

**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, May 14, 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
David Herring	Vice Chairman
Doug Ballinger	Assistant Secretary
Burnie Donoho	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:

Tim Byal	Miromar Development
Mike Elgin	Miromar Development

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.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a. April 9, 2015, Regular Meeting

On MOTION by Mr. Hendershot and seconded by Mr. Donoho, with all in favor of approving the April 9, 2015, Regular Meeting minutes presented.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2015-5 of the Board of Supervisors of the Miromar Lakes Community Development District, adopting Continuing Disclosure Policies and Procedures; and providing for severability and an effective date.

Mr. Ward stated the subject resolution is an outshoot of an SEC rule that was adopted a number of years ago that required underwriters to provide certain information to national repositories, such that bondholders would have information related to any kind of governmental agency's bond issues. We do this as a matter of course anyway, pursuant to agreement between the trustee, the District, and generally, the developer in the early stages of the development. The resolution that you have before you identifies the reporting requirements for you; they are relatively consistent with the agreements. Sometimes they're a little different in these policies than you might see in the actual agreement, but all of the information is provided to the repositories for bondholder information.

If you have any questions with respect to the resolution, I'll be glad to answer it, otherwise it's in order and recommended for your consideration.

Mr. Hendershot asked so there's no additional reporting required, and any costs associated with it are built into the budget?

Mr. Ward stated correct.

On MOTION by Mr. Hendershot and seconded by Dr. Herring, with all in favor of approving Resolution 2015-5.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2015-6 of the Board of Supervisors of the Miromar Lakes Community Development District, supplementing Resolution 2001-1, as previously modified and supplemented by Resolution 2011-4, which resolutions had previously equalized, approved, confirmed, imposed and levied special assessments on and peculiar to property specifically benefited (apportioned fairly and reasonably) by the District's project; approving and adopting the Miromar Lakes Community Development District

Capital Improvement Refunding bond, Series 2015 Final Assessment Allocation Report dated February 16, 2015, which sets forth the specific terms of the Miromar Lakes Community Development District capital improvement revenue refunding bond, Series 2015, providing for modification of the special assessments as set forth in the Miromar Lakes Community Development District improvement refunding bonds, Series 2015 Final Assessment Allocation Report dated February 16, 2015; and providing for severability, conflicts and an effective date.

Mr. Ward stated, right after any kind of issuance of bonds or, in this particular instance, after the refinancing of your Series 2003 bonds, there is a report that is prepared called an Assessment Allocation Report, it's Exhibit "A" to the resolution. All the report does is tell you the final allocation of debt all across the properties that have been affected by the reissuance of the Series 2003 bonds now the 2015 bonds. It's a requirement of the statute that we prepare the roll itself and prepare this report, so what we normally do is, at some point, we ask you, and that's what you have on your agenda today, to adopt a resolution that adopts that Assessment Allocation Report. It is consistent with the par amount of bonds that we issued, which was \$19,190,000. That par amount of debt is consistent with what the roll that you have in Exhibit "A".

If you have any questions, I'd be glad to answer them for you, otherwise that resolution is recommended for your consideration.

Mr. Hendershot asked under the units, for purposes of divvying it up, it was 1,051 and it's now 861 revised?

Mr. Ward stated the 1,051 units is the number of equivalent residential units, so this includes the conversion for commercial property that's in here also, but it's pretty close to the residential count, yes.

Mr. Hendershot asked but the 1,051 has now been reduced to 861, is that correct?

Mr. Ward stated no, for purposes of this bond issue, it's a 1,051 equivalent residential units, it doesn't convert exactly one to one, because of the commercial property that's out there. We actually count a unit in here as a unit.

Mr. Hendershot stated oh, all right, so the commercial property would be more than one.

Mr. Ward stated correct. Any other questions?

Mr. Ballinger asked on page three and four, I'm noticing that it looked like Miromar Lakes Development has approximately \$17.5 million of everything that's listed there as a total of \$19,165,000. Can someone try to explain that to me?

Mr. Ward stated that is a true statement, essentially all of the properties that are encumbered by this bond issue are undeveloped at the moment. As such, the current owner of all of those properties is Miromar Development Corporation and Miromar, LLC, as we see on the tax roll. There are very few end users or homeowners that are in this particular area of development.

Mr. Hendershot asked those that are listed are the ones that prepaid?

Mr. Ward stated not prepaid. They actually have bought units within this assessment area.

Mr. Hendershot stated let's take Lance Johnson, for instance.

Mr. Ward stated he is an owner. This is the par amount of debt that each lot owes as a result of the reissuance of the Series 2015 bonds; the reissuance of the '03 bonds, now the 2015 bonds, and there is one subdivision that Miromar has sold to end users, people who actually own property in this assessment area, and that's what you see on the roll. Over 90 percent of the balance of it is undeveloped land owned by the developer. I apologize, I just don't remember the name of the subdivision.

Mr. Hendershot asked why would there only be one house in Verona Lago that's impacted by this? The individual addresses are not in a given neighborhood.

Mr. Byal stated this is the tax identification numbers. The property that pertains to this is within the bond area. You're thinking of the one where Lance has a property in Sorrento that is subject to this bond, but his permanent address is still in Verona Lago.

Mr. Hendershot stated I'm with you, thank you.

Mr. Ballinger stated these look like they might just be mailing addresses.

Mr. Ward stated they are actually the addresses that the property owner has of record with the Lee County Property Appraiser's record. Wherever the tax bills get mailed to is what the address is on this roll.

Mr. Byal stated I think the note is for several of the neighborhoods, the number went down as a result of the refinancing. It's not a big reduction, but it all went the right way, as it relates to the other homeowners affected.

Mr. Ward asked any other questions? Hearing none, then a motion to adopt the resolution would be in order.

On MOTION by Mr. Refkin and seconded by Mr. Hendershot, with all in favor of approving Resolution 2015-6.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2015-7 of the Board of Supervisors of the Miromar Lakes Community Development District, approving a proposed budget for Fiscal Year 2016 and setting a public hearing thereon, pursuant to Florida Law; providing for severability; providing for conflict and providing for an effective date.

Mr. Ward stated the primary purpose of your meeting today is to start your budget process for Fiscal Year (FY) 2016. When we get to the end of this process today, I'll ask that you adopt the resolution, which sets your public hearing for Thursday, September 10, 2015, at two o'clock here at the Beach Clubhouse. Just in the way of some opening remarks, the start of this process or the approval of the budget doesn't really bind the Board in any way to any of the numbers contained in it, any of the programs contained herein. It merely allows you to move forward with the process, such that by the time you hit your September 10th meeting, you will be in a position to adopt the budget and set in place the assessment rates for the General Fund for FY 2016.

We will put this on your agenda every month between now and September, so that you will have an opportunity to go through this, make any additional changes, deletions, additions that you may want during that period that you may want during that period of time.

It does, however, set the highest threshold as to what the assessment rates would be, the amounts that are contained in the budget, so when I present this to you, I tend to go on the high side, in case you decide you want to go down and put in the programs that we think are necessary. We can add and change the mix around over the next couple of months as we go through this, but this is the starting point or up side of where we are at this point.

Mr. Hendershot asked this would become a new cap rate going forward, assuming it's established?

Mr. Ward stated assuming it's established, this would be the new cap rate that we would have on a going-forward basis. Generally, we set the cap rate at ten percent over what the FY adopted rate is; whatever that will be is what will be the cap rate going on a future year basis. Just so we all understand, the cap rate is the rate that triggers mailed notice to individual property owners within the District, so as long as we are under that, we do not have to do individual mailed notices. Once we go over that threshold, we have to send out individual mailed notices again each year. To try to prevent the cost of doing that, which runs between \$1,500 and \$2,000 to do those mailed notices, the adoption of a cap rate resolution is a good idea for you.

