

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

The Regular Meeting of the Board of Supervisors of Miromar Lakes Community Development District was held on Thursday, February 13, 2020, at 2:00 P.M. at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum:

David Herring	Chairman
Doug Ballinger	Vice Chairman
Alan Refkin	Assistant Secretary
Michael Weber	Assistant Secretary
Mary LeFevre	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney
Charlie Krebs	District Engineer
Bruce Bernard	Asset Manager
Raquel McIntosh	Grau & Associates, Auditing Firm

Audience:

All resident's 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. and all Members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a) December 12, 2019 – Regular Meeting

Mr. Ward asked if there were any additions, corrections or deletions for the December 12, 2019 Minutes.

Ms. Mary LeFevre noted on page 3 Dr. Herring mentioned obtaining a document which "assured there would be no cost incurred by the CDD." She asked if this document had been obtained. Dr. Herring indicated he was still waiting for this document. Mr. Ward concurred and noted Miromar Development would be creating this document. Discussion ensued regarding the status of this document, speaking with Miromar Development about the document, and refusing to move forward with the permit modification without this document.

On MOTION made by Mr. Doug Ballinger, seconded by Mr. Alan Refkin, and with all in favor, the December 12, 2019 Regular Meeting Minutes were approved.

b) January 9, 2020 – Regular Meeting

Mr. Ward asked if there were any additions, corrections or deletions for the January 9, 2020 Minutes.

Mr. Mike Weber stated in the First Order of Business, when discussing the HOA and the community, no mention was made of which community was being discussed. He indicated the community and HOA being discussed was Lugano Cassina. Discussion ensued regarding the HOA being called Peninsula 4. Mr. Ward stated he would make a reference to Mr. Matt Devers being the Peninsula 4 HOA Manager.

Mr. Mike Weber reported on page 2, third paragraph down, it read “He indicated Mr. Austenfeld was informed the CDD might agree to the hedge replacement if the HOA would assume responsibility of maintenance of the new plantings. He noted Mr. Austenfeld agreed.” He stated he believed the Board indicated it was important not only for Mr. Austenfeld to agree, but the CDD needed to obtain a document from Mr. Austenfeld’s HOA showing support. Mr. Bernard stated he sent an email, copied to Mr. Ward, about what was discussed and in the email he said it was not just Mr. Austenfeld’s approval, but the residents had to approve any work there too, but he had not received a response as of yet. Discussion ensued regarding whether this information should be included in today’s minutes or the previous meeting’s minutes.

Mr. Doug Ballinger asked for the wording of the sentence “Mr. Ward asked the Board to forward all community related emails to himself without responding; he would respond to the emails as necessary” to be clearer. Mr. Ward indicated he would adjust the sentence.

Dr. Herring stated the sentence “Discussion continued regarding the importance of having all agreements in writing” summarized what was a much more detailed conversation.

On MOTION made by Mr. Doug Ballinger, seconded by Ms. Mary LeFevre, and with all in favor, the January 9, 2020 Regular Meeting Minutes were approved as amended.

THIRD ORDER OF BUSINESS

Review of Audited Financial Statements

Review of Audited Financial Statements for Fiscal Year ending September 30, 2019

Mr. Ward indicated Raquel McIntosh with Grau & Associates was on the phone to review the Audit. He noted following the review he would call for a motion to accept the Audited Financial Statements for inclusion in the record as the Statements had been filed, as a matter of law, with the appropriate regulatory agencies.

Ms. Raquel McIntosh with Grau & Associates reviewed the Audited Financial Statement for the Fiscal Year ended September 30, 2019. She stated Grau & Associates had an unmodified/clean opinion of the Financial Statements, which meant the Financial Statements were presented fairly in all respects. She stated page 9 was the Balance Sheet and showed the total fund balance to be approximately \$3.6 million dollars, with \$3.3 million dollars being restricted for debt service activity and the remaining \$313,000 dollars being unassigned and ready for spending by the Board. She stated Page 11 reflected the change in fund balance: a decrease of \$135,000 dollars, the majority of which was debt service, and an increase in the general fund of approximately \$122,000 dollars. She reported page 23 was the Budget to Actual Report which reflected total expenditures were \$940,318 dollars, and the District only spent \$800,430 dollars with a positive variance on the Budget of approximately \$140,000 dollars. She stated page 25 and 26 was Grau's report on the District's Internal Control over Financial Reporting and Compliance and she was happy to report the Audit did not detect any material weaknesses, significant deficiencies, or other findings in the Internal Controls. She noted page 27 was Grau's report on the District's Compliance with Florida Statute 218.415 and Grau believed the District complied in all material respects with the requirements of Florida Statute 218.415. She stated page 29 of the report indicated there were no current or prior year findings or recommendations for the Fiscal Year ended September 30, 2019.

