

**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, January 8, 2015, at 2:00 p.m., at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

**Present and constituting a quorum were:**

<b>Mike Hendershot</b>	<b>Chairman</b>
<b>Dough Ballinger</b>	<b>Assistant Secretary</b>
<b>Alan Refkin</b>	<b>Assistant Secretary</b>

**Staff present:**

<b>James Ward</b>	<b>District Manager</b>
<b>Greg Urbancic</b>	<b>District Counsel</b>
<b>Charlie Krebs</b>	<b>District Engineer</b>
<b>Bruce Bernard</b>	<b>Calvin Giordano &amp; Associates</b>
<b>Paul Cusmano</b>	<b>Calvin Giordano &amp; Associates</b>

**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 with the exception of Supervisors Donoho and Herring.

**SECOND ORDER OF BUSINESS**

**Consideration of Minutes**

**a. December 11, 2014, Regular Meeting**

<b>On MOTION by Mr. Hendershot and seconded by Mr. Refkin, with all in favor of approving the December 11, 2014, Regular Meeting minutes as presented.</b>
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**THIRD ORDER OF BUSINESS**

**Consideration of Resolution 2015-3, accepting the certification of the District Engineer that the Series 2003A project is complete,**

**finalizing the special assessments, securing the District's Series 2003A, capital improvement revenue bonds, and providing for a supplement to the improvement lien book, and declaring that certain true-up obligation remain the same.**

Mr. Ward gave a brief background, stating when special assessment bonds were issued for a District, the statute required the district to go through and do a completion resolution that stated the project was completed. This provided an opportunity for property owners to prepay their assessment one time at the completion of the project prior to it going on the tax rolls. He said this was well behind schedule in doing that, noting it came up as a result of the refinancing the CDD was doing on the Series 2003 Bonds, so the resolution was to put in place the completion resolution. It would provide the standard procedure that property owners could prepay one time without interest if they chose.

He stated more than 95 percent of the area subject to the 2003 Bonds was owned by the developer. He mentioned Mr. Krebs's certification would be updated through to the present day's date, and the Board's packet contained the original certification Mr. Krebs did in 2010.

Mr. Hendershot asked if the CDD would be picking up the expenses on the refinancing.

Mr. Ward affirmed it would.

Mr. Hendershot wished to confirm that any finances with regard to the early prepayment was the developer's.

Mr. Ward answered yes, as in the particular instance, the developer was doing a prepayment. That prepayment would occur on a certain date, and they would have to pay whatever that was, plus a one percent premium due on the bonds at that time; that is, they would pay one percent on that portion of the prepayment.

**On MOTION by Mr. Refkin and seconded by Mr. Ballinger, with all in favor of approving Resolution 2015-3.**

**FOURTH ORDER OF BUSINESS**

**Consideration of a Deed of Conservation Easement to be granted to the South Florida Water Management District (SFWMD) in accordance with the Army Corps of Engineer's permit 199507483 (IP\_MN) for mitigation areas 1-4.**

Mr. Krebs stated a similar conservation easement was already granted to SFWMD. When the south 500 acres in the mitigation area that were in the Stuart Slew was developed originally under the District's existing permit, conservation easements had to be granted to the different agencies. He said that at the time when Miromar Lakes was developed, the District had and still had a SFWMD permit and a Corps permit. The SFWMD's conservation easements were granted several years ago, but for some reason the Corps' permit was not granted, and that was brought to the District's attention as part of some permitting work that the developer was doing. The Corps wanted those easements granted, and the proposed document was something that should have been done before.

Mr. Refkin sought clarification as to the exact location of the easement.

Mr. Krebs pointed out the location of the various conservation easements on an area map, noting it was land already owned by the CDD for which an easement had already been granted to the SFWMD, reiterating an easement should also have been granted to the Army Corps of Engineers. Due to the developer's current work in the area, the Corps brought it to the developer's attention that the easement for the conservation areas that should have been granted under the Corps' original permit that was granted for the lakes was not recorded. They were essentially under the permit.

