

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

The Regular Meeting of the Board of Supervisors of the Miromar Lakes Community Development District was held on Thursday, January 9, 2025, at 2:00 P.M. in the Library at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum:

Alan Refkin	Chairperson
Michael Weber	Vice Chairperson
Patrick Reidy	Assistant Secretary
Mary LeFevre	Assistant Secretary
Doug Ballinger	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney
Charlie Krebs	District Engineer
Richard Freeman	Asset Manager
Dylan Schwartz	FMS Bonds

Audience:

Heather Chapman	HOA Representative
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All residents' names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

District Manager James P. Ward called the meeting to order at approximately 2:00 p.m. He conducted roll call; all Members of the Board were present, constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Minutes

December 12, 2024 – Regular Meeting Minutes

Mr. Ward asked if there were any additions or corrections to the Minutes.

Corrections were made.

On MOTION made by Mary LeFevre, seconded by Michael Weber, and with all in favor, the December 12, 2024 Regular Meeting Minutes were approved as corrected.

THIRD ORDER OF BUSINESS

Staff Reports

I. District Attorney

a) Costa Majorie Rip-Rap update

Mr. Greg Urbancic stated he emailed the prepared agreement to Mr. Kaufman on a few occasions but has not received a response. He stated the emails were copied to Mr. Kaufman's contractor and the Miromar Development team. He noted he has not received any response at all and was unsure if there was another way to get ahold of Mr. Kaufman. He stated the proposal was for Mr. Kaufman to reimburse the District for purposes of pursuit of permit modifications in order to keep Mr. Kaufman's wall where it was today.

Mr. Weber asked if Mr. Kaufman had verbally agreed to this previously.

Mr. Ward explained, during a meeting, Mr. Kaufman was advised he could leave the rip rap in place understanding that the CDD would put together an agreement allowing Charlie Krebs to process a South Florida Water Management District permit modification and a County amendment allowing the rip rap to stay. He indicated it was made clear to Mr. Kaufman that Mr. Kaufman would have to pay for this, and the numbers were recently provided to Mr. Kaufman. He stated he would follow up with Mr. Kaufman.

II. District Engineer

Mr. Charlie Krebs reported after last month's meeting he contacted Melissa with South Florida Water Management District about the exhibits provided [in Mr. Kaufman's case] and requested information regarding how best to proceed, but the holidays slowed response times, and he was still waiting to hear back from Melissa.

III. Asset Manager

a) Asset Managers Report January 1, 2025

Mr. Richard Freeman reported (indecipherable). He stated some of the cane toad traps would be better hidden and removed from plain sight. He reported the aeration equipment on Lake B, during Hurricane Milton, was damaged due to submersion and had to be replaced as a result.

Ms. Mary LeFevre asked if the cane toad traps were missing due to someone taking the traps.

Mr. Freeman responded someone was taking the traps, or perhaps assuming the traps were garbage and throwing the traps away, in a couple of areas in the community. He stated three of the 36 traps were missing.

Mr. Patrick Reidy noted Mr. Freeman's report said the main lake level was at 19. He asked what 19 meant.

Mr. Freeman explained 19 was 19 feet of water; the control level of water was 18 feet, so the lake was still 1 foot of water over the weir.

IV. District Manager

- a) Discussion of refinancing opportunity of the District's Series 2015 Special Assessment Bonds**
- b) Financial Statement for period ending December 31, 2024 (unaudited)**

Mr. Ward stated Dylan Schwartz with FMS Bonds was present on the phone today; FMS Bonds had been the bond underwriter since the CDD's inception. He noted two refinances had been done thus far, and there was an opportunity to refinance another one of the series of bonds; therefore, he asked Mr. Schwartz to prepare a presentation for the Board. He stated he did not have a recommendation as the numbers were not hugely great, but 10 percent in savings was still a savings.

Mr. Patrick Reidy noted Mr. Schwartz's report said the issuance costs were built into the new par, but he never indicated exactly what those costs were.

Mr. Ward indicated this could be answered after Mr. Schwartz's presentation.

