

**MINUTES OF MEETING  
NAPLES RESERVE  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Naples Reserve Community Development District held a Regular Meeting on May 5, 2021 at 10:30 a.m., at the Naples Reserve Clubhouse, 14885 Naples Reserve Circle, Naples, Florida 34114. Members of the public and presenters were able to participate in the meeting, via Zoom at <https://us02web.zoom.us/j/83493818160?pwd=SUDma1U2eDJXRGg1cXhra2NwNi83Zz09>, and 1-646-558-8656, Meeting ID: 834 9381 8160 and Passcode: 948214, for both.

**Present at the meeting were:**

Thomas Marquardt	Chair
Deborah Lee Godfrey	Assistant Secretary
Charlene Hill	Assistant Secretary
Gregory Inez	Assistant Secretary

**Also present, were:**

Cindy Cerbone	District Manager
Jamie Sanchez	Wrathell, Hunt and Associates, LLC
Greg Urbancic (via telephone)	District Counsel
Meagan Magaldi (via telephone)	Coleman, Yovanovich & Koester, P.A.
Terry Cole (via Zoom)	District Engineer
Randy Sparrazza	HOA President

**Also present, via Zoom, were:**

Nick Salvi	Heidi McIntyre	Miriam Defreitas	Gerald Naples
Bonnie Humphrey	Michael Considine	Ivette Santiago	Linda Houde
Ray Hill	Ed Moore	Laurie Sandler	Maria Elise Desjardins
Leo Desjardins	Vassilis Tsarodhas	Jorje Santiago	Other Residents

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Ms. Cerbone called the meeting to order at 10:31 a.m. Supervisors Marquardt, Godfrey, Hill and Inez were present. Supervisor Bieker was not present.

**SECOND ORDER OF BUSINESS**

**Public Comments**

Resident Bonnie Humphrey stated she was waiting for a representative to examine her property regarding flooding issues. Ms. Cerbone stated she would accompany the District Engineer to examine the property following the meeting.

**THIRD ORDER OF BUSINESS**

**Chairman’s Opening Remarks**

Mr. Marquardt summarized issues to be discussed, as follows:

1. Boat Dock Requests: As previously discussed, the County rejected several requests to build docks on the lakes, pending approval from the CDD. Since the last meeting, District Counsel has worked with HOA Counsel to draft a document; every attempt was being made to expedite this and it was hoped that the document would be approved today.
2. Budget: The CDD budget process would be very difficult, due to questions regarding the Operations & Maintenance (O&M) Agreement signed by the Developer. The HOA President agrees that a new Agreement is required, representing the signatures and approval from both the HOA and the CDD. A decision must be made as to which entity would be responsible for maintenance and which would bear the substantial long-term costs. As the proposed Fiscal Year 2022 CDD budget must be approved in June, the Board must proceed with the assumption that the HOA will no longer fund maintenance on lakes and storm drainage. A draft would be discussed today and presented for approval in June, including funds budgeted for stormwater management and lake erosion. The burden of funding substantial work, moving forward, would be borne by either the HOA or the CDD; a fund must be established for both anticipated repairs and possible storm damage as, without reserves, the only other option would be a bank loan. The adopted budget could be amended, if necessary, but the budget would be drafted on the assumption that the HOA would defer maintenance to the CDD.
3. Communications: Due to difficulty communicating CDD news and issues to residents, a list of Frequently Asked Questions was prepared for the HOA to distribute to property owners.

**FOURTH ORDER OF BUSINESS**

**Discussion/Consideration: Boat Dock Encroachment Documents**

- **Resolution 2021-06, Establishing Policies and Procedures Relating to the Review of Requests for Encroachments by Boat Docks into District Property; and Providing for Severability, Conflicts and an Effective Date**

**Exhibit A. Boat Dock Encroachment Policies and Procedures**

**Exhibit B. Boat Dock Encroachment Agreement**

**Exhibit C. Boat Dock Encroachment Agreement Application Instructions**

Ms. Cerbone stated that District Counsel would review the documents. A process would be needed for approval of boat dock requests, which would be developed with Staff and, likely, in conjunction with the Chair, due to signatory authority.