What I'm going to do, if it's okay with the Board, is go through the overview of the budget in an order that's a little different than what you have in here. The meat of it and a big part of what you'll discuss today is related to your General Fund. As such, I'm going to start with the Debt Service Fund, because they are the easiest to do, and there's really not a lot of change you can make to them, and then get back to the General Fund and go over that portion of the Budget.

I'm going to call your attention first to page eight and nine are your Series 2012 bonds, really the Series 2002 refinanced bonds for the District. The total expenditures for the Series 2012 bonds for FY 2016 is \$1,033,000. It is the same as what we have in the current FY of \$1,033,000. That means on a going-forward basis the assessment rates for all of the properties affected by the Series 2012 bonds will have a flat assessment rate for next year for this particular bond issue. The expenditures are driven solely by the amount of the principal and interest that's due on the bonds, and that's why you see a relatively consistent rate over time.

Page ten is the 2003 bonds Debt Service Fund. You'll notice that there is no budget for those, since those bonds have now been refinanced with the Series 2015 bonds, so I show you just where the money has come in and gone out. At the end of the year, you will have no fund balance in this portion of the Budget, which has already taken place, and there will be no assessment for it in the 2003 bonds for next year. On pages 11 and 12 are your Series 2015 bonds and, as you note, the total expenditures for 2016 for your Series 2015 bonds are \$1,705,000. As Tim Byal mentioned to you, you'll see assessment rates go down in the prior year, as Series 2003 bonds; if you look at the total expenditures, it was \$2.1 million, so there's been a significant decrease in the total expenditures and in the total assessments we will collect as it relates to the Series 2015 bonds going forward into next year will also decrease. We'll get back to the last few pages in a few moments.

I'm going to take you back to the front of the book now, and we'll start on pages one and two, which are your General Fund operations of the District. Because we've been through this a few years, what I'm going to do is highlight the changes that are occurring within the context of the budget itself, and then we'll have more discussion. If you look on pages one and two, I've added a few columns. The change in the budget from the prior year's budget, the contingency amounts in line items, and the components of the rate change are three new columns that we added to this spreadsheet that's on pages one and two of the budget.

If you recall, with respect to the contingency line items, what we were doing for a couple of year is if we had contingency line item in the budget, that we would use cash to fund the contingency. What that did was reduce your cash balances over the past few years until such time as we need it to be used for those contingency line items, and that has occurred. If you look at this budget, you'll see there's only one line item in FY 2016, that we have a contingency line for, but you will notice that we are not carrying forward for next year any monies from existing cash balances to fund any of the contingency line items. That is a change from what we've had in the years past. The primary reason I did that is that your cash balances are anticipated to be \$360,000 at the end of the current fiscal year and, in my opinion, is about the minimum amount of monies that you will need in order to fund the budget for the first three or four months of the follow fiscal year as we move forward from year to year.

The next change that is the most important that I want to highlight to you is the change in the budget from prior year budget, and we'll just do those in aggregate. The first is the administrative side of the budget. The total budget from last year is \$125,943. We anticipate expending more than that in the current year, and I'll go through that in a minute. The proposed budget for next year is \$537,000, so that is a change of \$411,000 in the administrative budget. If you look at the changes, that is solely due to the Center Place litigation. There's \$250,000 budgeted here for litigation counsel, and \$100,000 budgeted for Center Place experts.

Mr. Refkin asked isn't that new, the \$100,000, as the Board talked about the \$250,000, but I think we just informally talked about the experts, and now there's not only \$100,000 for the experts and general counsel \$40,000, so we're basically up to \$400,000, not \$250,000, base. I don't know if people are clear about that, so the \$250,000 is a dream.

Mr. Ward stated correct, and the experts were a result of discussions by District staff in order to go through the litigation and what it's going to take to hire the experts in order to do that.

Mr. Refkin stated I'm not questioning that we don't need them; in my personal opinion, I just want to make sure it doesn't get away from us, because this could become extraordinarily expensive.

Mr. Ward stated yes. That is the major change that you see in the administration budget. If that was not in here, we would be roughly back down to the \$125,000, \$126,000 range in terms of the entire administration of the District for next year. That change relates, roughly, to a little more than \$200 per unit per year increase in the assessment level for FY 2016.

Next is the Storm Water Management Program. That budget for FY 2015 is roughly \$193,000 per year. The change in that is really going up to \$222,000 for FY 2016; that's a \$30,000 change. If you look at the components of that, that \$29,000 is solely related to removing the grass carp that we put in a few years ago, and we put in \$48,000 in next year's budget to start to deal with that. From what I'm hearing from Bruce, Charlie and everyone, I don't think they're going to sign their name to that's going to be the final

number, but that's the number we can at least be reasonably be confident within FY 2016 to start with with respect to that budget.

What I felt was interesting when I was looking at the storm water management budget is that I want to say thank you to CGA, because I think they did a great job this year in giving me a budget for the Storm Water Management Program. It would have literally reduced your overall operating costs for that portion of the budget if we did not have this grass carp problem to deal with. Thank you for doing that, and I thought that was an interesting analysis.

Mr. Hendershot stated under the lake system part of that, under the 2016 Budget, we've got \$18,000 for littoral shelf barrier replanting.

Mr. Ward stated correct.

Mr. Hendershot stated but then over here in the General Fund Budget on page seven, there's nothing under 2016 for the replantings; we have to reconcile that.

Mr. Ward stated for purposes of your budget, the \$30,000 for the grass carp and the \$18,000 is all one program, because the loss of the littoral shelves is as a result of the grass carp. The barrier installation and the removal of the grass carp are one program, but I broke them out for you so we could keep track of the individual cost of those two line items, but I will correct that on page seven that you noticed.

Dr. Herring asked if it was appropriate to now ask questions about how staff came up with the \$40,000 to remove the grass carp, or should we ask later.

Mr. Ward stated you may ask now. That would be a good idea.

Dr. Herring asked where did we come up with \$40,000 to remove these grass carp? How did we come up with that?

Mr. Bernard replied we had discussions internally, if you read the minutes of the meetings with concerned parties, that's primarily where that came from.

Dr. Herring stated I did.

Mr. Bernard stated we had discussions on the removal process, how much we think it would cost, as no one has ever done this. We were just looking at a number, so that's why if you look in the Capital program, there's more money the following year too just in case we need it. We put it there just to let you know, but we're looking at, basically, 2,500 to 3,000 carp to remove. We've had an estimate from Bill Kurth from Lake Masters saying we could

put people out there fishing for a week. There were about six different options. We had to come up with a number to put in the budget. We still haven't found anybody stepping up and want to do anything, so we had Lake Masters, who we have no Board now, saying if you put a couple guys out there fishing for a couple times a week at a little over \$2,500 a week. For three months that might cost about \$30,000.

Dr. Herring stated wouldn't you think they would pay us to fish for carp.

Mr. Bernard stated you can't do anything with them, they have to be destroyed as soon as you catch them.

Mr. Cusmano stated they have to be licensed and destroyed, it's right on the permit.

Dr. Herring stated the option of selling them for gefilte fish is off the table. I guess the bottom line is we haven't decided on a plan, and the fishing plan sounds like the worst to me.

Mr. Donoho asked have you gotten any estimates from the netting guys.

Mr. Bernard stated we haven't found anybody. We've called everybody and nobody wants to do it.

