering two areas for parking: one at the south end of the north berm and one at the north end of the lake park area. Mr. Ward replied that, to date, the plans had not been submitted to the District for review.

Mr. Hake commented that Mr. Seymour Sekuler had recently sent out requests for insurance bids to Smith-Lesher; Gulfshore Insurance and Fred S. James & Co. and when all the quotes were received from these companies,

they would be submitted to the Board for their review. Mr. Dunwiddie asked why Mr. Sekuler limited it to so few companies. Mr. Hake responded that if you request bids from everyone in town, you don't know who is responsible and who isn't, but he did feel these three agencies are completely responsible and represent good companies. Mr. Dunwiddie felt that Allstate Insurance Company should have been contacted. Mr. Hake remarked that Allstate Insurance Company had been contacted and they did not wish to quote the District's insurance.

Mr. Hake remarked that he has not received any recent complaints from residents regarding street lights which needed to be repaired and thanked Mr. Ward for his effort in this regard. He also remarked that some higher intensity bulbs had been installed on a test basis, however, he had not heard any comments regarding this from any of the residents.

Mr. Hake stated he had recently received a letter from Mr. Koste which read as follows: "The attached has come to our attention and seems to have "some" affect on a Pass that is near and dear to us all. I will be sending copies to the Property Owner's Association and the Foundation, as well, and would suggest that we all (PBID, the Foundation, the P.B.P.O.A., and WCN) have a designated person and that they meet to figure out a unified Pelican Bay posture." Mr. Hake felt this was a very intelligent approach to a solution being proposed by the County. He advised that the attachment Mr. Koste referred to was a copy of a letter from County Commissioner, Michael J. Volpe to Mr. Frank Garguilo, President of the Seagate Property Owner's Association. Mr. Hake read the letter for the Record. It read as follows: "On May 16, 1989, the Board of County

Commissioners received staff reports on the status of Clam Pass. The Board is in agreement that the Pass must remain open to protect the environmentally-sensitive Clam Bay System. As you will note from the attached copy of our staff report, our attempts to reopen the Pass and keep it open have not been successful. In addition, the State agencies involved in permitting further work on the Pass are requesting a full engineering study before work continues. The funds for such an engineering study are not available in the County Budget this year and may not become available in time to prevent further damage to the Bay and mangrove system. Although the preserve area by Clam Pass is County-owned, I feel it is important to find a method of funding immediately and would like to know if your organization would be willing to contribute towards a complete engineering study, as outlined on Page Two of the staff report. Your consideration of this request would be appreciated. Should you need any further information, please do not hesitate to contact me."

Mr. Hake felt, in all due respect to Mr. Volpe, the letter stinks and is an open end ticket and he felt a meeting with the four organizations getting together as quickly as possible, would be able to create something very definite. He felt Mr. Volpe's request was an inexpensive way for the County to get out of their responsibility of keeping the Pass open, as it is the County's land and their responsibility, and if it was another project nearer and dearer to their hearts, they could find all the money they wanted in the Budget.

Mr. Hake asked Mr. Holtan to represent the District at a meeting of the various Pelican Bay organizations regarding this Clam Pass issue and

asked Mr. Ward to write a letter to Mr. Koste to let him know that the Board is prepared to take part in a meeting as quickly as possible and Mr. Holtan would be the Board's representative at the meeting. Mr. Ward offered he would be happy to do this. Mr. Hake also asked Mr. Mudge to pass this information along to the Property Owner's Association.

Mr. Moyer remarked that he had recently received a copy of a Memorandum from some Attorney's he works with in Tallahassee regarding a rider to a bill that took The Department of Shores & Beaches out of Clam Pass permitting in Collier County; and they, in turn, got very upset about this and went to Representative Mary Ellen Hawkins to try and cut a deal with her, which she agreed to, and this subsequently this portion of the bill was deleted. Mr. Moyer felt the District had some leverage and instead of performing this ridiculous Engineering Study, it might be of benefit to contact Representative Mary Ellen Hawkins to assist the District and to talk to the Department of Shores & Beaches. He promised to send a copy of this Memorandum to the members of the Board and to Mr. Hoegsted.