Ms. LeFevre asked about #5 on page 29. Ms. McIntosh explained there were five criteria which triggered a financial emergency and #5 of on page 29 of the report indicated the District did not meet any of the five criteria which meant the District did not have any financial emergencies.

On MOTION made by Mr. Alan Refkin, seconded by Mr. Doug Ballinger, and with all in favor, the Audited Financial Statements for Fiscal Year ending September 30, 2019 were accepted for inclusion in the record.

FOURTH ORDER OF BUSINESS

Staff Reports

a) Attorney

Mr. Greg Urbancic reported the Legislative Session was in full swing and there were a number of bills which could impact the CDD; some were previously filed bills and one was to allow for website advertising in lieu of newspaper advertising. He noted this bill came up annually and would save the District money in advertising, but it was continually denied. He noted another bill reduced the number of required posted documents on websites, such as Meeting Agendas in PDF format. He indicated he did not expect this bill to pass. He stated he would keep the Board updated regarding the various bills.

b) Engineer

Mr. Charlie Krebs reported he received a phone call from a home builder, Mr. Matt Shull with Gulfshore Homes, who was working on a home in Verona Lago. He distributed and discussed a map which illustrated the Verona Lago homes. He noted the "hatched" area was a part of what was tract L1 in the plat, which was supposed to be a lake, but was never excavated and left a large open space behind the homes. He noted Mr. Matt Shull wished to expand the home he was remodeling and asked for the CDD to relinquish the lake maintenance easement as there was no lake; however, this could not be done as it was a platted easement. He stated Mr. Shull then

asked if the CDD would be interested in selling the "not lake" property; the homeowner was interested in possibly purchasing the property or a portion of the property. He noted he wished to bring this to the CDD's attention. Discussion ensued regarding the lake which was excavated, how it was excavated, and how the excavation was originally going to continue to extend the lake but this was never done, whether Verona Lago had covenants regarding square footage of homes, Verona Lago being under the Master HOA, and the homeowner not being permitted to build into the easement area which would limit square footage. Mr. Krebs noted Mr. Shull asked if the CDD would be interested in subdividing the land behind these homes to match the lot lines and selling the subdivided lots to the corresponding homeowners; he told Mr. Shull he was uncertain whether the Board would be interested. Discussion ensued regarding the homeowner's docks being located on CDD property. Mr. Urbancic indicated this property was purchased in 2007 with bond funds. Mr. Ward stated the CDD would not sell this property to the homeowners and would not vacate the easement.

c) Asset Manager

I. February 2020 Report

Mr. Bruce Bernard reported lake bank restoration in Tivoli was continuing. Discussion ensued regarding the safety of the individuals performing the lake bank restoration in Tivoli. Mr. Bernard explained alligators were scared off by noise and the workers were in no danger.

He stated Solitude had begun spraying the banks in Castelli, Anacapri, Volterra, Bellini and Vivaldi for midge flies; the spraying would continue once every three weeks for six treatments. Discussion ensued regarding the severity of the current infestation, the size and look of the midge flies, midge flies not being a biting fly, and midge fly swarms. Mr. Ballinger asked for Bellamare to be added to the list of communities to be sprayed. Mr. Bernard indicated he would add Bellamare to the list.

Mr. Bernard reported a vendor would be coming to capture and remove the cane toads for ten to twelve weeks. Dr. Herring stated it was against the law to catch and relocate cane toads. Mr. Bernard agreed and noted the vendor would capture and remove the cane toads; the toads would be exterminated in another location. He stated a separate vendor would come in the end of March and beginning of April to remove cane toad larvae and tad poles. Mr. Ballinger asked if Bellamare was also on the list for cane toad and tad pole elimination. Mr. Bernard responded in the affirmative. He stated all interior lakes on the east side would be cleared of cane toad larvae and tad poles. Mr. Weber stated he received an email article which indicated cane toads were taking over the State of Florida. Discussion ensued regarding this article, a Facebook article regarding cane toads, and the danger of cane toads to dogs. Mr. Ward indicated Mr. Bernard was coordinating with the developer regarding cane toad removal; the developer would be performing the same cane toad removal process on developer owned land at the same time as the CDD.

d) Manager

I. Financial Statements for the period ending December 30, 2019 (Unaudited)

Mr. Ward asked if there were any questions; there were none.