Mr. Cusmano stated there are specifications on the take permit that talks about netting, so we have to find the specific person that does it that's licensed based on the requirements line item one and line item two. We've not been able to fine someone.

Dr. Herring asked the people from FGCU that are involved in this as well, they have no ideas about netting either?

Mr. Hendershot stated if you channel them into a channel shock them, do you still need the netting?

Mr. Cusmano stated no, you would need to get them in to temporarily float up until it wears off. Eventually, they get to know the sound of the boat and disappear, and you go from catching ten to catching three. It's been a challenge.

Mr. Bernard stated I'm hoping to find a fishing club that we could offer prize money.

Mr. Donoho stated it seems like it's easier to put them in than take them out.

Mr. Cusmano stated and FWC did not have an exit plan. They don't have an exit plan to remove, so that's where we're at at this point, we're trying to do it based on their requirements.

Dr. Herring stated I know it's frustrating. The netting is what appeals to me most.

Mr. Bernard stated it makes the most sense. We were looking at some hoop nets, just to set like ten or 12 of them out there, put some bate in them, they swim in, and they can't swim out, pull them up and rebate every day.

Dr. Herring asked have we contacted like Mote Marina and The Conservatory, Southwest Florida, those marine services? I've been on boats with the Mote Marina where they've put cages over the side, and just scrape the bottom of Tampa Bay, and they've come up with any number of fish.

Mr. Hendershot stated there are some clubs that have done it, like in Texas. Have you contacted them to see who they used?

Mr. Cusmano stated I called Tennessee, Nebraska, because the Asian carp, the ones you see jumping, they have tournaments for the Asian carp. I called FWC, got hold of the guy that did the program out there, that set three and the \$5,000, and talked to him about it. He says, "Well, I've never heard of them removing them in Florida." So I said, "Give me somebody." Then he gives me the names of people they helped out there, and he said we don't do it in Florida, you would have to pay for everyone to fly down here. I got a boat fishing guy that got it from the fishing club that supplied everything, and he said, "We come on vacation there, so you can pay for us to come down. It will take us a month to catch them, but we can only guarantee 500, and here's the cost." It was higher than the \$40,000. We're basically putting them up in the Marriott, and they were sitting out there. We called the Florida clubs, we've called the State clubs.

Dr. Herring asked have you contacted Mote Marina?

Mr. Cusmano stated no, I have not.

Dr. Herring stated that I would put that one on the list.

Mr. Bernard stated our initial contract should have been release and catch. In other words, it's a whole cycle, as opposed to catch and release.

Dr. Herring asked the estimate of the number of fish that are out there now, since they're sterile, is about 1,000 or 1,500 less than we put in?

Mr. Bernard stated about 1,000 less, yes.

Dr. Herring stated so every three years it goes down by 1,000, and we have to take out 3,000, so in six years they're gone.

Mr. Bernard stated you couldn't grow any plants for six years either.

Mr. Hendershot stated you would have a bunch of residents upset because of the turbidity of the water, the lack of fishing places.

Mr. Cusmano stated part of the planting along the edge of the canal is to lessen that, so as the fish go down, the plants come up. You may find that happy medium. Until then, we're still trying to find a way to get some of them out.

Dr. Herring asked what's the worst case scenario if we don't find a way to get them out that meets the government specifications, and we do wait six years?

Mr. Bernard stated the only thing I'd say we'd probably have to do to get some plants growing back is barrier everything, so we keep them in the lake, put barriers around the edge all around.

Dr. Herring stated that helps the turbidity issue.

Mr. Bernard stated so we'll still get filtration through there.

Mr. Hendershot stated it was an article in the newspaper on Lake Trafford, it took them almost seven years to get it back.

Dr. Herring asked if they had a similar problem with grass carp.

Mr. Hendershot stated no, they did a chemical spray, it wasn't carp that gave them the problem.

Mr. Cusmano stated you can't compare; the lakes are totally different. If you look at the reports, and everyone compares them, but you can't. There was a different issue there than we have here; ours is not failing, we just had a change in the color.

Mr. Bernard stated it would be better to put more barriers out there and plant the sides and live with it for the next four or five years till we get to where we can get.

Dr. Herring stated in that way, the lake stays navigable, which it is now.

Mr. Bernard stated the plants will start growing back.

Mr. Hendershot asked if we chum them into a channel and put a barrier up where they can't get out, that would speed it up too, wouldn't it?

Mr. Bernard stated we could use the same place where we released them, use the same channel, and going in is not too deep where you could put a barrier across. Then you would have to find somebody to take that time to net them out or fish them out.

Dr. Herring stated well I think what he's saying is just keep them in there, just keep them in that confined area.

Mr. Bernard stated but you can only keep the little bit you found. You're not going to get 7,000 in there.

Mr. Hendershot asked how many do you get if you chum the channel?

Mr. Bernard stated you might get 100, 200 in there, and you can hold them out.

Dr. Herring stated but you're going to get every species of fish that's in that lake, it's not going to be selective just for the grass carp.

Mr. Donoho asked any estimates on the construction of those barriers, because that might be the best solution?

Mr. Bernard stated they're probably not going to be that expensive, because it's only going to use vinyl chicken wire and stakes, so you can put that up fairly cheap, just the initial installation costs, then we can start planting. The college would like to do that anyway, to start looking at what plants will come back that are there right now, and we can replant species that the grass carp don't like to eat. If we do start getting some back, we can let it go for a couple years and see what we have.

Mr. Hendershot stated but if they get hungry, they'll eat just about anything. I know that they say there are some plants they don't like, but they're eating the lawns now when the water is at its high mark.

Mr. Bernard stated, as they get older, they eat less.

Mr. Cusmano stated but they like lawns. If we were to throw in the clippings, they'd come up and eat the clippings, they love that, that's one of their favorite foods. As the foods are going down, they stop eating, they stop growing, and they fade out.

Dr. Herring stated I'd have to think there's somebody at FGCU that has grant money. This is something that nobody you've contacted around the Country knows how to deal with. That sounds like a college grant to me, to come up with a program.

Mr. Hendershot stated yes, we should be able to get some federal money.

Mr. Bernard stated yes, but then you have to worry about liability for the students.

Mr. Ward asked any other questions on that portion of the Budget?

Dr. Herring state this is just a budgetary number.

Mr. Hendershot asked we haven't made an attempt to close the loop with any of the residents that have voiced an interest and came to the meetings, have we?

Mr. Ward stated no, not at this point. I think it's a good starting number for us to see where we go, and it will come to fruition over the next few months. We can make a decision as to what we want to do, but we have \$48,000 in this budget to deal with the issue; that's a good number. Next, the landscaping portion of your budget for FY 2015 is \$518,000, that will go to \$549,000 next year, roughly a \$30,000 increase. The component changes of the line items are related to the fact that when we rebid this project this year, we put a lot of costs back into the Estate contract, so you'll see some shifting around, in terms of where the numbers are located in this budget because of that issue. It's remained relatively stable from year to year. As I said, this is the only piece that we have any contingency line items in here for this coming year. That's testament to focusing over the last couple of years on what the actual cost of the operations of this system really are.

With that, I'm going to just close with one final comment. I want to go through with you the changes as it relates to the rate that was up roughly \$295 per unit for the year. That is composed of the following: \$15 of that is related to not using your cash balances, the contingency line items for last year; \$250,000 is related to operations, of that, \$250.00 is related to the Center Place litigation; the balance of it, \$37 is related to the reduction in the number of units that we have across the board. With those component parts, that's how you get to the change in rates, obviously the biggest component change is the Center Place litigation.

Mr. Hendershot asked the denominator we're working with currently is 2,026?