Mr. Mudge commented that in the Water Management Budget there is a \$4,750.00 budget item which the District can spend on this matter, if it made sense and, if he recalled correctly, if this money is spent it is reimbursed by Westinghouse Communities of Naples, Inc.

Mr. Hoegsted advised that as soon as WCN receives the names of all the representatives of the Pelican Bay organizations who will serve on the Committee to study the Clam Pass issue, he would contact them to establish a date and time for the meeting.

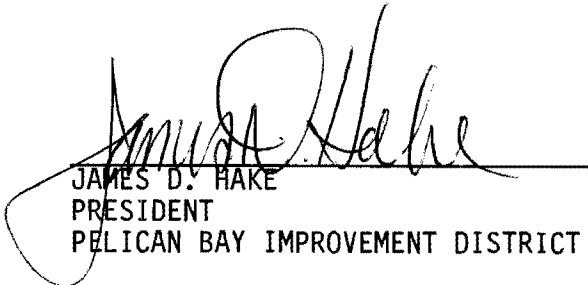
Mr. Hake remarked that in the Minutes of May 17th it stated that

additional information regarding the irrigation water sensors would be forwarded to the Board for their review and, to date, he has seen no information. Mr. Ward promised that this information would be forthcoming.

Mr. Dunwiddie reported that Mr. Ron Orach had recently met with United Industries and has written a report of his visit, but basically the facilities Mr. Orach saw were working properly. He advised that the bacteriologist for United Industries will be visiting Pelican Bay in July to try and work with District staff to solve some of the problems with the Boat Clarifier.

ADJOURNMENT

There being no further business to come before the Board at this time, Mr. Mudge moved, seconded by Mr. Dunwiddie and approved unanimously that the meeting be adjourned. Time: 5:30 P.M.


JAMES D. HAKE
PRESIDENT
PELICAN BAY IMPROVEMENT DISTRICT



PELICAN BAY

MEMORANDUM

TO: Board of Supervisors

FROM: J. Russell Mudge
James P. Ward

DATE: June 9, 1989

SUBJECT: Proposed Connection Fees
Nine (9) Hole Golf Course Addition

The proposed nine (9) hole golf course for Pelican Bay will require the payment of a Connection Fee to the District. However, the amount to be charged for golf courses is not delineated within our current rate schedule, and therefore has required the proposed golf course fees to be reviewed. In connection with this, Mr. Mudge and I have had the opportunity to discuss this with Mr. Paul Cuminsky of Coopers & Lybrand. As you may recall, Paul was the author of the original Coopers & Lybrand study and is familiar with the system. Based upon these discussions, we have identified three alternative connection fees for the golf course as discussed below.

During the review of the proposed fees, the following reports were examined to obtain the necessary data to evaluate the golf course addition to the the system:

- 1) Coopers & Lybrand 9/86 Utility Rate Study
- 2) Coopers & Lybrand 9/87 Updated Rate Schedules
- 3) Coopers & Lybrand 3/87 Irrigation Rate Alternatives

Synopsis of existing Connection Fees:

Connection Fees

Connection fees are structured such that excess plant and line distribution costs are recovered through Connection Fees, and, theoretically, paid by developers, which is then passed on to the homebuyer. Growth is then paying for growth and the District's current customers are not burdened with the cost related to the excess capacity within the utility system.



PELICAN BAY

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Meter Fees

Meter fees cover the cost of installation of the meter as well as the cost of the meter. Accordingly, the District generally installs 5/8" meters which are billed at a standard rate of \$250 per meter. Larger meters fluctuate in cost, due to a number of variables, and the actual cost of installation is the basis for the meter charge.

Use Charges

The District utilizes a capacity/commodity rate structure, which allocates costs between fixed and variable components. Fixed costs represent debt service and operating costs which remain fairly constant, while variable costs include all other costs, such as electric and chemicals, which tend to fluctuate in relation to consumption.

