
Miromar Lakes Community Development District

Agenda

April 9, 2015



Prepared by:

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MIROMAR LAKES

COMMUNITY DEVELOPMENT DISTRICT

April 1, 2015

Board of Supervisors
Miromar Lakes
Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Miromar Lakes Community Development District will be held on **Thursday April 9, 2015**, at **2:00 P.M.** at the **Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.**

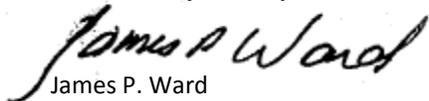
1. Call to Order & Roll Call
2. Consideration of Minutes
 - a) March 12, 2015 Regular Meeting
3. Staff Reports
 - a) Attorney
 - b) Engineer
 - c) Asset Manager
 - d) District Manager
 - I. Financial Statements for the period ending February 28, 2015
4. Supervisor's Requests and Audience Comments
5. Adjournment

The second order of business is consideration of the minutes April 9, 2015 minutes.

The balance of the Agenda is standard in nature and I look forward to seeing you at the meeting, and if you have any questions and/or comments, please do not hesitate to contact me directly at (954) 658-4900.

Yours sincerely,

Miromar Lakes
Community Development District



James P. Ward
District Manager
Enclosures



James P. Ward
District Manager

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

The Regular Meeting of the Miromar Lakes Community Development District's Board of Supervisors was held on Thursday, March 12, 2015, at 2:00 p.m., at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum were:

Mike Hendershot	Chairman
Doug Ballinger	Assistant Secretary
Burnie Donoho	Assistant Secretary
David Herring	Assistant Secretary
Alan Refkin	Assistant Secretary

Staff present:

James Ward	District Manager
Greg Urbancic	District Counsel
Charlie Krebs	District Engineer
Bruce Bernard	Calvin Giordano & Associates
Paul Cusmano	Calvin Giordano & Associates

Audience present:

Mike Elgin	Miromar Development Corporation
Mark Geschwendt	Miromar Development Corporation

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:00 p.m., noting that the record should reflect that all members of the Board were present at roll call

SECOND ORDER OF BUSINESS

Consideration of Minutes

a. February 12, 2015, Regular Meeting

Mr. Ward stated if there were no additions, corrections or deletions, a motion for the approval of the subject minutes would be in order.

Mr. Hendershot referred to first sentence on page 17 of the minutes, asked if Mr. Ward found out who the testing agreement was with.

43 Mr. Ward asked Mr. Cusmano for clarification, as the statement was made by him.

44 Mr. Cusmano thought the statement was in reference to the water use, and WUP was
45 the acronym used.

46 Mr. Ballinger questioned as to page 14, line number 446, asked if the statement
47 accurately reflected what the speaker was saying.

48 Mr. Hendershot said he did too, as normally the District would piggyback.

49 Mr. Donoho thought this was a misstatement.

50 Mr. Ballinger said it needed to be corrected.

51 Mr. Donoho asked for the language to be changed from "... saw no reason ..." to "...
52 saw reason to ..."

53 Mr. Hendershot asked and received affirmation if the language change accurately
54 agreed what took place at the meeting.

55 **Dr. Donoho** sought clarification that statement made a few paragraphs above the
56 aforementioned sentence was a correct statement by Mr. Urbancic: "Mr. Urbancic stated he
57 was neither an SFWMD or an administrative law expert, as those two areas were a kind of
58 specialty, so the District would probably have to piggyback on whatever the developer was
59 doing, and join them in the effort. He believed the developer hired significant experts in the
60 field from the State of Florida to guide them.

61 Mr. Urbancic agreed this was a true statement.

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63 **On MOTION by Mr. Hendershot and seconded by Mr. Refkin,**
64 **with all in favor of approving the February 12, 2015, Regular**
65 **Meeting minutes as amended.**

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68 **THIRD ORDER OF BUSINESS**

**Award of Bid – Landscaping
Services.**

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71 Mr. Ward stated the subject bid for landscaping services for the District for the next
72 eight years.

73 Mr. Bernard referred to the backup information in the Board's package, including all
74 the bid information, a summary of the changes over the last bid, and the recommendation to
75 award it to Estate, as the most qualified and responsive bidder. The landscaping services

76 had not been bid out since 2010, so there would be price difference over what Estate was
77 doing presently, in light of the various add-ons over the years; for example, for whitefly
78 spraying. He said the bid showed only a \$17,000 increase from what was bid in 2010.

79 Mr. Refkin commented the present bid package was so complete compared to the
80 previous ones.

81 Mr. Bernard indicated they took the time to break down every section, so now they
82 actually knew the locations, what had to be done for every section, noting the old contract
83 paid one twelfth of the bid, whereas the new contract paid for what was done each month.
84 Thus, the District would be paying for completed work, after the fact.

85 Mr. Hendershot asked if it the bid was still \$7,000 over budget.

86 Mr. Ward answered yes.

87 Mr. Hendershot observed the bid was still almost \$200,000 less than the
88 competitive bid. He asked if the law required the Board members to receive the whole bid
89 package.

90 Mr. Ward replied he could have given the Board only the Executive Summary, but he
91 knew the landscape services contract to be an important issue, so he decided to include in
92 the Board's package documents showing everything District staff did regarding the bid. To
93 ensure the record was abundantly clear, the recommendation was to award the contract to
94 the lowest, responsive and responsible bidder, which is Estate Landscaping. He pointed out
95 that noted in the agenda letter to the Board was that the Main Guy bid was considered
96 nonresponsive by District staff, as it did not include any of the required information.

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**On MOTION by Mr. Hendershot and seconded by Mr. Refkin,
with all in favor of awarding the bid for landscaping services to
Estate Landscaping.**

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Mr. Ward remarked that the contract would commence on June 1, 2015, so staff
would prepare the contracts and have them signed.

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Mr. Refkin mentioned that he liked the continuity with Miromar, as there was no
dividing line over what was the District's and theirs. As Mike Elgin mentioned at the last
Board meeting, the continuity was worth a lot to the District, so he was glad the bid was
awarded to Estate.

108 Mr. Bernard stated they tried to tighten up the contract, so anyone reading it could
109 take any section and see what needed to be done in each one, rather than lumping all the
110 required services into one overall.

111 Mr. Refkin thought the asset managers did a great job.

112

113 **FOURTH ORDER OF BUSINESS**

Staff Reports

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115 **a. Attorney**

116 Mr. Urbancic spoke first about the Porto Romano, stating he thought Mr. Ward had
117 individual conversations with some of the Board members on the matter. He briefly
118 recapped there was an issue that came up, as some time ago the CDD granted an
119 encroachment agreement for Porto Romano, thinking it was Lot 31. They came to the
120 District in a sort of panic right before their closing; the District gave an encroachment
121 agreement for the overhang, and when the survey was done, it showed the house itself was
122 a little bit into the easement.

123 Mr. Refkin believed the Board did the same thing for the pool on the Sorento
124 property.

125 Mr. Urbancic affirmed this to be the case. He stated the other issue was there was
126 also an AC pad and AC compressor unit in the subject easement area, so when it was sent
127 to Mr. Krebs, he looked at it, and expressed concern that there was a really large pipe going
128 underground in that particular location.

129 Mr. Krebs concurred, stating the pipe was a 36-inch reinforced concrete pipe that
130 carried the water from the golf course and San Marino to the south through to Lake 3A, and
131 it went through that pipe. Even though the pipe was on the opposite side of the house's
132 encroachment, with the AC pad included, that was another obstacle the contractor would
133 have to worry about in the event, for whatever reason, the District had to do any work on
134 that pipe. His concern was that the District be held harmless if, for some reason, in the
135 future the District had to do work in there that resulted in either damage to the house or the
136 AC equipment or pad for being in the drainage easement.

137 Mr. Refkin questioned if the air conditioner pad was in violation.

138 Mr. Ward affirmed both the house and the AC unit encroached into the District's
139 easement.

140 Mr. Urbancic added there was also the overhang, which the Board contemplated
141 before, and the overhang was now a half a foot or more in.

142 Mr. Krebs said the overhang might be more in, as the building was not square and
143 almost a little over four inches on one side, and a little more than three inches on one side.

144 Mr. Refkin asked what the process was to ensure there were no future encroachment
145 on the District's easement areas with all the new construction taking place. He asked if the
146 homeowners closed in the subject instance Mr. Urbancic was discussing.

147 Mr. Urbancic responded that the latest information was that they had close, though
148 he was unable to find the deed of record as yet.

149 Mr. Refkin thought there were rules that everyone was supposed to follow, though
150 not everybody did.

151 Mr. Krebs agreed, stating in the subject instance the matter was brought to District
152 staff's attention, because the property owners came to the District staff first and asked for
153 an encroachment agreement.

154 Mr. Refkin wondered if anything could be put in place to prevent such
155 encroachments in the future.

156 Mr. Krebs thought there was little the District could do, as someone would have to be
157 onsite monitoring their construction and reviewing the stakeout of every building
158 constructed. The encroachments that really occurred were on the drainage easements, and
159 there were two lots on the south side of the road, and two on the north side.

160 Mr. Refkin recalled the property owners at Sorento approached the District prior to
161 construction and, therefore, before any encroachment occurred, and that construction
162 moved forward.

163 Mr. Hendershot concurred, stating the District had discussions with the buyer's
164 attorney at Sorento before the closing.

165 Mr. Ward believed Mr. Urbancic spoke to their attorney prior to the encroachment
166 occurring, so they were on notice that there would be an encroachment, and they went
167 ahead with the closing regardless of the easement encroachment.

168 Mr. Urbancic recalled them telling him they would come to the District's Board and
169 ask for an extension of the encroachment agreement, and he informed them of the Board's
170 agenda deadline and they were unlikely to make that deadline, telling them the date of the

171 next meeting. He anticipated them coming before the District, and in the interim, he had
172 spoken with Mr. Ward and Mr. Krebs about whether to be more proactive in such instances

173 Mr. Refkin inquired if the footprint of the house was bigger than normal, and this was
174 the reason for the encroachment, wondering if the house next door had the same issue, and
175 if it did not, why.

176 Mr. Urbancic stated he was unsure if the house next door had the same issue,
177 though it seemed maybe the house was a foot larger.

178 Mr. Krebs commented, when looking at the survey, the distance from setback to
179 easement was 40 feet. The distance of the house that was shown on the survey was 40.1
180 feet, thus the house was already slightly bigger, and it was also skewed and not parallel to
181 the site, and this could just be where the measurement was taken from one side of the
182 building to the other. He explained from what was on the lot survey, the building
183 encroached, and the encroachment was not that bad, but for him the bigger concern was
184 the AC pad, as if work had to be done, say in the middle of summer, it might unintentionally
185 wipe out the AC pad. The District should not be held responsible for such an occurrence.

186 Mr. Hendershot stated the District had to put the homeowners on notice, at a
187 minimum and give them the option to either remedy it now or bear the consequences if they
188 waited when the repair work was done.

189 Mr. Krebs concurred, stating that could be 20 to 30 years before the District had to
190 touch the pipe in question.

191 Dr. Herring mentioned someone he spoke to on the subject matter said it was an
192 example of people feeling it was easier to ask for forgiveness than ask for permission.

193 There was a general agreement by the Board this was the case.

194 Dr. Herring said it was obvious the property owners decided on their own to situate
195 the home on the property where it was currently located, knowing it was encroaching on the
196 District's easement. They would then just ask the District to forgive the encroachment. He
197 noted there was nothing the District could do about the walls of the house, but the AC pad
198 was certainly something that action could be taken on, and it was better to act now rather
199 than later. The real issue was, in seeing the area, and in view of the 36-inch pipe not being
200 straight down the center, so the house was not actually over the pipe itself.

201 Mr. Krebs affirmed nothing was over the pipe, but there was about a 15-foot
202 drainage easement, where first there was two feet, and now there was a AC pad in there, so
203 it was smaller than what was anticipated.

204 Mr. Urbancic added they did it two feet on each side for overhangs.

205 Mr. Krebs indicated, in the event someone in the future needed to get a piece of
206 heavy equipment in there to dig that area up, that pad would be a liability in his opinion.

207 Dr. Herring remarked if the District did nothing, then builders in the future would just
208 build however they wanted to and inform the District later, so some preventative measure
209 should be put in place.

210 Mr. Refkin concurred, as not having a set policy to prevent such occurrences might
211 give the appearance of allowing some homeowners to encroach, while holding others to
212 standards set by the District.

213 Mr. Ballinger commented the way it was presented to the District, a certain number
214 of inches of overhang was approved, but nothing was mentioned regarding the air
215 conditioner pad. This was unacceptable, as someone knew the pad was being put in the
216 wrong place, and that was most likely the builder.