Mr. Ward stated yes, it's a net loss of 200 units. Those are the component changes in the rates, and the summary of your budget from year to year. The budget is, I think, in good shape, as it relates to the operational side and the debt service side going forward. You've done a ton of work in refinancing your bonds, saving substantive amounts of monies from the two series of bonds that you have out here, and it's a good operating budget. The one major issue that we need to deal with is the Center Place litigation, but that will unfold over time as we move forward.

Mr. Hendershot stated good job.

Mr. Refkin stated thank you Jim.

Mr. Ward stated that is your proposed operating budget for next year. If you are ready for a motion, then it's a motion to adopt Resolution 2015-7, which approves your proposed budget, sets your public hearing for Thursday, September 10th, 2015, at 2:00 p.m.

On MOTION by Mr. Refkin and seconded by Dr. Herring, with all in favor of approving Resolution 2015-7.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2015-8 of the Board of Supervisors of the Miromar Lakes Community Development District, amending Resolution 2014-8 adopted September 11, 2014, to modify section 3 relating to the collection of special assessments; providing for severability, conflicts and an effective date.

Mr. Ward stated all this is really doing is changing the date of collection of the off roll assessments from April of this year until September of this year; that is due solely to the refinancing of the Series 2003bonds. There was no debt service due on May 1, and what we will do is bill, in this instance, Miromar Development for the Series 2015 debt service in September of this coming year. That is all this resolution does. If you have any questions, I'd be glad to answer them for you. Otherwise, that resolution is recommended.

Mr. Hendershot asked then we revert to the quarterly billing?

Mr. Ward stated yes, in the resolution that you will see in September, the schedule that you see in here now will be the schedule for next year with new dates, but it will be quarterly billing for it or semi-annual for debt service.

On MOTION by Mr. Donoho and seconded by Mr. Hendershot, with all in favor of approving Resolution 2015-8.

SEVENTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Urbancic stated I will give you just a brief update on Center Place, and if you have any questions, just let me know. The District's challenge to the South Florida Water

Management District (SFWMD) permit is still ongoing, and it's just in the discovery phase at this point. The hearing date has been set, I think I sent everybody those dates, so they could be aware. Otherwise, there's been nothing to report. There have been, as you all know, some communications between the District and the Center Place people for purposes of seeing if there is any common ground to reach a settlement, and we'll update you as those discussions continue. Anybody have any questions on that portion?

Mr. Hendershot asked what areas are we generally looking at when it comes to the settlement: water quality, anything else?

Mr. Urbancic stated yes. I don't know that I can say too much on the record, but yes, I mean their system, how it's designed, and how it's going to function, and what would be the ultimate impacts.

Mr. Hendershot stated yes, you're right.

Mr. Urbancic stated everything is aimed toward our goal, which is ultimately protecting what we own, and making sure that we don't become responsible for somebody else's problem. Our commentary is always focused on those particular items.

Mr. Refkin asked in your opinion, did they seem relatively serious about their approach to a settlement or inquisitive?

Mr. Urbancic stated I wasn't at the initial meeting; I can let Charlie, Jim and Glenn who went to the initial meeting with them, but I think there was a favorable opinion of that. We'll see how that goes. I think there needs to be a follow up, and I think we're working on trying to arrange that follow up, and then I could probably give you a better answer.

Mr. Ballinger asked are we open for discussion about the subpoenas and that kind of thing? If we are, I'm a resident, and I was called, I think, as a resident, versus a member of the CDD. There's some other people in here, in other words, like the later set of subpoenas, and not the earlier set, which did involve Mike and you and Jim and maybe Charlie, that set of subpoenas. David Massey has been dealing with the subpoenas, and Melissa, I think, is the Center Place representative as far as those subpoenas are concerned. Is that correct?

Mr. Urbancic stated I think Melissa Levitt is the name, she's representing Miromar Development in that case that you're referring to, which is a separate civil claim that I think most or all of you know about. It's a separate civil claim by Center Place against Miromar for a breach of contract.

Dr. Herring asked it has nothing to do with the water management suit that we're dealing with.

Mr. Urbancic stated no. I think it's because of their claim of opposition of development, so it's related to the extent that they're the same parties, and there's multiple fronts that this is being fought on. I think what we have though, Doug, is we have subpoenas being issued to several of you on various cases. There's the challenge to the Miromar permit, where some subpoenas have been issued. Then our challenge to Center Place's permit where other subpoenas have been issued, and also that case that you just mentioned that Melissa was dealing with that there have been some other subpoenas have been issued.

There are three different potential cases at this point where there have been subpoenas, so it could be any of those, and I think Mr. Hendershot has been subpoenaed for two of them, I believe.

Mr. Ballinger stated Dave and I have been subpoenaed just on the latter subpoenas, but that's been postponed until a court proceeding about quashing or something?

Mr. Urbancic stated correct. There's a motion to quash the subpoena.

Mr. Ballinger asked if it is quashed or it's not quashed, then it will be after June the 1st, then we'll have to rearrange times at that time.

Mr. Urbancic stated correct.

Mr. Ballinger asked Burnie, have you been subpoenaed?

Mr. Donoho answered no.

Mr. Ballinger stated just CDD people, when you think, because of Dave's situation, you're a voter rep or an alternate or something?

Dr. Herring stated I just live on Via Caprini, and I don't know how they chose me. I'm not a voter rep, I didn't go to the meetings either.

Mr. Ballinger stated there's no consistency.

Mr. Urbancic stated they may have whatever reason they want, and there could be another round.

Dr. Herring stated oh, I know, I'm on the Caprini Homeowners' Association (HOA) Board, because they've got Dave Renz, Ricky Eudaley, and myself. That's how I got involved in it, so, yes, I am on a semi-official HOA board.

Mr. Hendershot stated I don't know anything about Miromar's water permit, and I really don't want to know about it. Miromar has obtained the water permit, have they not?

Mr. Urbancic stated yes, they have.

Mr. Hendershot stated so this is a post challenge.

Mr. Urbancic stated well it's the same as our challenge. What happens is the permit is issue; anyone can challenge the issue of the permit, and once you've challenged, it goes to administrative hearing. So the same thing happened; Miromar got their permit and it was challenged, administrative hearing, and now we're just in that discovery phase.

Mr. Hendershot asked the Alico West or Center Place, they haven't got a water permit yet, have they?

Mr. Urbancic stated they did, that's what we filed for our administrative hearing, so similar processes. The only other thing I'd say is that the Legislature was mostly finished with what they were trying to do; they sort of cut and ran on part of it. There were a few modifications, and one of the big ones that's going to affect what this District does is third party contracts, we have to have certain language in there once a certain bill becomes effective. For CGA or Charlie or even Jim or any other contractor that we have going forward, there's going to be some language that we have to have statutorily in there, because the public records response provision is going to be a little bit different.

I mentioned to you about the all the abuses that have been going on, sort of the way getting around the abuses, and make them go through certain procedural hurdles has been passed, so that's going to become law, so that whole process will be changed a little. They won't be able to file a lawsuit without giving another notice prior to filing the lawsuit. The lobby from the engineers and others was so good that, they're not going to be directly responsible for responding to public records request; it has to run through the agency, so the requests will come to you, you have to request it from them. To the extent that they don't comply, then they could be subject to fines and attorney's fees. That will be a staff issue as we go forward. That's it for me..

b. District Engineer

Mr. Krebs stated I think at the last meeting someone brought up what was going on over by the golf clubhouse with surveyors and the lake. I've got an exhibit here. We're working with Miromar to develop those lots right by the golf clubhouse, so what you see on

the first line isn't the lake that it is as it stands right now. This hashed area is the existing lake maintenance easement that's out there. What they're looking to do is develop those lots, and get about 140-foot depth. When the lake was transferred, it was transferred based on the lake effect condition of where the control line was at elevation 18. If you look out there right now, that lakeshore has eroded in spots.

