

**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, September 11, 2014, at 2:00 p.m., at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum were:

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

Also present were:

James Ward	District Manager
Greg Urbancic	District Counsel
Charlie Krebs	District Engineer
Paul Cusmano	Calvin, Giordano – Asset Manager
George Keller	Calvin, Giordano – Asset Manager

Audience

None

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:05 p.m. and the record reflected all members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a. August 14, 2014, Regular Meeting

On MOTION by Mr. Hendershot and seconded by Dr. Heering, with all in favor of approving the August 14, 2014, Regular Meeting minutes.

THIRD ORDER OF BUSINESS

Public Hearings

a) FISCAL YEAR 2015 BUDGET

Mr. Ward indicated there were no residents present.

I. Public Comment and Testimony

On MOTION by Mr. Refkin and seconded by Mr. Donoho with all in favor of opening the public hearing to the public.

Mr. Ward stated, as there were no members of the public present, nor had he received any written communications with respect to the present public hearing on the Budget, a motion to close the public hearing was in order.

On MOTION by Mr. Refkin and seconded by Mr. Donoho with all in favor of closing the public hearing to the public.

II. Board Comment and Consideration

Mr. Ward stated there were no changes to the budget since the Board discussions over the past few months.

There was a general discussion among the Board, commending Mr. Ward's management of the District's budget.

III. Consideration of Resolution 2014-7, adopting the annual appropriation and the budget for Fiscal Year 2015

Mr. Hendershot observed the District continued to bill the operational budget on an equal basis, whereas the portion billed by the County was an ad valorem or area basis, was it to much of an administrative burden and inquired weather that is something the CDD should consider in the future.

Mr. Ward noted billing through an ad valorem tax was easier than a special assessment in terms of the administrative work, there was considerably more advertising required for ad valorem, but it was easier to put it on the tax rolls. By law, the District was limited to levying two mils, and I think I am aware of only two CDDs among the hundreds in the state that used an ad valorem tax levy. The ad valorem tax is intended to increase the amount paid, as property values rise, either by year, or to take into consideration the current

value of a home, as the lower the taxable value on the home, the lesser the number and vice versa.

Mr. Hendershot asked what would happen if it was solely ad valorem, and the assessment was prorated in the same way the debt budget was.

Mr. Ward replied the debt budget was a special assessment, so the District would have to revise the methodology to come up with a method to calculate them based on the size of the property or something of that nature.

Mr. Hendershot noted that it is not a lot of money.

Mr. Ward agreed, that it did not involve a lot of money, and it was more complicated administratively to write such a methodology. He noted the methodology currently used by the District was usually the fairest when house prices varied as much as they did in the District, making it more equal, since each property benefited about the same.

On MOTION by Mr. Hendershot and seconded by Mr. Ballinger with all in favor of approving Resolution 2014-7.

b) FISCAL YEAR 2015, IMPOSING SPECIAL ASSESSEMENTS; ADOPTING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY

I. Public Comment and Testimony

On MOTION by Dr. Herring and seconded by Mr. Donoho with all in favor of opening the public hearing to the public.

Mr. Ward stated the record should reflect there were no members of the public present, nor had he received written communications from any members of the public with respect to the present public hearing.

On MOTION by Dr. Herring and seconded by Mr. Donoho with all in favor of closing the public hearing to the public.

II. Board Comment and Consideration

None

III. Consideration of Resolution 2014-8, imposing special assessments, adopting an assessment roll and approving the general fund special assessment methodology,

Mr. Ward stated by adopting the assessment roll, the District took the per unit rate and put it on each of the assessment rolls, and the approval of the methodology indicated the District would be levying the assessment on an equal basis.

On MOTION by Mr. Ballinger and seconded by Mr. Refkin with all in favor of approving Resolution 2014-8.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2014-9, designating the dates, time and location for regular meetings on the Board of Supervisors of the District

Mr. Ward stated the meetings were scheduled for the same dates, time and location as the previous fiscal year, which was the second Thursday of each month at 2:00 p.m. at the Beach Clubhouse. Though the schedule remained the same, meetings could be added or subtracted throughout the year. He noted it was necessary to pass the resolution, as the District was required by law to set a meeting schedule.

On MOTION by Mr. Refkin and seconded by Mr. Hendershot with all in favor of approving Resolution 2014-9.

FIFTH ORDER OF BUSINESS

Staff Reports

a. Attorney

Mr. Urbancic referred to the response letter sent by the District to Sienna, copies of which were sent the Board, and he was still waiting for a response. As far as the District was concerned, it had been responsive, as Mr. Krebs' report was sent to them, so it was a matter of waiting to see what happened next .

Dr. Herring thought Mr. Krebs' report was well done.

Mr. Ward concurred, adding that Mr. Urbancic's cover letter was also well written and to the point.

There was general Board discussion on the situation at Sienna, in which it was mentioned that three homeowners tried to remedy the situation at their own cost.