217 Mr. Hendershot thought it could have been the subcontractor.

218 Dr. Herring felt someone must have known the walls of the house were encroaching
219 on an area where they should not have been built, and he felt bad for the homeowner who
220 likely had no clue any of this was going on.

221 Mr. Hendershot inquired if District staff wanted to ask the property owner to make
222 the necessary changes now.

223 Mr. Ward wished to put them on notice first, as his concern as discussed with Mr.
224 Urbancic was that there was currently a homeowner in residence that was probably told by
225 someone that the encroachment was a simple issue to work out with the CDD. District staff
226 needed to get together with the builder, the lawyer and the owner, if they could figure out
227 that was, put them on notice that the subject issue was a major infringement on the
228 District's easement, and they needed to remedy the situation, and let them come back to
229 the District with a solution. If they came back with no solution, then the District would take
230 the appropriate actions to make them remove whatever the encroachment was; but doing
231 nothing on behalf of the CDD would only make the problem worse now and in the future.

232 Dr. Herring asked if the County did any kind of inspection before granting a use and
233 occupancy of a building regarding such considerations.

234 Mr. Krebs felt sure the county did, but he had no idea what level of inspection they
235 did as far as whether something was encroaching on an easement or a setback.

236 Mr. Ward commented, generally speaking, just from dealing with CDDs for so long
237 and in his personal experience, usually one did not see a County or City find such an
238 encroachment into an easement was a problem, as they cared little about such issues.
239 District staff would put the concerned parties on notice of the encroachment, let them
240 forward a solution/remedy, and hopefully that would pose no difficulty, staff will bring the
241 results to the Board at a future meeting.

242 Dr. Herring observed that, included in the present thought process, resolving the
243 subject matter would involve Mr. Urbancic's time, the Board's, etc., and those costs should
244 all be included in how the matter was remedied. The Board should not be financially
245 responsible for anything that it took to make the situation right. He received a Board
246 consensus of agreement, as, ultimately, such costs came out of the pockets of every
247 homeowner when the builder, for whatever reason, made that mistake.

248 Mr. Ballinger asked if the builder was close to completing building in the subject
249 area.

250 Mr. Krebs stated he did not know how many lots were still available or open for
251 construction, or how many they currently had under construction.

252 Mr. Hendershot thought there was only one lot left.

253 Dr. Herring asked Mr. Elgin what role the developer, Miromar, had in observing how
254 these contractacors followed the boundaries.

255 Mr. Elgin responded there were simple points that were being missed in the subject
256 issue, as that was a recorded drainage easement. When a builder, prior to construction,
257 submitted an application for a building permit, he provided a survey, a certified site plan
258 certified by his surveyor. He said if, in fact, the recorded easements were on that drawing,
259 the County was responsible for ensuring that whatever was proposed conformed with that
260 regulation. That is, one could not build a house inside an easement. WCI would have or
261 should have submitted such requests to the District's Board to allow an overhang
262 encroachment into the District's easement to get through the County process. He

263 mentioned being personally called by the County a number of times on things he worked on
264 in the District, asking if they had all the documentation and whether the requests to allow
265 the encroachment had been approved or denied.

266 The plan he saw for the subject site, the surveyed house, showed the house was not
267 in the District's easement as it was submitted for permit, so the County did its due diligence.
268 In his professional opinion, the surveyor had a bust when he laid out the house, and in the
269 dimensions concerning the subject property, a few feet here or there was a critical
270 encroachment, as it concerned an easement. It appeared as if the surveyor or layout crew
271 just missed it, and such things did happen, nor was he justifying the error in any way. Mr.
272 Elgin said, regarding the air conditioner pad Mr. Krebs expressed concern about, to the
273 extent that the builder showed his mechanicals on the same site plan, the County should
274 never have permitted and issued a building permit for a piece of the home or a utility piece
275 of that home to be within that easement.

276 He indicated it was very specific in the land development code that no improvements
277 should be built within easements. Thus, his answer to Dr. Herring's question was they went
278 through a permitting process to ensure things did not get built on top of easements; that is,
279 PUEs in the front, the drainage easements down the side yards, etc. He was sometimes
280 flagged for lake maintenance easement overhangs that encroached, such as a vertical
281 overhang on a second-story unit. If it encroached into an LME that the District had rights to,
282 the County would ask what should be done. He would tell the builder to move their house
283 forward, as it was very unlikely the District would approve the encroachment. He stated the
284 County was the issuing permit agency with regard to the subject matter, and at the closing a
285 certified survey was submitted, though if it was a cash deal involving no bank, a certified
286 survey might not be done for closing. If a bank was involved, it was a requirement of the
287 closing, and it was at that point in the subject case that the encroachment showed up.

288 Dr. Herring wished to know how would Miromar Development deal with such a
289 situation when it reaches this point, not just the permitting point, not just the surveying
290 point, but the builder actually built into the easement.

291 Mr. Elgin replied he was not the holder of easements to that degree. If a five-yard
292 side yard setback was violated, but it was not an easement, and with setbacks there was a
293 little more forgiveness in such situations. However, when dealing with a recorded easement

294 to a utility or a quasi-governmental agency, such as a CDD.. He said if the subject easement
295 were that of the county, he was sure the County would make them move any encroachment.

296 Dr. Herring sought clarification if Mr. Elgin was referring to the overhanging
297 encroachment of the house or the air conditioner pad.

298 Mr. Eglin said he was speaking about an encroachment on a Lee County-owned water
299 main easement, whatever was encroaching would have to be removed. He was not giving
300 the District direction, rather he was giving an example.

301 Mr. Krebs thought if it was a house encroaching, an effort would be made to work
302 around, but the County would have the owner move whatever it was possible to move, such
303 as the air conditioner pad; that would have to be relocated. With a house encroaching on a
304 utility easement, the county would likely get some exception in writing from the property
305 owner that if the house was damaged by work on the easement by the county, the county
306 was not responsible for the portion encroaching in the easement.

307 Mr. Cusmano reminded the Board that the air conditioner unit on the plan was not
308 the same size as what was in the final building, as it depended on the actual unit purchased,
309 and the latter would show up on the final survey.

310 Dr. Herring reiterated, with all due sympathy to the new homeowner, the least that
311 has to be done is to move the air conditioner pad and the District declared innocent for any
312 anything that happened in the encroached easement area. His fellow Board members
313 concurred.

314 Mr. Refkin asked if Mr. Urbancic would draft and present the wording of such a policy
315 to the Board at its next regular meeting.

316 Mr. Urbancic affirmed he would. Let's discuss the Center Place development, noting
317 he spoke with the Board members individually, though not collectively as a unit, in which he
318 informed them the District filed for the administrative hearing, and a few things happened
319 since filing for that hearing. He noted there were two sets of administrative hearing
320 currently taking place. Miromar Development received a permit from South Florida Water
321 Management District (SFWMD) to develop in its peninsula area, and it could include other
322 areas. Center Place/Alico West Fund challenged the permit and requested an
323 administrative hearing.

324 Mr. Hendershot asked if the location was on University Place.

325 Mr. Urbancic said it was not, he was referring to their additional development in the
326 peninsula area. Center Place then went in to get their SFWMD permit, that permit was
327 issued, and Miromar Development challenged that permit; this was the one the developer
328 partnered to challenge, filing for an administrative hearing, and one property owner filed for
329 an administrative hearing. He said, subsequent to that, there was a movement to
330 consolidate those three petitions for Center Place into one action, and part of that was to
331 consolidate both the Miromar permit administrative hearing and the Center Place
332 administrative hearing. The end result was the administrative law judge said no, that there
333 would be no comingling of the two permit hearings, but the three challenges from the
334 property owner, Miromar Development and the CDD were consolidated and handled as one
335 hearing, and it was this one he would speak about. Mr. Krebs and some District consultants
336 were going to be deposed on the Miromar permit.

337 Mr. Refkin believed ten people were to be deposed.

338 Mr. Urbancic affirmed there would be about seven people, including the Board's
339 Chairman, and there could be others. With regard to the Center Place permit, since that
340 came down, the District received requests for interrogatories, depositions, and trying to
341 schedule hearing dates and mediations, etc. There was a lot that would go into the process,
342 and he spoke to the Board members individually, and there was a general agreement that it
343 was time for the District to get its own counsel, in light of the many circumstances of which
344 he already informed the Board.

345 Mr. Refkin stated part of the discussion would be whether the District should be part
346 of the lawsuit, and the cost it would take the District to be a part of the lawsuit, believing the
347 cost was estimated to be a quarter to a half million dollars.

348 Mr. Urbancic indicated after speaking with counsel the previous day from
349 Greenspoon Marder that had expertise in administrative law and SFWMD permits, spending
350 25 minutes on a call outlining the details of the process that brought things to their current
351 state. The counsel said he had to look at all the details, but he believed if the hearing went
352 forward, it was likely to be a six to eight day hearing, which was what was estimated, and it
353 would probably cost the District in the region of two or three hundred thousand dollars. He
354 thought this fit with what some Board members were thinking the cost would be as well.

355 Mr. Hendershot asked what was the March 10 hearing examiner's report the Board
356 that we received.

357 Mr. Urbancic replied that report was from the zoning hearing that was tied up in
358 litigation, as Miromar challenged the hearing examiner, and her eligibility to sit as the
359 hearing examiner. He thought some of that was still on appeal in the District Court of
360 Appeals, but for whatever reason, she issued her report that had a wrong date on it, as she
361 put 2014 instead of 2015. It was puzzling that the report still came out, as he thought there
362 was a motion to stay or at least a request that the report be stayed. Though that report was
363 out, it dealt specifically with the zoning hearing, and as it was out, presumably, the next step
364 would be for it to move onto the Lee County Board of County Commissioners for zoning.

365 Mr. Hendershot recalled at the last Board meeting, the members approved Mr.
366 Urbancic requesting an extension of time to file in the litigation.

367 Mr. Urbancic clarified that request for extension was only as to the request for an
368 administrative hearing, so they filed with Miromar, filing an identical petition to theirs, filing
369 for an administrative hearing. The request for the hearing was granted.

370 Dr. Herring referred to page 13 of the previous meeting's minutes, where it stated: ...
371 recommended permit, Mr. Urbancic to file the extension and do whatever was necessary on
372 a going -forward basis with the understanding that the developer was paying for the process.
373 He asked when that changed.

374 Mr. Urbancic understood the developer's position, not to put words in anyone's
375 mouth, thinking the feeling was that the District had an asset, and the developer felt
376 strongly that they had paid the legal costs up to this point. It was now time for the Board to
377 standup and take steps to protect the District's assets. He explained that the way it was
378 described to him was that the concern was if Center Place built their water management
379 system the way they intended, it was not a matter of if but when it would fail, and that failure
380 would impact the District's assets on a long term basis. Thus, the District should either fight
381 the matter now or later.

382 Mr. Refkin asked if on the legal side Miromar and the CDD, in some respects, the
383 legal side overlapped in what they both desired, asking Mr. Elgin if the developer was totally
384 hands off on the lake. That is, in all the details of Miromar's suit, they made certain
385 contentions in their actions against Center Place, and in those allegations there seemed to

386 be an overlap in anything the District would bring forward in the cause; it was doubtful that
387 they would mutually exclusive. Thus, if there was a huge amount of overlap in both the
388 District's and the Developer's cases, and in looking at the impact of the cost of the hearing
389 process, and at what the residents would get for the money spent, it was in Miromar's best
390 interest to make sure the matter went away. He said the developer wanted to sell houses,
391 have a beautiful community, etc., as did all the residents of the District.'

392 If Miromar wanted another entity in the cause against Center Place to the tune of
393 \$200,000 to \$500,000 for the residents, and no one knew what the ultimate cost would be,
394 that cost would be divided among the 1,200 homes. The Board had the ability to go ahead
395 and say the District would pursue its own effort, and the residents could bear the cost,
396 though this was not the option he desired. He stated another option was what he felt to be
397 a layman's way of thinking, that Miromar was in the middle of the suit and already paying
398 legal fees and had hired an exemplary attorney, as the developer wanted what was best for
399 Miromar and the community. Yet, in the whole process, for that small portion where the
400 District and the developer's interests did not overlap, was it worth the residents of the
401 District bearing a cost into the hundreds of thousands of dollars for what was "thought" to
402 be the problem. He said there was no sure way of knowing, and the Center Place entities
403 had great financial resources they could use to fight their cause and would not drop the
404 lawsuit.

405 Mr. Refkin said when the District entered into the subject cause, the Board was told
406 that Miromar would be covering the costs, recalling when various District staff attending the
407 various hearings, Miromar paid for their time. Now, all of a sudden, there appeared to be an
408 epiphany over at Miromar management that felt the residents should pay for the legal costs,
409 and put pressure on them too. He opined this was unacceptable.

