

**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 Wednesday, **March 13, 2013**, at **12:00 p.m.**, at the offices of **Miromar Development Corporation, 10801 Corkscrew Road, Suite 305, Estero, Florida 33928.**

Present and constituting a quorum were:

Mike Hendershot	Chairman
David Herring	Vice Chairman
Doug Ballinger	Assistant Secretary
Burnett Donoho	Assistant Secretary

Also present were:

James Ward	District Manager
Greg Urbancic	District Counsel
Charlie Krebs	District Engineer
Stephen Riggs	Carl Riggs & Ingram (Telephonic)

Members of the public were:

Mike Elgin	Miromar Development Corporation
Tim Byal	Miromar Development Corporation

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 12:00 p.m. and the record reflected all members of the Board were present at roll call with the exception of Supervisor Refkin.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a) February 7, 2013 Regular Meeting

Mr. Ward asked if there were any additions, corrections or deletions and received none.

On MOTION made by Mr. Hendershot and seconded by Mr. Herring, with all in favor, the regular meeting minutes of February 7, 2013, were approved as presented.

THIRD ORDER OF BUSINESS

Presentation by AJC & Associates, Inc., of the Services Related to the Preparation of Assessment Methodologies and the Assessment Rolls that are provided by the firm

Mr. Ward stated the Board's agenda package contained a brief outline of the services provided by AJC & Associates and I will introduce Ms. Alice Carlson to you to make a presentation on the services of her firm.

Ms. Carlson, president of AJC & Associates, Inc., distributed a short bio of her company, including examples from their website. She established her business in late 1997 after working for Westinghouse Communities for 19 years in Lee and Collier Counties; she worked in the financial field. Her concentration was on special assessment lien rolls with CDDs, as well as some methodologies. She worked with Miromar Lakes 1999/2000, and the first bond issue was in 2000, and she had numerous contracts over the years, the most recent being put together in 2008 with an automatic renewal on April 1 of each year.

The services they provided included working with the management company in putting together the debt service budgets annually, establishing the amount of the annual assessment that would be placed in the District's budget. Once the budgets were approved, she worked with the local Property Appraiser and Tax Collector to place the assessments on the real estate tax bills for the District. They are then reconciled to the lien book, placing the new par debt in the records, then posting that information to their website www.cddfllorida.com. In the Board's agenda package, she provided examples of how to maneuver through their website.

Ms. Carlson indicated the website was used by property owners, realtors, title companies and lawyers in order to pull up one-page summaries estoppels for individual properties. Whenever a developer was selling a large tract of land, a more detailed estoppel letter for the purchase is prepared. She worked with the developer, as they needed to allocate the debt for new parcels of land that were platted. All of the 2000 bonds that were

refinanced last year had been allocated, but the 2003s had only been allocated to a few neighborhoods and the club. As time passed, she would be working with Mr. Byal and his staff as they plat property.

They constantly looked annually at the total outstanding debt and the developer's plans to make sure that the amount was still appropriate. There was a provision in the special assessment methodology that talk about a true up and, annually, they looked to make sure that the amount of debt was appropriate to allocate across the property. In the event a plat or plans changed, they needed to go through and allocate the debt and make sure that it was satisfactory. If not, at the time of the plat a density reduction might be required; they had yet to have to do this in Miromar Lakes.

Ms. Carlson expressed appreciation for the business with the District, stating she enjoyed working with them over the years, noting her fee remained the same for the last five to six years, a total of \$18,000 annually. That was broken out between the general fund, placing that on the tax roll, keeping the official liens for both the general fund and the debt service, and then a fee for the series 2002 bonds, a small fee that was discounted for the 2003 bonds, as there were only two neighborhoods on the tax roll. The portion of her fee was to work with all the unplatted property and constantly review that status.

Mr. Ward believed Ms. Carlson's firm did an amazing job with both the assessment rolls and the methodologies she does. She was the prime individual that made sure that the multimillion dollar's worth of debt was levied on a yearly basis and collected correctly from both residents and the developers.

Mr. Hendershot asked if Ms. Carlson provided a monthly or quarterly report to Mr. Ward on the actual roll status.