Some of those areas along those lots don't have 140 feet of depth, so if you look at the second page, the grey area is what's going to be needed to get back to 140 feet. At some point we will be bringing before the Board some sketch and legal descriptions to, if you go back to the first one, vacate that portion of the lake maintenance easement. Another one will be granted with the recording of the plat to get back a portion of that lake, to get back the 140-foot depth of what should have been there but wasn't verified in the transfer of the lake originally. Then there will have to be some mechanism where there's some lake area that they're working on over in the peninsula area that will be transferred to make up for this area of CDD owned property that's being given back.

Mr. Hendershot stated it's not a lot of land. I don't know what the situation is in Florida, but in some other states, once erosion occurs, that becomes the new title line for the property.

Mr. Krebs stated I think that works on beachfront property but not on lakefront property.

Mr. Refkin asked Charlie, give me some idea of how wide this is over here? You haven't got a number on there.

Mr. Krebs stated you're probably looking at maybe ten feet, plus or minus, and if the aerial on this would have come in, you see right now there's already an existing area that's just underneath the water's edge, so they're supposed to be filling that area back to where it probably was one time.

Mr. Refkin asked when it was transferred, basically, that's CDD land, right?

Mr. Krebs stated correct, the bottom area of the lake is the CDD.

Mr. Refkin stated so what's going to happen is over here they're going to fill in ten feet, and over there, what's that, five feet?

Mr. Krebs stated that might be five feet in the middle, you see, like one or two feet.

Mr. Refkin asked in this process of when Miromar is going through, you're the engineer for both; you're ours and for Miromar, so you're on both sides of the coin.

Mr. Krebs stated right, that's why I wanted to bring this before you as early as possible.

Mr. Refkin stated I actually brought this up last meeting. In this, of more concern to me is the process. I mean this isn't new, I mean they've been talking about these changes forever, as long as I've been here. When the architects are drawing it up, as most architects do, they just say, "Here's what I need." There has to be, as we've said before in these meetings, some kind of process, and we said this with the air conditioners, where this Board knows about these things early. I mean I realize this is it, but realize how this came about. This came about because somebody talked to us at the golf club at one time during the "Taste of Miromar". We brought it up in a Board meeting, which generated all this. This wasn't like an epiphany that we just have over here.

What I'm trying to say is, what's most important for me, personally, is the process, and this is a failed process, because, continually, as long as I've been on this Board, which has been nine, ten years, there's no process, coming over here where this Board gets ahead of it. Before something happens over here by accident - I'll call this by accident - where Miromar comes out and says, "We're planning to do this over here.", and the architects are will say so many feet in the water over here. Somehow, as Miromar continues development and change the process, and as we go forward over here, I'd like to have something set in place, maybe with your company where this Board is notified way ahead of time of what happens. That's just me personally.

Dr. Herring asked can I interrupt for a second.

Mr. Refkin stated yes.

Dr. Herring asked we're not being asked to vote upon this, right?

Mr. Krebs stated no.

Dr. Herring stated now we do know they have this proposal, and we don't have to act on it.

Mr. Hendershot stated we shouldn't have to hear about it from residents.

Dr. Herring stated I understand that, but the resident I heard from told me that they were going to fill in whole lake.

Mr. Refkin stated me too, and they were wrong.

Dr. Herring stated and he didn't want his name brought up.

Mr. Refkin stated let me ask you a question. How did they know they were even filling in any part of that lake?

Mr. Krebs stated when they were talking about this, and Mike Elgin discussed what they were looking at, we wanted to go get lake sections out there, and that's what, I think, instigated they were filling in the whole lake, because we needed to have topo out there.

Mr. Refkin stated right, and the same person talked to me.

Mr. Krebs stated then, as we're developing this, and discussions with Mike Elgin and with Tim Elgin saying we need to have 140 feet, we start laying out, because we've got an existing road and where that 140 feet is. You guys were a little bit ahead of the game, because of the discussions and people seeing them out there on the lake. As we've done in other developments, once we got a land plan, and we knew we were going to be filling in a portion of the lake over here, but we were going to give a little bit of the lake back to CDD here, we brought that before them. We said, "Listen, here's where we're coming with the development order. We need to fill in the lake portion here. When everything is said and done and according to the plat, we're going to dedicate this portion of the lake here." I think Greg helped create the transfer mechanisms.

I understand what you're saying, in the past when other things have come in that I haven't been involved in, it may not have been, but once this got finalized, and I had discussions with Mike Elgin and everybody, this was what I wanted to bring before you so you knew.

Mr. Byal stated Charlie, when you say finalized, I mean I haven't seen it. Al, you're point is well taken, and we're trying to do a better job.

Mr. Refkin stated you and I talked about it.

Mr. Byal stated in the past there have been times when we've wanted you to just rubberstamp things, and that's not the way it should be. This is like hot off the press, where Charlie has taken all the date that they've received, taken our design frame; our best guess from an engineering standpoint is that picture, which I have not yet seen. We're trying to make sure that you guys have the most current information, we're trying to come up with the

best answer for the community, and we're going to make sure that you guys, as soon as we get that data, and there's some implications that you're in the loop with those.

Mr. Refkin stated it's not a question of fault for me, it's a question of just getting the procedures down, so that we're just ahead of the game over here rather than behind, that's all.

Mr. Byal stated we're trying to do that and, Charlie, because he's on both sides of the coin on both of these issues: he's the engineering doing the work, and he's your engineer of record, hopefully we can do a good job.

Dr. Herring asked this is such a small amount of land, what's the necessity of doing this, I mean adding ten feet here, five there, and two feet there? Why do those properties have to be exactly the size that they were before?

Mr. Byal stated if there was not a requirement to refill the portion that has eroded over the years, we probably wouldn't engage in that discussion.

Dr. Herring asked so you're required to refill it?

Mr. Hendershot stated they want a minimum setback.

Mr. Byal stated you want that depth to sell property, that you would want to see along that golf club, and in order to have the highest use of that property, we have to go back and reestablish it. As long as we're reestablishing it, if there's some smoothing and some things that we can do to make it so that they're more uniform, it seems like that would be the appropriate time to do that. Again, this is all in the planning process, evaluating. There's been no conclusions. The only thing we did know is that some land eroded, and we don't have enough depth for the back of curb to the lake bank to deliver the type of product the market is asking for and that I think you guys would want to see.

Dr. Herring asked so a foot here and there would make a difference?

Mr. Byal stated it's does.

Dr. Herring stated I mean one foot. Some of these areas are closer to two feet.

Mr. Refkin stated one other thing I'd like to ask you. Is your drainage in Verona Largo going to the front, or is it like in Sienna, going to the back?

Mr. Byal stated it's going out the back. I mean we always intended to develop it like that, but until we knew, there was just a swale there, so part of this process that Charlie had

to go through was we have to underground and permanently pipe that swale. There's land improvements that have to be done.

Mr. Refkin asked so it's not going to be like a Sienna out there? Basically, it's going to be rippapped around there. You won't have the same bank erosion.

Mr. Hendershot asked don't the lots drain back to front, except for the sloping down to the water?

Mr. Krebs stated no, that's on the recreational lake. For the recreational lake, we have to drain everything towards the road.

Dr. Herring asked are there any fish in that lake? We could put grass carp in there.