410 Dr. Herring concurred, stating the Board would have voted differently last month
411 when it approved participating in the effort, had it known the developer would take a new
412 stance.

413 Dr. Hendershot agreed, stating it was an accommodation by the Board on the
414 District's behalf.

415 Dr. Herring said making such accommodations had been done before by both the
416 District and the developer in the past, but the District tried to accommodate as much as

417 possible. If the Board had any inkling the cost to pursue the matter could cost the District
418 over a quarter million dollars just to piggyback onto the developer's lawsuit that would take
419 place with or without the District's involvement, the Board would likely not have approved it.
420 He said the District did not have the funds to cover such legal costs.

421 Mr. Hendershot asked if the members of the Board had read the March 10, 2015,
422 zoning hearing findings.

423 Dr. Herring answered yes.

424 Mr. Hendershot pointed out in those findings, there were a number of
425 accommodations that were made that addressed the noise, the safety, the water
426 purification, all the issues that were raised at the hearing. Though he could not speak to
427 whether they were fair or not, he wondered what claim the District had left to pursue.

428 Mr. Urbancic responded it had to do with the District's water management system.
429 When the District issued bonds and purchased many lakes over which it was now
430 responsible to maintain.

431 Mr. Hendershot said the lakes were one of the Districts valuable assets.

432 Mr. Urbancic stated it was the lakes that the District was most interested in, without
433 minimizing the issues on boats, soil, etc.

434 Mr. Hendershot wished to know what the District was asking for as relief in terms of
435 water management that was not granted by the zoning examiner, based on the findings
436 illustrated in the report.

437 Mr. Urbancic replied there were some stipulations in the findings as to the water
438 management system, but the actual permitted system went through the SFWMD, noting Mr.
439 Krebs was better able to explain the distinction better than he could.

440 Mr. Krebs commented he had not read the zoning report findings, but the argument
441 from a water management point of view was that part of their systems was located on those
442 fines, and those fines were like baking powder; it was like dust. Center Place was going to
443 put their lakes and some outfall control structures and discharge structures in that material,
444 and they discussed trying to stabilize it and doing reduced slopes. However, from
445 communications at the zoning hearings, and from communications with people in the
446 District's office who helped worked with mines and develop them, the wash material had no

447 rigidity, no structural integrity. He said the substance would keep becoming powder and
448 moving.

449 From a water management point of view, the way District staff saw the situation, the
450 concern was Center Place would construct their lakes somehow, and they managed to get
451 the certified, but eventually the fine would liquefy and start moving through their system as
452 the lakes failed. Their system discharged directly into the District's system, and based on
453 some of the results his staff had when they were doing dredging operations in the subject
454 area to help move some of the fines from different locations, when that material became
455 suspended and fell out, if it fell out on the District's side of the ownership line, there could
456 be other conditions the District could do about dredging to keep channels open. If the fines
457 move through the District's lake system to the control structure, the District was ultimately
458 responsible for whatever moved through the system.

459 This meant probably getting SFWMD involved, and likely require a lawsuit if the
460 owner/developer did not try to remedy any of these damages, the District would have to get
461 involved in a lawsuit to force Center/Place to clean up the problem.

462 Mr. Urbancic asked Mr. Krebs to explain further what SFWMD was looking at in
463 comparison to what Lee County was looking at.

464 Mr. Krebs replied SFWMD, in looking at the application, was taking information that
465 the applicant gave them on face value, that the applicant believed they could construct
466 these improvements in those fines and make them work. He was not convinced.

467 Mr. Hendershot observed that Mr. Krebs was attacking the credibility of the
468 developer of Center Place. The March 10 zoning report, included restrictions on the fines
469 areas.

470 Mr. Krebs agreed, but referred to the exhibit Center Place used, whereby they went
471 out to the area and did a dozen or two borings in those fines, and from that they came up
472 with an area that was suitable to build these lakes. However, a dozen or two borings in an
473 area that might be 300 to 400 acres of fines, in his opinion, did not give a good indication of
474 where good material began and where bad material began. Center Place's measurements
475 could be off 10 to 100 feet, or even more, and found the one pocket of good material
476 surrounded by bad. He understood what they were trying to get approved in zoning, but they
477 were now designing a system that corresponded to these lines of where good and bad

478 material was and, again, looking out for the District's interest, he did not think the data was
479 sufficient from the District being the holder of the permit to feel safe that Center Place's lake
480 system would work as they believed.

481 Dr. Herring commented on reading all 80 plus pages of the zoning report, and he saw
482 the restrictions put in place, and he was very underwhelmed. The report basically said if
483 Center Place did something that had detrimental effects in the lakes, they just had to inform
484 the District of the problem, but they were not obligated to include the District in any
485 discussion of how to remedy the situation. He thought it was pretty disheartening when he
486 read the report, so the concessions made by Center Place and the restrictions put upon
487 them, were inadequate.

488 Mr. Hendershot pointed out Center Place was required to file a water quality report
489 and plan with the District as to what they had in place to ensure water quality.

490 Dr. Herring affirmed they did, but he believed they did not have to include the
491 District's input in any of those plans.

492 Mr. Hendershot thought they did have to include the District.

493 Dr. Herring said not in terms of any plan of how to remedy it.

494 Mr. Hendershot concurred, they did not have to include the District in any plans to
495 remedy any problems.

496 Dr. Herring stated if the County was unable to get someone to move their home six
497 inches over the line, how could the County be counted on to hold Center Place accountable
498 if, for example, the amphitheater was not aimed in the direction they were supposed to aim
499 it. The same situation applied to the noise going beyond 11 o'clock at night, or if the lights
500 gave off illumination above what Center Place indicated. He thought the County could not
501 be trusted to be on the District's side.

502 Mr. Hendershot wondered if the County was any more reliable than the judge, feeling
503 the word of the latter was more reliable.

504 Dr. Herring said he could not imagine that the County would go against what the
505 hearing examiner recommended, though it almost seemed that this was what would
506 happen. It did not seem to him that they even presented the scientific evidence of
507 Miromar's experts in any detail, they just went 100 percent with the results of 10 or 12

508 cores, where they were not obligated to tell the District if some of the cores failed. He noted
509 they just presented the ten or 12 best cores.

510 Mr. Hendershot wondered if the zoning hearing examiner's findings have any weight
511 in the other proceedings.

512 Mr. Urbancic did not believe it would become a part of the SFWMD proceeding; those
513 would be completely separate, though some of the experts might be deposed in the SFWMD
514 proceedings, and they might be asked to testify. The zoning report would simply go to the
515 Board of County Commissioners.

516 Dr. Herring felt this brought the matter back to whether or not the District would
517 continue with the lawsuit on its own and spend \$200,000 of Board money.

518 Mr. Hendershot asked if the District was now a party to the suit.

519 Mr. Urbancic affirmed this to be the case.

520 Mr. Hendershot questioned if the District withdrew its suit, would the matter be
521 dismissed with prejudice.

522 Mr. Urbancic imagined the District's portion of the suit would be dismissed with
523 prejudice.

524 Mr. Hendershot pointed out this meant the District would be forever barred from
525 raising the issues in the future.

526 Dr. Herring felt if Miromar Development was raising the same issues the District was
527 raising, why should they be raised twice at significant expense to the homeowners. He
528 assumed that Center Place and Miromar hired the two best lawyers in the State, so other
529 than the District spending over \$200,000 to hire the third best lawyer, he failed to see the
530 advantage of defending the District's cause separately.

531 Mr. Hendershot asked if there was issue, whereby, the District would have standing,
532 and they would not.

533 Mr. Urbancic commented, originally, one of the concerns was the consolidation, and
534 he thought they had some merit there. By having independence, that went against having
535 things consolidated. If everyone was linked together, consolidation was possible, but Center
536 Place did not want their permit consolidated, and he appreciated that concern. The
537 District's case was consolidated only as to the Center Place permit, but there still might be
538 some concerns about perception to the administrative law judge, and were they two

539 independent parties, did they have separate interests, and what separate interest did the
540 CDD have that Miromar could not articulate.

541 Mr. Refkin inquired if Miromar Development opposed to paying the District's legal
542 fees, as they were paying them before.

543 Mr. Elgin wished to clarify a comment made earlier that had been carried through
544 some of the present discussion. He asked the Board not to confuse zoning action with the
545 SFWMD petition. What the CDD was party to at the zoning hearing, where the District's
546 experts and attorney spoke on the record, as did Miromar Development's representatives at
547 that hearing. That was a separate action from the current petition and the SFWMD
548 challenges. He indicated both the District's engineer and attorney could verify that the CDD
549 was the operating entity with which the water management system for Center Place would
550 discharge through. Miromar Development Corp./Miromar Lakes, LLC, was not the operating
551 entity. He stated the CDD had assets and was the operating entity that would be impacted
552 by the subject petition and challenges today, tomorrow, and into the future, and the Board
553 was responsible for that operating entity.

554 Mr. Refkin restated if the District got into areas other than the water management,
555 would Miromar be willing to pay the District's legal fees like they did in the past.

556 Mr. Elgin responded they are the CDD's assets, and you need to protect them.

557 Mr. Donoho believed Center Place's discharging through the District's assets would
558 indirectly affect the developer, Miromar Lakes. Though the District might be the operating
559 entity, but any problems that arose would have a domino effect that would include the
560 developer.

561 Dr. Herring asked if he is permitted to ask Charlie what was in the note passed to you
562 by Mr. Elgin.

563 Mr. Krebs stated it was the cost per unit, which would be \$227, to cover the legal
564 costs for the subject matter, assuming the legal costs were \$250,000.

565 Dr. Herring thought, in reality, the legal costs would be closer to \$500 to \$750 per
566 unit.

567 Mr. Ward said he was unsure of where those calculations came from, but \$500,000
568 worth of legal cost would cost each resident \$240 per unit.

569 Mr. Hendershot commented this assumed the full 2000 population, which meant
570 Miromar would still pick up 47 percent of the legal fees.

571 Dr. Herring asked the other homeowners present how they would feel if they received
572 a bill for another \$250.

573 A male speaker replied everybody's circumstances were different, and he would be in
574 favor of the additional assessment, as he thought most residents felt, depending on one's
575 perspective, that the subject situation could turn out to be an amusement park, with
576 weekend U2 concerts. Depending on one's location, some residents felt they would not be
577 affected. Residents closer to the beach, such as he, were clearly going to be affected to a
578 major extent and felt the easy path would be to fight tooth and nail, and put the
579 responsibility in the District's hands. Thus, he thought many residents would go along with
580 the special assessment, as it was a critical situation.

581 Mr. Refkin remarked it was unlikely that the District could stop Center Place from
582 being developed, as the City and many other entities were behind it. The issue being
583 discussed at present was that the residents did not want the water to look like a pan of
584 baking soda had been dumped in the lake.

585 A male speaker stated the builders were not developers, rather they were flippers.
586 With enough pressure, it slowed them down to the point where they may consider more of it
587 coming in and making an offer. He did some advisory work with Bank of America, and
588 SunTrust, and the developer would not get many financial backers with significant
589 resistance from the community, and from the delaying tactics, The District needed to
590 reevaluate how much they should wait before they begin to see any money, and who would
591 back it.

592 A male speaker commented it sounded as though it was a decision to pay now or pay
593 later. That is, pay now to defend the District's cause, or pay to fix it later on.

594 Dr. Herring stated if Center Place spoiled the lake in any way, they would be
595 responsible for correcting the situation, probably via lawsuit he guessed. If Center Place
596 ruined the lake, it was not the District's responsibility to make it whole again, if it was
597 possible to prove that what they did spoiled it.

598 Mr. Urbancic thought there was an argument, as the District, as the operating permit
599 holder, would be responsible, so that was the gave the Board the now or later scenario.

600 Dr. Herring wondered what role the County played in proving what happened to that
601 water.

602 Mr. Krebs replied the County would have no role in the process, as it would be a
603 SFWMD.

604 Dr. Herring indicated they would investigate it and say, "This lake has survived for X
605 number of years until Center Place came in, and here's where the pollutants came from."

606 Mr. Krebs responded if a complaint was filed against Center Place and SFWMD came
607 in to investigate the matter, that would be one thing, but if SFWMD determined the District's
608 system was failing for another reason that required changes to the system, it would be
609 necessary to track down where it was failing and why. The failure might be found to be
610 coming from Center Place or the District as the responsible entity; there were numerous
611 'what ifs' on how the system could fail, and the ultimate outfall for both systems was a weir
612 the District controlled. He said, as the District was responsible for maintaining the system, if
613 a problem was discovered at the weir, the District would be the first entity contacted, and it
614 could go in any direction after that.

