

**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, May 9, 2019, at 2:00 p.m. at the Beach Clubhouse, located at 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Present and constituting a quorum:

Dr. David Herring (via telephone)	Chairman
Mr. Doug Ballinger	Vice Chairman
Mr. Alan Refkin	Assistant Secretary
Mr. Michael Weber	Assistant Secretary
Ms. Mary LeFevre	Assistant Secretary

Absent:

None

Also present were:

James P. Ward	District Manager
Charlie Krebs	District Engineer
John Baker	Hole, Montes

Audience Members:

Approximately 7-10 Audience Member members were in attendance: (All residents names are not included with the minutes; if residents did not identify themselves or the audio file did not pick up the name, the name is not recorded in these minutes)

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:00 p.m. and all members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes

Mr. Ward called for any additions, corrections or deletions to the April 11, 2019 Minutes. Changes indicated were:

- a) Mary LeFevre mentioned there were several typos but indicated Darlene Hardie-Muncy is the correct spelling for that name throughout the minutes.
- b) Doug Ballinger remarked the Minutes of 04/11 indicated a March date throughout and was confused. No change or amendment was made.
- c) Mr. Ballinger asked about page 2, which talked of Miromar being under construction at Delmar. He indicated he was not familiar with that. It was explained that it should instead read Bellamare.

- d) Mr. Ballinger asked about page 4, which talked of \$340,000 from FEMA and where it went when received. He asked if that money was ever received, and was told no. He asked for a change to clarify the statement in the minutes. It was decided the statement should read: "...when it's received..." He also asked for a change to "...the funds went..." so that it reads "...the funds would go..." On the last sentence of the page, he asked for clarification on the statement, "...he noted to address that the issue with someone without counsel was not a prudent action by the Board." He was told that in the earlier paragraph, Alan Refkin took the word "not" out so that it makes sense.

As there were no other corrections, Mr. Ward called for a motion to adopt as amended.

On MOTION made by Mr. Refkin, seconded by Mr. Ballinger, and with all in favor, the Minutes of April 11, 2019 as amended were approved.

THIRD ORDER OF BUSINESS

Consideration of Resolution

Consideration of Resolution 2019-4 Approving the Proposed Budget for Fiscal Year 2020 and Setting the Public Hearing for Thursday, July 11, 2019 at 2:00 p.m. at the Beach Clubhouse, 18061 Miromar Lakes Parkway, Miromar Lakes, Florida 33913.

Mr. Ward provided background on the resolution. He explained the public hearing was currently scheduled for Thursday, July 11, 2019, at 2:00 at the Beach Clubhouse. Approving the budget does not bind the Board to any programs or costs associated with line items contained therein but allows the process to move forward so that at the time of the public hearing, the budget can be adopted and set a final rate for the General Fund. The budget does set a rate on page 3 which cannot be exceeded once the budget is adopted. That rate is \$346.15 per unit for all property on roll and \$332.83 for all property off roll.

Mr. Ward remarked that the Debt Service Fund Budgets are static in that both the revenue and expenditures and the rates stay relatively constant for the two bond issues. The current budget removes all the landscaping items completely and the assessments for Lee County are gone. Hendrick County used to make an assessment for the panther habitat area which they no longer do. Charlotte County had an assessment that is also gone. The \$346.15 is back to where it was with roughly \$200,000 capital related to the erosion program that continues for 2 more years.

Mr. Ward spoke about the Series 2015 bonds. Miromar Development is buying down 100 units, at slightly under \$1.5 million, and that amount will be paid to the District this year to pay off some of the 2015 debt, which means the number of units in the General Fund has gone down by 100 units in 2020 from what it was in 2019. So there is \$1.5 million that will call in bonds by November 1, but there are 100 fewer units in the General Fund. Mr. Ward then called for questions from the Board.

Mr. Weber asked about the stormwater management services on page 2. The landscaping costs are gone but there are new costs of cleaning and maintaining all the drainage systems throughout

Miromar. But looking at the total for 2020, it is less than what will be spent in 2019, while still picking up this new responsibility. He asked for clarification on how that worked.