Mr. Dylan Schwartz with FMS Bonds stated FMS bonds brought the 2000 and 2003 bonds to the market when the CDD was first formed. Those same principal bonds moved over to FMS around 2011 at which point FMS worked on refinancing the 2000 bonds with the series 2012 bonds and then the 2003 bonds with the 2015 bonds, and then again, a few years ago FMS refinanced the series 2012 bonds one more time in 2022. He stated now the 2015 bonds were currently outstanding with around \$7 million dollars of principal and could be refinanced on May 1, 2025; tax law allowed the process for this to begin and at the next board meeting, should the board desire, FMS would be able to price the bonds, then fund and close in about 5 to 6 weeks after the next board meeting. He indicated at today's interest rates this would be approximately 10 percent annual savings. He said some of the key terms of the refinancing included: 1) the principal amount of the loan would not go up, it would remain the same or would decrease; 2) the maturity would not change or extend, it would remain 2035; and 3) the debt service reserve fund of \$450,000 dollars could be used in conjunction with any funds leftover from previous excess collections to pay for the issuance costs associated with the transaction, as well as be used to reduce the principal amount of the bond which would also lower annual payments. He stated based upon previous issuance costs the issuance cost should be approximately \$115,000 dollars to \$130,000 dollars. He explained FMS Bonds would only be paid contingent upon the refinancing closing occurring, so there would not be any additional cost to the residents. He stated FMS would meet with the CDD at the February meeting to approve all of the bond documents including a delegation resolution which provided FMS the authority to negotiate an interest rate on behalf of the CDD, spelling out certain parameters such as the bonds could only be refinanced if the principal did not increase and maturity did not increase, and setting a minimum savings percentage; other documents included an indenture, the loan agreements, and the offering document (the prospectus used to market the bonds). He noted once these documents were approved FMS would post the offering document and begin the marketing process. He stated after this was done the closing documents could be prepared for a late mid to March bond closing.

He indicated page 6 of his presentation showed FMS anticipated roughly a \$700,000 dollar reduction in the principal amount of the bonds, a 65 basis point savings on the interest rate which would lead to an approximately 2.3 percent annual savings. He noted FMS was the leading bond underwriter in the state of Florida and had served the District on all its financing transactions going back to the series 2000 bonds.

Mr. Ward stated (indecipherable).

Mr. Alan Refkin asked if FMS had its own institutional placement desk.

Mr. Schwartz responded in the affirmative. He said FMS was a full service municipal bond broker dealer which had a team of ten institutional salesmen who dealt with Black Rock, Pimco, Oppenheimer, Rochester, Goldman Sachs, Franklin, Templeton, Vanguard, etc.

Mr. Refkin asked if this transaction was done with principal, not agency. He explained this meant the costs were included in the product, not as a separate fee separate from the product, so the client could see the total amount.

Mr. Schwartz responded in the affirmative.

Mr. Refkin asked how many basis points FMS's markup was.

Mr. Schwartz responded 1.5 percent of the principal amount of par, or 150 basis points.

Mr. Refkin stated this was good.

Mr. Schwartz noted 1.5 percent was the industry standard amount.

Mr. Reidy noted the current bonds were \$7,095,000 dollars, and the refinancing amount would be \$6,360,000 dollars which was a difference of \$735,000 dollars. He noted there was \$450,000 dollars in the reserve fund, \$130,000 dollars of which would go to costs, bringing the reserve fund down to \$320,000 dollars, and then the \$320,000 dollars would be used to reduce the principal of the bonds.

Mr. Schwartz concurred. He stated the principal amount given, the \$7,095,000 dollars, was the principal amount after the May 1, 2025 amortization payment, and the \$6,360,000 dollars was what the new bonds would be. He noted there were some additional excess revenues in conjunction with the extra \$320,000 dollars, and a premium bond structure would be used, marketing a 5 percent coupon at a premium, which lowered the principal amount as well.

Mr. Reidy stated he did not understand how the principal would be reduced by \$735,000 dollars.

Mr. Ward stated he would provide a draft of the source and use of funds at the next meeting.

Mr. Schwartz explained using a 5 percent coupon at a premium would allow FMS to generate about \$220,000 dollars of original issue premium which was an extra source of funds to be used to pay down the principal along with the \$320,000 dollars in the reserve fund, and the excess revenues in the amount of \$250,000 dollars; equaling approximately \$735,000 dollars.

Ms. LeFevre asked if the \$130,000 dollars in costs would come out of the idle reserve fund to save \$93,000 dollars per year.

Mr. Ward responded in the affirmative.

Mr. Schwartz responded in the affirmative; \$130,000 dollars would be spent to save \$930,000 dollars over the next ten years.

