

**MINUTES OF MEETING
MIROMAR LAKES
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Miromar Lakes Community Development District was held on Thursday, November 10, 2022, at 2:00 P.M. in the Library at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum:

Alan Refkin	Chair
Michael Weber	Vice Chair
Patrick Reidy	Assistant Secretary
Doug Ballinger	Assistant Secretary
Mary LeFevre	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney
Bruce Bernard	Asset Manager
Charlie Krebs	District Engineer
Andrew Gill	JPWard and Associates
Richard Freeman	Calvin, Giordano & Associates

Audience:

Heather Chapman	Master HOA Manager
Erin Dougherty	Miromar Lakes General Manager
David Salko	Miromar Development Corp.
Jeffrey Evans	Resident

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

District Manager James P. Ward called the meeting to order at approximately 2:00 p.m. He conducted roll call; all Members of the Board were present, constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Minutes

October 13, 2022 – Regular Meeting Minutes

Mr. Ward asked if there were any additions, deletions, or corrections for the Minutes.

Mr. Ballinger requested the word Master come before the word HOA throughout the document.

Mr. Ward requested the transcriptionist insert the word Master before the word HOA in all future Minutes for Miromar Lakes. He asked if there were any other changes to the Minutes; hearing none, he called for a motion to approve the Minutes as amended.

On MOTION made by Mr. Doug Ballinger, seconded by Mr. Alan Refkin, and with all in favor, the October 13, 2022, Regular Meeting Minutes were approved as amended.

THIRD ORDER OF BUSINESS

Continued Discussion

Overall Reserves

Mr. Ward indicated a good discussion regarding reserves was held during the previous meeting. He noted the Board asked for ideas regarding the reserve fund on a going forward basis, specifically as related to landscaping. He stated on page 2 of the Agenda Package the top chart was basically the same as was provided at the last meeting. He stated the District had roughly \$5 million dollars in assets in 2017 and at that time the CDD was spending approximately \$570,000 dollars a year in operating expenses alone for the landscaping program. He noted when the landscaping program went to the Master HOA it allowed the CDD to not go above the cap rate while increasing the reserves. He indicated the bottom chart showed where the CDD would be in 2023 with the reserves. He stated with the CDD would be able to raise between \$150,000 dollars and \$175,000 dollars per year more for the reserves starting in 2024 without having to go over the cap rate. He stated if the CDD started this in the 2024 budget, in the 2025 budget it would give the CDD between \$300,000 dollars and \$350,000 dollars for the reserves.

Mr. Mike Weber stated the cost on a yearly basis would not stay the same. He stated possibly the reserve amount would, but costs would go up, and this would affect what the CDD could capture yearly.

Mr. Ward agreed. He stated as operating costs increased the reserve amount would decrease to stay within the assessment cap number. He noted a lot was done this year; a lot of money went into the fishery. He stated he believed the CDD's costs would remain relatively level for a couple of years, but yes, operating expenses had to be watched. He stated he was a fan of adding something for reserves on a going forward basis.

Mr. Ballinger asked about line (3) Last Budget with Landscaping did not include capital.

Mr. Ward stated it probably read "capital infrastructure" or "capital projects" but he was unsure. He stated in 2017 when the CDD was doing landscaping, the CDD did not have money in the budget for an annual program for capital replacement like the CDD had now for the water management system and those parts of the assets.

Discussion ensued regarding unit counts; when unit counts changed the budget numbers would change; the increase in reserves annually; and the possibility of capturing the contingency funds annually, but this not always being possible.

Mr. Reidy stated the CDD had an agreement with the Master HOA which said the Master HOA would take care of the landscaping and maintain and replace, and apparently the Master HOA was doing so at this point, but again this was a year by year agreement and it was difficult to say what the reserve amount should be for landscaping. He agreed the CDD needed to continue to grow the reserve fund annually until the CDD had possibly \$2 million dollars in reserves. He stated the more the CDD could add to the reserves over the next few years the better off it would be.

Mr. Ward agreed. He noted the reserve fund was a general reserve fund and the funds could be used for whatever was necessary. He agreed it would be good to increase the reserve fund over the next few years if possible.