Current Rate Structure

I.	<u>CONNECTION FEES:</u>		
	Group I	\$ 2,980.00/Unit	
	Groups II thru IV	2,250.00/Unit	
	Commercial	12,940.00/Acre	
II.	<u>SYSTEM DEVELOPMENT CHARGE</u>		
	Groups I thru IV	\$ 195.00/Unit	
III.	<u>METER USE FEES</u>		
	Groups I & II	\$ 250.00	
	Groups III, IV & Commercial	Actual job cost	
IV.	<u>USER RATES & CHARGES</u>		
		<u>Minimum Monthly Capacity Charge</u>	<u>Commodity Fee Per 1,000 Gallons</u>
	Potable	\$ 8.05/Unit	\$1.28
	Wastewater	8.82/Unit	.50



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Irrigation		
Group I	\$ 37.79/Unit	.28
Group II	13.15/Unit	.28
Group III	6.57/Unit	.28
Group IV	5.76/Unit	.28
Commercial	13.96/ERC*	.28
Golf Course	3,063.50	.28

* ERC = Equivalent Residential Connection:
5.75 x Gross Parcel Acres

Proposed Golf Course Connection Fees

As discussed above, connection fees are structured such that excess plant and line distribution costs are recovered through connection fees. Since the excess costs cover the potable, wastewater and irrigation system, and the golf course will be utilizing only irrigation service from the District, in determining the proposed golf course connection fees the following assumptions were used:

- Service requested is irrigation only.
- Golf course built its own line distribution system and is not connecting to District's system.
- Maintain consistency with current District's rate philosophy from Copper & Lybrand report.

Based on this criteria, we will discuss three (3) methods of calculating the proposed golf course connection fee.

Method #1

This method allocates the District's existing connection fees into its component parts for potable water, irrigation water, wastewater, existing golf course and line distribution. Then, the expected golf course usage is equated into an ERC and a golf course fee is derived.



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PELICAN BAY IMPROVEMENT DISTRICT
 CONNECTION FEE ALLOCATION

Connection Fee (a)	\$2,250.00				
	<u>Potable</u>	<u>Wastewater</u>	<u>Residential Irrigation</u>	<u>Golf Irrigation</u>	<u>Distribution</u>
Debt Service/Fixed Costs as allocated in Coopers & Lybrand Rate Study as amended 9/1/87 (b)	\$311,296	\$363,038	\$408,080	\$38,968	\$560,065
Present allocation of connection fee (c)	18.51%	21.59%	24.27%	2.32%	33.31%
Connection Fee Per Equivalent Unit (d)	416.56	485.79	546.07	52.14	749.44

- (a) The connection fee for all formal units except single family per Coopers & Lybrands report 9/86, Exhibit VII, (H) Connection Fee.
- (b) The District expenditures as listed in Coopers & Lybrands report 9/87, Exhibit IV, Net Requirements.
- (c) The percentage of funds allocated to each facility in comparison to the total funds expended.
- (d) The percentage of each facility times the connection fee.

NOTES: Calculation of the connection fees for all developments which do not conform to group types or request partial connections, can be assessed according to facilities connected and to usage amounts. Usage amounts are determined by the Coopers & Lybrand report of 9/86, as reserved or as allocated by the District.



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The calculation would be as follows:

Expected usage (gallons per day):	225,000
Coopers & Lybrand usage amount allocation per unit:	550

Connection Fee = $225,000/550 \times \$546.07 = \$223,392.27$

Method #2

This method assumes a commercial allocation of 5.75 ERU and multiplies the gross golf course acreage to arrive at a proposed fee.

54 acres x 5.75 ERU = 310.5 ERU
310.5 ERU ($\$2250.00 \times 24.27\%$) = \$169,556.29

Method #3

This final method re-calculates the connection fees derived from Exhibit V of Coopers & Lybrand report of 9/86 excluding excess line distribution debt. This revised connection fee is then multiplied by the percentage of irrigation debt allocated to the system to determine a revised connection fee per unit. Then, to determine the number of equivalent residential units for the golf course the expected irrigation use is divided by allocation per unit.