Mr. Ward reiterated he would provide a document showing the bonds and the costs on a line by line basis at the next meeting.

Mr. Refkin (indecipherable). He discussed the 150 basis points and what FMS was charging. He noted it was a good thing FMS had its own institutional desk as this meant there was one less person charging a fee, there were no additional middlemen.

Mr. Reidy asked if the interest changed from what was presented by Mr. Schwartz today, would new numbers be presented.

Mr. Ward stated a delegation award resolution set maximum parameters, so whatever rate Mr. Schwartz presented today, in the delegation award resolution, the rate might be higher to provide Mr. Schwartz flexibility; however, the Board could choose what the parameters would be. He noted Mr. Schwartz was only providing an estimate at this time.

Mr. Refkin noted after the last bond refinance the CDD did, the bonds became noncallable.

Mr. Schwartz concurred noting there were only ten years left on the life of those bonds.

Mr. Refkin asked if these bonds were callable.

Mr. Schwartz explained these bonds were callable on May 1, 2025; bonds in the CDD world had a standard 10 year call protection for the investors. He stated these 2025 bonds also only had 10 years left, so, if refinanced these bonds would also become noncallable because the years to maturity and the years to callability were both 10 years.

Mr. Ward asked if the Board wished to move forward with the refinancing.

The Board indicated it wished to move forward.

Mr. Ward indicated he would bring a delegation resolution before the Board next month.

Discussion continued regarding refinancing the bonds, the premium 5 percent coupon, and how the bonds were marketed by FMS.

Public Comments: - Public comment period is for items NOT listed on the agenda, and comments are limited to three (3) minutes per person and assignment of speaking time is not permitted; however, the Presiding Officer may extend or reduce the time for the public comment period consistent with Section 286.0114, Florida Statutes

Mr. Ward asked if there were any audience comments; there were none.

FIFTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Ward noted Heather Chapman emailed yesterday regarding the status of the landscaping. He noted Ms. Chapman was present if there were any questions.

Mr. Refkin thanked Heather for the update and the information. He asked about the rest of Miromar, for example the berms along Ben Hill Griffin.

Ms. Chapman responded she understood the work on the berms had not started yet, but she could ask for the work schedule.

Mr. Refkin stated it would be helpful to know what would be done next, where the landscapers would be, and the timeline. He thanked Ms. Chapman.

Mr. Weber noted when speaking about it previously it was said the berm along the back side of Miromar, up against Esplanade, would be separate from this landscaping project, yet he noticed the landscapers were working on this berm.

Ms. Chapman said this was just normal maintenance, and not a part of the landscaping project. She stated it was just cleanup being done on the berm, nothing for installation was provided.

Mr. Reidy stated Lake Maggiore Way, along the berm and the sidewalk in the new section, there were a couple of places along the sidewalk which were flooded all the time, he believed because of the sprinklers. He noted the flooding was significant and was an accident waiting to happen. He stated something needed to be done about this. He noted even when the flooding resided, there was silt left behind which also could cause a slip and fall.

Ms. Chapman noted the sidewalk Mr. Reidy was referencing was not CDD property.

Mr. Reidy stated it did not matter who owned the sidewalk, something had to be done to fix the problem, it was a hazard.

Ms. Chapman noted these sidewalks had been power washed in the past, but every time new flowers were installed the sprinklers had to be run to keep the flowers watered. She stated perhaps the landscaping team could install some sort of drainage for the area.

Mr. Reidy stated he believed it was an accident waiting to happen.

Ms. LeFevre asked a question about the budget. She noted in engineering services/general services, year to date, 85 percent was spent over the first three months of the budget.

Mr. Ward stated engineering and legal were similar, sometimes there was a lot, sometimes there was not much, sometimes it went over budget, sometimes it came in under. He noted Mr. Krebs did more for the CDD this year than in past years because the Board was asking him to do things. He stated the expense would need to be watched this year and perhaps budgeted for better next year.

SIXTH ORDER OF BUSINESS

Announcement of Next Meeting

Next Meeting – February 13, 2025

SEVENTH ORDER OF BUSINESS

Adjournment

The meeting was adjourned at approximately 2:45 p.m.

On MOTION made by Alan Refkin, seconded by Patrick Reidy, and with all in favor, the meeting was adjourned.

Miromar Lakes Community Development District


James P. Ward, Secretary


Alan Refkin, Chairman