Mr. Urbancic presented the Encroachment Agreement and the accompanying Exhibits and discussed the following:

- The approval process needs to be expeditious.
- The Agreement would protect the District's easement and ownership rights in the lakes and incorporate the HOA's Architectural Review process.
- Property owners would be permitted to encroach on CDD property to construct docks on the lake, in accordance with the Agreement, assuming responsibility for maintenance and repairs to the dock.
- To the extent that the District is unable to work around structures, the CDD may remove portions of the dock at the property owner's expense.
- Future modifications would require additional approval from the CDD and the HOA.
- Exhibit A outlines policies and processes designed to allow Staff to receive, finalize and approve Agreements, in conjunction with the Chair.
- Exhibit B outlines procedures for submitting Applications and stipulates an Application Fee and a process for recording in public records; property owners would pay applicable recording fees of approximately \$69.50.

Discussion ensued regarding the HOA and CDD application and approval processes and the CDD's need to approve engineering and preserve the ability to maintain the lake banks and CDD infrastructure.

Mr. Marquardt expressed his opinion that the proposed \$500 Application Fee was too high and suggested a fee of \$150, the same as the fee charged by the HOA.

Ms. Hill asked if a maximum dock length or other specifications existed to expedite approvals. Mr. Marquardt believed the Developer had set standards, including a model design and length, and he thought that the design was an HOA issue.

Regarding whether the length or design of the dock would affect CDD property, Mr. Cole stated he reviewed many docks for the Developer at Fiddler's Creek and charged his time to the Developer and not to the CDD. In Fiddler's Creek, docks were limited to a maximum of 20' from the lake bank; the District's limit would need to be consistent with the HOA documents. The application he was reviewing for a 20' wide dock on an 80' wide lot seemed fine; he suggested the CDD and/or the HOA consider stipulating a maximum width to ensure contractors would have access to conduct lake bank erosion repairs in the future. His two general comments regarding dock applications typically related to installation of drainage pipes on the rear lot drainage swale at the property owners' expense and that the owner should be responsible for any lake bank erosion under and immediately adjacent to the dock. Mr. Cole discussed common riprap and geotube repairs and suggested defining "immediately adjacent" as 5'. He stated that erosion was generally repaired with geotubes, up to and within a few feet of the dock, and riprap underneath the docks. A typical dock requires 30 to 45 minutes to review and process. At \$200 per hour, the fee was approximately \$150 and included pulling the plat, checking drainage and lake maintenance easements and adding notes to the plan. He has never rejected an application; plans are generally approved, as noted.

Mr. Marquardt asked if every dock also required a legal review. Mr. Urbancic stated, upon receiving Engineering approval, he would finalize and/or proof the Agreement, verify ownership, ensure proper signatures and documentation, etc. Ms. Cerbone noted that, in some CDDs, property owners are responsible for lake bank erosion, to a certain degree, and that was not included in the Agreement. Mr. Urbancic stated that would be a policy decision that could be made with Board approval. Mr. Marquardt felt that, as long as access is provided, the CDD should bear the cost for erosion related repairs. Mr. Cole discussed the difference between obvious storm-related erosion to the entire lake bank versus erosion obviously caused by a dock in bad repair. Mr. Marquardt believed the contract states that the CDD can hold the homeowner accountable for a dock in bad repair. Mr. Urbancic stated verbiage could be added stating that owners are responsible for such repairs. Mr. Marquardt agreed there should be a

maximum length and width and he thought the Developer had a model and specifications; such issues would be left to the HOA Board. Discussion ensued regarding limits on boat sizes, materials and aesthetics. Mr. Marquardt felt that these were all addressed and they are HOA issues. Mr. Urbancic asked if the length of the docks would be governed by the PUD or Collier County Land Development code. Mr. Cole would need to check. Mr. Urbancic suggested the CDD include the HOA's adopted dimensional standards, in the future.

