

**MINUTES OF MEETING
WENTWORTH ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of Wentworth Estates Community Development District was held on Thursday, March 12, 2020 at 8:00 a.m., at the TPC Tour Club, 9800 Treviso Bay Boulevard, Naples, Florida 34113.

Present and constituting a quorum:

Joe Newcomb	Chairman
James Oliver (phone)	Vice Chairman
Paul Zotter	Assistant Secretary
Robert Cody	Assistant Secretary
Andrew Gasworth	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Attorney
Bruce Bernard	Assets Manager, Calvin Giordano & Associates

Audience:

Steve Barger

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 8:00 a.m. and all Members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes

February 13, 2020 – Regular Meeting

Mr. Ward stated the second order of business was consideration of the February 13, 2020 Regular Meeting Minutes. He asked if there were any additions, corrections or deletions to these Minutes; hearing none, he called for a motion.

On MOTION made by Mr. Robert Cody, seconded by Mr. Joe Newcomb, and with all in favor, the February 13, 2020 Regular Meeting Minutes were approved.

THIRD ORDER OF BUSINESS**Consideration of Resolution 2020-3****Consideration of Resolution 2020-3 Approving the Proposed Fiscal Year 2021 Budget and setting the Public Hearing on Thursday, June 11, 2020 at 8:30 A.M. at the TPC Tour Club, 9800 Treviso Bay Boulevard, Naples, Florida 34113.**

Mr. Ward indicated the primary purpose of today's Meeting was to review and approve the proposed Fiscal Year 2021 Budget. He reported Statute required him to present a proposed Budget to the CDD Board prior to June 15 annually for consideration and for the purpose of setting a public hearing date. He explained approving the Budget with Resolution 2020-3 did not bind the Board to any programs or costs set within the Budget, but did set a maximum assessment rate; the assessment rate could be lowered moving forward but could not go above the maximum rate approved with Resolution 2020-3. He stated the Public Hearing was scheduled for Thursday, June 11, 2020. He indicated the time would be set for 8:00 a.m. He asked if there were any questions.

Mr. Paul Zotter noted a typo in the date and times for this public hearing. Mr. Ward indicated he would correct the typo; the Public Hearing would be held on Thursday, June 11, 2020 at 8:00 a.m. at the TPC Tour Club, 9800 Treviso Bay Boulevard, Naples, Florida 34113.

Mr. Ward reviewed the Budget. He explained in Fiscal Year 2020 (October 2019 through September 2020) the process of transitioning assets owned by the Homeowner's Association to the Community Development District. He stated at the time, the HOA was transitioning itself from control by Lennar Homes to control by residents. He indicated the resident HOA asked the District to consider transitioning the assets to the CDD for operation and maintenance. He stated the CDD agreed to take over this responsibility through a two year process: year 1 (current year) the CDD would take responsibility of the stormwater and preserve systems, as well as the bridge program; and year 2 take responsibility of the front entrance landscaping, fountain maintenance, and Southwest Boulevard's landscaping. He reported the irrigation pump station system which ran all residential irrigation in Treviso Bay was owned by the CDD; however, the line distribution system was owned by the HOA. He stated the residential pump station was only for irrigation within the community. He indicated the Budget for FY-2021 included the residential pump station which he would discuss further later in the Meeting. He reported his conversations with the HOA over the past several months had been positive in nature as the HOA had been extremely helpful regarding transitioning the remaining items, fact checking facilities owned by the CDD compared to the HOA, and the HOA believed the CDD should take on responsibility for maintenance. He stated the CDD was now in sync with the facilities and the Budget would transition all these assets to the CDD. He noted beginning in 2021 there would be more stability in the budget process and assessment rate process now that all assets will have been transitioned by fall this year.

Mr. Ward reported the debt service fund was contained on page 5 and 6. He stated the debt service fund budget was the refinancing of the series 2007 bonds which were refinanced in 2018 and had new lower assessment rates beginning in 2019. He stated the rates in the debt service fund for each product type in Treviso did not change annually and remained consistent over time. He stated these bonds would term out at the same time as originally agreed (November 2037) at which time the bonds would be fully paid, and no further debt service assessment would be collected for these particular bonds.

Mr. Ward directed the Board's attention to page 2 and 3. He stated the section labeled "Landscape and Irrigation Pump Station Services for FY-2021" were elements which had been added to the budget for this Fiscal Year. He explained these were assets previously maintained by the HOA in FY-2019 and FY-2020;