Mr. Elgin stated that actually has a decent amount of vegetation, I don't think we need any. There are some tarpon in there.

Mr. Ward asked what's the timing on this, do you know?

Mr. Krebs stated no. Once we get it finalized, I'll come in with a sketch and legal descriptions that talk about the areas that will be transferred, as far as the lake. This is just a sketch of where it is now, same thing with the lake maintenance easement as we get closer to having to record the plat. We'll bring something in to vacate the easement, and then it will be rerecorded again with the plat. It's also a way, when we plat everything, we can clean up all the little parcels that are out there and were forgotten about. It just makes a cleaner transfer.

Dr. Herring asked is this going to affect the amount of riprap we're allowed to put in the entire community?

Mr. Krebs stated no, not in the entire community, but as part of what's going in here, we'll do a separate administrative amendment as part of the DO just to affect this lake.

Mr. Hendershot asked where are we on the permit?

Mr. Krebs stated on the riprap permit, it's been into staff, and they're starting to receive comments from environmental and on the legal side, so I have to get back with staff and find out and work out the changes, so that we can get back into them.

c. Asset Manager

Mr. Bernard stated you have the monthly report in front of you for the assets management. The lake system water quality, we already talked about the carp and all those issues. We've got pictures in here of Porto Romano and the subdivision of the homeowner

that asked for the extension of the concrete deck, and we have some pictures showing that they completed it and swaled it down nice. Their's is the property to the left, and the property to the right is existing there right now for the neighbor's property that's got a drop off that needs to be fixed.

Stormwater; our underwater specialist is proceeding with cleaning the structures that we okayed for this year to be cleaned, getting the outfalls cleaned out that were full of sand and debris. We have one over there down the street that Mike Elgin is looking at, probably have to extend the pipe out to get at it, because our outfall is right in the beach area, with the extent of the Beachouse, so they'll probably extend that pipe out, so it keeps draining and doesn't keep clogging up, and we're having to keep cleaning that pipe out. They're going to do that, hopefully, within the next month or two, and we shouldn't have any more problems with that silting up as bad as it does now, because we have extended the pipe into the lake.

Mr. Hendershot asked is there anything that we can ask the homeowners to do to mitigate issues like that, or these drains building up.

Mr. Bernard stated this drain we're talking about is an outfall drain for the whole community into the lake. Inside the communities, it's just best practices methods. Again, make sure the landscape people don't blow the clippings into the basins.

Mr. Hendershot asked is there a set of specs or instructions with the HOA's?

Mr. Cusmano stated I've talked to Estate Landscaping, and they know not to blow landscaping debris in a storm drain, and they talk to the other landscapers that are out there; they have their own relationship out there. After we cleaned up Verona Lago, they found some construction debris, and they found the poop bags in there. The understanding is you don't take do a driveway and blow the clippings into the drain.

Mr. Hendershot stated in Verona Lago, each homeowner has his own landscaper.

Mr. Cusmano stated yes, we can have Mike Fabian send out a notice to residents.

Mr. Ballinger stated I think that, legally, that would be a very good thing to do, because if we're not careful, we could be getting lawsuits from HOA's. A good preventive measure is to send out e-mails to all of the residents that they are held accountable for the prevention of these different items, because if you don't and we don't do anything, we're going to be sitting here in trouble.

Dr. Herring asked why don't we put it on our webpage, and refer everybody to our webpage: this is how you need to manage the storm water drain behind your house. Then you only have to do it once and refer them to it.

Mr. Cusmano stated not everyone gets on the webpage, but if you send it out and refer it back.

Dr. Herring stated we're talking about legally speaking. Legally speaking, we have made an effort, here it is.

Mr. Cusmano stated we can write that up and have it ready for you guys to send it out and get it out to them. The outfalls themselves, it's the water pushing back in, the waves until we clean them out. They are draining into them, but we don't have any issues or reports from the last rains we've had.

Mr. Ballinger stated we had kind of mentioned this, I think, whenever we were talking about the maintenance of those drains when we had the flooding. But I'm wondering, has anything been done?

Mr. Cusmano stated no.

Mr. Ballinger stated we need to do that.

Mr. Hendershot stated we suggested to them that we do it as well, but it hadn't been done.

Mr. Ballinger stated it needs to be done.

Dr. Herring asked any comments about what you guys think about the quality of the medians on Ben Hill Griffin? I'm not talking about car tracks, I'm talking about the quality of the grass itself.

Mr. Bernard stated they're not good.

Dr. Herring stated it's horrible.

Mr. Bernard stated I know. Out there right now, I've been meeting with them monthly with Estate; I've actually sent a letter to them, telling them we want the same standard as the entrance it should be in the median. I've already sent them that memo. I come out and meet with them at least once a month and drive it, and walk it, and show them. If you go out there now, you'll see they finally smoked some of it to get the weeds out of it to get it recaptured, and they put some sod down, so we're staying on them to get it back up to look like the entrance.

Dr. Herring stated it's look like one things when you pull into the community, and it's another thing when you drive by the community.

Mr. Bernard stated it has to be the same, that's the approach to the community. You want it to look just like it is coming in the entrance. On landscaping and the maintenance, again, Ben Hill Griffin, plus we did along the I-75 berm. We had some developer in there, due to traffic, just some open spots on that berm, so we put in new 220 plants.

Mr. Cusmano stated the frost had taken care of it and the ficuses getting thinned out, so to keep up the look that's required there, we put arbutus in there, which will grow through.

Mr. Bernard stated there will be a screening from the inside community, so you don't see across. You've all seen the memorandum we put together on the water quality meeting. This has been sent out to everybody that attended; the college has it, everybody that came to the meeting has this, so everybody is on the same page. We're going to meet quarterly to go over what everybody wants to keep seeing done, so everybody is on the same page. Hoping we can get Jim to put this on the webpage, so any residents, we're going to keep them abreast of what's happening

Mr. Hendershot asked this quarterly, in terms of the implementation of what your plans are, is that too infrequent?

Mr. Bernard stated no, I think it's frequent enough. Our main thing is going to be, to start with, is once we decide to put the barriers up, then it's going to be a wait and see of what's happen in the first few months with their testing, and with what happens on the back side of those barriers, what's coming back, what we need to fill in. Once we get that going, then I think we'll be able to put a longer range plan together; things that are going to happen with this, this and this time schedule.

Mr. Ballinger stated this is very important to me, and I've asked much about it. But there's one thing I mean to ask you about in front of everybody here. Because we have the authority, then Miromar Lakes Development, and Charlie. I've heard this ever since I've been here, 700 acre lake. In the hearings it came out that there's 638 acres, and you say within the CDD. I understand we're responsible for water quality, but I thought that the boundary lines for that were not to include, they were just a shoreline thing or out so far with what the CDD is responsible for.

Mr. Hendershot stated no, that's the easement only that you're talking about. The water quality, we're brought into it because of the weirs, as I understand it, because that's our weir, and any outflow that goes into the state or system or whatever is, they're going to come and look to us for that, and that's why we reported under that NMPDES.

Mr. Ballinger asked so it's water quality only?

Mr. Krebs stated yes, not the land we own.

Mr. Hendershot stated it's even for the big lake, even though we don't own the big lake, since that water dumps and goes through our weir. That might change as more development occurs.

Mr. Ballinger asked is everybody still saying it's 700 acres?

Mr. Krebs stated yes, an approximation, it's rounded. It's easier than saying 680 plus acres. If you want to know, I can actually figure it out.

Mr. Ward asked is that it, Bruce?