The following changes were made:

Exhibit C, Page 1, Item 2: Change "\$500" to "\$150"

Exhibit C, Page 2, Item g.: Insert verbiage indicating the property owner's responsibility to repair conditions arising from the encroaching structure.

**On MOTION by Mr. Inez and seconded by Ms. Hill, with all in favor, Resolution 2021-06, Establishing Policies and Procedures Relating to the Review of Requests for Encroachments by Boat Docks into District Property, incorporating the amendments to Exhibit C, as stated; and Providing for Severability, Conflicts and an Effective Date, was adopted.**

Discussion ensued regarding the Application Fee. Ms. Godfrey suggested setting the Application Fee at a minimum of \$250 to pay costs associated with Engineering and Legal review. Mr. Urbancic stated he believed that would be sufficient, unless there are extenuating circumstances. Mr. Marquardt stated, while the fee seemed high, in-depth review is necessary and the fee could be amended, if necessary. Ms. Cerbone noted that these additional processes were not covered in the District Management Agreement and stated she would advise the Board, should Management's fees need to be revisited. The consensus was to increase the Application Fee to \$250.

The following changes were made:

Exhibit C, Page 1, Item 2: Change "\$500" to "\$250"

Exhibit C, Page 2, Item g.: Insert verbiage indicating the property owner's responsibility to repair conditions arising from the encroaching structure.

**On MOTION by Mr. Inez and seconded by Ms. Hill, with all in favor, Resolution 2021-06, Establishing Policies and Procedures Relating to the Review of Requests for Encroachments by Boat Docks into District Property, incorporating the amendments to Exhibit C, as stated; and Providing for Severability, Conflicts and an Effective Date, was adopted.**

Ms. Cerbone discussed the review process for Requests for Encroachment and suggested designating Staff to work with the HOA President and Property Manager to determine the processes and communications to property owners and builders regarding documents and flow. Given that the HOA meets every two weeks, it would be necessary to determine whether pre-work should be done before sending applications to the HOA since they may need to be re-done. For the CDD’s process to be fluid, she recommended that the Chair or Vice Chair execute applications and that they be presented for ratification at the next meeting.

**On MOTION by Mr. Inez and seconded by Ms. Hill, with all in favor, authorizing Staff to work with the HOA President, Property Manager and others, as necessary to determine the processes for approval of Requests for Encroachments, as discussed, was approved.**

**FIFTH ORDER OF BUSINESS**

**Discussion: Fiscal Year 2022 Proposed Budget**

Mr. Marquardt stated, if the proposed Fiscal Year 2022 budget is approved, it would be necessary to increase assessments because it does not include the burden of maintaining the stormwater management system or the shoreline. To reduce the burden to property owners as much as possible, projects would be postponed and prioritized and not much was budgeted for storm recovery. The HOA Finance Chair stated that the HOA budgeted \$100,000 for lake and shoreline projects and to continue that maintenance, if deemed appropriate.

Ms. Cerbone reviewed the proposed Fiscal Year 2022 budget highlighting line item increases, decreases and adjustments, compared to the Fiscal Year 2021 budget, and explained the reasons for any adjustments. She discussed the prospect of the District assuming maintenance responsibilities from the HOA and noted potentially affected budget line items, given that the CDD owns the lakes, stormwater ponds, drainage and catch basins. She noted

the HOA's budgeted funds and stated the District Engineer reported that the drainage area and catch basins were in good condition. She discussed the benefits of an on-site Operations Manager and stated the District would propose contracting with the same management company contracted by the HOA to assist with on-site vendors. Mr. Marquardt voiced his opinion that, ultimately, the maintenance obligation falls to the CDD and, if the HOA does not fund the maintenance, the CDD is obligated, by law to do so.