615 Dr. Herring observed that the District somehow became responsible for the north
616 lake, despite not owning it.

617 Mr. Krebs clarified the District was responsible for what went through the weir, as the
618 operation of the weir and the system that went through it was in the CDD's name.

619 Mr. Hendershot asked if the weir was on the north or south lake.

620 Mr. Krebs indicated the weir was on the south lake. In 2004/2005, there was an
621 application to connect the two lakes when that land was owned by a different party, and
622 changes were made, the idea being that everybody would have recreational rights to use the
623 lakes: the University, Miromar Lakes, and the adjacent landowner. The system was
624 designed to take the water that went into the north lake, pass it through to the weir, as the
625 main lakes did not do water quality, they did water storm water attenuation.

626 Dr. Herring asked if the District would be judging water quality below the lake in the
627 District's lake.

628 Mr. Krebs replied the District would be judging the water quality by what came out of
629 the weir, the downstream side of the weir.

630 Mr. Hendershot mentioned the District had the MPDES reporting for accounting
631 anyway.

632 Mr. Refkin asked if the District decided to continue with the litigation, would there
633 need to be an assessment imposed earlier, rather than later, since attorneys did not take
634 IOUs.

635 Mr. Urbancic answered yes, in terms of paying an attorney, the District would have to
636 pay a retainer.

637 Dr. Herring thought Miromar Development should pay their assessment first, and that
638 would supply funds for the retainer.

639 Mr. Refkin agreed this was a great idea.

640 Mr. Urbancic affirmed the District would have to pay some funds up front, regardless
641 of the lawyer selected, as they would want to be paid something, so they could begin
642 working immediately to get up to speed, which the District would need them to do very
643 quickly.

644 Mr. Ward commented, not to minimize the cash issue, but the District had \$400,000
645 in cash in the bank, and if the litigation might cost \$500,000 before the end of the current
646 fiscal year, the District would not have the funds. Thus, at the end of the day, this line of
647 action was not feasible. He said the District had to do something else, as it could not incur
648 those kinds of costs and even remotely begin to think of ways to pay for them, as it just was
649 not possible.

650 A male speaker remarked as a ten-year resident in the District, he was witnessing
651 these forces coming together with monumental legal fees, and the logic of what was taking
652 place escaped him. Somewhere along the line, it became much easier if the District could
653 simply exchange University Place property for this property, however there needed to be
654 some accommodating money to make the deal go through. With all the entities involved
655 and the size of the legal fees being discussed, it would lay waste the entire neighborhood.
656 He believed there were was a great deal of similarity between the two projects at University
657 Village and what was taking place at Center Place, and he did not want the university owning
658 property that wrapped around Miromar, as they were continuous properties. The exchange
659 would keep everybody happy, avoid years of back and forth, as he believed they would
660 destroy that lake.

661 Mr. Hendershot commented the problem was now that the District was a party to the
662 suit, but not being a position to effectuate a compromise as suggested above, Miromar
663 Development was the only entity that could take such action. The Board had no real
664 authority, but since the District was a part of the litigation, if the Board did not want to
665 abandon the case and prejudice the District's rights in the future, the District had to remain
666 as a party to the suit.

667 A male speaker understood that position, but he failed to understand Miromar
668 Development's logic behind getting involved in a heavyweight fight over the subject issue
669 that would take years to resolve. Their home sales on the peninsula could be adversely
670 affected once the word got out that would be an assessment on property owners to cover
671 legal costs, particularly if the end result might be, for example, a 24-hour Wal-Mart visible
672 from someone's property. He suggested letting cooler heads prevail now.

673 Mr. Urbancic indicated there was probably only so much Miromar Development
674 wished to say for the present, as representatives of both the developer and the District
675 would be deposed, so it was necessary to be careful what questions were asked of Mr. Elgin.
676 However, the Board was at liberty to respond.

677 Dr. Herring noticed the homeowner had been present for the whole meeting, so he
678 knew it was not the Board's intent to spend half a million dollars of District funds on legal
679 fees, not just as Supervisors, but as landowners. The Board was just trying to devise a
680 better mousetrap on how to address the situation.

681 A male speaker felt if the data on the subject matter were placed before ten
682 reasonable people, a solution might be difficult to find.

683 Mr. Hendershot asked, assuming the decision-makers were reasonable men, and the
684 District had to fund the process, what type of assessment would the District be looking at
685 procedurally.

686 Mr. Ward stated, outside of the constraints of levying an assessment pursuant to the
687 District's budget, and collecting it on the tax roll, the District had to go through the same
688 process as when the budget was adopted. This meant a notice had to be sent to residents,
689 a method of collection had to be devised for billing 2,000 units, residential plus the Miromar
690 Development units, and wait for the funds to come in. If the money did not come in, the
691 District had to go through a process to collect the monies.

692 Mr. Hendershot asked if the District started special assessments on residents, how
693 would this affect future home sales.

694 Mr. Elgin stated he could not comment as to the question, as he was not involved in
695 sales and marketing, so he could not predict the effect on future home sales.

696 Dr. Herring restated his belief that the Board would not have approved entering into
697 the subject litigation at the previous month's meeting had they known such an expense was
698 forthcoming. He asked the Board if they felt this was a correct statement.

699 Mr. Hendershot recalled passions were very high over Center Place, as many
700 residents were up in arms, and he was not sure whether the Board would have made the
701 same decision. However, the Board's decision was made based on the guarantee from the
702 developer that the District's legal fees would be covered by Miromar Development. He
703 received a chorus of agreement as to his latter statement from fellow Board members.

704 Dr. Herring remarked that element played a large part in the Board's decision, as
705 they all agreed that in theory the litigation should go forward, but had they looked at it
706 logistically and saw that it might take \$500,000 to do it, he was unsure if the Board would
707 have approved the District's becoming involved.

708 Mr. Hendershot agreed, stating costs of that size had a way of cooling passions.

709 Mr. Refkin observed the Board was certainly never told when the process started that
710 the District would go down this road of spending funds of that amount on the matter.

711 Mr. Donoho thought the District was just being asked by Miromar Development to
712 join in the litigation, according to the minutes.

713 Mr. Hendershot added in the zoning matter.

714 Mr. Refkin commented the fact of the matter was the Board had no idea what the
715 legal fees were.

716 Mr. Urbancic affirmed there was no way of to tell, as if the matter went to mediation
717 and was settled, this was all the better, as it would save all parties concerned a lot of
718 money, etc.

719 Mr. Donoho understood that the District's revenue came from what was collected on
720 the tax roll.

721 Mr. Ward answered that was correct.

722 Mr. Donoho felt the District was in a situation, whereby it was crunch time, as the
723 District did not have the cash to pay such legal fees, so would the District need to borrow the
724 funds to cover such costs.

725 Mr. Ward replied the District could not borrow monies for that purpose.

726 Mr. Donoho asked how the District was to get an attorney to represent the CDD in the
727 subject matter.

728 Mr. Ward responded the \$400,000 cash the District had was its reserves, and if
729 \$100,000 of those monies were spent, the District would be hurting in the months of late
730 November and December in terms of paying bills. If an assessment was put on the
731 residents' tax bills, some of the money came in during the latter part of December, so there
732 would be some revenue to pay the fees. He said if the Board decided to move forward with
733 hiring an attorney, it might be possible to work out some deal that the District would pay
734 them later in the year, versus sooner in the year.

735 Mr. Hendershot noted the District's 2016 Budget is in September.

736 Mr. Ward clarified the 2016 budget as adopted at the public hearing in September,
737 but the budget process began in May, but at the end of the day, whatever the Board
738 adopted, the funds would not be forthcoming until the end of the December, as the tax bills
739 were not sent out until November.

740 Mr. Hendershot said if the funds were built into the budget, it was arguably not an
741 assessment.

742 Mr. Ward recommended, if the Board decided to hire an attorney, was to build the
743 cost into the District's budget and not go through a separate assessment process.

744 Dr. Herring wondered if the cancelation of or the imposition of more restrictions on
745 Center Place was the goal the Board hoped to achieve if the decision was made to hire a
746 lawyer for the subject litigation and paid them a half a million dollars.

747 Mr. Urbancic felt there would be a Center Place someday, it was going to happen, it
748 was just a matter of how, and if the District could prevent them from building their storm
749 water management system in a way in a way that it was likely to fail. The latter would be the
750 success. However, no one knew what it would take to reach that outcome. As contentious
751 as the process had been thus far, it appeared matters would go to an administrative law

752 judge, it was unlikely that it would be settled in mediation. He said even when matters went
753 to the judge, after that decision, there was an appeal process the losing party could use.

754 Dr. Herring observed the CDD could spend \$500,000 and still end up with Center
755 Place be spoiling the District's waters, and the District having to sue them in the future

756 Mr. Urbancic affirmed, if a chart were laid out, this to be one possible outcome.

757 Dr. Herring asked if that outcome was a good possibility.

758 Mr. Urbancic responded that he could not make such a prediction.

759 Dr. Herring remarked, based on the zoning report and how the administrative judge
760 ruled on the zoning litigation, Center Place seemed to be getting everything they wanted, as
761 he thought the restrictions the judge placed on them were minimal. Water management
762 issues were addressed in the zoning hearing, as the report indicated, and the judge
763 approved Center Place's plan on water management.

764 Mr. Krebs explained what was done regarding zoning did not necessarily mean that
765 the District would grant them. They were two different entities, and the District had control
766 over how a water management system was approved. He stated the zoning might outline
767 aspects of the system, but the real mechanics of what made it work and why was approved
768 by the District. Thus, the two area were similar but definitely separate, and the controlling
769 entity is the SFWMD.

770 Mr. Hendershot wished to confirm the zoning had to be approved by the County
771 Commissioners.

772 Mr. Krebs affirmed this to be the case.

773 Mr. Hendershot asked if the County Commissioners would require a SFWMD report.

774 Mr. Krebs replied that was part of a development order process; in order to begin
775 construction, a developer had to have a District permit.

776 Mr. Hendershot asked if the litigation would possibly impact that process.

777 Dr. Herring asked if the District had weighed in on that process.

778 Mr. Urbancic stated that the District did not want to issue the permit to Center Place,
779 and the SFWMD issued the permit, and that was what instituted the challenges. Thus, the
780 permit was issued and had been challenged, and this was what the administrative law judge
781 would review, whether or not it was proper to issue that permit.

782 Dr. Herring asked if the SFWMD already came down in favor of Center Place.

783 Mr. Krebs answered yes, the SFWMD looked at the information supplied to them and,
784 based on that information and that it satisfied certain requirements, they had to issue the
785 permit, as they went through and got answers to all their questions. However, this did not
786 necessarily mean that the SFWMD had the ability to look at everything, or there were areas
787 that they were not allowed to look at. For example, the borings were taken at face value as
788 to what was provided, and the frequency of the borings, and he did not think the SFWMD
789 was allowed to ask about the structural nature of the soil material. At least, he had never
790 had them ask about that aspect in any of the permit processes with the SFWMD, as the
791 general assumption was that they were dealing natural, native soils, so they don't worry
792 whether the soils were suitable to support a building. That was the building engineer's
793 department. Thus, there were limitations on what the SFWMD reviewed as part of an
794 application, and as far as he understood, there was insufficient information when it came to
795 the results of the fines used come to their decision to grant the permit.

796 Dr. Herring asked if none of the District's experts had been able to pass on
797 information to the SFWMD persons prior to the granting of the permit.

798 Mr. Krebs indicated he never had anyone provide secondhand information on an
799 application, as the information relied on for the decision came from the applicant, so there
800 were no outside or interest parties supplying alternate data.

801 Mr. Urbancic commented the affected parties could then challenge the permit after it
802 was granted.

803 Dr. Herring asked if it was Miromar Development's opinion that the District was the
804 only entity that had standing in the subject litigation.

805 Mr. Elgin answered no, all interested parties with an interest in the water
806 management system for Miromar Lakes should be a party and were parties to the litigation.

807 Mr. Hendershot agreed, stating economic and legal title.

808 Mr. Urbancic affirmed, as they already gave an order allowing these three requests
809 for hearing to go forward, so there had already been a sort of preliminary decision on that.

810 A male speaker remarked on one hand, the District could spend the money and get
811 no results for it, but on the other hand, if Center Place spoiled the lake, even they ultimately
812 paid to rectify it, the lake would be damaged, and it was already going through issues now.

813 Mr. Hendershot thought there was a lot more than \$500,000 at stake.

814 A male speaker asked if Center Place, as a property owner, was obligated to pay CDD
815 fees.

816 Mr. Urbancic answered no, they were not within CDD boundaries.

817 Dr. Herring observed in the document they did suggest that they have a CDD, but
818 Center Place was not obligated to have one.