Ms. Carlson replied she provided a report every six months. The roll had been established and anticipated that all tax bills would be paid by May 1, the next call date; if there was an extraordinary call or someone paid their assessment off early, the roll would be updated at that point. If not, the roll was updated November. As Mr. Ward received the payments from the County, he was aware of the revenue coming in and provide her information, such as if someone paid off early, as well as information after May 1 on anyone that had not paid.

Mr. Hendershot asked when someone paid off early, liquidating the principal, did any debt continue to accrue or did that evaporate as well, since they were 20 year bonds.

Mr. Ward stated the piece of the debt on their property did evaporate, and the District did what was called an extraordinary mandatory call on bonds on either 11/1 or 5/1, and that would evaporate some of the District's outstanding debt. Ms. Carlson would be sent the information to update the rolls to show that debt as being extinguished, and then they went through the process of rebalancing the roll to ensure the total debt outstanding was consistent with the bonds outstanding for all of the District's property in the District.

FOURTH ORDER OF BUSINESS**Discussion and Presentation by
Vendors to Provide Field Asset
Management Services for Fiscal
Year 2013**

Mr. Ward mentioned he had individual conversations with the Board members but, as Supervisor Refkin was absent, he thought it better to postpone the verbal presentations of those vendors to a future meeting date. Based on the Supervisors' schedules, it appeared deferring the item to the Board's April meeting was appropriate. The vendors' proposals contained in the backup gave the Board a chance to peruse their information in the interim.

General discussion: The financial analysis indicated a significant cost between the two vendors, particularly the GIS mapping and the landscaping; the difference in cost might be attributable it being a situation of a small firm, Morris-Riley, versus CGA. The latter's understanding of GIS was a broader concept, whereas the former had a smaller identification of the District's needs. With regard to landscaping, the difference in cost was attributable to the total number of hours, where CGA showed more hours, and this was preferable, as the District required more hours, due to its size, scope and magnitude.

General discussion on the usefulness of the detailed information provided by GIS mapping to the District; the information was more related to the District having all the data in one database, a proper delineation of ownership and a third-party need for the information. There was a suggestion that the vendors should be given better parameters as to the needs of the District to make their cost estimations better related to the services required. As the developer was no longer represented on the Board, moving forward, it

would be useful if the residents had some concrete history or knowledge, a database that new Board members could go to on a website for information on the District. A good first step would be to create a color coded map that summarized what the District owned, then the next step would be to develop a database containing all the backup information on items in the summary.

General discussion: Mr. Krebs' company had the capability to create the preliminary map, and they knew of companies that could then take that information to the next step to develop an instrument Board members could utilize, not necessarily for the general public. This service could be pulled out of the vendors' proposals and let them concentrate on the actual field asset management portion of the District. The question was asked as to specs of the landscaping.

Mr. Ward noted there were two components to the landscaping specs: 1) the general business specifications that he did for the District; and 2) a detailed scope of services, which he expected the vendor chosen to handle. He confirmed he would inform the prospective vendors of the Districts intention of pulling the GIS portion out of the vendor proposals. Mr. Krebs' firm would hand the creation of the map, as they were most familiar with the District.

General discussion: The general scope of services for the field asset management were discussed, comparing the price the District was now paying to that proposed by the vendors. It was noted the difference in cost would be significant, regardless of the vendor chosen, going from the current \$15,000 to at least \$45,000; Mr. Elgin indicated the \$15,000 was inherited in an effort to remain the lowest bidder at the time, and he chose to continue doing the scope of services for that price. However, the District needed to move to point where it was not as dependent on the services of Miromar Development Corporation (MDC), and the vendor selected would receive considerable support from MDC.

General discussion: Over time, the overall number as to cost would become more reflective of what it truly took to manage a project the size of the District. It was noted that the offices of both firms were situated out of town, and Mr. Ward stated he indicated to them at the time of bidding both had to have a local presence, which they indicated they were willing to do to secure the contract.

FIFTH ORDER OF BUSINESS

Consideration of Three (3) Encroachment Agreements with Lakes Romano, LLC (WCI Communities) to Encroach with a Roof Overhang on Three (3) Lots in the Lakes Romano Project. They are Lots 25, 31 and 32. The Encroachment is One and One-half Feet into a Seven (7) Foot Drainage Easement

Mr. Urbancic and Mr. Krebs reviewed the details of the backup information contained in the Board's agenda package.