Mr. Bernard remarked that in 2019, a total look at all expenses was done for Miromar Lakes CDD and the develop. It ended up showing approximately \$60,000 worth of cleaning. The CDD paid a portion and Miromar Lakes paid the rest, cleaning what needed to be cleaned. From the current year forward, the basins are being cleaned on a 3-year plan with certain subdivisions each year. They will be checked and if there are problems, they'll be addressed individually. But in the current year, the cleaning costs are indicated in this report, and go from Verona Lago all the way up past the clubhouse to the road that goes to Bella Vista. Next year, Bella Vista will be done and all of Montebello and those sections, and the third year will go to the peninsula. So every year, it's not necessary to check the whole thing; it's been broken into a 3-year program, so a third of the community is done every year.

Mr. Refkin inquired if the new communities coming on were being considered.

Bruce indicated that will be done in future budgets. There was no estimate of when that would be.

Mr. Refkin remarked it would be good to have that information for planning.

Mr. Byal stated the information had not yet been turned over, so there was no obligation at this point.

Mr. Refkin asked if there was an anticipated date for planning purposes. It was not an issue of obligation or taxation, just a coordination between Miromar Lakes and the CDD so that better planning could occur on when they might come online so that budgets are a bit more accurate and reflective of future obligations. He understands it would be an estimate, but it would help for planning purposes.

A board member asked about page 8, under erosion restoration, Hurricane Irma repairs, there is nothing listed for 2020. He asked if that means the repairs have been completed. Mr. Ward explained that it was moved down into Subdivision Shoreline Erosion, and the subdivisions were broken out in detail on what was going to be done in each year, so it was split out.

Alan Refkin asked for confirmation that those were considered Hurricane Irma repairs, which Mr. Ward confirmed.

Mr. Refkin asked if a reserve would be started. Mr. Ward stated he left it out and that his feeling was a reserve should be started because there was the capacity to do that and the assessments have dropped so much from prior, from \$700 a few years ago down to approximately \$340. He felt it would be a good idea to put between \$50,000 and \$100,000 a year away. It would not have a significant impact on the overall assessment, and if the Board likes the idea, he recommends somewhere between \$50,000 and \$100,000.

Mr. Weber felt it was inevitable that the money would be needed in the future and it would be important to start the process and keep doing it on an annual basis so that when the time comes, it won't be necessary to "change our entire plan going forward" because of a financial hit.

Mr. Ward calculated that \$100,000 would result in approximately \$58/unit.

Ms. LeFevre spoke in favor of the idea. All members appeared to agree, and Mr. Ward added a \$100,000 reserve to the reserve line item.

Ms. LeFevre remarked that on page 1 under Other Contractual Services, there was perhaps a typo – ‘trust’ in place of ‘trustt’ on the right-hand side. She was told that was correct – the trustee is the bank that holds the bond funds but that’s the way they spell that word. She also asked about electric service for the fountain, page 2, asking if that referred to the big fountain. She asked what the fountain was for. She was told it was for the Porto Romano fountain in the lake.

Mr. Ballinger had a question about page 8, stating the \$132,000 figure there seemed large compared to other figures for Tivoli, which he thought was misspelled. He was told it was the correct number, due to the number of lake banks there. Bruce explained it winds back up, down and around and that almost every house has got a lake bank.

Ms. LeFevre asked about erosion restoration, whether it was part of the capital plan, and was told it was. Mr. Ward explained what she was looking at was the detail of the capital program and if she referred to page 2, there was a line item called erosion restoration, which equals \$200,466, which is the same number in the detail. The detail shows where the \$200,000 is being spent.

Ms. LeFevre asked for clarification on page 8 regarding the capital plan, and Mr. Ward confirmed it was part of the water management system for erosion restoration, and that it was the detail of that. She asked if it included both the capital plan that has been in place, available online, but in addition the hurricane damage, which was above and beyond, and were there two different things included. She was told there was.