The calculation is as follows:

Potable (a)	\$ 311,296	29%
Wastewater (a)	363,038	33%
Irrigation (a)	408,080	38%
	<u>\$ 1,082,414</u>	100%

Expected use $\frac{225,000 \text{ GPD}}{550 \text{ GPD}} = 409.09 \text{ units}$
Allocation per unit

(a) Coopers & Lybrand Rate Study dated 9/87 Ex. V.

Rate Calculation:

$(\$1000 \text{ (a) per Schedule Page 6}) \times 38\% \times 409 \text{ units} = \$155,420.$



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Pelican Bay
Connection Fee Schedule

<u>Year</u>	<u>Excess</u> <u>Units</u>	<u>Debt</u> <u>Service</u>	<u>Buildout</u>	<u>Conn</u> <u>Fee</u>	<u>Total</u> <u>Fees</u>	<u>Excess</u>	<u>Interest</u>	<u>Balance</u>
1987	2,122	493,116	363	1,000	363,000	(130,116)	0	(130,116)
1988	1,759	406,507	479	1,000	479,000	72,493	0	(57,623)
1989	1,280	295,101	362	1,000	362,000	66,899	371	9,667
1990	918	200,361	269	1,000	269,000	68,639	3,517	81,803
1991	649	141,289	216	1,000	216,000	74,711	9,533	166,047
1992	403	88,244	229	1,000	229,000	140,756	18,914	325,717
1993	174	37,807	229	1,000	229,000	191,193	33,705	550,615

PELICAN BAY
GROUP II DENSITY

	<u>Units</u>	<u>Acres</u>	<u>Units/Acre</u>
Tierra Mar	49	14.57	3.36
Bridgeway	60	15.64	3.84
Bay Villas	70	10.47	6.69
Las Brisas	50	11.79	4.24
Sanctuary	72	9.86	7.30
Sand Pointe	21	4.69	4.48
Lantana	24	4.11	5.83
Beauville	36	7.10	5.07
Willow Brook	112	12.17	9.20
Villas at PB	48	9.84	4.88
Lugano	79	10.00	7.90
St. Andrews	<u>15</u>	<u>4.98</u>	<u>3.01</u>
TOTAL	636	115.22	5.52
TOTAL - NET ACRES	636	98.50	6.45

NEW NINE HOLES
CONNECTION FEE CALCULATION

Gross Acres - New Nine	54+-
Group II Density - Based on Gross Acres	<u>5.52</u>
Total Units	298.08
Connection Fee	<u>\$546.07</u>
TOTAL	\$162,772.54

Net Acres - New Nine	45+-
Group II Density - Based on Net Acres	<u>6.45</u>
Total Units	290.25
Connection Fee	<u>\$546.07</u>
TOTAL	\$158,496.82

PELICAN BAY IMPROVEMENT DISTRICT
SPECIAL ASSESSMENT PROGRAM
JUNE - 1989

PHASE V LOAN

Lender: Barnett Bank, N.A.
Loan Balance: \$30,000
Rate: 7.45%
Due Date: October 4, 1989

This loan covered the street lighting system in Unit IV, Blocks A-E; 100 homesites.

SPECIAL ASSESSMENT: (Exhibit A - Area 1)

Advertising		
Two public hearings @ \$50.00 each		
Two assessment advertisements run - \$100 each	\$	300.00
Assessment Roll		
80 hours @ \$55.00/hour		4,400.00
Billing		
Letters 100 @ \$.25/ea.	\$	25.00
Stationary		100.00
Secretary 40 hours @ \$25/hr.	1,000.00	1,125.00
Loan Repayment		<u>30,000.00</u>
	TOTAL	<u>\$35,825.00</u>

ASSESSMENT METHOD

Unit Basis

Number of single family homesites 100
Estimated cost per homesite \$358.25

Alternate #1 (Exhibit A - Area 1 & 2)

Add into assessment Unit IV Addition which would include Lake Vista Court.