Mr. Bernard stated that's it.

d. District Manager

I. Report on the number of registered voters residing in the District

Mr. Ward stated the only thing I have for you is your standard report on the number of registered voters within the District. As of April 15, 2015, there are 1,023. It makes actually a no difference for you whatsoever at this point in time, since you all elected by qualified electors in the District, but the statute doesn't provide a mechanism to stop the reporting. It just continues forever, so you'll see this every year in your agenda package.

Dr. Herring stated so this is the number of votes that we can take away from our representative who turned ill at the meeting, at the vote, is that true?

Mr. Ward asked what representative.

Dr. Herring stated our guy at the zoning.

Mr. Refkin stated Cecil Pendergrass.

Mr. Ward stated oh. Yes, that's the number.

Dr. Herring stated they need to know exactly how many people are unhappy with this, and there's a number right there.

II. Financial statements for the period ending March 31, 2015

None

EIGHTH ORDER OF BUSINESS

Supervisor's
Comments

Requests/Audience

Mr. Refkin asked can we bring up the thing about July?

Mr. Ward stated yes. The July Board meeting , I am out of town, I know David is out of town, and I think we wanted to try to see if we could move that meeting to another date. I just want to try to get a sense of what everyone's calendar is like for July, so we can try to move that. We don't have to set it today.

Mr. Hendershot stated I'm better earlier than later.

Mr. Ward stated I am better earlier than later too.

Dr. Herring stated correct, me too. July 2nd?

Mr. Ballinger stated I don't get back until July the 6th.

Mr. Ward stated that's after both of us are gone.

Mr. Refkin asked we should have a quorum anyway, right?

Mr. Ward stated you would have a quorum. Do you mind missing a meeting?

Mr. Ballinger stated no.

Mr. Ward asked when are you leaving? Oh, you're leaving in May, aren't you?

Mr. Ballinger stated no, I'm leaving June the 12th, remember we talked about it?

Mr. Ward stated yes, I remember. July 7th. Burnie, you're okay for any of them?

Mr. Donoho stated I'm okay for July 9th and July 2nd.

Mr. Hendershot asked so the 2nd?

Mr. Ward stated is still tentative. You'll be gone, but we'll set it tentatively for the second. Maybe we'll dial you in, figure out how to do that.

Dr. Herring stated I'm actually gone in August for our meeting as well, the 13th.

Mr. Ward asked what's everybody's schedule in August. David's gone, I know, on the 13th.

Mr. Hendershot stated I'm going to be gone probably the first couple of weeks, I think so.

Mr. Ballinger stated on the 13th I'm okay.

Mr. Ward stated I think what I'll do is I'll just call you individually and try to see in August maybe we'll move that one too, so we can get all of you here, because that will be

the meeting just before your public hearing, and I would like all of you here. Anything else from the Board? Audience comments? Anything from the audience, if you're going to speak. If you could please put your name on the record.

Mr. Elgin stated there are some people here, so there is public. Let me do a brief introduction for this. Who is here today, and I'm going to ask Charlie to step in too, because he's been involved over the last week with some of these discussions. Jessica Munoz from Lee County Utilities is here, along with representatives from Andrew Sitework. They are the contractor who was recently awarded, within the last 30 days by Lee County, for the utility crossing that goes underneath the golf course. As we all know, from that it's a directional drill that goes down and under that.

Since they've been released by the Board to proceed very recently, they had a pre-construction meeting, as required under their contracts. That pre-construction meeting happened on Monday onsite. What that revealed to them as the contractor took possession of the project, started to understand the moving parts of the project, there has to be, as we all know, some deep drilling, some dewatering for utility work. That's very typical for most utility work. Because we're not impacting the golf course, and we're going way down, and we're going under and through to the other side of I-75, there's going to be a quantity of water there. That contractor has prepared a dewatering plan, which they would like to present to you today. Clearly the CDD is involved, because you were a part of granting portions of the easement that they will be constructing in.

Charlie has seen some of the dewatering plans as soon as they were written and ready, so they're here today to present that to you. What this means though, I'm going to be straight up with you, the dewatering plan, because the lakes within Miromar Lakes are a part of CDD assets, how that water ultimately gets discharged from inlets on Ben Hill Griffin Parkway, ultimately gets to one of the internal lakes to the golf course. It's 2A, which happens to be the one that's on Two and Eight. It's the center one where nobody resides, and any of that discharge, I'll let them go through how clean that water will be when it will be there. What that means for you guys is, because you're directly impacted by that, the dewatering applications that have been prepared and reviewed by your engineer, you will be looking at taking some action on that, if appropriate. Jessica, you guys go ahead.

Ms. Munoz stated yes, thank you very much for letting us speak. The contractor will go into the Ben Hill Griffin right of way, but ultimately will go into the Miromar CDD lakes, which will then be discharged into the Estero River eventually. Andrew Sitework is our contractor, and their dewatering plan was done by (unintelligible 1:20:47) Gary. They have conditions on there, and I'll let Gary speak into the information, because I know that you're looking at levels, quality, and what happens

Audio recording failed at this point. New audio file started and transcribed below.

Branfest stated at the end of it, we'd like a report from you guys for the Board, saying it was this when you got it, this is what it is now, but right now, you have clear flow.

Mr. Hendershot asked there's not a chance of it overflowing; or only in the rainy season.

Mr. Krebs stated if it overfills, it's flooding the golf course.

Mr. Elgin that would require I-75 to be backed up, and water is going to discharge out of the system. Your golf course is not going to flood, regardless of the joke your engineer just made.

Dr. Herring asked is the golf course is going to be closed?

Mr. Elgin stated let me speak to that for one second. That's a great question. The goals of this project with Lee County Utility is Miromar Development and your CDD Engineer has been involved from the beginning of some of this. It did go before the Lee County Board of County Commissioner's a couple months later than it was anticipated, so the contractor did get the job a month or so later than we expected. They're looking at the dewatering permit a little bit later than what we had anticipated, but the agreement with Lee County Utilities is that the project would be completed within 120 days. That's important to you, as residents, and many of you as golf members, to be done during the closure periods of the golf course, and not affect the reopening in the fall when any significant play happens.

That's more related to the construction staging on the parking lot, less related to the dewatering, but you're 100 percent right. The goals of this project are to get in and get out, and during your closure periods, so if by any chance the golf course floods, as Charlie suggested, your course is closed anyway. The other thing to keep in mind, this is not too dissimilar to the agreements you've agreed to with FGCU when they were dewatering the pool about a year ago. We had no water quality issues. That water coming out of that pipe

was cleaner than it could ever be, because of the NPDES, the SWP3, the BMPs, I can give you all the acronyms in the world, all those wonderful things that the county and the agency are going to make them do.

I know you can talk to your engineer about this, but they are correct is saying, when that water enters that system, it's probably the cleanest that water could be, so I don't think that's it's at any risk. Paul, I agree with you. If there's backside of some inspections, I think the county would be more than willing to accommodate those types of request through their contractor.

Ms. Munoz stated yes.

Mr. Elgin stated so there's some verification that would be great, if we could accommodate that.

Mr. Hendershot asked this is all part of the new water main?

Mr. Elgin stated it's part of the water main.

Mr. Hendershot asked does this mean that the water pressure is going to go up in our community?

Mr. Branfest (sp) stated there's potential for future tie ins.

Mr. Ward asked put your name on the record, please?

Mr. Branfest stated that's not on the plans as of now, but we are doubling the size of the

Mr. Refkin stated you have to give your name over here, so everybody knows who we're talking to.

Mr. Branfest stated my name is Brian Branfest. I'm senior estimator and project matter, and NPDES certified inspector, so I will be spending quite a bit of time the project.