He stressed the conservation easements he pointed out were all CDD-owned land and reserved for mitigation work and could not be developed, as they satisfied wetland impacts done to develop the parcels he pointed out.

**On MOTION by Mr. Refkin and seconded by Mr. Ballinger, with all in favor of approving a Deed of Conservation Easement being granted to the South Florida Water Management District (SFWMD) in accordance with the Army Corps of Engineer's permit 199507483 (IP\_MN) for mitigation areas 1-4.**

**FIFTH ORDER OF BUSINESS****Staff Reports****a. Attorney**

Mr. Urbancic stated he had to recently respond to several public records requests, mostly for meeting minutes that were done in 2005.

Mr. Hendershot asked about the organization making the requests.

Mr. Urbancic stated the requests came from the neighboring developer. He forwarded to the Board some pertinent documents on the ongoing litigation. The last action was a motion for sanctions against both Miromar, Neale Montgomery, and the other law firm involved. They had decided they would withhold the hearing on that until the other issues were resolved. There seemed to be much back and forth, and he was unsure how the matter would resolve itself.

Mr. Ballinger asked if any ruling had come down from the judge as yet.

Mr. Urbancic replied nothing had come down, as the only ruling that had been made was that there was to be no oral arguments, so he was not sure if it would be a paper drafting exercise, with the judge making the decision. Unless the case was settled, he thought a resolution of that litigation was still several months away.

**b. District Engineer**

Mr. Krebs mentioned, on the Center Place topic, SFWMD issued some conditions they thought would apply to that permit, which they would issue. It had to do with turbidity control during construction, and the procedures that had to be followed when excavations had to be done and any type of work within the fines and outside of the fines. He said the District had gone through and had done the best it could to ensure that the water quality did not get disturbed during construction, and it appeared there was little the District could do, short of filing a lawsuit against Center Place to stop that permit being issued.

They were meeting all the District's criteria, and he might not agree with some of the assumptions the developer made, but the District had little choice in such matters.

Mr. Refkin asked if turbidity was measured at different parts of the lake.

Mr. Krebs responded that one of the conditions that was made was that prior to connecting any of the lakes that were constructed in the mine material, the developer had to provide turbidity measurements 24 hours apart, and they had to be below 29 NTU, which

was the measuring scale used for turbidity over the water they were connecting into. Thus, if, for example, the District's was at zero, the developer's could not be any higher than 29, and they had to provide that information to the District before making the connections.

Mr. Refkin wondered if he would know if it was 29 NTU just by looking at it, as he did not know what that number meant.

Mr. Barnard stated as a point of reference, the drinking water in a household faucet was six or seven NTU, so this is what like five or six times that standard and depending on the size of the lake, if the turbidity is 29, the lake should still be pretty clear at that point.

Mr. Krebs explained that the NTU was over the existing lake condition and depended on the turbidity in the lake.

Mr. Cusmano concurred, stating if the lake had been kicked up, and there was other material in the lake, it made a difference.

Mr. Hendershot commented on being out on the lake over the holidays, and the water was not as clear as it used to be, thinking much of that was in the area where the carp had eaten the grass.

Mr. Krebs remarked it appeared that SFWMD would issue the permit, and their had been correspondence between the developer and their engineer, and District staff gave their input when it was asked for. He thought an effort being made to ensure everyone was protected and to proceed from that point. The developer had met the SFWMD rules and requirements, so the SFWMD hands were tied as to issuing the permit. He said, short of going in there and trying to do something drastic, whatever was imposed on the developer, SFWMD would have to, in return, impose the same rules on any entity discharging into the lake, so the situation was nearing the point at which anything else would have a diminishing effect.

Mr. Refkin observed it was a lake the District did not own.

Mr. Krebs concurred, however it would discharge into a lake that the District owned, hence the need to ensure some measures of protection were taken.

