

**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, May 9, 2019 at 8:30 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
Curt Keyser	Calvin Giordano & Associates
Bruce Bernard	Calvin Giordano & Associates

Audience:

Joe Herring	
Stuart Axelrod	President of the Treviso Bay Property Owners Master Association

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 8:30 a.m. and all Members of the Board were present at roll call.

SECOND ORDER OF BUSINESS

Consideration of Minutes

January 10, 2019 – Regular Meeting

Mr. Ward stated the second order of business was consideration of the January 10, 2019 Regular Meeting Minutes. He asked if there were any additions, corrections or deletions; hearing none, he called for a motion.

On MOTION made by Mr. Joe Newcomb, seconded by Mr. Andrew Gasworth, and with all in favor, the January 10, 2019 Regular Meeting Minutes were approved.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2019-2

Consideration of Resolution 2019-2 Approving the Proposed Fiscal Year 2020 Budget and setting the Public Hearing on Thursday, July 11, 2019 at 8:30 a.m. at the TPC Tour Club, 9800 Treviso Bay Boulevard, Naples, Florida 34113.

Mr. Ward stated Resolution 2019-2 approved the proposed budget and set the Public Hearing date. He explained he was required to prepare and submit a budget to the Board before June 15th of each year and the Board was required to consider and approve it for the purpose of setting a public hearing, which was currently scheduled for Thursday, July 11, 2019 at 8:30 a.m. at the TPC Tour Club. He noted approval of the budget did not bind the Board to any programs or costs contained therein, but allowed the process to move forward. He noted, however, it set the cap rate which could not be exceeded once the budget was adopted after the Public Hearing; the rate could be lowered after the Public Hearing, but not raised.

Mr. Ward noted this Budget reflected a substantive change from prior budget years. He reported on page 7 and page 8 was the Debt Service Fund Budget as it related to Series 2018 Refinancing Bonds; he explained the assessment rates did not change annually as related to the bonds. He reported the District was required to levy and did levy at the maximum annual debt service rate. He noted revenues and expenditures varied, but Debt Service was always paid as required. He stated as of March 31, 2019 \$1,950,000 dollars had been collected out of \$2,112,000 dollars in levied assessments (which was higher than normal).

He reported the Operating Budget (or General Fund) was generally the same as in the past with the exception of the Stormwater Management Program. He indicated the HOA had brought to his attention the significant erosion damage to the water management system which was related to Hurricane Irma damage. He reported Calvin Giordano & Associates performed a full stormwater erosion assessment report which included damages, cost estimates, and a proposed plan of action for funding, repair and maintenance. He introduced Bruce Bernard with Calvin Giordano & Associates with whom he had worked for the past several years.

Mr. Paul Zotter stated he wished to ask several questions prior to Mr. Bernard's presentation. He asked, on page 1, why the legal advertising budget amount had risen from \$3,000 dollars to \$10,000 dollars. Mr. Ward explained \$10,000 was the anticipated expenditure related to the refinancing of the 2018 bonds which required significant advertising and legal advertising was expensive. He indicated the legal advertising budget would be reduced back to \$2,900 dollars in the 2020 Budget. Mr. Zotter asked about the property tax collector services. Mr. Ward explained how the Property Appraiser and Tax Collector billed and collected service fees and noted the line item was an accounting allocation only. Mr. Zotter asked about the aeration system. Mr. Ward responded this was related to stormwater management. Mr. Zotter asked about the number of residential/commercial units. Mr. Ward indicated this number reflected the number of residential units plus the commercial tract which was calculated as 10 units per acre of land owned.

Mr. Bruce Bernard with Calvin Giordano & Associates made a presentation regarding the lake bank slopes evaluation. He explained he measured the slope only; when repairs were made a survey would be conducted to determine property lines and how much erosion was required to be restored. He explained regulatory requirements were considered, not aesthetics. He stated he also surveyed wetland plantings which helped wetland quality, as well as erosion. Mr. Paul Zotter asked if Mr. Bernard had noted any evidence of preventative maintenance such as plantings. Mr. Bernard responded in the negative. He explained the ratings of the subdivisions were from minor (1) to severe (5) and each subdivision rating included an estimated cost for repair. He displayed pictures of the subdivision's lakes and erosion problems.

Mr. Zotter asked about the reserve property. Discussion ensued regarding the reserve property being outside the limits of the development and not in the jurisdiction of the CDD.