819 Mr. Hendershot said the CDD had no control over Center Place, and that was why the
820 District complained on a nuisance, scientific and other bases at the zoning administrative
821 hearing, and the judge granted some relief. However, the only way for the District to secure
822 any real relief was through a legal process or through the final zoning determination of the
823 County Commissioners. He thought the best way to influence that was through the SFWMD
824 challenge.

825 Dr. Herring sought confirmation it was Miromar Development's position that they
826 would give the District no financial assistance regarding their obligations in the subject
827 lawsuit, other than what they already paid the District as a landowner.

828 Mr. Elgin replied he made a statement on record in reply to the question when it was
829 asked earlier in the meeting; he was not going to repeat it for a fourth time. The District had
830 an asset, your the operating entity.

831 Dr. Herring apologized for asking Mr. Elgin to repeat his answer.

832 Mr. Elgin understood but noted his response was the same as before.

833 Mr. Hendershot observed there still was a lot of interest and passion about the
834 District doing anything and everything possible to stop or delay Center Place as much as
835 possible, or have as much influence over it to mitigate any problem anticipated, whether it
836 was nuisance, safety, water quality, etc. He thought the District ought to continue the legal
837 process, put it off as a budget item for 2016, and fund it out as best the District could until
838 then. He asked about the timeline for the hearing.

839 Mr. Urbancic stated the hearing process would move fairly quickly, though the aim
840 was for a hearing date at the end of May, but due to the unavailability of Center Place
841 representatives, it was more likely to be in June or a little later. The hearing process was a
842 lot quicker than a court proceeding, so by July the process could be over.

843 Mr. Refkin asked the monies the District might have to spend might be required
844 quickly. He asked Mr. Ward if the funds would be available, given the possible speed of the
845 litigation process, as the District could not go through all its reserves.

846 Dr. Herring asked if the public would be allowed to make comments at the
847 administrative hearing.

848 Mr. Urbancic said he did not think so, as in his experience the process was similar to
849 that of a court proceeding, and it was unlikely that the judge would allow public
850 participation.

851 Dr. Herring wondered if there was some strategy by Center Place trying to push the
852 hearing date into the summer months, as it was with the zoning hearing.

853 Mr. Urbancic answered no, they would set up the hearing location, and it would
854 hearing would take place in a similar fashion to a court proceeding with a court reporter.

855 Mr. Ward concurred.

856 Dr. Herring asked if residents could be called by parties as witnesses if desired.

857 Mr. Urbancic stated they could theoretically, noting most of the persons at the
858 present meeting were already on the witness list, and could testify in some capacity at one
859 or more of these hearings.

860 Mr. Ballinger felt sure this was not the first time Mr. Ward has seen such matters
861 unfold in his field.

862 Mr. Ward answered no.

863 Mr. Ballinger asked him how, in Mr. Ward's experience, had other CDDs faced with
864 similar situations handled them, as he imagined other CDDs did not keep such a sizeable
865 amount of funds readily accessible.

866 Mr. Ward replied that Mr. Ballinger is correct, they did not have those kind of funds
867 available, but in years past, Districts had the ability to do short-term financings with banks
868 and borrow the money on a short-term basis for a year to deal with such issues. Since 2006
869 when the market collapsed, that market completely dried up, and there was now no ability
870 for a CDD to borrow money from a bank, mostly due to all the defaults that occurred in
871 Districts. At present, I can't tell you the solution to the financial end to the subject litigation,
872 but if the Board wished the District to proceed with the litigation, we could see what could be
873 done.

874 Mr. Refkin said, assuming the monies had to come from the residents, that the
875 timeline would be condensed, and knowing the District only had \$400,000 in the bank, it
876 appeared the Board and District staff had to devise a plan on how to build a sufficient
877 reserve to cover the potential cost of legal fees.

878 Mr. Ward stated there was no way the District could get revenue from the residents
879 via the tax roll before December 2015, even if the special assessment process was begun in
880 April 2015, it would be June before it could be adopted, and August before any money would
881 be forthcoming. This was assuming all the residents paid the money in that timeframe, and
882 that was a big assumption.

883 Dr. Herring commented the District knew Miromar Lakes Development would pay 47
884 percent of the assessment right away.

885 Mr. Hendershot thought the problem was what happened if some residents did not
886 pay the assessment, hence it being better to incorporate the cost into the District's budget,
887 so it would be billed on the regular tax roll.

888 Mr. Ward felt the worst step the District could take was to levy a separate
889 assessment outside the regular budget.

890 Mr. Hendershot likened the present financial issue to that of a hurricane.

891 Mr. Ward agreed it was like a major disaster.

892 Mr. Refkin stated District staff had to try to get any legal counsel to work with the
893 District with regard to some kind of deferred payment of fees until it corresponded with the
894 District's normal revenue collection process.

895 Mr. Urbancic believed any legal counsel would want to be paid up front and know
896 they could collect a certain amount at the beginning.

897 Mr. Hendershot asked about the alternative of the District not proceeding with the
898 litigation and withdraw from the case.

899 Mr. Urbancic presumed the District could withdraw, but he was unable to say if that
900 action would expose the District to fees on the side of Center Place claiming costs for
901 delaying the process in the District filing the suit.

902 Mr. Ward felt the Board should take it one step at a time, and if the Board wished to
903 move forward with the process, he would meet with Mr. Urbancic and try to come up with a
904 financial solution by the next Board meeting. They needed to speak with an attorney to

905 figure out what kind of fee structure could be put in place, the type of retainer that was
906 needed, and he would find out how much of the fees could be deferred to later in the year.
907 He would inquire at a number of banks to determine if there was any potential for the
908 District to get a loan to cover the legal fees.. Thus, they would do some due diligence in the
909 interim until the next Board meeting.

910 Mr. Urbancic commented that his only concern was that if the Board wanted to
911 proceed with the litigation, the District needed counsel immediately.

912 Mr. Refkin asked if staff had a list of potential attorneys they wished to approach.

913 Mr. Urbancic replied they spoke with Glenn Smith from Greenspoon Marder the
914 previous day, and they received a recommendation on another. Mr. Smith appeared very
915 knowledgeable and experienced, and he was already familiar with all the parties in the
916 litigation.

917 Mr. Hendershot asked if there was more than one lawyer in the legal firm selected by
918 Miromar Lakes Development.

919 Mr. Urbancic thought joint representation was ideal, but he asked the questions
920 previously, and it seemed this would not be possible for the reasons already discussed
921 regarding the separation of interests and responsibilities the developer wished to maintain.
922 Doug Manson was the other lawyer who was recommended to the District by the developer's
923 counsel, the thinking being if the District engaged a lawyer on friendly terms with the
924 developer's counsel, there would be some benefits that came with that association. Mr.
925 Manson was out of Tampa, and he was unable to contact him prior to the present meeting,
926 though he was able to have some email correspondence. He pulled up Mr. Manson's
927 website and read about him, and it appeared he was extremely experienced in the subject
928 form of litigation.

929 Mr. Refkin wished to know where Mr. Smith of Greenspoon Marder was from.

930 Mr. Urbancic responded that Greenspoon Marder was a statewide firm, and Mr.
931 Smith was located on the Florida east coast.

932 Mr. Ward thought Mr. Smith was located in either Boca Raton or Fort Lauderdale.

933 Mr. Urbancic recalled Mr. Smith indicating he had been practicing administrative law
934 in SFWMD permitting on the Florida west coast for over 30 years.

935 Mr. Ward mentioned Mr. Smith too knew all the parties involved, as well as the
936 counsels on both sides.

937 Mr. Hendershot asked the Board for a consensus on whether or not to proceed or
938 leave it to the next meeting.

939 Mr. Ward replied that District staff needed a decision from the Board now with
940 respect to hiring the attorney, as there was no more time to wait.

941 Dr. Herring asked if there were any more comments from the public about a
942 willingness of the residents to cover the legal fees via the regular budgeting process.

943 A male speaker asked who the current bondholder was for the District.

944 Mr. Hendershot replied the District had a number of bondholders.

945 Mr. Ward affirmed this to be the case, but he was not sure who they currently were.

946 A male speaker asked if a second bond be issued quickly to cover the legal fees.

947 Mr. Ward answered absolutely not, as the District was precluded by indenture from
948 doing that.

949 Mr. Ballinger remarked the funding would have to come through either an
950 assessment or incorporated as a cost in the next fiscal year's budget.

951 Mr. Ward affirmed this to be the case.

952 Mr. Hendershot stated if the District decided to do an assessment, Mr. Elgin should
953 seek to determine the effect it might have on the developer's future home sales.

954 Mr. Elgin stated he was not sure the developer could ever answer that question, as
955 that was a projection he did not think anyone could make.

956 Mr. Hendershot commented if the route of a special assessment was chosen by the
957 Board, then an assessment letter had to be sent to all existing homeowners, as well as to
958 the builder/contractor with a copy to prospective buyers under contract.

959 A male speaker asked if an assessment was tax deductible, versus regular taxes.

960 Mr. Urbancic thought the District could not take a legal position on that issue, as it
961 was more of an individual issue.

962 Mr. Hendershot remarked however property owners were treating their CDD fees, he
963 assumed they could continue in this fashion.

964 Mr. Ward concurred, residents should consult their tax professional.

965 Mr. Refkin asked that when Mr. Urbancic spoke with the various potential legal
966 counsel, he should see what kind of payment terms they were willing to negotiate with the
967 District and how flexible they might be to accommodate the District's present cash flow
968 situation.

969 Dr. Herring thought it would be very helpful, once the District verified the numbers
970 Mr. Elgin presented, to know that it would not be an astronomical amount of money per
971 household to fight the subject litigation. Most residents would likely be amenable to paying
972 an additional \$250.00 to join the litigation.

973 Mr. Ballinger commented if the District was going to go to the residents for the money
974 to cover the legal fees, then it should be for the correct amount, as it would not be well
975 received by residents if the cost was underestimated and the District had to go back to them
976 for more money. Thus, it might be better to estimate an amount that was more than what
977 was deemed absolutely necessary to start the process, rather it should be a figure that
978 would ensure residents would not be asked for additional funds.

979 Mr. Hendershot said if the cost was built into the District's annual budget, \$500,000
980 could be allocated each year for those legal costs if necessary.

981 A male speaker asked if the CDD had the authority to add a special assessment to
982 the quarterly Master Association bill.

983 Mr. Hendershot was unsure how this would be billed, as, currently, residents received
984 their bill through their tax bill.

985 A male speaker said the cost could come with the quarterly Master Association
986 assessment broken down into four-\$100 increments with a well-crafted explanation to the
987 residents.

988 Mr. Hendershot agreed it would be buried with all the other Miromar increase in
989 expenses the District did.

990 Dr. Herring believed the District had no financial association with the homeowners'
991 association (HOA).

992 Mr. Urbancic affirmed this to be the case, so the assessment would not be legally
993 enforceable by the District.

994 Mr. Ward concurred.

995 Mr. Urbancic commented, theoretically, the Master Association could collect a pot of
996 money for and give it to the District for purposes of the lawsuit, the District could accept the
997 funds.

998 Dr. Herring felt, on behalf of the Board, that Mr. Urbancic and Mr. Ward could be
999 trusted to negotiate terms with the potential counsel mentioned above, so the District had to
1000 at least proceed and find out what the possible costs could be. It appeared the Board had
1001 no choice but to proceed with the litigation.

1002 Mr. Ward agreed, and in terms of the finances, the Board needed to grant Mr.
1003 Urbancic and him with the authority to proceed with retaining the counsel, as it was unlikely
1004 that they would spend even \$100,000 in 30 days. Thus, they could hire the lawyer, get him
1005 to analyze the matter and get the process started as quickly as possible, and initially use
1006 some of the District's reserves to begin.

1007 Mr. Refkin pointed out if the District hired its own counsel, Mr. Elgin would have to
1008 leave the room during discussions between the Board and its legal counsel at future
1009 meetings.

1010 Mr. Urbancic answered no, Mr. Elgin had a right to be present, as this was a public
1011 meeting. However, there was an exception to the Sunshine Law, whereby governmental
1012 entities could have a closed session on pending litigation matters, but it was an
1013 administrative difficulty to go through it.

1014 Mr. Ward added the exception of the law was only related to settlement negotiations
1015 related to the suit, settlement negotiations related to ongoing litigation costs, and a
1016 settlement agreement; it was a very limited exception to the statute.

1017 Mr. Urbancic stated it was very difficult to convene a closed session, as the District
1018 would first have a meeting with the lawyer to request the session, it would then have to be
1019 advertised, and a court reporter had to be present at the closed session. Once the litigation
1020 was over, the transcripts of the closed session had to be released.