Mr. Ward felt, from staff's perspective, it was best to wait to hear from the Sienna attorneys, and to make an effort to reach out to the homeowners association (HOA) board in an effort to be proactive.

b. District Engineer

Mr. Krebs mentioned speaking to Dave Robson with Johnson Engineering, stating they did the NPDES permit each year. The Department of Environmental Protection (DEP) was trying to get the applicants to provide nutrient loading calculations for their water management systems. Mr. Robson would look into whether the County would stand by their existing policy, which was: not to provide them for anything that did not have a major outfall; with the weir, the District had a major outfall. He said they did not consider the waters of the State to begin until a series of culverts on the west side of Treeline, so everything east of that, which would include the District, was considered part of unincorporated Lee County, and the District would not have to provide them.

He wished to bring this to the Board's attention, in case they failed or the County changed its mind and wanted it for everyone with a discharge that went into standing water of 36 inches or larger in Florida or unincorporated Lee County. Thus, the District would have to provide the rather cumbersome pollutant loading calculation for nitrogen, phosphorus and suspended solids. He stated this was something they were working out and had begun holding meetings for the March 2015 submittal, so that during the fall 2014, District staff had to begin compiling the information to create the submittal and have it ready for spring 2015.

Mr. Hendershot asked, assuming Center Place went through, if they would have an NPDES reporting requirement, as they were situated on the lake.

Mr. Krebs affirmed that they would not.

Mr. Hendershot observed the District would be responsible for the accuracy of the reports and over input that the District had no control of.

Mr. Krebs answered correct, stating the way the permit currently stood was basically housekeeping and how the District was maintaining the system; for example, with street sweeping and regular system maintenance. As long as it stayed along those lines, the

District would be in compliance and showing good faith. He said if the State decided to declare the Estero River and impaired water in the future, they would try to determine the different loads coming into the river at different points, and if it went all the way to the District's outfall, at that point it might be something to be addressed if the District was considered as discharging too many nutrients. He believed that was years down the road.

Dr. Herring asked if this was due to Center Place not having a CDD.

Mr. Krebs responded the District's was originally part of permit requirement; as far as the zoning, the District had to participate in the County's storm water management plan. This was how the District was tied into it as a zoning requirement. Other CDDs in the County volunteered to take part as a good faith measure, and if they had a District, it would share that cost with the County. If in the future they declared Estero River an impaired waterway and a District was not a part of this, and the County made the District do an application, it would have to bear the entire cost.

He represents another CDD with Tony Pires, a principle in the law firm representing Sienna, and Mr. Pires asked him some questions regarding the lake shore, but he did not go into too much detail and told Mr. Pires visit the area for himself. It was easy to see that much of what was generated visibly came from the residents. He noted if he received any correspondence from Mr. Pires on the Sienna matter, he would forward it to Mr. Urbancic.

c. Asset Manager

Mr. Cusmano referred to his report included in the Board packet, stating he met with Lake Masters, and he put out the Check Prices to three other vendors, and he was waiting for one more cost to come back; to date, Lake Masters was still the lower bid. They would try to get all the areas working, with the exception of two, and then the maintenance would be done from that point on, staying within the budget. He stated a lot of time was spent on seeing how to get it working again, as this would help out Lake Masters in spraying and with some of the algae building in the area. He hoped to get the pricing released, so it could be included in the budget for the upcoming fiscal year.

Mr. Hendershot questioned if it included Lake 3A off hole 6.

Mr. Cusmano affirmed it did, stating it was in the first group; the area belonged to the District, but the fountain was not District property; fountains belonged to the HOAs.

There was general Board discussion on whether the District was responsible for the maintenance of the fountain that the HOA installed, and there was some debate as to whether the District agreed to maintain the fountain.

Mr. Ward clarified, with respect to Porto Romano, the Board approved a few months ago, a developer asked to put in a fountain feature that would be deeded to the District by a bill of sale, and it would become the District's to operate and maintain. That is the deal, Mike's comments at a subsequent meeting were incorrect. After the Board meeting, I checked the minutes to ensure that I recalled what transpired was accurate, and this was the agreement the Board approved with respect to the Porto Romano fountain.

Dr. Herring wondered if the fact that the fountain was not working meant that it was the District's responsibility to repair it.

Mr. Ward replied that it would be, but as the fountain was only a few months old, he would contact the necessary party about repairing it.

Mr. Krebs gave the Board an update on the situation, as at the end of the meeting it was mentioned that someone removed the power, and they were in the process of fixing that. It seemed a contractor doing work in Porto Romano removed the power, and Miromar was in the process of fixing the fountain.

Mr. Cusmano reiterated his understanding was the fountain would be installed and maintained by the developer, and it would be turned over to the District for future maintenance. Thus, he had to go to the developer to request all the fountain's documents and turn them over to the District to ensure the fountain was properly maintained.