**c. Asset Manager**

Mr. Cusmano stated there was a letter from Mr. Krebs describing what they had been testing within the lake. He mentioned the meeting at which boaters, fishermen, representatives from Florida Fish & Wildlife Conservation (FWC), FGCU, Lake Masters, and

the CDD were present, noting it was a very calm meeting, and the aim was to find out what was going on. He said if anyone was expecting anything to happen right now, that would not be the case. They would get everything in and report their findings to the Board, and any action to be taken, would be done next year. He stated there was discussion on the carp, which was done correctly per SFWMD; for example, the right number of carp based on the acreage. The carp did better than they were supposed to, and the suggestion was now being made to remove the carp. He said they were asking for more reporting on the effect of the carp in the lake and what solutions were suggested.

With regard to what was being kicked up in the water, from FGCU it was said that the carp had eaten much of the grass, and the boats were kicking up a lot of material, as well as the water from the wind. Thus, what was now happening was much of the materials that used to lay at the bottom of the lake was coming up and affecting the clarity of the lake. It was possible to have a clear lake that was bad, or a dark lake that was great, so testing was necessary. He said, at present, FGCU was doing testing at their own cost, and they would send the report of their findings to the District. The same person who did testing for Mike Elgin would conduct tests paid for by Mr. Elgin; he would compare his results with that of FGCU, and forward the information to the District.

A map showing the locations was done by Mr. Krebs based on emails back and forth and included in the Board's package. Until all the test data came in, no decisions would be made. He noted all parties understood via explanations by Bill Kurth of Lake Master and FWC that the fish moved around, and they knew that the north lake did not belong to the District. Thus, the CDD could do nothing to the north of the District and could only control what was coming in and going out. He believed that at the end of the meeting, all parties were pleased and had no problems, agreeing to report findings each month. When it came to the point for a decision, they would go through Mr. Krebs and Mr. Ward, and a presentation would be made to the Board.

Mr. Hendershot asked if Mr. Risso was present at the meeting.

Mr. Cusmano affirmed Mr. Risso was present and appeared fine with the proceedings, though he wished to see things moving along, as did many in the community. Carp ate for two and a half years and then began to fade out. The carp had not been in the lake for a full two years, though they were approaching the end of their eating point and, as

the carp grew and died off, the grass would begin to grow back, and the water quality would change. He stated the lake could be left alone with the carp for three years carp, after which the District could determine how many had died off or if the carp had to be removed in 2016.

Mr. Krebs remarked, depending on what the tests showed, it might be necessary to pull carp out in order to make sure the District could replant to help the water quality. There was discussion at the meeting of different species of aquatic plants, and barricades to keep the carp away, while allowing small sports fish to go in and grow.

Mr. Cusmano concurred, stating FGCU could do this on their side at their beach area where they had done it before and could do it again.

Mr. Krebs noted one of the scientists at the meeting commented that his assumption, having not done any testing, was what contributed to the degrading of the water clarity was, as the material was kicked up, that organic material was being eaten by algae and bacteria. The algae was growing, as algae blooms could be seen, and as soon as they got to a level where there was insufficient food, the algae blooms would die off, as would the bacteria, and the water clarity would improve.

Mr. Hendershot asked how would the District go about removing the carp if that was the chosen solution.

Mr. Krebs replied the District would have to get a take permit, and the carp would have to be destroyed.

Mr. Refkin wondered if all the carp had to be removed.

Mr. Krebs answered no, there was a percentage that would be removed, and this was part of the discussion at the meeting; if the carp were to be removed, how many had to be taken out to hold a steady layer of control versus getting the exotics rushing back. They spoke about what had to be done in order to put any of the littoral plants required by agencies back in the lake, not wishing to do that if the carp were going to eat them.

Mr. Refkin recalled, before the carp was put in the lake, every time there was a problem with the plants in the lake, the District dumped \$60,000 in chemicals into the lake, in contrast to the much lower cost of putting the carp in the lake. He pointed out there was very little success achieved by the chemical treatment method.