1021 Mr. Ward indicated the Board's motion would be to authorized the District Manager
1022 and District Attorney to retain the appropriate counsel for the Center Place, SFWMD
1023 administrative hearing.

1024 Mr. Refkin asked if that included authorizing payment up to a certain amount in legal
1025 fees.

1026 Mr. Ward thought it best to leave the amount of legal fees up to the Mr. Urbancic and
1027 his discretion at this point, and they would come back to the Board at the next meeting with
1028 more fine details.

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On MOTION by Dr. Herring and seconded by Mr. Refkin, with all in favor of approving authorizing the District Manager and District Attorney to retain the appropriate counsel for the Center Place, SFWMD administrative hearing.

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Mr. Urbancic updated the Board at the next meeting on some pending bills in the Legislature; one had to do with the way local governmental entities reported audits, as well as website requirements. He would allow those matters to play out more in the Legislature, and then update the Board as the session proceeded.

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b. District Engineer

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c. Asset Manager

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Mr. Hendershot remarked on having an issue, based on the minutes from the last meeting, where apparently there had been a lot of correspondence going back and forth between residents and Miromar and others in terms of the water quality of the District's lake. There appeared to be a difference of opinion between some of the lab work generated by the FGCU and that generated by District staff. Earlier Board discussion focused on how important an asset the lake was to the CDD, the residents, and to property values. He said he had been cornered by a few residents and received a considerable amount of correspondence from them. He stated there were many concerned persons in terms of them feeling the lake quality continued to decline, and most of those who expressed complaints were fishermen, and they were basing much of their beliefs on the information from FGCU. He asked if there was a way to get information out to residents about the testing of the water done by the District, as well as by the developer on the quality of the water and the results of those tests.

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He understood there was a meeting on March 6, 2015, with Mr. Elgin, asking him to brief the Board on what transpired at that meeting.

1057 Mr. Elgin affirmed he met with some residents, but he preferred if the District's Asset
1058 Manager first gave his perspective, as he had been providing all the feedback to the Board
1059 regarding the subject matter. To the extent that he could add to that information, he would,
1060 particularly with regard to the grass carp situation.

1061 Mr. Cusmano commented they went back from day one and looked at everything
1062 FGCU was doing and what they were doing, and Mr. Bernard had a meeting with Bill Kurth
1063 who did some testing. He said to keep in mind there was a difference between clarity and
1064 quality, and that was where many people lost sight of what was really going on out there.

1065 Mr. Bernard noted the results of the meeting was included in the memo to the Board,
1066 noting the original testing was done by university students who sent back reports that the
1067 lake was failing, etc. They conducted independent tests, and those results were contained
1068 in the testing lab report, along with monthly testing that was now being done by the
1069 developer and MPDES downstream on the lake condition. He said they were putting
1070 together a database for all the years back from 2004 to 2009, and it showed the condition
1071 of the lake was better now than it was then. On the grass carp issue, the grass carp were
1072 flourishing so much, that they had problems keeping the plants in the mitigation areas, and
1073 the littoral shelf was being eaten by the carp. He stated they hoped to devise a plan that
1074 would give options to resolve the situation, including removing some of the carp, replanting
1075 the shelves, putting barriers out on the shelves to keep the carp out, etc., and present it to
1076 the Board at their next meeting. Bill Kurth from Lake Masters did the testing to ensure what
1077 was coming from the university was true or false, and as his report contained in the Board's
1078 agenda package illustrated, the results were not nearly as bad as those reported by the
1079 university students. He said the testing done by the students was not supervised by their
1080 professors with no consistency or due care being done. He said they would begin their own
1081 testing in the next budget cycle, along with the developer's testing to create an updated
1082 database, the aim being to get the lake conditions back to where Mr. Kurth thought it should
1083 be.

1084 Mr. Hendershot asked if the university was onboard with the numbers the District
1085 now had, or had the numbers not yet been shared with them.

1086 Mr. Cusmano replied the independent results had yet to be shared the university,
1087 and the intent was to have a meeting with them to share the results.

1088 Mr. Bernard affirmed they would bring all the concerned parties together once the
1089 database was established, share those results, so everyone could come to a consensus as
1090 to what was the best method by which to maintain good water quality of the lake.

1091 Mr. Hendershot remarked on reading about one test that was done at the Ben Hill
1092 Griffin Bridge that said the phosphorous was high, asking where that was located.

1093 Mr. Krebs explained this was the bridge that flew over the wetland area south of the
1094 university entrance, and this was at his request for Mr. Kurth to get water samples from an
1095 area downstream of the District's outfall just as a comparison. Mr. Kurth found some
1096 standing water where the bridge spanned the CDD's own mitigation area to the north and
1097 south of the area. He said Mr. Kurth explained that because of the standing water, the
1098 concentrations were higher as the water evaporated, leaving nutrients in the water, so he
1099 was not surprised they were higher, and it was unlikely those results were typical for that
1100 spot during the rainy season.

1101 Mr. Hendershot mentioned some residents reported seeing algae blooms in two or
1102 three areas just below the surface, and this had them very worried.

1103 Mr. Cusmano stated he would speak with Mr. Kurth, as when algae blooms
1104 appeared, they were sprayed and then they disappeared, so he was not too worried about
1105 them. Regarding the clarity, there were additional boats on the lake, and with the carp
1106 eating much of the grass, the material at the bottom got kicked up, but the water quality met
1107 the parameters set.

1108 Mr. Hendershot noticed in last month's meeting they spoke about the possible need
1109 for additional plantings, and that a study was done to see if there were additional roots. He
1110 believed the carp would not allow any of the grass come up to the water again, as they were
1111 eating the lawns when they ran out of lake vegetation.

1112 Mr. Bernard reiterated their suggestion of putting barriers in place on the shelves to
1113 keep the carp back and allow the plants in the lake to grow.

1114 Mr. Elgin mentioned issuing some specific memos to some residents late last week
1115 based on specific questions directed to the developer. He paraphrased from those memos,
1116 stating Florida Fish & Wildlife Conservation (FWC) indicated the CDD held the grass carp
1117 permit, as the responsible entity, and they approved the amount of carp to be released, and
1118 the Board authorized that release. In December 2014, the developer had FWC come out,

1119 and some of the residents were part of that review, along with people from the university,
1120 and it was a large meeting with a lot of discussions, and the CDD managers were a part of
1121 that process.

1122 Dennis Giardina of the FWC stated in a follow-up analysis done in December 2014
1123 that five years after the release, the impact of grass carp would begin to decrease, as most
1124 the carp would disappear between a seven to ten-year timeframe. They were very hungry
1125 early in their life, and that dissipated as they aged and ate less. Mr. Giardina determined
1126 that the success of the grass carp in the removal of the exotic growth took place faster than
1127 originally anticipated when FWC issued the original permit. Mr. Elgin thought everyone could
1128 agree that the timeline with which the exotic grown in the lakes was addressed by the
1129 natural grass carp release happened more expeditiously than anticipated. He continued
1130 with Mr. Giardina's report that stated, based on the successful removal of the exotic growth,
1131 consideration could be given to apply for a permit to reduce the quantity of carp within the
1132 system. If the District chose to do this, FWC would determine the appropriate reduction via
1133 the permit process regarding water quality.

1134 Mr. Elgin said this meant that FWC recognized through their review that the District's
1135 lake system could benefit from some reduction in the grass carp due to the effectiveness
1136 achieved by the original release of the carp into the lake. Because the CDD as the permit
1137 holder, it would need to apply for a take permit, and Mr. Giardina indicated in his email that
1138 Ronda Howell was the contact person about that permit and included her contact
1139 information. It was not a very difficult permit to obtain, and he recommended that the Board
1140 direct District management to review the opportunities to acquire the take permit, and allow
1141 FWC to determine what the appropriate reduction would be. He said no one present was in
1142 a position to make that determination, and the FWC biologists should be relied on to make
1143 that decision. He encouraged the Board to direct District management to address devising
1144 a short and long-term approach as to means and methods with which this could happen,
1145 noting correspondence indicated there were three or four methods of extraction o explore.

1146 There were licensed professionals who did such removals, and he recommended if
1147 the District decided to pursue a take permit, that the Board direct District management to
1148 explore those extraction methods. Thus, if a take permit was acquired, the quantity to be
1149 removed should be determined, and the District could then pursue that removal as a means

1150 of expediting the reduction of the grass carp or the slowing down of them eating the
1151 remaining vegetation. Mr. Elgin indicated the developer was supportive of the removal of
1152 some of the grass carp but based on the abovementioned parameters involving FWC and
1153 their recommendations.

1154 Dr. Herring commented the District would have no money left to hire professionals to
1155 remove the carp.

1156 Mr. Hendershot asked how long the take permit process took.

1157 Mr. Elgin believed it was a very expeditious process, as he saw the contact person on
1158 the email stream of the biologist that issued the original permit to the District, and she
1159 stayed abreast of the situation. He believed there was a piece of correspondence that said
1160 it was a very simple process, and as the biologist was very familiar with the District's system,
1161 he did not have to start from scratch. The biologist issued the permit, understood the
1162 environment, and he did his follow-up, and the recommendations were paraphrased from
1163 one of his follow-up emails to the District's Asset Manager and engineer, some residents,
1164 and him.

1165 A male speaker stated when he was on tour with the biologist, he said he knew of
1166 someone with an electroshocking boat the District could use, and two or three of the
1167 professors at the university indicated they could incorporate some of the removal activity
1168 into their course work. Thus, there might be a low cost association.

1169 Mr. Hendershot agreed this would save the District money in the cost of the removal
1170 process.

1171 A male speaker said the University felt it was not possible to have a healthy lake
1172 without vegetation, and the students were involved in the re-vegetation of a small, fenced in
1173 area of Lake Trafford that went from a quarter of an acre to seven acres of vegetation in less
1174 than a year. The professors thought they could get the students to do similar work in the
1175 District's lake.

1176 Dr. Herring felt he would be more comfortable having the carp removed by a
1177 professional rather than university students. He could accept the students helping with the
1178 replanting of the vegetation, as long as it did not grow back to a level that led to the District
1179 putting in the carp originally; there had to be a happy medium.

1180 Mr. Hendershot commented that in putting together a plan, what would drive the
1181 remedy and the method chosen could well be the number of carp the FWC would allow to be
1182 removed from the District's lake.

1183 A male speaker indicated the District originally put in ten carp per acre, and that was
1184 the upside of what was recommended, but with a 700-acre lake that was a deep, with the
1185 weeds growing primarily around the edges, so the amount of vegetation was substantially
1186 less than the 700 acres. Thus, they had put in not only the highest number of carp possible,
1187 but they were put in an area that was restricted in terms of where the weeds were located.

1188 Mr. Hendershot asked if the situation did not raise any sort of litigation issues with
1189 Center Place, since the District did not own the big lake, and all the nutrient producing
1190 elements out of it.

1191 Mr. Urbancic said he could not answer that question.

1192 Dr. Herring pointed out the vegetation was not just around the edges of the lake, as
1193 the vegetation had made it almost impossible to boat straight through the big lake.

1194 A male speaker said that was only in shallow areas, as the vegetation was not
1195 coming from 20 feet up.

1196 Dr. Herring found the vegetation all over the lake.

1197 Mr. Hendershot agreed the overgrowth of the vegetation had been very bad.

1198 A male speaker acknowledged that the water quality was high, but thought the real
1199 issue was presently was the appearance of the lake, the greenish, yellow water that did
1200 affect property values for all owners. This was one of the concerns people continued to
1201 have. A professor at the university claimed that if the algae blooms continued and became
1202 significant with the lake being high in nutrients, and there was currently nothing to absorb
1203 the nutrients with the decreased vegetation, the algae could sink deep and suck out the
1204 oxygen in the lake. He said it was this issue that had some residents worried, not the
1205 fishing, as the fishing was still quite good. On behalf of the residents, he was very grateful
1206 the Board sought to address the subject topic in its meeting, as it was not the current
1207 conditions or the carp they were worried about as much as what could happen if the algae
1208 blooms continued.

1209 Mr. Refkin commented that Center Place would be built, and the District did not own
1210 the big lake, so the developer and the District would have to work with Center Place.

1211 A male speaker said the FWC person Mr. Elgin mentioned said that the carp were
1212 drawn to flowing water, and the canals had some circulation, so the carp could be trappable
1213 in a weir. He agreed the District should rely on what the experts advised as to reducing the
1214 carp population in the lake.

1215 Mr. Ward asked that he record reflect that Supervisor Donoho left the meeting.

1216 Mr. Hendershot thought much of the situation was managing the expectations and
1217 the perception of the residents of what was going on, as much as the process itself.

1218 Mr. Bernard remarked now that the District’s website was operational, once all the
1219 options of the steps that would be taken were decided upon, they could be posted on the
1220 website to keep everyone abreast of what would take place.