Special Assessment

Total (Unit IV)	\$	35,825
Lake Vista Court		3,432
Total	\$	<u>39,257</u>

Unit Basis

Number of single family homesites 115
Estimated cost per homesite \$341.37

PHASE VI LOAN

Lender: Barnett Bank, N.A.
Loan Amount: \$66,000
Rate: 5.30%
Due Date: 1/6/90

This loan covered the street lighting system in Unit VI, Lake Vista Court and Glenview Place.

Since this phase of the system covered different areas, the method of Special Assessments can be handled as follows:

GLENVIEW PLACE (Exhibit A - Area 3)

Loan balance: \$5,148.00
Pay through remaining tax monies.

LAKE VISTA COURT (Exhibit A - Area 2)

Loan balance: \$3,432.00.

Alternate #1

Pay through remaining tax monies.

Alternate #2

Fund through Special Assessment:

Advertising	\$ 300.00
Assessment Roll	250.00
Billing	100.00
Loan Repayment	\$ 3,432.00
Total	\$ 4,082.00

Unit Assessment

Number of single family homesites	5
Estimated cost per homesite	\$816.40

GREENTREE DRIVE ASSESSMENT (Exhibit A - Area 4)

Loan Balance \$12,540.00

Fund through Special Assessment

Advertising	\$ 300.00
Assessment Roll	4,000.00
Billing	1,200.00
Loan Repayment	\$12,540.00
Total	\$18,040.00

Unit Assessment

Number of single family homesites 184
Estimated cost per homesite \$98.04

UNIT VI ASSESSMENT (Exhibit A - Area 5)

Loan Balance \$44,880.00

Fund through Special Assessment

Advertising	\$ 300.00	
Assessment Roll	4,000.00	
Billing	1,200.00	
Loan Repayment	\$44,880.00	
Total	\$50,380.00	

Unit Assessment

Number of single family homesites 67
Estimated cost per homesite \$751.94

Alternate #1

Revise special assessment to include Greentree Drive, Oakmont Parkway and future street light installations.

Revised Assessment (Exhibit B - Area 1)

Advertising:		
Two public hearings @ \$50.00 each	\$100.00	
Two assessment roll advertising @ \$100.00 each	\$200.00	\$300.00
Assessment Roll:		
80 hours @ \$55.00/hour		4,400.00
Billing:		
Letters 689 @ \$.25 each	\$ 172.25	
Stationary	200.00	
Secretary 80 hours @ \$25.00/hr	2,000.00	
Loan Repayment		57,420.00
Future street lighting system (per FY 90 Budget)		155,000.00
Total		<u>217,120.00</u>

Unit Assessment

Number of single family homesites 608
Estimated cost per homesite \$357.10

	Const.	Poles	Subtotal		Eng. Design Const.	Insp. & Coating	Total of Cost	% Total
13-C Oakmont Parkway		14105						
1-D Oakmont Parkway	15,792	1665	31562	33%	4101	35,663	33%	
6-C Palmetto Point & Pineside Lane	7,243	6510	13758	14%	1740	15,498	14%	
9-C Willowwood Ct. & Pine Creek Circle	11,160	9765	20925	21%	2610	23,535	21%	
7-B Greentree Drive	8,848	9394	18242	19%	2361	20,603	19%	
3-B Glenview Place & (A)								
2-B Lake Vista Court	6375	6710	13055	13%	1616	14,701	13%	
Total	44075	48149	97572	100%	12428	110,000	100%	

B- 30' single 200W 1342
 C- 20' single 70W 1085
 D- 20' Double 70W 1665

NOTE A	Poles & Types	% of System
Glenview Place	3 60% \$8821.00	- 60% x 13% = 7.8%
Lake Vista Court	2 40% \$5880.00	- 40% x 13% = 5.2%
	5 \$14701.00	