the CDD would assume responsibility for these assets beginning October 2020 (FY-2021): the total cost related to the landscaping services would be \$177,500 dollars and included all landscaping maintenance for Southwest Blvd., the front entrance, the two side entrances off 41, the landscaping from the front entrance to the guardhouse, the front fountain and electric services for the fountain. He noted apart from the Landscaping the CDD would also maintain the Pump Station. He explained when he prepared the Budget he intended to include maintenance of all assets owned by the District; however, when in discussion with the HOA it was determined, as the Irrigation Pump Station only served the residential irrigation components and was an integral part of the landscaping program, the HOA would be in a much better position to maintain the Pump Station on a long term basis. He noted the he and the HOA were in agreement; therefore, the Pump Station maintenance cost of \$84,000 dollars would be removed from the Budget and the HOA Agreement would be adjusted as needed. He stated it was important to note the water meter for the entry fountain was originally connected to the Sales Center's water meter and with the demolition of the Sales Center the CDD had to apply for a new water meter to service the fountain. Discussion ensued regarding the water not currently running properly in the fountain due to a motor malfunction, the fountain currently being fed water through the irrigation system, and the need to obtain a water meter to direct potable water to the fountain to prevent corrosion. Mr. Ward stated the County charged \$16,000 dollars to install a new water meter. A Board Member indicated a 1-inch pipe would be utilized rather than a 2 inch pipe; therefore, the cost would be approximately \$6,000 dollars for installation and water impact fees. Mr. Ward stated he liked this number better and would make the necessary changes to the Budget.

Mr. Ward noted even with adding the bridge program and the water meter program, the CDD would still have approximately \$10,000 starting off October 1, 2020. He stated the CDD would take over operations and maintenance of the new programs and would be a little cash short through the end of November; however, approximately 80% of assessments typically were collected in early December.

Mr. Ward directed the Board's attention to page 3. He noted the rate for the operations budget was \$776.69 dollars for FY-2021; it was \$536 dollars in FY-2020; however, taking out the pump station would drop the rate to roughly \$719 dollars going forward. He indicated mailed notices to the entire community were required this year as the assessments were over the cap rate established last year of \$600.74 dollars. He explained residents would be notified, a public hearing would be held, and the Board would then decide upon the assessment rates for FY-2021. A Board Member asked how much over the cap rate had the assessments risen. Mr. Ward responded approximately \$120 dollars; however, this was directly due to the CDD taking over maintenance from the HOA; if the CDD had not done this, the assessment rate would be well below the cap rate.

Mr. Ward asked if there were any questions or comments from the Board. There were none. Mr. Ward asked if there were any questions from the audience. Mr. Steve Barger clarified the CDD owned the assets for which it was taking over maintenance responsibilities; no ownership was being transferred. He asked if he understood this correctly. Mr. Ward responded in the affirmative.

Mr. Ward noted last year the Public Hearing was held at 6:00 p.m.; this year it was scheduled for 8:00 a.m. He asked if the Board would like to change the time. Discussion ensued regarding changing the time to 5:00 p.m.; the Board agreed to change the Public Hearing time to 5:00 p.m.

Discussion ensued regarding the importance of understanding these were not new costs to the homeowners, the homeowners previously paid these costs through the HOA, possibly including this

information in the notification letter to the residents, and HOA dues possibly being lowered as a result of the transfer of maintenance costs.

Mr. Ward indicated oftentimes the transition of the HOA to residents was a difficult and contentious process; however, this transition had been pleasant and smooth. He commended Axelrod for his work as the President of the HOA.

Mr. Zotter stated the letter to the residents needed to be carefully written. He noted the CDD was taking over some costs from the HOA; however, the restoration program was a completely new program and as such was a new cost. Mr. Ward stated he felt this Budget needed to stand on its own and allow the HOA to communicate with the residents as it deemed fit regarding HOA fees.

Mr. Ward asked if there were any additional questions; hearing none, he called for a motion to adopt Resolution 2020-3 which approved the Proposed Fiscal Year 2021 Budget as amended and set the Public Hearing for Thursday, June 11, 2020 at 5:00 p.m. at the TPC Tour Club, 9800 Treviso Bay Boulevard, Naples, Florida 34113.

On MOTION made by Mr. Paul Zotter, seconded by Mr. Robert Cody, and with all in favor, Resolution 2020-3 was adopted as above, and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Staff Reports

I. Attorney

Mr. Greg Urbancic reported the Legislative Bill which would allow for publication of notice via websites in lieu of newspaper advertising had passed in the House and was now in the Senate. He stated procedural language had been added, such as a requirement to prove the notice cost was less when published on the website as compared to the newspaper. He noted if this passed, the CDD would save money on advertising going forward. Mr. Ward stated the cost for Public Hearing advertising alone for the CDD was over \$2,000 dollars.

Mr. Urbancic indicated a request was made to the Governor to suspend the Sunshine Law for meeting purposes during the coronavirus difficulties. He indicated he would keep the CDD updated as this moved forward.

II. Engineer

No Report.

III. Asset Manager

a. Operations Report March 2, 2020

Mr. Bruce Bernard reported regarding the Lake Bank Restoration project, Lake 12 was completed (installed, graded, sodded, etc.). He noted the wetland planting on the littoral shelf had begun;

these plants would lessen the erosion. He indicated 6,500 wetland plants, harvested from Wentworth Estates lakes, were being relocated and planted. He stated Lake 14 restoration was underway and was approximately 80% completed; following this Lake 13 restoration would begin. He discussed the measurements of the restoration area for Lake 12, 13 and 14.

