

**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, September 8, 2022, at 2:00 p.m. at the Library in the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum:

Alan Refkin	Chair
Michael Weber	Vice Chair
Patrick Reidy	Assistant Secretary
Doug Ballinger	Assistant Secretary
Mary LeFevre	Assistant Secretary (arrived at 2:05 p.m.)

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney
Bruce Bernard	Asset Manager

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. He conducted roll call; all Members of the Board were present, with the exception of Supervisor LeFevre, constituting a quorum. Ms. LeFevre arrived at approximately 2:05 p.m.

SECOND ORDER OF BUSINESS

Consideration of Minutes

August 11, 2022 – Regular Meeting Minutes

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

Mr. Ballinger noted a mistake in the Agenda.

Mr. Ward indicated the Agenda would be corrected for the next Meeting.

Mr. Weber asked for "landscape maintenance agreement" to be added to line 46 in order to clarify what was being discussed.

Mr. Ward indicated this would be done. He asked if there were any other changes to the Minutes; hearing none, he called for a motion to approve the Minutes as amended.

On MOTION made by Mr. Mike Weber, seconded by Mr. Doug Ballinger, and with all in favor, the August 11, 2022, Regular Meeting Minutes were approved as amended.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2022-12

The third order of business is consideration Resolution 2022-12, a resolution of the Board of Supervisors of the Miromar Lakes Community Development District a resolution designating the Registered Agent; designating the Office and Location of the Registered Office; and providing for conflicts and invalid provisions and providing for an effective date

Mr. Ward stated in the old days, there was a requirement in the Statute to name a Registered Agent, Registered Office, and an Office of Location in the County in which the District resided. He explained the Resolution which accomplished this was still in place; however, Statute changed to remove the requirement for an Office of Location due to the prolific use of electronic records. He indicated this Resolution updated the provisions and named himself as the Registered Agent and his office as the Registered Office and removed the Office of Location. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Mr. Mike Weber, seconded by Mr. Pat Reidy, and with all in favor, Resolution 2022-12 was adopted, and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Staff Reports

I. District Attorney

Mr. Greg Urbancic reported the Interlocal Agreement was fully executed and recorded in the public record.

Mr. Ward indicated the Interlocal Agreement was between this District and the Esplanade Lake Club CDD.

II. District Engineer

No report.

III. Asset Manager

a) Operations Report September 1, 2022

Mr. Bruce Bernard reported spraying for apple snails was completed. He indicated he checked on the area Mr. Weber had noted toads crossing the road; these were not cane toads, they were nice green toads. He stated the green toads were good for the ecological system. He reported CDD Staff reviewed two rip rap locations, both locations were not yet approved; however, if the CDD requirements were met then the rip rap would be brought into the CDD.

Mr. Bernard stated a report from Solitude indicated the carp were not overwhelming in numbers, the difficulty was in the lake's nutrients. He stated the next step was determining what could be planted which would thrive in the current nutrient environment of the lake. He noted nutrients entered the water from runoff and fertilization, and not much was entering this lake as most of the lake, on the Miromar Lakes side, was rip rap and there was not much runoff into the lake.

Mr. Ward asked how often Solitude would update this report.

Mr. Bernard responded in six weeks there would be an updated report. He noted there would probably be one more report before dry season arrived. He stated the new plants would ideally be planted in March or April, right before the rainy season.

Mr. Ward asked if Solitude could produce a report with more pictures and a better writeup which could be posted on the CDD's website and would be a good point of reference in the future.

Mr. Bernard stated he felt it might be a little too early in the process for that type of report, and as the CDD was not paying for this report it might be a big ask. He stated just obtaining this information would be good for what would be done in the future. He stated next year when installation began, pictures should be taken every two months to document how plants were growing, etc., and to document a history of how the lake progressed.

Ms. LeFevre asked about the cane toad traps.

Mr. Bernard responded the cane toad traps were a part of next year's budget and as such would be purchased next fiscal year, possibly in October. He noted Miromar Lakes was also purchasing traps and hopefully between the CDD and Miromar Lakes, 100 to 150 traps would be distributed throughout the community. He stated he asked Heather from Miromar Lakes to send out an email blast with information about the traps so residents would be aware and not be alarmed.

IV. District Manager

a) Review of current Facilities Maintenance Agreement

Mr. Ward stated he included the executed Facilities Maintenance Agreement in today's Agenda if the Board had any questions.

Mr. Reidy stated the wording indicated the Association was responsible "for maintaining, repairing, replacing the landscaping which may be now or in the future located on the District property." He noted the question became, if there were a hurricane or storm and trees were knocked down, who would replace the trees. He asked who was on the HOA Board.