Mr. Bernard explained that most of the hurricane damage was estimated at approximately \$200,000, but of that, on last month’s report showing the repairs that were done, \$146,000 to \$148,000 was already done by the residents. With the addition of a few more repairs this year of \$30,000, up to almost \$180,000 to \$210,000 (indiscernible 20:16). Ms. LeFevre said she understands but just wondered where in the budget that information is contained. There was a budget plan that predated the hurricane, and that plan is online, and it shows a 2-year period. She cannot remember the total of that and stated now there’s another piece that’s post this hurricane.

Mr. Bernard clarified that for the hurricane, over 80% of that has already been done. Ms. LeFevre asked where in the budget the 20% was. Bruce showed her where the 20% is contained, stating that because the number in the capital included that amount, as they were doing it now with Geotubes, it will give them enough to (indiscernible 21:19). Rather than break it down, it’s combined within that money. Mr. Ward explained that figure was on page 6.

Mr. Refkin asked about lake maintenance for “spraying” for about \$60,000. He asked about the plan for when the last carp was gone. Options were more carp, better calculated, or spraying as was done many years ago, which was expensive, but wondered if there was a plan going forward. The budget is a year out but asked what kind of spraying is indicated in the budget and if that is related to the carp.

Mr. Ward explained it was a different spraying program. It is the normal maintenance program. There is no carp replacement program in place yet.

Mr. Refkin asked what the plan was for when the carp becomes less plentiful. The weed problem would have to be addressed.

Mr. Ward remarked that once the carp were gone, there would be a year before one would see a Hydrilla problem again. If that becomes a problem next year, there will be a carp program again. Mr. Refkin asked for confirmation if it would be in the next budget, not the current budget. Mr. Ward remarked there would not be as many carp as the first time around, which is the only effective weed control, unless it's a mechanical solution.

Mr. Herring believed there would be better control of the Hydrilla coming back this time, as last time it seemed like the chemicals were feeding the Hydrilla rather than eliminating it. He believes "we will be able to be a little bit more preemptive" and agrees the number of carp will be less than what was seen last time.

Mr. Ward confirmed those costs were not in the current budget. There were no further questions from the Board. He asked if there were any questions from the Audience Members.

An Audience Member, who lives in Montebello, asked about Geotubes behind Montebello. He directed his question to Bruce and asked if that project was completed now. Bruce replied it was. The Audience Member remarked that half of building 8 was done but not the other half.

Mr. Bernard stated he met with some of the board members there. The project was to bring into compliance the lake slopes. The lake slopes in that area were not out of compliance. The Board there will take it on themselves to fill in that area. That area slopes down into the water without a drop-off, whereas the other areas had the drop-off. The Audience Member's Board will work with the contractor to get fill put back in and then re-sod the area.

The Audience Member had another question about the fact that CDD is paying for a fountain in Porto Romano. Mr. Ward clarified that the CDD was not paying for a fountain. The developer of Porto Romano or NDC put a fountain in and Miromar Lakes is picking up the electric charge for that fountain permanently.

The Audience Member remarked that there were at least seven fountains in Miromar Lakes.

Mr. Bernard stated that was the only one we had.

Mr. Ward stated that those were put in by the communities without CDD's knowledge. The Audience Member stated that there were three fountains in Tivoli that fell into disrepair and were just refurbished and put back into operation. (Indiscernible 27:12) put in by the developer also.

Mr. Refkin remarked it was a good point. He asked if it was a Board vote that led to Miromar Lakes picking up the electricity of that fountain and was told it was. He inquired why it was picked up and not the other fountains.

Mr. Ward stated he believes Miromar Development asked to put that fountain in and provided plans, which was the right thing to do.

Mr. Refkin asked what would happen if that Audience Member came and said, he wanted equal treatment under the law.

Mr. Bernard indicated there were already barriers in that lake that are part of the water management system, and that fountain was built in conjunction with the aerator so that it had a water quality component to it; it wasn't just for visual effect. Mr. Refkin stated he was told the aerators were more decorative than functional. Mr. Ward stated it is the fountains that are more decorative than functional.

Mr. Bernard clarified that since there were already aerators that were required by permit in that lake, due to its size, that fountain was connected through that aerator system.