Mr. Elgin stated this is part of a number of Lee County utility projects; this is the one that affects you, but there are other projects outside. Again, we'll continue to loop projects together, mains together, hopefully, ultimately giving you a better, more stable system, and a better source of all of those utilities

Mr. Branfest stated gentlemen, rest assure, our goal is to get in and get out. We don't want to prolong the project. If we're unable to discharge this water the way that we want to, this could drag out to the middle of the season, extend this contract, and it would be terrible for everybody.

Mr. Bernard asked who's doing the drilling?

Mr. Branfest stated we are the prime contractor on the project, and we've hired subcontractors to do the drilling that are far more qualified than we are.

Ms. Munoz asked who's the subcontractor for the drilling?

Mr. Branfest stated one of the contractors who's doing the directional bore crossing I-75 is ABT & Centerline Directional Drilling, they're out of Labelle, Florida. They've accomplished some of the most difficult bores in the country; they actually just completed a directional bore that was 5,000 linear feet, all subaqueous crossing the Belvedere Feeder in West Palm Beach. They took drill rigs and drilled them 2,500 feet at each other and touched the two tips together, and pulled a 24-inch pipe through with no problems whatsoever. They're some of the most talented guys in the business.

The jack-and-bore crossing, Ben Hill Griffin is by Blevins Rig Boring, and they've got more than 18 years' experience, and they've done some of the most difficult bores in the state. With that being said, the project is in very good hands, and we don't anticipate there being any unforeseen problems.

Mr. Bernard stated the benzonite gets out of control too. We've had benzonite disappear from the bit and gone somewhere, so I want to make sure that someone is watching where the benzonite is going, and being left, and where it's being hauled to, and where it's taken at when they're done with it.

Mr. Branfest stated we are mandated by the State to provide logs of all of that information.

Dr. Herring asked what is benzonite?

Mr. Bernard stated when you drill, benzonite is put into the hole, and it makes its own cavity, basically, holds the sand out. You pull the drill through, you put this benzonite, you pull it out, and then you pull your pipe, and that stays in place, holds all the water and the sand out, so you can pull your pipe through.

Unknown speaker stated it's a volcanic clay that they use to form a seal on the inside of the boring.

Mr. Bernard asked and the berm, the restoration and everything, when you go through the berm?

Ms. Munoz stated that will all be restored.

Mr. Bernard stated we need to know who's going to pick out the materials for this, what's going back? We've got some tree issues right now.

Mr. Elgin stated we've already signed those agreements and those licenses in prior meetings. That's not what any of this that's being discussed today. That was all handled in a Board meeting months ago.

Mr. Hendershot asked what you want from us is a consent to go ahead pending permit?

Ms. Munoz stated it's your consent our discharging into your lake, basically, for your run off to eventually discharge into your lake.

Mr. Refkin stated Mike, I have one question. You said it was discussed in a Board meeting. I think that was the CDD Board meeting, right?

Mr. Elgin stated yes.

Mr. Refkin stated then it was discussed, because it was a good question he asked. I think I was the one that brought it up. Not only is it like grass, but it's the same type of grass, the same type of everything in there.

Ms. Munoz stated yes.

Mr. Ward stated I think what Bruce was asking for, and rightly so, whether it was brought up in another Board meeting or not is really particularly immaterial, is that the District be provided with whatever the restoration plan is going to be ahead of the destruction of the materials onsite. That's not a particularly difficult request and not unreasonable.

Ms. Munoz stated that's not going to be a problem. Andrew Sitework, they have a preconstruction video, so they videoed everything that's out there, and they'll put it back in place in the agreements with the easement, and the CDD has let us with that right of way. Yes, we have a preconstruction video that will video everything that's out there, and if you want a plan on what's being restored, I don't think that will be a problem, because they need to order the materials anyway, so you'll just be informed of the materials that are going to be installed in those locations.

Mr. Ward stated thank you.

Mr. Elgin stated I know Charlie was just reviewing the plan; he's had some opportunity, but maybe some questions. What you're requesting is either to have the Board

to direct staff to execute that on your behalf. Once they've finally resolved that, is there a permit application that also needs to be signed or just the letter of authorization? Just so we're clear on the record as to what they need to either direct staff or authorize you for today?

Ms. Munoz stated I believe it's just the letter of authorization.

Mr. Elgin stated just checking. I just want to make sure you get the requests proper when we're here. If not, let's clarify.

Dr. Herring asked Charlie, what do you have to say about this?

Mr. Krebs stated when it was originally proposed, I thought they were going to discharge into lakes that we had residents on, so I had concern about that, but since it's going to be on the golf course, they're not discharging into any structure that we own, as far as I know. It's just the outfall of the lake, and the plan that I looked at, I didn't get all the details, but it looks like they have turbidity measures in place. I don't have any objection to it. I mean they're right, generally, the ground water is fairly clean and shouldn't create a problem. Since they're not going to be using our system, and it's just the outfall, I don't have any objections to it.

Mr. Elgin asked is it typical for this type of project?

Mr. Krebs stated yes, what they're proposing is typical. It just happens that we're the owner of the water management system.

Ms. Munoz stated typically, the right of way, the county owns their own drainage and their own ponds, so you would get authorization from the county. The county has given us authorization, the state has given us authorization, we're just missing the middle piece, which is Miromar or the CDD lake.

An unknown speaker stated we have the application submitted to the SFWMD; that's currently under review for (unintelligible 10:26) submitted.

Mr. Hendershot stated we can give them consent, providing they get all permits and approvals necessary, hold us harmless for anything that might flow during or after.

Mr. Ward stated I think that's reasonable, subject to staff's review and approval. Staff can be all of us.

An unknown speaker stated there may be an issue with the SFWMD's approval of the permit without the authorization. I don't know that that could happen, but it may be a matter of timing. I know timing is an issue.

Mr. Elgin stated I believe SFWMD would require the letters of authorization prior to, so you can't structure it pending release of that, because part of their review is the consent for that party, so that's part of the process.

Dr. Herring asked so we have no objections from our engineer?

Mr. Krebs stated no.

Dr. Herring asked do we need a motion.

Mr. Ward stated not particularly. We'll take it from here. I don't know about giving them the letter part, but we'll take care of it.

Ms. Munoz asked who can send the authorization? Because I know that Gary had a draft of an authorization letter.

Mr. Hendershot asked do you?

An unknown speaker stated yes, I prepared it, but I wasn't sure who the authority was going to be at the time, whether it was a CDD or an HOA.

Mr. Krebs asked is that the one that got forwarded to Clark?

Ms. Munoz stated yes.

Mr. Krebs stated I have a copy of it. Clark forwarded it to me, and that's how I got involved on Monday or Tuesday.

An unknown speaker stated it needs to be on your letterhead and signed by the appropriate person.

Mr. Urbancic asked are you going to sign it?

Mr. Ward stated yes, I'll sign it. Any other questions? Any other audience comments.

NINTH ORDER OF BUSINESS

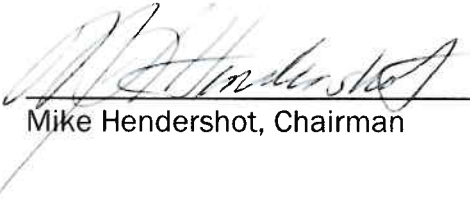
Adjournment

Mr. Ward stated a motion to adjourn would be in order.

On MOTION by Dr. Herring, seconded by Mr. Refkin, with all in favor of adjourning at 3:45 p.m.



James P. Ward, Secretary



Mike Hendershot, Chairman