Discussion ensued regarding the HOA Board.

Mr. Ward stated he believed Rich Pomeroy took over the HOA presidential responsibilities after Tim left.

Discussion continued regarding the HOA and the HOA's responsibilities according to this Agreement.

Mr. Ward stated the HOA had a large amount of money in a reserve account, approximately \$9 million dollars, and if there were a hurricane, the HOA would take care of the capital expenditures for any landscaping assets in the District. He stated he did not believe this would be problematic as long as Miromar was still in control and had \$9 million dollars; however, Miromar would not put this in writing and would not make any changes to the Agreement, so basically this was a "handshake deal." He stated he would be happy to reach out to Mr. Pomeroy and discuss this matter if the Board wished; however, even if Mr. Pomeroy said yes, the HOA could change its mind at any time.

Discussion ensued regarding the HOA; the HOA transitioning to the homeowners in the next few years; and how much the CDD would need in its reserve account if it found itself responsible for the landscaping assets.

Mr. Ward discussed his experience with another District in which the HOA gave the assets back to the District for maintenance and the difficulty financing such maintenance, as well as the difficulty building a proper reserve account. He cautioned the CDD not to become too dependent upon the HOA.

Mr. Reidy indicated it would take a substantial increase in CDD fees in order to build a proper reserve fund to cover emergency expenditures.

Mr. Ward concurred.

Discussion ensued regarding how much of a reserve account was needed; the necessary increase in CDD assessments to fund the reserve account; the HOA refusing to assign a portion of its existing reserve account as a designated reserve account for landscaping assets; the possibility of adding \$1 million dollars to the reserve fund with the next budget; the fact that ultimately the HOA could decide it did not wish to take care of the landscaping and the CDD would be forced to take over full responsibility; the HOA being required to submit notice by May 31 if it wished to relinquish control and maintenance of landscaping for the next fiscal year; the wish to keep resident fees low and keep the District looking beautiful; the disconnect between the CDD Board and the HOA Board since Tim left; and the CDD's wish to reconnect with the HOA Board.

Mr. Alan Refkin discussed why Tim often attended the CDD Board Meetings and he suggested inviting Rich to attend.

Mr. Ward indicated he did invite Rich to attend but would do so again.

Discussion ensued regarding the reduced state of the CDD's capital budget due to Hurricane Irma repairs; and how Hurricane Irma affected the CDD's budget.

Mr. Reidy asked about the \$16,000 dollars spent on engineering services according to the Financial Statement, page 4. He noted there was only \$5,000 dollars budgeted for engineering services. He asked if this increase in expenditure was due to the Stormwater Needs Assessment required by the State.

Mr. Ward responded in the affirmative; he felt most of the increase was due to the Stormwater Needs Report, but he would need to look and see exactly what caused the increase.

Mr. Reidy asked about the Water Control Structures with a \$32,600 dollar expenditure in August, and almost \$49,000 dollars spent year to date but with only \$25,000 dollars budgeted.

Mr. Bernard stated the funds were reclassified from other areas to cover this expenditure.

Mr. Reidy asked about the fish restocking expenditure.

Mr. Bernard stated this was what was spent to plant the lily pads.

Mr. Reidy asked if the CDD intended to eventually own lakes 3D and 3E; these lakes were marked as not owned by the CDD on the map.

Mr. Ward explained Tony Craparo (ph) (President of the Board for Montebello and San Marino) wished to turn these lakes over to the CDD and he put Tony in touch with Charlie to work out the details. He indicated the last time he spoke with Tony, about a month ago, Tony was grappling with the expense of engineering dollars needed to get the system certified and inspected and in the necessary condition to turn over to the CDD.

Mr. Reidy asked what was required to ensure the lakes were in good enough condition to surrender to the CDD.

Mr. Ward stated he did not believe the lakes were not good enough; however, the lakes had never been inspected to see if they were good enough. He explained the lakes had never been inspected by the CDD, including the stormwater system, so it had to be inspected and certified by someone prior to surrender. He indicated it was not necessary for Charlie specifically to perform the inspection, but he believed Charlie would be the least expensive.

Discussion ensued regarding the lakes; whether the lakes had rip rap; the lakes needing bank restoration; and the lakes needing to be restored prior to CDD acceptance.

Discussion ensued regarding a stormwater system the HOA wished to dedicate to the CDD.

Mr. Ward explained Miromar had taken the position it was going to dedicate the portions of the water management system which were supposed to go to the CDD to the Master HOA, and at some point down the road, the water management system could be transferred from the Master to the CDD. He stated this was still the plan. He stated any portion of the water management system which were not currently in the name of the CDD were being maintained by the homeowner's association.