Mr. Bernard stated regarding stormwater, MRI (the drainage contractor) was cleaning out the outfalls and would be finished at the end of March which would complete Phase I of the drainage program. He stated the berm refurbishment at Bella Firenze was completed (raising the berm, sodding, grading, etc.); however, he was bringing in a vac truck to clean the drain lines in the backyards of the affected Bella Firenze residents as the final touch to the berm restoration project. He stated the issues with these properties were now resolved; the washouts repaired, the landscaping replaced, the berms raised, the area re-sodded, etc. A board member asked about the residents who self-installed drains in this area. Mr. Bernard noted there were a couple of homes who had drains which were not developer installed; however, these drains caused no difficulty and were easy to work around.

Mr. Bernard stated regarding the entrance feature, the contractor was selected, and the previously requested warranty had been obtained and approved. He stated he was meeting with the contractor today to review the colors which would be used (same as current colors). He indicated the work would begin in approximately two weeks; it would take approximately four to six weeks to pressure clean, paint, etc. He noted he was able to obtain a two-year warranty (as opposed to the requested one-year warranty).

Mr. Bernard indicated the bridge paver repair project was complete. He discussed the repair process and the difficulties experienced.

Mr. Bernard was asked to share the paint contractor's contact information with the Master HOA. Mr. Bernard responded in the affirmative.

IV. Manager

No report.

FIFTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Paul Zotter stated he wished to reintroduce purchasing the property out in front of the community. He reported the property owner had a new For Sale sign up and was asking for \$5.7 million dollars. He stated the Board should consider purchasing the property as owning the property out front would highly benefit the community. He discussed possible benefits included construction entrance control, utilizing the property, building a berm for better drainage, etc. He indicated he was not suggesting the \$5.7 million dollars be divided up and each resident required to pay \$3,300 dollars, but possibly the CDD could discover other options for financing.

Mr. Ward reported the CDD could not place another debt assessment on the residents; therefore, the assessment would need to come through the operating accounts. He noted the assessment could be spaced out over seven to ten years. He indicated the rates were excellent at the present. He discussed

present bond rates. He noted it would take six months to complete the process of purchasing the property if the CDD wished to proceed.

Mr. Zotter stated the property was approximately ten acres. He noted discussions were being held regarding developing the property as a hotel, office space, retail, etc., and he believed the CDD would regret a decision not to purchase this property. He stated if spread out over ten years the assessment would be less than \$300 dollars per unit annually. Discussion ensued regarding purchasing this property, offering \$5.5 million dollars or \$5.2 million dollars, the possibility of the price dropping due to the changes in the economy as a result of the coronavirus, the difficulties governmental entities experienced regarding price negotiation when purchasing private property, the appraisal coming in at \$3.5 million dollars, and another appraisal being required if the CDD wished to move forward.

Mr. Zotter stated he believed, from discussions with the HOA, the residents would not argue against owning this property. Discussion ensued regarding residents wanting to own the property but the timing being poor to purchase for the residents, the crashing market affecting residents, Taylor Morrison not having offered the purchase of the property to the HOA or the CDD before selling to the current owner, and not considering purchasing the property due to coronavirus fear being a mistake.

Mr. Zotter made a motion to move forward with actively trying to purchase this property. Mr. Robert Cody seconded the motion. Discussion ensued regarding investigating possible options in this regard. Mr. Ward indicated a motion would give the CDD the option to look into purchasing the property.

On MOTION made by Mr. Paul Zotter, seconded by Mr. Robert Cody, and with all in favor, it was decided to move forward with actively trying to purchase this property.

Mr. Barger asked if the CDD would have the opportunity to develop the property commercially. Mr. Zotter stated, ideally, he wished to see the property grow naturally and be wild. He stated the HOA was always looking for a dog park area and the property could be used for this. He noted Via Veneto suffered from road traffic noise and owning this property would allow construction of an attractive sound barrier for the area.

Mr. Barger asked if there might be an opportunity to recuperate costs by allowing an acceptable commercial development controlled by the CDD. Mr. Ward explained CDDs were not the best mechanism for private commercial development. Discussion ensued regarding some feeling \$5.7 million dollars being too much money to spend on a green space, the possibility of allowing commercial development but exercising control over what was developed on the property, and whether the CDD legally could control commercial development on the property.

Mr. Ward stated the CDD legally could not develop the property as a private commercial enterprise. He stated possibly the HOA could legally; he was unsure. He stated if the property was purchased by the CDD it would have to be developed as passive recreational or active recreational.

Mr. Ward asked if there were any other questions or comments. There were none.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at 8:46 a.m.

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

Wentworth Estates Community Development District


James P. Ward, Secretary


Joe Newcomb, Chairman