Mr. Krebs mentioned the cost aspect was also discussed, noting the FWC spoke about different chemicals that could be applied, which was when Lake Masters informed them of the District's history of treating the lakes chemically and the lack of success. As soon as the two lakes had been connected, the acidity level in the water changed and nullified the effect of the chemicals. He said this was what some of the sports fishermen at the meeting needed to hear; that is, that the District tried other avenues before putting the carp in the lake.

Mr. Cusmano concurred, stating that the cost of the chemical treatments continued to increase.

Mr. Hendershot remarked the gossip was the District would have a Lake Trafford if something was not done soon.

Mr. Krebs noted the FWC and other scientists at the meeting believed, even in the worst case scenario, the District's lake would not become a Lake Trafford, as it was two different situations. In the case of the District's lake, though the carp ate the littorals, the lake itself might still be very health. He said this would be one of the things they were looking for in the testing; that is, to establish the lake quality.

Mr. Cusmano reiterated it was said at the meeting that Miromar Lakes' lake was different from the other lake, so the two should not be compared, and Mr. Kerr of Lake Master went through the differences between the lakes and why they should not be compared. FWC agreed with his opinions.

Mr. Hendershot asked when the Board would know.

Mr. Krebs replied once the testing results started coming back to District staff on the quality of the water, the turbidity and the amount of dissolved oxygen, this would reveal how that lake was acting. Then the District could make a decision on necessary actions to take to increase the health of the lake.

Mr. Cusmano remarked on the storm drains noted in the Board's packet, there was a map attached that showed the location of the boxes, along with a number of pictures of the boxes. The workers went into each one of the boxes based on the storm drawings, checked out their aisle flows, etc. and did a report that was included in the Board's packet that showed which ones needed to be cleaned out due to the debris that collected in them. He said the backup information included the costs to clear the storm drains out, as there was



\$11,500 allocated in the District's budget. MRI did the report and supplied the price to clean out the drains and maintain them, which would be on a two-year program. He said the District had \$7,000 in its budget for cleaning them out, so it was possible to get them 100 percent ones cleaned out, along with cleaning out other small ones.

In the next fiscal year's budget the cost to clean the rest of the storm drains would be included, and in 2017 the process would be repeated.

Mr. Refkin asked if the two-year process constituted an annual maintenance of the District's storm drains.

Mr. Cusmano affirmed this to be the case, stating over the two-year period, the only area that had to be cleaned out might be the District's outfall system.

Mr. Hendershot mentioned the established neighborhoods where there was still construction underway.

Mr. Cusmano responded the workers had not reached that area as yet, but as they proceeded with the work, eventually all the drains would be cleaned out, and their further maintenance would be added to the District's budget. Currently, of the \$11,500 allocated in the District's budget for the storm drains, and \$4,000 had been spent on the inspection and \$7,000 was being spent to clean them out, reiterating the same amount would be put back into the next fiscal year's budget to clean the rest of the system. He noted the Board's package showed a breakdown per box.

Mr. Refkin thought the report was good.

Mr. Ward asked for an explanation of the landscaping bid process for the benefit of the Board.

Mr. Cusmano replied that he recently submitted a revised bidding packet to CGA, in which he updated the general conditions, contract, specifications, including the current sprayings and maintenance, and the I-75 berm. The original contracts prior to Mr. Ward working for the District had few specifications or what he called control of the vendor. He said the general conditions now specified the District's requirements for cleanup, safety, debris removal, responsibility, etc., and all these were included in the bid packet. The schedule was the only aspect that they would breakout, and once CGA reviewed it, they would send it to Mr. Ward for his approval, then the bid would be sent out to the vendors.

Mr. Hendershot asked if the District was still doing the landscaping on the Ben Hill island down to the first road.

Mr. Cusmano affirmed this to be the case.

Mr. Refkin thought that area was looking better.

Mr. Cusmano saw the problem being caused by people leaving car marks, but there had been a big improvement with the picking up garbage by the contracted vendor. The new bid document and contract had gone from a five-page to a 28-page document, as it now included more specifications, including the spraying for white fly and irrigation on the berm.