Ms. Cerbone stated the District was not funded to take over operations until the Fiscal Year 2022 budget is adopted, appears on the Tax Roll and revenues are received from the Collier County Tax Collector; the soonest the District could feasibly begin managing operations would be January 1, 2022. If the HOA wished to terminate maintenance, she asked that it be coordinated, so the CDD could begin maintenance on January 1, 2022. The amounts included in the proposed Fiscal Year 2022 budget represent a full year's worth of expenses. Mr. Marquardt noted, while the HOA budgeted \$100,000 for lake maintenance, the CDD's budget was considerably higher because the District must diagnose the needs and address maintenance issues, moving forward.

Mr. Marquardt asked who would be the point of contact for a resident, if the CDD assumes responsibility for maintenance. Ms. Cerbone stated the best scenario would be for the District to contract with the Property Management firm the HOA currently utilizes so there would be one point of contact for residents for both HOA and CDD issues.

Ms. Godfrey explained that the CDD and the HOA coexist as part of the community; when the CDD was set up, the Developer used the funds to create the lakes, waterways, drainage and water and sewer. Water and sewer were transferred to the County and the builder anticipated very little lake and waterway management, due to the O&M Agreement with the HOA; now the CDD may take back the O&M from the HOA.

Mr. Marquardt noted that the CDD must maintain whatever it owns and it was not unprecedented for associations to absorb CDD maintenance costs.

Ms. Cerbone stated, in the majority of CDDs managed by Wrathell, Hunt and Associates, LLC (WHA) in which the CDD owns only the lakes and drainage and does not own the amenities, roads, landscaping or irrigation, it is easier for residents to have one point of contact. The CDD contracts with the HOA, which contracts with the Property Manager. When issues arise, CDD

Staff may be asked to contact the HOA and/or Property Manager to resolve issues raised at CDD meetings.

Mr. Marquardt discussed the need to communicate clearly who should be contacted in the event of an issue or an emergency. Ms. Cerbone noted there are a limited number of CDD improvements and having one point of contact would enable a fast response.

Ms. Godfrey stated, while reserves were set up for common areas, there were no reserves for lake and lake bank management. Ms. Cerbone stated the HOA could manage the repair and maintenance, except for capital related items, and with significant remediation items excluded from the Agreement, which would to be managed by the CDD. Mr. Urbancic discussed ways to manage and agreed that the reserves should be addressed in the Agreement when the entities decide what management arrangement they want. Mr. Marquardt believed the issue was what would be the most efficient and least expensive way to address residents' concerns.

Ms. Cerbone stated the proposed Fiscal Year 2022 budget did not include the lake bank remediation, which was estimated at \$150,000; however, \$75,000 was included to begin building reserves. She discussed drainage concerns in two areas, due to a storm event. Mr. Cole discussed damage from a 25-year storm event in September 2020 and stated that further inspections are necessary. Ms. Cerbone stated the estimated \$30,000 expenditure was not included in the proposed Fiscal Year 2022 budget or in reserves, so it should be considered before adopting the budget. If the HOA retains management, this would be addressed by the HOA. Included in the proposed Fiscal Year 2022 budget was \$5,000 for drainage and catch basin cleanout; in a worst-case scenario this expense could rise to \$30,000 but, based on current conditions, she and Mr. Cole felt comfortable budgeting \$5,000.

Mr. Cole noted the figures were misaligned on Page 3; \$110,000 for "Lake maintenance/ water quality" and suggested adding "does not include lake bank repairs". Discussion ensued regarding revenues and expensed and the need to build reserves and fund balance in order to build up three months' working capital. Ms. Cerbone noted the "Fund balance – ending (projected)", on Page 2, would be updated and revenues would generally equal expenditures when reserves were not being built up. A summary of changes made to the proposed budget would be emailed in advance of the next meeting.