Discussion continued regarding the importance of a reserve fund; building up the reserve fund for emergency purposes; increasing assessments; increasing the cap rate of the assessments if necessary; the Master HOA raising assessments when it took over landscaping; how the Master HOA would react when it transitioned to a resident board; increasing the reserve fund to the point where it would not matter if the Master HOA wished to give landscaping back to the CDD; and evaluating the reserve fund annually to determine how much more could or should be added.

Ms. Mary LeFevre asked about how to know when to stop collecting reserve funds.

Mr. Reidy stated at some point the Board would have to decide there was enough in the reserve fund and refrain from collecting more.

Discussion ensued regarding the Master HOA eventually being turned over to the residents and the likelihood of the CDD taking over landscaping again at that point.

Mr. Ward indicated this was a good time for the CDD to play catchup and increase its reserves. He stated he could build it into the budget and keep the assessment at the cap rate; he could line item the reserves in the Budget and the Board could decide annually how it wanted to proceed.

The Board agreed this was a good idea. Mr. Ward indicated this would be done.

FOURTH ORDER OF BUSINESS

Staff Reports

I. District Attorney

No report.

II. District Engineer

Mr. Ward indicated at the last meeting Mr. Reidy had questions regarding rip rap. He stated he spoke with Mr. Charlie Krebs after the last meeting and Mr. Krebs had some information to present.

Mr. Charlie Krebs distributed and discussed photos of rip rap in various lakes throughout Miromar Lakes, who installed the various sections of rip rap, when the rip rap was installed, areas where there was no rip rap, and areas of beach. He noted in looking at the photos, it was evident there

was no standardized height for the rip rap. He stated the planned finished floor elevations varied from community to community within Miromar Lakes.

Mr. Reidy asked whether the rip rap outside his building, past building 20, on Bellini, was installed correctly. He noted before the hurricane, this rip rap was underwater, now after the hurricane it was even more underwater. He asked if it was done correctly.

Mr. Krebs responded in the affirmative; the rip rap was installed correctly. He indicated the reason a certain area of rip rap was brought up to the top of the bank was to limit the maintenance of the grass from the downside. He explained it became more of a maintenance issue; if the rip rap was brought up to the top of the bank, the whole downward slope adjacent to the lake would not need maintenance. He stated when the rip rap was installed in another location it was put at a certain height above the control line. He stated the rip rap could be raised to the top of the bank.

Mr. Reidy asked if Mr. Krebs felt the rip rap was fine or if it needed to be brought up higher.

Mr. Krebs stated the rip rap was doing what it was supposed to do but there was of course a benefit in raising the rip rap. He stated if the CDD wished, it could set a standard, so whenever rip rap was repaired or replaced or newly installed it could be brought up to said standard. He stated if this was done it would reduce the maintenance from the top of bank down.

Mr. Reidy stated he understood Mr. Krebs went out and reviewed and approved rip rap which was transferred to the CDD from homeowners.

Mr. Bruce Bernard indicated he did not approve the rip rap going in; he only maintained the rip rap.

Mr. Ward stated on single family homes, there were a lot of cases in which residents went to the Master HOA, the Master HOA said yes to installing rip rap, and the rip rap was installed by the homeowner. He explained in some cases, the CDD did know how it was installed, and if it was installed to CDDs standards, the CDD would accept it for maintenance. He indicated he felt a more standardized installation requirement could be set in place.

Mr. Reidy asked if the CDD had accepted any rip rap from homeowners for maintenance.

Mr. Bernard responded in the affirmative, but only after he inspected the rip rap to ensure it was up to CDD standards.

Mr. Reidy stated he worried the rip rap behind his home (past building 20 on Bellini) was not installed correctly. He stated he worried a great deal of erosion would occur with the next storm as a result.

Mr. Krebs stated he was certain the contractor Mr. Bernard hired to install the rip rap installed the rip rap correctly.

Mr. Bernard stated perhaps a standard elevation of rip rap could be set for future acceptance of rip rap, and for future repair of rip rap.

Mr. Ward stated over the years the CDD changed course a lot, from what was done and what was being done now, making sure the assets were at a better standard than what they were ten years ago, and he felt the Board was doing an amazing job with this, including all the work done through the hurricane. He stated, however, this was a problem which needed to be addressed.