Mr. Hendershot asked about the status of the other aerators around the District.

Mr. Ward understood that most of the aerators were installed by the CDD, so he assumed the District owned most of them, when I assumed the management of this CDD, I noted that aerators were in the past budgets and going in on a regular basis, and if any other aerators were put in, and if no bills of sale were ever done, I don't know if that true or not, but I took the position that they were in the District's water management system and the District should properly maintain those assets in the water management system, as such, they would be the District's to operate and maintain.

Mr. Hendershot inquired about fountains in the lake.

Mr. Ward indicated that he assumed the fountain was a part of that aerator system, but that was an assumption, and staff will need to review that entire issue.

Mr. Cusmano affirmed he went through the District documents, he could find nothing on fountains for which the CDD was responsible, nor had he found anything stating that the CDD accepted any fountains and their maintenance.

Mr. Hendershot asked if the fountains were mainly decorative.

Mr. Ward affirmed they tended to be more decorative.

Mr. Cusmano stated there were two types, one with just the lights and the water, and then there were fountains that were aerators, with lights and water. The subject fountains were decorative, but there were already aerators in the lake. He said the aerators belonging to the District were the ones staff would get operational; they already had pricing to replace them based on the original bid, and he would work with Lake Masters to get them up and running.

He mentioned when Mr. Krebs and he were out looking at the problem in Sienna with the drainage going through, etc., referring to the pictures in the backup, and found that the HOA had Valley Crest install bubblers in the yard. This led to them dropping material in the lake pond.

Mr. Hendershot asked if it backed up.

Mr. Cusmano explained when water from the roof drains came through, it bubbled up and the water ran toward the pond, and this would cause the same problems the District was now having. He suggested that the District notify the HOA with a legal notice to remove them, as they were damaging the District's asset, and attach a specific requirement of how to install them, if that was what they wished to do.

Dr. Herring asked if these were on private property?

Mr. Cusmano confirmed they are on private property. They are halfway up the lake bank, and if you walk the lake bank you will not see them, however, if you walk through the yard to the back, you will see them.

Mr. Ward noted he was not a huge fan of sending legal letters to residents, as it tended to alienate the District's own community, and that was not a smart thing to do. He thought it might be a good idea for Mr. Krebs prepare a type of drawing or letter, on how to put one of these things in, here is how to do it, and you also have a problem and need to

take some remedial action to repair the existing damage and Mr. Cusmano or other District staff could meet with the HOAs directly and discuss using the instructions to ensure proper installation, as well as to fix those that were not working.

Mr. Hendershot wondered if the District violated any County ordinance or developer rules.

Mr. Krebs remarked the only area in which the District could have no direct discharge was in the main recreation lake.

Mr. Ward believed the residents would be more than pleased to do the installation correctly, but they used different contractors, and some might cut corners.

Mr. Krebs stated he would create a sketch and circulate it for comments. He knew of no County permits that required an individual to do such a drainage installation, but a contractor would know what their profession required, though there might be something in the County's building code.

Mr. Cusmano said there was no requirement regarding drainage on a building site. If Mr. Krebs put the information together, he would meet with Valley Crest and the HOA president about the subject matter first and discuss it, do a walk through with them and open up the dialog.

Mr. Krebs asked if, after the situation with the subject two neighborhoods was addressed, it made sense to send a letter out to the other associations, stating what happened on the two developments.

Mr. Ward thought it was best to send the correspondence at an admin level, and the letter could state what problems were being encountered, and if they were going to install such drainage, these were the instructions by which to do so. It could say the District would work with residents on the installation to ensure it was being done correctly, and no one would have problems with the lake banks. Thus, it would be a positive effort for the community.

Mr. Cusmano indicated he could contact Mike Fagan, the property manager, and work with him and the HOAs, one by one.

There was general Board support for Mr. Krebs to create a universal installation page for distribution to the HOAs.

Mr. Cusmano next spoke on the storm drains, stating he met with two vendors and they were putting together a maintenance program. There were no storm drainage issues at present, nor had he received any complaints. He mentioned releasing the pine straw, and in October he would give the Board a schedule date from the golf course.

d. District Manager

l. Financial statements for the period ending July 31, 2014

Mr. Ward stated the new fiscal year would begin on October 1, 2014.

SIXTH ORDER OF BUSINESS

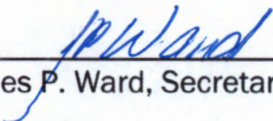
Supervisor's Requests/Audience
Comments


Dr. Herring said he spoke with Chris, the superintendent of the golf course, and he was very complimentary of working with Mr. Cusmano, stating that of all the CDDs he worked with, Mr. Cusmano was the best of any CDD representative he had to work with. It was an unsolicited compliment.

SEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Dr. Refkin, seconded by Mr. Donoho, with all in favor of adjourning at 2:40 p.m.


James P. Ward, Secretary


Mike Hendershot, Chairman