PELICAN BAY IMPROVEMENT DISTRICT
WATER/SEWER INVOICES
MAY 1989

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
Alpha Chemical	Chemicals & Janitorial Supplies	\$ 427.48
B & B Builders	Maintenance Supplies	546.39
B & H Sales	Meters	776.36
BancFlorida	March Meeting Rooms	68.36
Big Cypress Service Co.	W/W Analyses	133.00
Bob Dean Supply	Irrigation Supplies	99.54
Budco Temporaries, Inc.	Temporary Day Labor	697.11
City of Naples	Potable Water 4/1/89 - 5/1/89	19,370.79
Coast Pump & Supply	Irrigation Supplies	128.86
Coral Springs Improvement District	May Dental Insurance	80.53
Coral Springs Improvement District	Nov., Dec., & Jan. Office Services	26.95
Creel Ford Tractor, Inc.	Backhoe Filter	4.72
Envirotech Operating Services, Inc.	W/W Analyses & Quarterly Wellfield Monitoring	1,936.80
Federal Express Corp.	May Courier Service	54.65
Ferguson Underground	Irrigation Supplies	213.87
File One	May Office Supplies	19.02
Fischer & Porter	Repair Flow Meter HSP	960.20
Fisher Scientific	Laboratory Supplies	61.76
Florida Municipal Health Trust	May Health Insurance	542.95
Florida Power & Light	April Electric	15,020.64
Gulf Shore Associates	May Rent & Maintenance	879.72
IBM Corporation	Typewriter Ribbons	43.02
Inacomp Computer Center	Laserwriter	210.00
Manatron, Inc.	Utility Billing Support to June 1990	375.00
Matulay's Contractors Supply	Plant Supplies	23.20
National Information Data Center	Zip Code Directory	16.73
North Trail Auto Parts	Vehicle Maintenance Supplies	45.49
Park Tire Center	Tune-Up Ford Ranger	49.35
Patterncrete, Inc.	Repair Driveway - Slashpine Court	1,707.00
PB&S Chemical Company	Chlorine	2,116.20
Radio Shack	Autodialer	99.95
Ray's Septic Service	Remove Sludge WWTP	2,025.00
Red Associates, Inc.	Effluent Flow Meter	3,409.60
RMRS System	Postage	100.00
Robbins Telephone Answering Service	May Answering Service	92.40
S.A.S., Inc.	Cable	44.00

PELICAN BAY IMPROVEMENT DISTRICT
 WATER/SEWER INVOICES
 MAY 1989
 (PAGE 2)

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
Scotty's, Inc.	Maintenance Supplies & Small Tools	\$ 51.57
Sears, Roebuck & Co.	Paint & Maintenance Supplies	100.85
Southwest Electric Supply	Electrical Supplies	83.64
Sunshine Ace Hardware	Plant Supplies & Sump Pump	267.34
Taylor Paving	Patch Pavement - Bentwood Drive	500.00
Tillinghast	Subscription - Governmental Risk Management Reports	48.75
Tri-W Rental	Rent Equipment	167.75
United Telephone	April Telephone	361.74
U.S. Postmaster	Postage - Utility Bills	135.00
Waste Management of Collier County	Dumpster - Utility Site	278.00
Weavers Office Supply	April Office Supplies	5.17
Westinghouse Communities of Naples, Inc.	April Fuel & Copying Charges	68.13
Wilson, Miller, Barton, Soll & Peek, Inc.	Engineering Services - February 25, 1989 Thru April 21, 1989	5,938.80

PELICAN BAY IMPROVEMENT DISTRICT
WATER MANAGEMENT INVOICES
MAY 1989

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
A.C. Laboratories, Inc.	March Lake Samples	\$ 350.00
Association of Special Districts	Seminar Fees	15.00
BancFlorida	March Meeting Room	68.36
Budco Temporaries, Inc.	Temporary Day Labor	697.14
Coral Springs Improvement District	May Dental Insurance	80.54
Coral Springs Improvement District	Nov., Dec., & Jan. Water Quality Testing & Office Services	2,256.59
Federal Express Corp. File One	May Courier Service	54.65
	May Office Supplies	19.03
Florida Municipal Health Insurance	May Health Insurance	542.97
Florida Power & Light Co.	April Electric	18.15
Gulf Shore Associates	May Rent & Maintenance	879.73
IBM Corporation	Typewriter Ribbons	43.03
Inacomp Computer Center	Laserwriter	210.00
Jacaranda Landscape	April R-O-W Maintenance	16,476.37
Manatron, Inc.	Utility Billing Support to June 1990	375.00
Naples Daily News	Legal Advertising	65.21
National Information Data Center	Zip Code Directory	16.72
North Trail Auto Parts	Vehicle Maintenance Supplies	45.50
Park Tire Center	Tune-up Ford Ranger	49.35
RMRS System	Postage	100.00
Robbins Telephone Answering Service	May Answering Service	92.40
Sunshine Ace Hardware	Lawn Mower Parts & Lawn Vac/Blower	756.28
Tillinghast	Subscription - Gov. Risk Management Report	48.75
United Telephone	April Telephone	262.65
Weavers Office Supply	May Office Supplies	5.18
Westinghouse Communities of Naples, Inc.	April Fuel & Copying	68.13
Wilson, Miller, Barton, Soll & Peek, Inc.	Engineering Services - February 25, 1989 thru April 21, 1989	3,433.80