Mr. Refkin stated this was similar to the problem the Board faced with the bank erosion. He explained there was the same type of disparity throughout the Miromar Lakes, the Board took it over, saw what needed to be done, broke up the work, included the work in the budget, and addressed the problem. He stated the same could be done with this: the Board could look at everything which needed to be done, look at the cost and timelines associated, and then if the Board wished, it could be included in the budget.

Discussion continued regarding rip rap installation in Miromar Lakes; evaluating the entire community's rip rap; addressing the inconsistencies in rip rap installation; and beach erosion in Miromar Lakes.

Mr. Reidy stated the rip rap behind his home was underwater and he did not feel this could possibly be correct.

Mr. Ward indicated he would speak with Mr. Krebs and Mr. Bernard and come up with a recommendation.

Discussion continued regarding rip rap installation; poorly installed rip rap affecting the community as a whole; and the CDD doing the right thing for the Miromar Lakes community regarding rip rap.

III. Asset Manager

a) Operations Report November 1, 2022

Mr. Bernard stated midge fly spraying was increased from Portofino through Navarro.

Mr. Weber asked if there were a better way to address the midge flies.

Mr. Bernard responded aeration was the best way to get rid of midge flies; however, there was no way to aerate 700 acres of lake.

Discussion ensued regarding the midge fly problem; and spraying not being extremely effective in midge fly control.

Mr. Bernard provided the Board the numbers regarding cane toad collections. He supplied the Board a fishery schedule which included information regarding where, when, and how many plantings would be done, as well as an updated five-year budget program for the fishery.

Mr. Reidy asked about the test plants which were installed.

Mr. Bernard explained the hurricane messed up the test plantings; however, enough information was collected to come up with a list of plants which would work in the lake.

Mr. Reidy asked if the fishery plantings would protect the bait fish.

Mr. Bernard responded in the affirmative. He noted in the projected budget you could see in two years 3,200 pounds of fish would be put into the lake. He indicated next year more electrofishing would be done to remove the unwanted fish before restocking the lake. He noted the plantings would be placed appropriately to best enable the plantings to fill in as desired. He stated carp would be added according to this program; not a lot of carp, but a small number of carp would be stocked in the lake for plant maintenance purposes.

Ms. LeFevre asked if the Master HOA was looking at the I-75 corridor in terms of landscaping replacement and cleanup. She noted this corridor had not been properly relandscaped following Hurricane Irma and was now even worse since Hurricane Ian.

Ms. Heather Chapman indicated the Master HOA was doing replacements from Irma (indecipherable).

IV. District Manager

a) Financial Statements for period ending October 31, 2022 (unaudited)

No report.

FIFTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Ward asked if there were any Supervisor's Requests; there were none. He asked if there were any audience members present in person, or via audio or video, with comments or questions.

Mr. Jeffrey Evans introduced himself as a board member of Bella IV HOA. He stated he came to the CDD meeting to better understand the CDD's role in the community. He indicated what he learned to date was that there are multiple parties involved. He stated he wished to understand exactly where the lines of responsibility lay. He noted there were residents in the Miromar Lakes putting in sea walls only to find the CDD did not approve the sea wall. He asked where he could go to understand the CDD, and its rules and regulations, so he could better educate the residents as there was mass confusion and mass confusion led to an unhappy community.

Mr. Ward stated Mr. Evans was welcome to talk to himself, or any of the Board Members individually, all of whom would be happy to help. He explained the Board Members were not permitted to talk amongst themselves outside of Board Meetings, and Mr. Evans could not pass information between two Board Members. He stated Mr. Evans could pass any information on to himself (Mr. Ward) as he wished.

Ms. LeFevre recommended Mr. Evans visit the CDD's website.

Mr. Ward indicated his contact information was on the website.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 2:51 p.m.

On MOTION made by Mr. Mary LeFevre, seconded by Mr. Doug Ballinger, and with all in favor, the meeting was adjourned.

Miromar Lakes Community Development District


James P. Ward, Secretary


Alan Refkin, Chairman