Mr. Ward asked about the timing.

Mr. Cusmano replied he should have the bid and contract to Mr. Ward in time to get it onto the next agenda and go out to bid.

Mr. Ward asked when the existing contract terminated.

Mr. Cusmano answered in May.

Mr. Ward stated this meant the recommendation for award of bid had to be presented to the Board at its March meeting, urging Mr. Cusmano to make sure the process moved forward as planned.

Mr. Hendershot thought the developer should be asked to make some sort of contribution to make the island coming into the development more impressive, and it would make residents feel better about all the premiums they were paying.

Mr. Refkin recalled the entrance of the Brooks development was seen as a good example of what an entranceway should look like, but he believed part of the problem was whether a curb should go in, and there were certain definitions for when curbs should be in place and when they should not

Mr. Krebs believed the road of discussion was a County-maintained roadway, while the Brooks road was not, and the county had different requirements on clear zone and designs that had to be adhered to.

Mr. Cusmano affirmed this to be the case, as the county requirements had to do with maintaining proper visibility and speed limits on the roadway.

Mr. Krebs felt sure whether there was curbing or not was based on the county's design criteria for their roads.

Mr. Refkin stated he cared little whether or not there was a curb, but there could be further exploration into how to make the entrance more aesthetically appealing.

Mr. Hendershot concurred, as it would help the developer to sell more houses.

Mr. Refkin realized the District did not own the big lake, and that the District was currently helping to maintain a lake it did not own, though he understood that all concerned entities had to come together eventually, as they all had to deal with the lake. The District maintained the shoreline out to 25 feet.

Mr. Ward clarified that it was his understanding that the District owned the shoreline 25 feet into the lake, though the area we maintained went a little further than that distance.

Mr. Krebs agreed, adding that there were portions of the north shoreline where the District had platted, and the area had been turned over to the CDD, so the CDD owned a small portion of the shoreline. Miromar Development or Miromar, LLC, owned from the shoreline to the property boundary that was water, whether it was 25 feet or not.

Mr. Refkin asked if this was even on the big lake.

Mr. Krebs answered right, as the property line on the north lake extended out into the lake some distance, though he did not know if it was 25 feet or more. This was part of the problem the District was having with the treatment of the exotics, as it could only go out a certain distance to do the treatment in the lake, as the most of the problem was located beyond that District's property line.

Mr. Keller introduce Bruce Bernard, noting Mr. Bernard was the CGA Manager of Field Operations and had been with the company for almost a decade. In the coming months, Mr. Bernard would be involved with being more helpful in District matters, as Mr. Keller would be concentrating on work that would take him away from the District. He indicated that for the last 30 years, Mr. Bernard had been the public works director in a local government that involved considerable work with utilities, and asset and property management, so his knowledge was extensive in those areas.

**d. District Manager**

**I. Financial statements for the period ending November 30, 2014**

No discussion.

Mr. Hendershot asked at what stage was the refinancing.

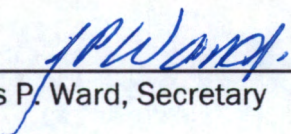
Mr. Ward replied the process was about 90 percent complete, and the issue would probably take place by the middle to latter part of the month, as there were some legal matters to be wrapped up. As soon as those issues were dealt with, they would get the financing going. He said there had been no major hurdles to overcome to date, and the market was still relatively calm and consistent.

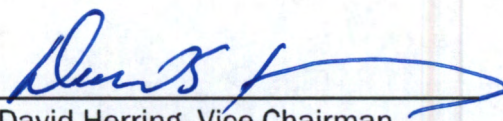
Mr. Urbancic indicated they would have to coordinate with the Mr. Ward and Mr. Hendershot to execute the various documents.

SEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Hendershot, seconded by Mr. Ballinger, with all in favor of adjourning at 2:37 p.m.

  
James P. Ward, Secretary

  
David Herring, Vice Chairman