1221 A male speaker stated there was one resident, unknown to him, who called about the
1222 color of the water, and that was an important topic that was addressed in the discussion of
1223 the present meeting. Residents would be pleased to know that the Board was considering
1224 various actions to deal with the various lake issues.

1225 Dr. Herring pointed out this was not a unique meeting, as such discussions took
1226 place at almost every Board meeting, as the Board members were residents too.

1227 **d. District Manager**

1228 **I. Financial statements for the period ending January 31, 2015**

1229 None

1230

1231 **FIFTH ORDER OF BUSINESS**

**Supervisor’s Requests/Audience
Comments**

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1234 Dr. Herring felt, in reference to the legal fees District would now be exposed to in
1235 order to proceed in the administrative hearing with the Center Place and the SFWMD, that
1236 the District had been sold a bill of goods by Miromar Lakes Development. That is, that the
1237 District was led to believe that one thing was going to happen, that Miromar knew that that
1238 was not going to happen, and this was now revealed one month later to the Board. He was
1239 putting these happenings in the category of things that happened to the CDD in the past
1240 that he had gone on record as saying he would no longer rubberstamp anymore. While he
1241 firmly believed and might even have made the motion for the District to join the lawsuit at
1242 the Board’s last meeting, and he knew it could be done by statute, but he did not think that

1243 the Board should rubberstamp things anymore. The Board could no longer assume things
1244 would happen based on promises made to the District and, henceforth, they should be
1245 gotten in writing prior to the Board approving such actions.’

1246 He stated this was one of the things that bothered him about what took place, and
1247 District staff and the Board needed to continuously follow up matters now that the District
1248 was fully involved, restating his belief that the District was again sold a bill of goods by the
1249 developer.

1250 Mr. Refkin thought with Mr. Urbancic’s help, the District should be okay.

1251 Dr. Herring indicated his comments were not being directed at Mr. Urbancic or
1252 anything he had done.

1253 Mr. Refkin understood.

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1255 **SIXTH ORDER OF BUSINESS**

Adjournment

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1258 **On MOTION by Dr. Herring, seconded by Mr. Hendershot, with**
1259 **all in favor of adjourning at 4:05 p.m.**

1260
1261
1262
1263 _____
1264 James P. Ward, Secretary

Mike Hendershot, Chairman



Memorandum

Date: April 1, 2015

To: James P. Ward. District Manager

From: Bruce Bernard – Field Manager
Paul Cusmano – Asset Manager

Subject: Asset Management Report –March 2015
CGA Project # 14-7438

- Building Code Services
- Coastal Engineering
- Code Enforcement
- Construction Engineering & Inspection
- Construction Services
- Contract Government
- Data Technologies & Development
- Emergency Management Services
- Engineering
- Governmental Services
- Indoor Air Quality
- Landscape Architecture & Environmental Services
- Municipal Engineering
- Planning
- Public Administration
- Redevelopment & Urban Design
- Renewable Energy
- Resort Development
- Surveying & Mapping
- Transportation Planning & Traffic Engineering
- Utility & Community Maintenance Services
- Water Resources Management

Stormwater

Johnson Engineering, Mr. David Robson, prepared and submitted the Year 3 NDPES Annual report to the CDD District Manager for signature. Staff provided Johnson Engineering with documentation, records and entity performing activity that the CDD maintains. Once the NPDES Annual report was signed, it was forwarded to Ms. Leigh Simmons, Division of Natural Resources, Lee County as part of the County submittal along with other co-permittees to the FDEP by March 31, 2015.

M.R.I. Underground Specialists of Fort Myers, FL, has been issued a purchase order to clean and remove organics from Box Structures # 1, #8, #42, # 56 and #61 within the lake systems as revealed during the bi-annual stormwater system inspection process. Remaining box structures, identified to be cleaned, will be included within the next fiscal year budget cycle.

1800 Eller Drive, Suite 600
Fort Lauderdale, FL 33316
Phone: 954.921.7781
Fax: 954.921.8807



Lake System Water Quality

A meeting is scheduled to be held on-site on April 2, 2015 with multiple interested parties in regards to Miromar Lakes lake water bodies. The following individuals were invited to attend: Bill Kurth –Lake Masters, Charlie Krebs-Hole Montes, Mike Elgin –ML, Dr. Thomas and staff- FGCU, Dennis Giardina-FWC, Bob White- Hans Wilson & Associates, David Ceilly- Johnson Engineering, and CDD district staff.

The objective for this meeting is to receive input, observations, and information gathered by all entities concerned to produce an outline of corrective measures for implementation going forward for the lakes system within the Miromar Lakes CDD. The discussions will center on testing parameters for nutrient and phosphorus threshold levels and results, corrective action required to meet mitigation plantings per Lee County permit requirements, and discussion in regard to grass carp activity and possible removal of specified amount of grass carp from the lake.

A letter was sent on March 25, 2105 to Ms. Rhonda Howell of FWC per her request for the CDD to apply for a take permit for a set amount of grass carp permitted to be removed from the lake system by the FWC.

Landscape Maintenance

District staff inspected the Ben Hill Griffin right-of-way, southside berm east of the lake outfall, and the berm on the eastside of the north entrance roadway to FGCU for contractual specifications by vendor, and for replacement plantings as needed. Attached are photos depicting areas of concern at locations that were encountered. Staff has provided the districts landscaping subcontractor with the photos and instructions for corrections. Staff will monitor areas in question for corrective measures to be accomplished.

Building Code Services
Coastal Engineering
Code Enforcement
Construction Engineering & Inspection
Construction Services
Contract Government
Data Technologies & Development
Emergency Management Services
Engineering
Governmental Services
Indoor Air Quality
Landscape Architecture & Environmental Services
Municipal Engineering
Planning
Public Administration
Redevelopment & Urban Design
Renewable Energy
Resort Development
Surveying & Mapping
Transportation Planning & Traffic Engineering
Utility & Community Maintenance Services
Water Resources Management

1800 Eller Drive, Suite 600
Fort Lauderdale, FL 33316
Phone: 954.921.7781
Fax: 954.921.8807



Calvin, Giordano & Associates, Inc.

E X



Debris and campfire pits discovered along south berm east of lake outfall location.

- Building Code Services
- Coastal Engineering
- Code Enforcement
- Construction Engineering & Inspection
- Construction Services
- Contract Government
- Data Technologies & Development
- Emergency Management Services
- Engineering
- Governmental Services
- Indoor Air Quality
- Landscape Architecture & Environmental Services
- Municipal Engineering
- Planning
- Public Administration
- Redevelopment & Urban Design
- Renewable Energy
- Resort Development
- Surveying & Mapping
- Transportation Planning & Traffic Engineering
- Utility & Community Maintenance Services
- Water Resources Management



Drop-offs, rutting, and turf maintenance issues within right-of-way on Ben Hill Griffin north of main entrance to Miromar Lakes on west side of roadway.

1800 Eller Drive, Suite 600
Fort Lauderdale, FL 33316
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Fax: 954.921.8807

www.cgasolutions.com

Miromar Lakes Community Development District
Exhibit B

CALVIN, GIORDANO & ASSOCIATES, INC.																		
13-5692 MIROMAR LAKES CDD				YEAR 2														
Agreement Terms				Actual	Actual													
Description of Service	Hourly Rate	Hours	Total Fee	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	YTD	Budget Variance	
WATER MANAGEMENT SERVICES																		
Procurement and Bidding Services	\$ 100.00	18	\$ 1,800.00	3	2	8		2	1							16	2.00	
Prepare Scope of Service for Contract	\$ 100.00	25	\$ 2,500.00		1	2										3	22.00	
Prepare Specifications and Exhibits	\$ 100.00	12	\$ 1,200.00			1	1									2	10.00	
Negotiation and Contract Execution	\$ 100.00	6	\$ 600.00						3							3	3.00	
Operations and Maintenance Services	\$ 80.00	125	\$ 10,000.00	2	2	2	1	2	12							21	104.00	
Sub-Total:			\$ 16,100.00															
LANDSCAPING SERVICES																		
Procurement and Bidding Services	\$ 100.00	18	\$ 1,800.00	3	1	2	3	8								17	1.00	
Prepare Scope of Service for Contract	\$ 100.00	25	\$ 2,500.00		3	10	4	7								24	1.00	
Prepare Specifications and Exhibits	\$ 100.00	12	\$ 1,200.00		3	5	2	2								12	0.00	
Negotiation and Contract Execution	\$ 100.00	12	\$ 1,200.00	1					3							4	8.00	
Operations and Maintenance Services	\$ 80.00	250	\$ 20,000.00	2	4	2	4	16	16							44	206.00	
Sub-Total:			\$ 26,700.00															
ASSET MONITORING																		
Procurement and Bidding Services	\$ 100.00	12	\$ 1,200.00		1											1	11.00	
Prepare Scope of Service for Contract	\$ 100.00	12	\$ 1,200.00						4							4	8.00	
Prepare Specifications and Exhibits	\$ 100.00	25	\$ 2,500.00						6							6	19.00	
Negotiation and Contract Execution	\$ 100.00	25	\$ 2,500.00													0	25.00	
Operations and Maintenance Services	\$ 80.00	100	\$ 8,000.00	10	12	14	10	14	6							66	34.00	
Sub-Total:			\$ 15,400.00															
ADMINISTRATIVE MATTERS																		
Maintain electronic files, attendance at Board Meeting, general matters (all)	\$ 70.00	100	\$ 7,000.00	16	22	20	31	6	1							96	4.00	
Total:			\$ 65,200.00	37	51	66	56	57	52	0	0	0	0	0	0	319	458	

Miromar Lakes Community Development District

Financial Statements

February 28, 2015



Prepared by:

JPWARD AND ASSOCIATES LLC

2041 NE 6TH TERRACE

FORT LAUDERDALE, FLORIDA 33305

E-MAIL: WARD9490@COMCAST.NET

PHONE: (954) 658-4900

Miromar Lakes Community Development District

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JPWard & Associates, LLC

2041 NE 6th Terrace

Fort Lauderdale, Florida 33305

**Miromar Lakes Community Development District
Balance Sheet
for the Period Ending February 28, 2015**

	Governmental Funds					Account Groups		Totals (Memorandum Only)
	Debt Service Funds					General Long Term Debt	General Fixed Assets	
	General Fund	Series 2003	Series 2012	Series 2015	Capital Project Fund			
Assets								
Cash and Investments								
General Fund - Invested Cash	\$ 636,511	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 636,511
Debt Service Fund								
Interest Account	-	-	-	-	-	-	-	-
Sinking Account	-	-	-	-	-	-	-	-
Reserve Account	-	-	428,131	827,360	-	-	-	1,255,491
Revenue	-	-	912,342	289,044	-	-	-	1,201,385
Prepayment Account	-	-	0	-	-	-	-	0
Deferred Cost Account	-	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	13,554	-	-	13,554
Escrow Deposit Fund	-	-	-	-	-	-	-	-
Due from Other Funds								
General Fund	-	-	274	-	-	-	-	274
Debt Service Fund(s)	-	-	-	-	-	-	-	-
Market Valuation Adjustments								
Accrued Interest Receivable	-	-	-	-	-	-	-	-
Assessments Receivable	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	-	-	1,340,747	-	1,340,747
Amount to be Provided by Debt Service Funds	-	-	-	-	-	29,464,253	-	29,464,253
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	40,376,020	40,376,020
Total Assets	\$ 636,511	\$ -	\$ 1,340,747	\$ 1,116,404	\$ 13,554	\$ 30,805,000	\$ 40,376,020	\$ 74,288,235

**Miromar Lakes Community Development District
Balance Sheet
for the Period Ending February 28, 2015**

	Governmental Funds								Totals (Memorandum Only)
	Debt Service Funds					Account Groups			
	General Fund	Series 2003	Series 2012	Series 2015	Capital Project Fund	General Long Term Debt	General Fixed Assets		
Liabilities									
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-								-
General Fund	-	-	-	-	-	-	-	-	-
Debt Service Fund(s)	274	-	-	-	-	-	-	-	274
Bonds Payable	-								-
Current Portion	-	-	-	-	-	400,000	-	-	400,000
Long Term	-	-	-	-	-	30,405,000	-	-	30,405,000
Total Liabilities	\$ 274	\$ -	\$ -	\$ -	\$ -	\$ 30,805,000	\$ -	\$ -	\$ 30,805,274
Fund Equity and Other Credits									
Investment in General Fixed Assets	-						40,376,020		40,376,020
Fund Balance									
Restricted									
Beginning: October 1, 2014 (Audited)	-	2,800,590	840,524	-	-	-	-	-	3,641,114
Results from Current Operations	-	(2,800,589)	500,222	1,116,404	13,554	-	-	-	(1,170,410)
Unassigned									
Beginning: October 1, 2014 (Audited)	433,147						-	-	433,147
Results from Current Operations	203,090						-	-	203,090
Total Fund Equity and Other Credits	\$ 636,237	\$ 0	\$ 1,340,746	\$ 1,116,404	\$ 13,554	\$ -	\$ 40,376,020	\$ -	\$ 43,482,961
Total Liabilities, Fund Equity and Other Credits	\$ 636,511	\$ 0	\$ 1,340,746	\$ 1,116,404	\$ 13,554	\$ 30,805,000	\$ 40,376,020	\$ -	\$ 74,288,235