Discussion ensued regarding the severe erosion behind the properties of Bella Firenze, the HOA's concerns regarding Bella Firenze, the poor construction of the berms being the primary cause of the property erosion in Bella Firenze, Bella Firenze being a CDD responsibility, various homeowners being responsible for worsening the erosion, the function of berms, swales, drains and grading elevations, access easements, hedge lines, and whose responsibility it was to fix the berm line as the homeowners had added to or changed the drainage as related to the berm. Mr. Ward indicated the District owned the berm line and it was the District's responsibility to make any necessary repairs. Mr. Stuart Axelrod, President of the Treviso Bay Property Owners Master Association, stated the drainage easements were clearly defined as dedicated to Wentworth Estates Community Development District with responsibility for maintenance. Discussion ensued regarding whether the construction company could be held liable if the primary cause berm erosion was poor berm construction. Mr. Ward noted Districts could not hold a developer accountable. He explained an HOA could hold a developer accountable for construction defects; however, once the CDD accepted the transfer of property it became the responsibility of the CDD. He stated while these problems were not included in the current budget, the necessary repairs would need to be discussed, budgeted for, and addressed in the future. He asked if these Bella Firenze berm repairs were of high priority. A Board Member 30:15 responded in the affirmative. Discussion ensued regarding stop gap measures which could be used to allow a few years' leeway, reconstruction of the swale area, the HOA having responsibility for maintenance, and various specific areas of necessary repair.

Discussion ensued regarding water clarity, algae blooms, contributing causes of algae blooms including fertilizers and plantings, and no simple solution existing to end fertilizer use or algae bloom.

Mr. Ward recommended adding money to the budget to fix some of the worst conditions (as suggested by Mr. Bernard) at Bella Firenze until a full analysis could be completed, at which point repair funding would be written into the 2021 through the 2025 budget as necessary. Discussion ensued regarding whether repairs were deemed maintenance related or capital investment related, and when the berms/landscaping were constructed. Mr. Axelrod asked whether the Bella Firenze problems were the responsibility of the CDD as the berm/landscaping problems were located on personal property. Mr. Ward explained the main concern was to ensure the integrity of the drainage system in accordance with the permits for which the CDD was responsible; however, if repair was required upon personal property the property owner could be charged for the repair. He noted if the problems were abutting a preserve area it was important to address the issues. Mr. Axelrod noted there were homes in which erosion was possibly affecting the structural integrity of home owner's pools or porches and should be addressed

with priority. Mr. Ward stated Mr. Bernard's plan would address these priority areas along the lakes first; however, he was unsure of the Bella Firenze area.

Discussion ensued regarding the drainage between homes at Bella Firenze draining towards the berms, whether the drainage should have gone towards the streets instead, whether the HOA had any recourse with Lennar to change the direction of the drainage, berms being constructed to relieve the swale and runoff from property not to handle direct drainage, designers being responsible for flaws in design, the CDD only being responsible for drainage within easements, drainage pipes on personal property being the responsibility of the homeowner or HOA, and Lennar being ultimately responsible for placing the drains in the wrong direction.

Mr. Ward stated in this Budget what was contemplated was the District would take over responsibility for all repairs necessary to the lake banks to ensure the lake banks were in accordance with South Florida regulatory permits. He explained this budget funded the most critical repairs (to be completed this year) while the least critical repairs would possibly be completed in five years. He reported this cost would be approximately \$500 dollars per unit per year until completion. He recommended including the operating portion of the maintenance of the water management system which he preferred to do on an ongoing basis. He indicated going forward there would be added costs as problems such as Bella Firenze arose and the budget would be adjusted as necessary to keep assessment costs reasonable.

Mr. Axelrod noted there was a small section on Corso Bello Drive with berm breach issues as well. Discussion ensued regarding this breach and where it was located.

Mr. Axelrod stated he wished to understand what HOA responsibilities were, what constituted capital repairs and what constituted maintenance, and he indicated the HOA wished to fulfill the maintenance agreement. Mr. Ward stated the volume of work needed to be done to bring the lake system and water management system into compliance with regulatory permits was significant and he believed the CDD was in a better position to manage this type of burden. He noted if the Master Home Owners Association indicated it wished to take on the burden of these repairs he would be agreeable; however, he understood HOAs generally had a large amount of responsibilities and this lake bank repair might not be a priority to the HOA while it was definitely a priority for the CDD. He explained this repair work required a professional engineer to determine what needed to be done, how and when, to apply for necessary permits, bid out the work, award a contract, complete the work, inspect the work, and certify the work was completed correctly. Mr. Axelrod agreed (as President of the HOA) the HOA already had enough responsibility.

Discussion ensued regarding the CDD having no legal recourse with developers once the CDD took ownership of a property, an HOA having no legal recourse with the developer regarding CDD owned property, drainage structures between houses, street drainage, lake drainage, berm drainage, berm collapse, homeowner responsibility, and holding homeowners accountable. Mr. Ward noted a rule could be put into place indicating if a homeowner adversely impacted the District's drainage system the District had the right to repair the drainage system and charge the homeowner for the repair. Discussion ensued regarding regular maintenance to prevent drainage backup and berm breach. Mr. Ward noted the CDD was better equipped to handle this type of maintenance.

Discussion ensued regarding the CDD taking responsibility for the stormwater drainage system and ensuring the NPDS regulations were fulfilled, drainage "grey areas" such as roof runoff, rules being created as necessary to cover drainage grey areas, whether drainage directly into the lakes caused

erosion, and drainage into the lakes not causing erosion if a drain was located 5 feet out past the lake bank.