General Discussion: There was a question as to whether when the property owner did the building plan, were they aware there was an easement there, and the development and properties had changed ownership and plans over the years. Thus, the extent of awareness was unclear, but it appeared the lot was platted and designed at a time when airspace was not a consideration, and the aim was to create a document that facilitated back the construction on that basis. Staff met with the County, and after being given all the details of the situation and pending the CDD's approval of the proposed agreement, the County was willing to accept the 18-inch overhang. This would resolve the permit issue.

The property owner was not offering the District any compensation for approving the encroachment agreements, but it was felt, at the very least, the developer should reimburse the District for any cost incurred in preparation and facilitating of the subject agreements.

Mr. Byal agreed the developer would reimburse the District for any out-of-pocket expenses incurred regarding the proposed encroachment agreements, as it was not the CDD's burden to address the subject issue.

Mr. Urbancic recommended, if the Board was willing to accept the encroachment agreements, subject to the CDD being reimbursed as discussed above. If WCI later came back with any interior modifications to the agreement, they would bring the agreement back to the Board to ensure they were in agreement with the changes.

On MOTION made by Mr. Donoho and seconded by Mr. Ballinger, with all in favor of approving the encroachment agreements with Lakes Romano, LLC (WCI Communities) to encroach with a roof overhang on three (3) lots in the Lakes Romano Project, with the understanding the Miromar CDD would be reimbursed by the developer for any out-of-pocket expenses incurred from facilitating that process, and any changes to the agreement after approval would be brought back to the Board for further review.

SIXTH ORDER OF BUSINESS

Consideration of The Acceptance of the Audited Financial Statements for the Year Ended September 30, 2012

Mr. Riggs reviewed the subject financial statements as provided in the Board's agenda package.

Mr. Hendershot referred to page 20, questioning when the District retired the 2000 A and B Bonds, he thought the CDD had gotten out of that arrangement completely, but the first sentence on page 20 indicated otherwise. He asked what future debt service were there on the bonds the District retired.

Mr. Ward remarked the escrow account was set up, so when the bonds were called, the funds were already available to retire the bonds, so there should be no other debts associated with that transaction.

On MOTION made by Mr. Hendershot and seconded by Mr. Donoho, with all in favor of accepting the audited financial statements for the year ended September 30, 2012.

SEVENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Urbancic stated he had nothing additional to report.

b. Development Manager

- i. Update on Grass Carp Program

No report

c. Engineer

Mr. Krebs mentioned they were examining that drainage pipe and saw there was some lake erosion that needed to be addressed. It seemed a golf drainage pipe broke and was buried in the shoreline.

Mr. Hendershot asked if the developer had specs or any formal requirements for waterfront property, either aesthetically or functionally. For example: should riprap be used.

Mr. Byal replied no, more, because it was dictated to the developer by the agencies. They could not put riprap without their approval, and there was a limited amount of edge on which to use a riprap surface. Thus, they built it according to the agencies' requirements, and the challenge was how to maintain it, as a sodded lake bank tended to erode over time.

d. Manager

I. Updated Board Agenda Schedule for Balance of FY2013

No discussion

II. Financial Statement for the Period ending January 31, 2013

A general discussion on: Remaining tax roll delinquencies.

III. Audit Schedule would be handled at the July 11 meeting.

No discussion

EIGHTH ORDER OF BUSINESS

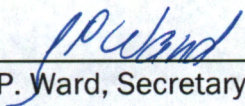
Supervisor's Requests/Audience Comments

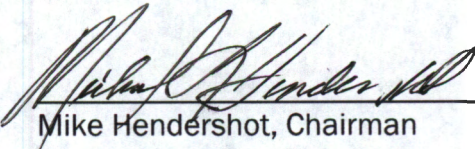
General discussion: grass carp growing fast; refinancing for residents document was written.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Herring, seconded by Mr. Hendershot, with all in favor of adjourning at 1:30 p.m.


James P. Ward, Secretary


Mike Hendershot, Chairman