Miromar Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 30,300	N/A
Interest								
Interest - General Checking	21	19	30	37	27	134	500	27%
Special Assessment Revenue								
Special Assessments - On-Roll	(2,710)	83,525	292,805	20,760	16,657	411,037	442,166	93%
Special Assessments - Off-Roll	90,986	-	-	90,986	-	181,973	363,945	50%
Miscellaneous Revenue								
	1,595	-	6,588	-	863	9,045	0	N/A
Intragovernmental Transfer In								
	-	-	-	-	-	-	-	-
Total Revenue and Other Sources:	\$ 89,891	\$ 83,544	\$ 292,835	\$ 111,783	\$ 17,547	602,188	\$ 836,911	72%
Expenditures and Other Uses								
Legislative								
Board of Supervisor's - Fees	1,000	800	800	1,000	1,000	4,600	12,000	38%
Board of Supervisor's - Taxes	77	61	61	77	77	352	918	38%
Executive								
Professional Management	3,333	3,333	3,333	3,333	3,333	16,667	40,000	42%
Financial and Administrative								
Audit Services	-	-	-	4,900	-	4,900	4,900	100%
Accounting Services	-	-	-	-	-	-	-	N/A
Assessment Roll Services	-	-	18,000	-	-	18,000	18,000	100%
Arbitrage Rebate Services	-	-	1,000	-	-	1,000	1,000	100%
Other Contractual Services								
Legal Advertising	1,144	-	-	-	-	1,144	1,200	95%
Trustee Services	-	-	3,091	-	-	3,091	7,900	39%
Property Appraiser/Tax Collector Fees	-	1,021	-	-	-	1,021	2,400	43%
Bank Services	27	44	67	45	60	243	550	44%
Travel and Per Diem								
	-	-	-	-	-	-	-	N/A
Communications & Freight Services								
Postage, Freight & Messenger	-	40	190	39	40	309	400	77%
Insurance								
	5,665	-	-	-	-	5,665	5,800	98%

Miromar Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Printing & Binding	-	114	-	183	193	490	1,200	41%
Website Development	-	-	-	-	-	-	1,000	0%
Office Supplies	-	-	-	-	-	-	-	N/A
Subscription & Memberships	175	-	-	-	-	175	175	100%
Legal Services								
Legal - General Counsel	-	-	4,290	-	-	4,290	9,000	48%
Legal - Center Place	-	-	743			743	-	N/A
Other General Government Services								
Engineering Services - General Fund	1,808	1,545	374	1,805	1,336	6,867	5,000	137%
NPDES	-	-	-	-	-	-	7,500	0%
Asset Administration Services	584	-	1,167	583	583	2,917	7,000	42%
Center Place	-	-	345	863	-	1,208	-	N/A
Sub-Total:	13,812	6,957	33,460	12,828	6,622	73,680	125,943	59%
Stormwater Management Services								
Professional Management								
Asset Management	1,984	-	3,967	1,983	1,983	9,917	23,800	42%
Mitigation Monitoring	-	-	-	-	-	-	500	N/A
Utility Services								
Electric - Aeration Systems	-	25	2,251	418	478	3,172	500	634%
Lake System								
Aquatic Weed Control	5,464	5,464	5,464	5,464	5,464	27,320	80,568	34%
Lake Bank Maintenance	-	-	-	-	-	-	5,850	0%
Water Control Structures	-	-	-	4,200	-	4,200	11,550	36%

Miromar Lakes Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Aeration System	-	8,663	-	-	-	8,663	3,500	248%
Wetland System								
Routine Maintenance	3,133	3,133	3,133	3,133	3,133	15,667	54,600	29%
Other Current Charges	-	-	-	-	-	-	2,500	0%
Capital Outlay								
Aerator's	-	-	-	-	-	-	9,600	N/A
Sub-Total:	10,581	17,285	14,815	15,199	11,058	68,938	192,968	36%
Landscaping Services								
Professional Management								
Asset Management	2,866	-	5,733	2,867	2,867	14,333	34,400	42%
Utility Services								
Electric	-	-	-	-	-	-	-	N/A
Irrigation Water	162	-	-	1,777	-	1,939	5,000	39%
Repairs & Maintenance								
Public Area Landscaping	21,790	93,211	9,953	32,811	19,453	177,217	361,100	49%
Landscape Lighting	-	-	-	-	-	-	-	N/A
Irrigation System	-	-	494	-	-	494	3,000	16%
Well System	-	-	-	-	-	-	3,500	0%
Plant Replacement	-	-	5,457	-	-	5,457	10,000	55%
Other Current Charges								
Lee County -Ben Hill Griffin Landscape	-	-	28,780	-	-	28,780	41,000	70%
Charlotte County - Panther Habitat, Fire	-	-	-	-	-	-	-	
Operating Supplies								
Mulch	-	-	26,005	-	2,255	28,260	60,000	47%
Sub-Total:	24,818	93,211	76,423	37,455	24,574	256,481	518,000	50%
Total Expenditures and Other Uses:	\$ 49,211	\$ 117,453	\$ 124,699	\$ 65,482	\$ 42,255	399,099	\$ 836,911	48%
Net Increase/ (Decrease) in Fund Balance	40,680	(33,909)	168,137	46,302	(24,708)	203,090	-	
Fund Balance - Beginning	433,147	473,828	439,919	608,056	654,357	433,147	433,870	
Fund Balance - Ending	\$ 473,828	\$ 439,919	\$ 608,056	\$ 654,357	\$ 629,649	636,237	\$ 433,870	

**Miromar Lakes Community Development District
Debt Service Fund - Series 2003 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income								
Reserve Account*	161,497	1,241	1	1	(80,156)	82,584	30,000	275%
Prepayment Account	0	0	-	-	-	0	-	N/A
Revenue Account	7	7	1	1	1	17	-	N/A
Special Assessment Revenue								
Special Assessments - On-Roll	45	20,972	73,520	5,213	-	99,750	110,391	90%
Special Assessments - Off-Roll	-	-	-	-	127,188	127,188	1,955,734	7%
Special Assessments - Prepayments	-	-	-	-	3,700,000	3,700,000	-	N/A
Operating Transfers In (From Other Funds)	-	-	-	-	754,375	754,375	-	N/A
Refunding Bond Proceeds	-	-	-	-	18,145,876	18,145,876	-	N/A
Total Revenue and Other Sources:	\$ 161,548	\$ 22,221	\$ 73,522	\$ 5,214	\$ 22,647,284	\$ 22,909,788	\$ 2,096,125	1093%
Expenditures and Other Uses								
Debt Service								
Principal Debt Service - Mandatory								
Series 2003 Bonds	\$ -		\$ -	\$ -	\$ -	-	\$ 530,000	0%
Principal Debt Service - Early Redemptions								
Series 2003 Bonds	-	130,000	-	-	22,890,000	23,020,000	-	N/A
Interest Expense								
Series 2003 Bonds	-	791,313	-	-	786,844	1,578,156	1,566,125	101%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	1,112,222	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 921,313	\$ -	\$ -	\$ 23,676,844	25,710,378	\$ 2,096,125	1227%
Net Increase/ (Decrease) in Fund Balance	161,548	(899,092)	73,522	5,214	(1,029,560)	(2,800,589)	-	
Fund Balance - Beginning	2,800,590	2,962,138	2,063,046	2,136,568	2,141,782	2,800,590	2,755,905	
Fund Balance - Ending	\$ 2,962,138	\$ 2,063,046	\$ 2,136,568	\$ 2,141,782	\$ 1,112,222	0	\$ 2,755,905	

*October Interest Earnings related to market value adjustment made by auditors at FYE 09/30/14

Miromar Lakes Community Development District
Debt Service Fund - Series 2012 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income								
Interest Account	-	-	-	-	-	-	-	N/A
Sinking Account	-	-	-	-	-	-	-	N/A
Reserve Account*	27,820	1,840	0	0	-	29,661	15,000	198%
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	2	2	1	2	4	11	30	37%
Special Assessment Revenue								
Special Assessments - On-Roll	332	155,382	544,705	38,619	30,986	770,025	819,929	94%
Special Assessments - Off-Roll	-	-	-	-	-	-	163,991	0%
Special Assessments - Prepayments	-	-	-	-	-	-	-	N/A
Operating Transfers In (From Other Funds)								
	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 28,155	\$ 157,224	\$ 544,706	\$ 38,622	\$ 30,990	799,696.79	\$ 998,950	N/A
Expenditures and Other Uses								
Debt Service								
Principal Debt Service - Mandatory								
Series 2012 Bonds	-	-	-	-	-	-	\$ 400,000	0%
Principal Debt Service - Early Redemptions								
Series 2012 Bonds	-	-	-	-	-	-	-	N/A
Interest Expense								
Series 2012 Bonds	-	299,475	-	-	-	299,475	598,950	50%
Operating Transfers Out (To Other Funds)								
	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 299,475	\$ -	\$ -	\$ -	299,475	\$ 998,950	N/A
Net Increase/ (Decrease) in Fund Balance	28,155	(142,251)	544,706	38,622	30,990	500,222	-	
Fund Balance - Beginning	840,524	868,679	726,428	1,271,135	1,309,756	840,524	862,540	
Fund Balance - Ending	\$ 868,679	\$ 726,428	\$ 1,271,135	\$ 1,309,756	\$ 1,340,746	1,340,746	\$ 862,540	

*October Interest Earnings related to market value adjustment made by auditors at FYE 09/30/14

Miromar Lakes Community Development District
Debt Service Fund - Series 2015 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income								
Interest Account	-	-	-	-	-	-	-	N/A
Sinking Account	-	-	-	-	-	-	-	N/A
Reserve Account*	-	-	-	-	-	-	-	N/A
Prepayment Account	-	-	-	-	-	-	-	N/A
Revenue Account	-	-	-	-	-	-	-	N/A
Special Assessment Revenue								
Special Assessments - On-Roll	-	-	-	-	4,182	4,182	-	N/A
Special Assessments - Off-Roll	-	-	-	-	-	-	-	N/A
Special Assessments - Prepayments	-	-	-	-	-	-	-	N/A
Operating Transfers In (From Other Funds)	-	-	-	-	1,112,222	1,112,222	-	N/A
Bond Proceeds	-	-	-	-	754,375	754,375	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	\$ -	\$ 1,870,779	\$ 1,870,779	\$ -	N/A
Expenditures and Other Uses								
Debt Service								
Principal Debt Service - Mandatory								
Series 2012 Bonds	-	-	-	-	-	-	\$ -	N/A
Principal Debt Service - Early Redemptions								
Series 2012 Bonds	-	-	-	-	-	-	-	N/A
Interest Expense								
Series 2012 Bonds	-	-	-	-	-	-	-	N/A
Operating Transfers Out (To Other Funds)	-	-	-	-	754,375	754,375	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ 754,375	\$ 754,375	\$ -	N/A
Net Increase/ (Decrease) in Fund Balance	-	-	-	-	1,116,404	1,116,404	-	
Fund Balance - Beginning	-	-	-	-	-	-	-	
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	\$ 1,116,404	\$ 1,116,404	\$ -	

**Miromar Lakes Community Development District
Capital Projects Fund - Series 2015 Bonds
Statement of Revenues, Expenditures and Changes in Fund Balance
Through February 28, 2015**

Description	October	November	December	January	February	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources								
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income								
Bond Proceeds	-	-	-	-	382,761	382,761	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	\$ -	\$ 382,761	\$ 382,761	\$ -	N/A
Expenditures and Other Uses								
Capital Outlay								
Cost of Issuance								
Cost of Issuance	-	-	-	-	14,250	14,250	\$ -	N/A
Legal Services	-	-	-	-	105,812	105,812	\$ -	N/A
Underwriter's Discount	-	-	-	-	249,145	249,145	\$ -	N/A
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ 369,207	\$ 369,207	\$ -	N/A
Net Increase/ (Decrease) in Fund Balance	-	-	-	-	13,554	13,554	-	
Fund Balance - Beginning	-	-	-	-	-	-	-	
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	\$ 13,554	\$ 13,554	\$ -	