Discussion ensued regarding the projected assessments, on Page 10. Ms. Cerbone stated, while the Debt Service Fund portion of the assessments was based on lot size, the Professional and Administrative and Operations & Maintenance portion of the assessments were equal, regardless of lot size or subdivision. She would review the budget to ensure the \$75,000 reserve was reflected in the assessments. Regarding building reserves, Ms. Cerbone stated that unspent budgeted funds would go to the unassigned fund balance and may be used to, for example, reduce assessments in subsequent years or establish a Disaster Recovery Fund.

Mr. Marquardt stated a vote would not be required today. The corrections and adjustments would be made and a revised version would be presented in June.

Mr. Marquardt felt that increasing the reserves was necessary and discussed the reasons. Ms. Hill supported increasing reserves to avoid the need for a one-time assessment. The consensus was to increase lake bank remediation reserves to \$150,000. Mr. Marquardt wanted more information regarding the drainage issue to determine whether to fund it in Fiscal Year 2022; drainage updates would be included as a line item.

**SIXTH ORDER OF BUSINESS**

**Acceptance of Resignation of Supervisor  
Jeff Bieker, SEAT 5**

Ms. Cerbone presented the resignation of Supervisor Jeff Bieker.

**On MOTION by Ms. Godfrey and seconded by Ms. Hill, with all in favor, the resignation of Supervisor Jeff Bieker from Seat 5, was accepted.**

Mr. Marquardt stated he would include notice of the open seat in the upcoming e-blast to property owners.

**SEVENTH ORDER OF BUSINESS**

**Consider Appointment of Qualified Elector  
to Fill Unexpired Term of Vacant Seat 5  
(Term Expires November, 2022)**

- A. Administration of Oath of Office to Newly Appointed Supervisor (*the following to be provided in a separate package*)**

- I. **Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- II. **Membership, Obligations and Responsibilities**
- III. **Financial Disclosure Forms**
  - a. **Form 1: Statement of Financial Interests**
  - b. **Form 1X: Amendment to Form 1, Statement of Financial Interests**
  - c. **Form 1F: Final Statement of Financial Interests**
- IV. **Form 8B – Memorandum of Voting Conflict**

This item was deferred.

- B. **Consideration of Resolution 2021-05, Designating a Chair, a Vice Chair, a Secretary, Assistant Secretaries, a Treasurer and an Assistant Treasurer of the Naples Reserve Community Development District, and Providing for an Effective Date**

This item was deferred.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Hole Montes Inc., Updated Rate Schedule**

Mr. Cole presented the updated Rate Schedule and noted that the rates were consistent with the standard Collier County Engineering Rate Schedule.

**On MOTION by Mr. Marquardt and seconded by Mr. Inez, with all in favor, the Hole Montes Inc., Updated Rate Schedule, was approved.**

**NINTH ORDER OF BUSINESS**

**Other Business**

Ms. Cerbone stated the CDD is currently not responsible for landscaping, plants, trees, grass, mulch or irrigation systems; all of which are managed by the HOA. CDD funds were spent on drainage, which was contracted to the HOA for management. She recalled previous discussions related to whether an environmental study was needed. Mr. Marquardt stated the decision was to not conduct an independent environmental study, as it would be duplicative of an upcoming study to be done by the HOA. Lakes, drainage and catch basins were inspected and some funds were budgeted for routine maintenance.

Ms. Cerbone stated that, when the Fiscal Year 2022 budget is adopted, the Resolution would include the misleading terminology “Special Assessment”, which refers to “the professional and administrative fees, and any operational and administrative fees, and any debt service fees that are accumulated in the Naples Reserve CDD Non-Ad Valorem Assessment”. For each property in the District, these assessments would occur annually, until the bond debt is paid off. Mr. Urbancic stated the terminology referred to the special benefit to the property in question. In the event the O&M assessment would increase, a mailed notice would be mailed to advise the property owners of the O&M assessment increase. Ms. Cerbone noted that assessments would likely an increase this year, necessitating the mailed notice process.