Mr. Refkin stated he was trying to educate himself, trying to figure out the decision-making process, which, he averred, was totally nondiscriminatory, since they represented all the residents of Miromar, but why they would choose to do one and not the others. He understands the difference in the fountain at issue, but he wonders if those differentiators don't also exist in some of the other fountains.

Mr. Ward stated that since he had been here, nobody has asked to put a fountain in besides the one.

Mr. Refkin stated he understood there was a connection because it was tied to the water management system. He asked if any of the other fountains are tied to the water management system. Bruce stated he didn't think any of the other lakes are large enough to require that level of aeration. Mr. Refkin asked if it was the only one that is tied to an aeration system.

The Audience Member stated there was a large aerator in the Tivoli one right next to the fountain.

Mr. Ballinger opined that some of the properties that are located closer to the noise of Interstate 75 had them for the purpose of noise abatement. Others stated they remembered that conversation and confirmed.

Mr. Herring confirmed that noise abatement was part of the reason the fountains were there but he doesn't think that it works. MALE agreed that it adds another noise. Others agreed it was a different noise.

Another Audience Member asked a question about "re-carping." He has been monitoring the clarity of the water, and a year ago he could see 2 feet out, now it was 5 to 7 feet. So he can see the water getting clearer. So, once the carp that had been put in are done, there will be year's period but he doesn't know what that end point is and wondered if it was for clear water.

Mr. Ward explained the carp is used to treat a specific plant, the Hydrilla. So, there will be a year before more Hydrilla are starting to be seen in that lake. He reiterated Mr. Herring's statement that it will be seen earlier now. He explained they learned from experience from when the original carp were put in a year or two before that the lake is so deep that the chemical treatments were

not effective and did not work. So with Hydrilla in the lake, there's only three effective treatments. One is chemicals, which doesn't work because the lake is too deep. The carp is another. The third one is the mechanical method of taking the plants out. Carp was chosen but, unfortunately, too many were put in.

Mr. Ballinger explained that 7,000 was too many.

The Audience Member asked what the natural process was to clarify the water, what type of foliage or plants? (Indiscernible 33:02) 6 or 7 years ago it was very clear.

Bruce explained that once the grasses start growing back in the lake, they work as filters in the lake. The reason the color changed so quickly is all were taken out at once with all the carp and they just got a dull color. From one year to the next you can see it getting better. Once the carp are gone and more Hydrilla comes back and some grasses along the edges work as filters, the lake is going to clear up more, and then a restocking of the carp will need to be done on a reasonable amount basis. He opined he would put a couple hundred in at a time and see how it goes. More can always be added the following year, but too many should be avoided. The carp only have a 5- to 7-year life cycle, so enough will be put in every year to keep the right amount in there.

Mr. Ward inquired if there were more questions from the Public or the Board. Being none, a motion to adopt Resolution 2019-4 approving the proposed budget with one modification, to add \$100,000 into the line item for a reserve, would be in order.

On MOTION made by Ms. LeFevre, seconded by Mr. Refkinand with all in favor, Resolution 2019-4 was adopted.

FOURTH ORDER OF BUSINESS

Staff Reports

- a) District Attorney Report – Mr. Ward stated that Greg was out for the day.
- b) District Engineer Report – Mr. Krebs reported that he wanted to introduce the Board to John Baker, a young engineer with Hole Montes. He recently took the PE exam and has hopefully passed it. He is at the point in his career where he is starting to show up at CDD meetings, and John may be attending meetings that Mr. Krebs cannot attend. If the Board cannot get a hold of Mr. Krebs, Jim will have John's information and they should feel free to contact him and get any information needed.

The Board welcomed John Baker.

- c) Asset Manager Report – Bruce talked about lake bank erosion, that Montebello is complete, Bellamare would be finished the following week, and then work will start on Sienna. He offered photos of Montebello showing added ground with grass areas. There are places where 4-1/2 to 5 feet of property was added back that had been lost. He remarked that the gator went to Bellamare and then back to Montebello.

Bruce remarked they had already talked about the plans for the cleaning of the catch basins. He sent MRI the proposal to begin and was told it would commence the 2nd week of June, with 47 basins to clean in Phase I.