FIFTH ORDER OF BUSINESS**Supervisor's Requests and Audience Comments**

Dr. Herring asked about the transition delay and the possible impact of said delay (*transition of the Master Association from the developer to the residents*). Mr. Weber stated a Leadership Committee Meeting (Ms. LeFevre was also a Leadership Committee Member) was held on January 27th. He stated he invited Tim (Byal?) to attend with an intent to work more closely with Tim toward the transition. He stated in June, Tim announced the transition was going to occur within the next two years; therefore, the Leadership Committee was preparing for the transition by interviewing management companies, going to seminars, holding meetings more often, etc. He stated in the January 27th Meeting, Tim reviewed a map which illustrated what the rest of Miromar would look like once developed and discussed the condos on the corner of Alico and Ben Hill Griffin, the waterway, an additional 26 homes, and acquisition of property in San Marino. He indicated Tim discussed a couple of vacant properties around Miromar which had intended units but were unlikely to be actually developed. He stated Tim indicated the maximum number of units in Miromar, once completed, would be 1,400 units; therefore, when there were 140 units left to be sold (90% developed) the developer was legally required to convert the Master Association over to the residents. He stated if the developer kept the "intended units" on vacant property which were unlikely to be built, the developer would never reach 90% completion and would not be required to convert the Master Association over to the residents. He stated Tim indicated the owner of the development did not wish to transition this community over to the residents any sooner than legally required. He stated he believed the transition of the community to the residents would not occur any time soon and could take years. He noted he was frustrated and was done working toward enhancing communication between the residents, Master Association and developer. He stated he felt he was wasting his time in continuing efforts towards transitioning the community to the residents; the Leadership Committee agreed. He stated Tim would be present at the March 3rd, 2020 Voter Rep Meeting and he hoped Tim would relate the same information at the Voter Rep Meeting as was relayed at the Leadership Committee Meeting. He noted he would also speak at the Voter Rep Meeting.

Dr. Herring stated he had a discussion with a developer once who indicated developers could not alter their (the developer's) responsibility by purchasing additional land; therefore, the vacant land Tim was referencing legally was required to be a part of the original development plan to affect the percentage. Mr. Weber stated he believed the originally approved number of units for Miromar Lakes was 2,600 units. Dr. Herring noted the developer he spoke with referenced original land purchased by the developer, not the number of units originally approved. He asked if Florida Law agreed. Mr. Urbancic stated he was unsure. Discussion ensued regarding the land owned by the developer, and the number of units which were intended to be developed. Dr. Herring asked how this new development would affect the CDD and CDD revenues. Mr. Ward responded: "not in a good way." He explained Miromar Lakes currently numbers 1,703 units; of this number Miromar Lakes was paying for 400 units on undeveloped land. He noted Miromar Lakes would be required to "buy down" the assessments on 300 units to bring the number of units down to 1,400. He stated Tim indicated the developer would complete another "buy down" later this year, but he did not know how much or how many units would be bought down. Discussion ensued regarding the units, revenues collected from undeveloped units, the land owned by the developer, and the conservation area which could not be developed. Mr. Ward stated if the developer decided to buy down the number of units on undeveloped land in the CDD, the units would come out of debt service and operational assessments would no longer be charged for these units. Mr. Ballinger stated Miromar Lakes recently bought the back end of San Marino which was undeveloped. He asked if this purchase changed any of the numbers. Mr. Ward responded in the negative. Mr. Ballinger asked if taxes were different for

developed and undeveloped units. Mr. Ward responded in the negative; taxes were the same. Discussion ensued regarding the San Marino property and number of San Marino units, condos on the corner of Alico and Ben Hill Griffin (110 units), the single-family homes across from the inlet, and the CDD potentially being asked to provide noise abatement for these homes/condos.

Dr. Herring thanked Mr. Weber for his efforts.

Mr. Ward stated if the developer reduced the number of units from 1,700 to 1,400 units the total unit count would be reduced by almost 30%. Mr. Weber indicated a reduction in number of units equaled a smaller denominator which increased costs for everyone. Mr. Ward agreed.

Mr. Ballinger thanked Mr. Weber and Dr. Herring

Mr. Ward asked the two present HOA representatives if they had any questions or comments; they had none.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at 2:45 p.m.

On MOTION made by Mr. Alan Refkin, seconded by Ms. Mary LeFevre, and with all in favor, the meeting was adjourned.

Attest

Miromar Lakes Community Development District


James P. Ward, Secretary


David Herring, Chairman