Ms. LeFevre stated Miromar claimed the stormwater management system under consideration was new and should not need inspection.

Mr. Refkin stated Bella Vista also wanted to turn over its stormwater management system; however, it was much older and definitely needed inspection. He stated every single lake and stormwater system had been inspected prior to being turned over to the CDD. He explained this was important as the CDD was not responsible for maintenance prior to taking over a lake or stormwater system and therefore could not be certain of its condition.

Discussion continued regarding whether Miromar needed to have the stormwater management system inspected prior to turning it over to the CDD; and the cost of inspection.

Mr. Bernard stated Miromar Lakes was asked to obtain a letter from the engineer certifying the stormwater management system was ready for transfer.

Discussion continued regarding the need for inspection of the stormwater management system and lakes prior to the CDD taking over; the difficulties which arise when HOA's maintain the stormwater management system; the need to take over the stormwater management system in its entirety; and the expense of maintaining the stormwater management system.

Mr. Urbancic discussed the difficulty condominiums had severing the fee simple titles to these properties in order to convey the properties to the CDD, and the difficulty condominiums had creating easements for the CDD.

Mr. Ward stated the bigger issue was a significant portion of the water management system was going to the HOA for this project; however, it was the CDDs responsibility to operate and maintain the stormwater system. He stated if the CDD did not have ownership of the stormwater management system in its entirety it would be a problem.

Mr. Refkin noted the cost of having stormwater management systems inspected was approximately \$1,000 dollars in engineering costs, plus a minimal cost of providing copies of the permits and copies of the engineering reports.

Discussion ensued regarding Miromar being reluctant to spend these minimal costs while spending inordinate amounts of money on flowers; whether the stormwater management system could be accepted without an inspection; and the importance of following the proper procedures laid out by Resolution and other legal documents.

Mr. Ward explained Miromar did not have any incentive to turn the stormwater management system over to the CDD if there were any expense or bureaucracy attached, especially when it could simply sign a document and send it over to the HOA and be done with the process. He stated a policy needed to be adopted which enabled the CDD to accept such systems with only the certificates provided by the regulatory agencies upon construction completion.

Discussion ensued regarding Mr. Ward's comments; the fact that the problem of maintenance of the stormwater management system did not go away if the HOA owned the stormwater management system; the homeowner's association and the CDD consisting of the same residents, but the CDD being better equipped to deal with the stormwater management system than the

HOA; and residents being upset if assessments increased due to additional needed water management system maintenance.

Mr. Ward explained the likelihood of larger financial problems transitioning to the CDD from a developer constructed system which was just certified and was brand new was relatively slim; however, if the stormwater management system was neglected for five years by the HOA, then it could become a large financial problem. He agreed there were some problem areas, like San Marino and Ravenna, but the big problem of the developer transferring the stormwater management systems to HOA in the middle of the project like this one, where much of it was already in the CDD, did not make much sense. He stated the CDD should try to get past the need to obtain inspections and simply accept the certifications for the larger portions of these new constructions. He stated the older construction systems still should require inspections and to be brought up to standard before transferring to the CDD. He stated it was more important for the stormwater management system to be owned by a single entity for maintenance purposes than to insist upon inspections for new construction systems.

Ms. LeFevre asked if it would be easier to transfer the stormwater management system from the developer than from the HOA.

Mr. Ward responded in the affirmative; it was substantively easier. He explained why this was the case. He recommended changing policy to allow the developer to turn over the permit and the completion certificates from the County or South Florida or whomever to the District and the District would accept the system "as is." He stated this policy should apply to new construction systems only. He noted there were only three old construction systems left which needed transfer to the CDD, but these old construction systems were prime examples of how difficult it was to transfer the systems from the HOAs to the CDD.

Discussion continued regarding the cost of transfer of stormwater management systems.

Mr. Weber asked Mr. Ward to create a policy for review at the next Board meeting.

Mr. Ward stated there were a few things he needed to do and a few people he needed to speak with before a policy could be created, but he would work on it. He stated landscaping could be further discussed in December, January, and/or February.

FIFTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Ward asked if there were any Supervisor's Requests; there were none. He asked if there were any audience comments or questions; there were none.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 3:02 p.m.

**On MOTION made by Mr. Mike Weber, seconded by Mr. Alan Refkin,
and with all in favor, the meeting was adjourned.**

Miromar Lakes Community Development District



James P. Ward, Secretary



Alan Refkin, Chairman