Bruce also brought up that the FEMA reimbursement was nonexistent. CDD was told Miromar was eligible, they met multiple times with FEMA, had conference calls with them, they sent a letter saying they were eligible, and after all that work FEMA came back saying Miromar was not in the right-of-way, there was no severe threat, and they were not eligible.

Mr. Ward stated that Miromar was not singled out, that other attorneys around the state who deal with Community Development Districts with Hurricane Irma damage, all gated communities, have reported that all have been denied by FEMA for the same reason as Miromar.

Bruce said that \$16,000 was spent for administrative services for paperwork, and \$9,000 was paid back for irrigation on the berms, which was not ineligible. So it basically cost \$7,000.

Mr. Herring inquired if there was an appeals process. Bruce stated that there is an appeals process, but FEMA will only pay for something within the right-of-way. Most Miromar berms are not in the right-of-way. The only thing in the right-of-way is Ben Hill Griffin and only \$18,000 to \$20,000 was spent there. If that was ever reimbursed it would be \$15,000 – only 75% if they do it, and Bruce doesn't know if it is worth the trouble to try to go through it all if they deny the claim again.

An Audience Member wondered what the retention system was that was installed in the area around Portofino's circle. He stated he wanted to compare it to riprap. Bruce explained that was the Geotubes, which can be seen on the pictures, and that they help get the slope back. With riprap, it is 2 to 1 or 3 to 1 at the best with riprap. The conditions at Portofino were such that the backside went almost straight down to the top of the trees. So 2 tubes were laid in. The fabric of the tube allows water through but not material, and the first sets up hard. The second tube goes on top and when it is broken open, the fill is used to get the slope. On top of that goes a coconut mat that sod adheres to and holds it in place. That gives a slope down to the water rather than with the riprap.

The Audience Member asked if that was an alternative to riprap, and Bruce confirmed it was, although sometimes there was no alternative because everybody cannot have riprap, as only about 65% of the whole community is allowed riprap.

Mr. Bernard explained it is an engineered solution, so as opposed to letting nature take its course, using that creates a more stable slope; it will deteriorate over time, but at a slower pace.

The Audience Member asked if it was as effective as riprap. MALE agreed it was.

Bruce reminded him about the things the engineers were looking to meet. They were also looking to meet the Southwater Water Management Permit, which dictates the slopes must be 4 to 1. Riprap does not necessarily meet those qualifications. (Indiscernible 42:13)

Mr. Ward reminded the Audience that questions unrelated to the Manager's report would be addressed at the Audience Member Comments.

Ms. LeFevre asked if all legal documents were now in order regarding the pipes Miromar is trying to get legal access to.

Mr. Ward responded no; they are not all in order as of this time. That issue was still being worked on. He advised it was a long, laborious process.

Mr. Ballinger asked if work would soon begin on Sienna. The answer was yes, right after leaving Bellemare. Mr. Ballinger said a lot of people would be happy to hear that.

- d) Manager Report – Mr. Ward reported that even though Miromar Lakes had met the qualified elector election statute requirement of 6 years from the date of establishment 250 qualified electors, the Supervisor of Elections still is required to provide the number of registered voters within the District. As of April 15, there were 1,052. No action is required of the Board, it is just provided as a matter of information.

FIFTH ORDER OF BUSINESS

Audience Member Comments

An Audience Member asked if anything could be done about old riprap, stating it was ugly. Mr. Ward stated he didn't know how to clean it. The Audience Member was concerned it would get into the lake. Bruce mentioned it might be possible to pressure wash it and stated any chemical would go into the lake, so pressure washing was recommended from the lakeside. It was generally agreed it would be a monumental job.

SIXTH ORDER OF BUSINESS

Adjournment

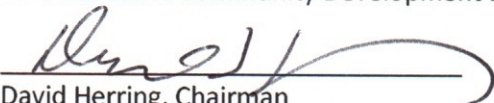
Mr. Ward called for a motion to adjourn the meeting at 2:45 p.m.

On MOTION made by Mr. Refkin, seconded by Mr. Ballinger, and with all in favor, the meeting was adjourned.



James P. Ward, Secretary

Miromar Lakes Community Development District



David Herring, Chairman