Mr. Paul Zotter asked how much the assessment increase would be to cover all potential cost. Mr. Ward noted there was \$45,000 dollars missing in the budget for Bella Firenze. He suggested adding another \$20,000 dollars to deal with initially addressing the berm issue which added a total of \$69,550 to the budget which was another \$45 dollars per unit; therefore, the assessment needed to be raised to approximately \$540 dollars per unit per year. He stated the assessment was currently \$176 dollars per unit per year. Discussion ensued regarding resident's feelings towards the assessment increase, residents wondering if HOA rates should go down when the CDD took over the water management system and lake maintenance, the CDD possibly taking out a loan to cover project fees and loans being incredibly difficult to obtain due to legalities. Mr. Ward indicated he preferred to avoid obtaining loans. He explained attempting to complete the project in 12 months would be incredibly difficult regardless; therefore, it made sense financially to assess the residents gradually to gradually complete the project. He explained the project might cost up to \$1.7 million dollars and assessing residents \$540 dollars per unit for five years would cover this cost and would pay for the repairs as the repairs were completed. Discussion ensued regarding the severity of the necessary repairs being due to long term neglect, annual maintenance being scheduled to prevent this type of neglect in the future, the probability of costs for other necessary projects arising not allowing a drop in rates once repairs were completed, capital improvement accounts being set up to cover emergency events such as storm damage, wind causing erosion in specific areas of the lakes, sprinkler evaluation being conducted during repair work, preserve maintenance, the fountains being owned by the CDD, and the HOA continuing to maintain and/or rebuild the fountains and sign area.

Mr. Ward recommended the HOA coordinate with the CDD regarding any necessary rebuilding of fountains within the lakes. Mr. Axelrod agreed.

Discussion ensued regarding rip rap use and expense, lake bank restoration, the use of GeoTube, process of GeoTube installation, how GeoTube worked, resodding cost not included in the repair proposal, and the actual cost of resodding. Mr. Ward explained the land owners (HOA, golf course, etc.) would be required to cover the resodding cost to the water's edge.

Mr. Ward reported a Public Hearing date was required. He noted he originally scheduled the Public Hearing for 8:30 a.m. on July 11th, 2019. He asked if this date was acceptable to the Board. The Board responded in the affirmative. Mr. Ward called for a motion to adopt Resolution 2019-2 which approved the proposed budget subject to the inclusion of \$69,550 dollars which would make the assessment rate \$536.41 dollars per unit per year.

On MOTION made by Mr. Paul Zotter, seconded by Mr. Joe Newcomb, and with all in favor, Resolution 2019-2 was adopted as above and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Staff Reports

a) Attorney

There was no District Attorney Report.

b) Engineer

District Engineer Curt Keyser reported a light pole was hit by a car at the entryway and the question of responsibility was raised. He indicated it was deemed the CDD’s responsibility to repair the light pole as it was located on a median which the CDD owned. Discussion ensued regarding the light pole location, signage maintenance being the CDD’s responsibility, the HOA needing permission from the CDD to make any changes, and insurance covering light pole repair costs. A Board Member 1:32:05 noted the second fountain upon entry had been hit by a car and was damaged. Mr. Ward noted the second fountain upon entry was under the jurisdiction of the HOA not the CDD.

c) Manager

Mr. Ward reported there was a requirement under Chapter 190 that the CDD determine on a yearly basis, as of April 15th, the number of Registered Voters within the District. He explained this number became significant once two milestones were reached. He stated one milestone was when six years from the date of establishment was reached (which was met) and the other was when 250 registered voters were reported (which was also met). He explained this meant the Board would begin transitioning to a “qualified based elector election.” He noted the Board Members were not currently qualified electors. He explained the next election would be in 2020 and all seats would become qualified elector seats at that time; therefore, the Board Members with expiring terms would be required to visit the Supervisor of Elections and become qualified to be elected on the Board. He stated Joe Newcomb’s and Andrew Gasworth’s seat expired in 2022; Paul Zotter’s, James Oliver’s and Robert Cody’s seat expired in 2020. He stated no Board action was required regarding this information; this information was being provided as a matter of law.

FIFTH ORDER OF BUSINESS

Supervisor’s Requests and Audience Comments

There were no Supervisor’s Requests or Audience Comments.

SIXTH ORDER OF BUSINESS

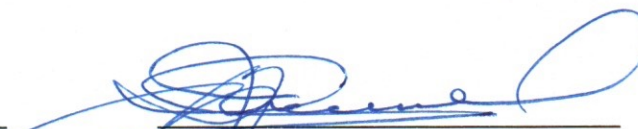
Adjournment

Mr. Ward adjourned the meeting at 10:04 a.m.

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

Wentworth Estates Community Development District


James P. Ward, Secretary


Joe Newcomb, Chairman