Ms. Cerbone stated that, because the CDD does not own the irrigation or landscaping, the CDD cannot manage or maintain it, so those issues are referred back to the HOA.

Ms. Cerbone stated the Landowners’ Election in November would be the last Landowners’ Election. She discussed the procedures for future General Elections, including qualifications, and stated the terms of the current Supervisors are as follows:

Seat 1	Supervisor Hill	Expires November 2024
Seat 2	Supervisor Marquardt	Expires November 2022
Seat 3	Supervisor Godfrey	Expires November 2024
Seat 4	Supervisor Inez	Expires November 2024
Seat 5	Vacant	Expires November 2022

**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Mr. Urbancic stated that some progress was made regarding the property cleanup, with respect to lakes. He hoped to have a report at the next meeting. Some of the underlying fee simple title had incomplete dedications; Developer’s Counsel signed and sent the originals and the documents were ready to be recorded in the public record.

**On MOTION by Mr. Marquardt and seconded by Ms. Godfrey, with all in favor, accepting the documents and authorizing the transfer, was approved.**

Mr. Urbancic stated the HOA was still reviewing the documentation sent. Ms. Cerbone asked if there was time sensitivity, given that the docks were on lakes owned by the HOA. Mr. Urbancic stated there was no question or arguable property interest. At the next meeting, an update would be provided regarding the legislative session that just ended, as there were some changes that may positively affect the District’s advertising.

**B. District Engineer**

Mr. Cole stated he received an email regarding Mr. Franklin’s dock. Discussion ensued regarding the procedure to be followed, other applications in process and the next steps.

**C. District Manager**

**I. 986 Registered Voters in District as of April 15, 2021**

**II. NEXT MEETING DATE: To be Determined**

Discussion ensued regarding the next meeting date and location.

o **QUORUM CHECK**

Ms. Cerbone would work with Mr. Marquardt to find a meeting location to accommodate an in-person meeting and public participation.

**ELEVENTH ORDER OF BUSINESS**

**Audience Comments**

Resident Jorge Santiago expressed support for Mr. Marquardt’s view that the property owner needs to know who to contact.

Resident Leo Desjardins asked if the new O&M arrangement with the HOA would affect the probability of receiving Federal Emergency Management Agency (FEMA) funding in the event of a major hurricane. Ms. Cerbone stated, in the past, the CDD discussed modifying the Agreement to exclude disaster recovery efforts and incorporate the annual inspection by the District Engineer to attest to the condition of the lake banks and the cleanout of debris. She stated the fact that the District is a gated community with private roads may negate any FEMA funding. At the next meeting, she would ask the Board if it wishes to consider a Request for Proposals (RFP) for Disaster Debris Removal.

Resident Linda Houde did not want the HOA to subsidize private individual homeowners’ docks and expressed her opinion that homeowners should absorb the entire cost; it should not be subsidized by fellow homeowners. She felt that stormwater collection

occurs several times a year and there were at least four incidents in 2017. She was concerned about shifting grounds under the homes. She expressed her appreciation to the Board for how it conducts the meetings and includes public participation.

Resident Miriam Defrietas asked about the dock applications. Ms. Cerbone stated the Supervisors approved the related documents. The HOA would have a meeting soon to approve the documents and the Chair would work with the District Manager to determine the processes and how to communicate information to the property owners.

**TWELFTH ORDER OF BUSINESS**

**Supervisors' Requests**

There being no Supervisors' requests, the next item followed.

**THIRTEENTH ORDER OF BUSINESS**

**Adjournment**

There being no further business to discuss, the meeting adjourned.

**On MOTION by Mr. Marquardt and seconded by Ms. Hill, with all in favor, the meeting adjourned at 1:01 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

  
Secretary/Assistant Secretary

  
Chair/Vice Chair