PELICAN BAY IMPROVEMENT DISTRICT
STREET LIGHT INVOICES
MAY 1989

<u>PAYEE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
Barnett Bank	Unit 4, Phase II Street Lighting Loan Principal to May 4, 1989	\$12,000.00
Barnett Bank	Unit 4, Phase II Street Lighting Loan Interest to May 4, 1989	256.03
Florida Power & Light	April Electric	842.57
Naples Daily News	Legal Advertising - Oakmont Unit 11	64.37
Wilson, Miller, Barton, Soll & Peek, Inc.	Engineering Services - February 25, 1989 thru April 21, 1989	771.20

PELICAN BAY IMPROVEMENT DISTRICT
WATER AND WASTEWATER OPERATING SUMMARY
MAY 1989

	FISCAL YEAR 1989 BUDGET	MONTH TO DATE			YEAR TO DATE		
		BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<u>CHARGES FOR SERVICES</u>							
Connection Fees	\$ 664,180	2,980	11,920	8,940	368,030	625,510	257,480
Meter Use Fees	22,250	250	1,000	750	11,500	15,450	3,950
<u>USER REVENUE & INTEREST INCOME</u>							
Water	616,818	55,194	50,643	(4,551)	418,282	413,990	(4,292)
Sewer	481,271	41,175	39,915	(1,260)	323,869	315,036	(8,833)
Irrigation	620,010	57,052	55,020	(2,032)	402,885	446,941	44,056
Interest	30,000	2,500	10,797	8,297	20,000	63,008	43,008
<u>TOTAL REVENUE</u>	<u>\$2,434,529</u>	<u>159,151</u>	<u>169,295</u>	<u>10,144</u>	<u>1,544,566</u>	<u>1,879,935</u>	<u>335,369</u>
<u>PROFESSIONAL FEES</u>							
Engineering	\$ 25,000	0	5,939	(5,939)	25,000	37,857	(12,857)
Legal	22,000	0	0	0	11,767	11,767	0
Audit	8,800	0	0	0	7,540	7,540	0
Trust	6,050	0	0	0	2,700	2,700	0
Financial Advisor	7,000	0	0	0	0	0	0
<u>SYSTEM OPERATING EXPENSES</u>							
Office	\$ 32,408	2,431	2,306	125	17,978	20,075	(2,097)
Billing	2,640	220	135	85	1,760	2,794	(1,034)
Insurance	53,439	0	0	0	63,439	66,536	(3,097)
Payroll	162,764	12,520	10,298	2,222	106,420	89,923	16,497
Transportation	8,667	722	159	563	15,776	12,782	2,994
Water Quality	16,950	1,095	2,070	(975)	12,562	9,334	3,228
Repairs & Maintenance	66,110	5,509	10,924	(5,415)	44,072	79,414	(35,342)
Electric	169,000	18,909	15,021	3,888	108,682	131,137	(22,455)
Chemicals	55,488	6,295	2,393	3,902	34,735	28,556	6,179
City of Naples Water	211,039	21,053	35,295	(14,242)	145,974	163,554	(17,580)
Meters	5,920	493	776	(283)	3,944	6,210	(2,266)
Contingencies	30,000	387	0	387	28,064	27,290	774
<u>TOTAL EXPENSES</u>	<u>\$ 883,274</u>	<u>69,634</u>	<u>85,316</u>	<u>(15,682)</u>	<u>630,413</u>	<u>697,469</u>	<u>(67,056)</u>

PELICAN BAY IMPROVEMENT DISTRICT
WATER MANAGEMENT OPERATING SUMMARY
MAY 1989

	<u>MONTH TO DATE</u>				<u>YEAR TO DATE</u>		
	FISCAL YEAR 1989 BUDGET	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE) VARIANCE
REVENUE							
Maintenance Taxes	\$ 525,341	25,655	25,655	0	523,400	523,400	0
TOTAL REVENUE	<u>\$ 525,341</u>	<u>25,655</u>	<u>25,655</u>	<u>0</u>	<u>523,400</u>	<u>523,400</u>	<u>0</u>
MEETING EXPENSE							
Supervisors Fees	\$ 6,000	500	500	0	\$ 4,000	4,000	0
Legal Notification	800	67	65	2	536	828	(292)
PROFESSIONAL FEES							
Engineering	15,000	3,434	3,434	0	12,500	12,500	0
Legal	15,000	0	0	0	12,994	12,994	0
Audit	8,500	0	0	0	7,208	7,208	0
Trust	1,500	0	0	0	1,500	1,652	(152)
Financial Adviser	7,000	0	0	0	0	0	0
SYSTEM OPERATING EXPENSE							
Office	32,408	2,432	2,283	149	17,985	18,929	(944)
Payroll	159,415	12,263	10,071	2,192	104,235	89,808	14,427
Transportation	4,334	361	95	266	2,888	981	1,907
Fish Restocking Program	4,504	0	0	0	3,074	3,074	0
Lake Maintenance	32,147	2,679	0	2,679	21,432	19,456	1,976
Swale Maintenance	4,000	333	756	(423)	2,664	1,174	1,490
Water Quality	11,880	990	2,582	(1,592)	7,920	8,260	(340)
Insurance	16,325	0	0	0	16,325	16,685	(360)
Rights-Of-Way	269,110	17,019	16,476	543	147,567	140,755	6,812
Replanting Program	20,000	0	0	0	16,325	16,325	0
Water Connection	13,190	0	0	0	0	0	0
Water Use	23,259	1,938	2,921	(983)	15,504	23,197	(7,693)
Renewal & Replacement	6,000	500	0	500	4,000	0	4,000
Contingencies	12,000	1,000	0	1,000	8,000	0	8,000
TOTAL EXPENSES	<u>\$ 662,372</u>	<u>43,516</u>	<u>39,183</u>	<u>4,333</u>	<u>406,657</u>	<u>377,826</u>	<u>28,831</u>

PELICAN BAY IMPROVEMENT DISTRICT
JUNE 21, 1989 MINUTES
TAPE NUMBERS & CORRESPONDING AGENDA ITEMS

<u>AGENDA ITEM</u>	<u>NUMBER ON TAPE</u>
1. Roll Call.	0 - 10 (Tape 1, Side A)
2. Approval of Minutes of the Meetings held on May 17, 1989 and May 31, 1989.	10 - 92
3. Discussion of Proposed Connection Fee of New Nine (9) Hole Golf Course.	92 - 544
4. Consideration of a "Letter Of No Objection" to the Board of County Commissioners of Collier County to Vacate a Rear Lot Platted Utility Easement Within the Plat of Unit VII.	544 - 605
5. Attorney's Report.	605 - 739 (End Tape 1, Side A) 0 - 106 (Tape 1, Side B)
6. Engineer's Report.	106 - 154
7. Manager's Report.	154 - 739 (End Tape 1, Side B) 0 - 437 (Tape 2, Side A)
8. Certificates of Payment.	437 - 486
9. Confirmation of Invoices and Operating Summaries.	486 - 625
10. Supervisor's Requests & Audience Participation.	625 - 739 (End Tape 2, Side A) 0 - 140 (Tape 2, Side B)
11. Adjournment.	140 - 145