

1 **MINUTES OF MEETING**  
2 **MEDITERRA SOUTH**  
3 **COMMUNITY DEVELOPMENT DISTRICT**  
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5 A Public Hearing and Regular Meeting of the Mediterra South Community Development  
6 District's Board of Supervisors was held on **Wednesday, January 15, 2014 at 11:30 a.m.**, in the  
7 **Bella Vita Room at the Mediterra Sports Club, 15735 Corso Mediterra Circle, Naples,**  
8 **Florida 34110.**  
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10 **Present and constituting a quorum were:**

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12	Kenneth Nails	Chair
13	Kenneth Tarr	Vice Chair
14	Bill Rowe	Assistant Secretary
15	Michael Bishko	Assistant Secretary
16	Dallas Luby	Assistant Secretary
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18 **Also present were:**

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20	Chuck Adams	District Manager
21	Cleo Crismond	Assistant Regional Manager
22	Dave Robson	District Engineer
23	Jonathan Johnson ( <i>via telephone</i> )	District Counsel
24	Frank Godshall	Mediterra North CDD Board Member
25	David Squarer	MCA Board Member
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28 **FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

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30 Mr. Adams called the meeting to order at 11:30 a.m., and noted, for the record, that all  
31 Supervisors were present, in person.  
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33 **SECOND ORDER OF BUSINESS**

**Public Comments**

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35 Mr. Nails asked if anyone from the public wished to speak. He explained that the public  
36 may speak now regarding any matters and will also be given the opportunity to speak on agenda  
37 items, as they are discussed during the meeting.  
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39 **THIRD ORDER OF BUSINESS**

**Public Hearing to Hear Public Comment  
and Objections to the Adoption of the**

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**Rules of Procedure, Pursuant to Sections  
120.54 and 190.035, Florida Statutes**41  
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71**A. Affidavits of Publication**

- **Notice of Rule Development**
- **Notice of Rulemaking**

Mr. Nails presented the affidavits of publication for today's Public Hearing

**\*\*\*Mr. Nails opened the Public Hearing.\*\*\***

No members of the public spoke.

Mr. Tarr referred to Section (6), Voting Conflict of Interest, Line 6, Page 5, and questioned what constitutes a Board Member's "special private gain or loss." He stated that nothing in the District's documents define this. Mr. Tarr indicated that he normally would have contacted District Counsel for clarification of this matter; however, in order to avoid "inflaming" other Board Members, he chose to call the Florida Commission on Ethics (FCE) to obtain answers to his questions.

Mr. Tarr stated that the FCE directed him to Florida Statute 112.3143, which defines "special private gain or loss". He requested that the Rules of Procedure be amended to include the definition of "special private gain or loss", as set forth in F.S. 112.3143.

In response to Mr. Nails' question, Mr. Tarr indicated that the definition is complicated and difficult to understand, which is why F.S. 112.3143 should be provided to this and future Boards.

Mr. Johnson advised that the definition can be added to the District's Rules of Procedure. He agreed that the definition is complicated; therefore, it must be applied on a case-by-case basis. Mr. Johnson summarized that "special private gain or loss is a financial interest that will be directly enhanced or diminished by the action in question and it must be direct and immediate and not remote or speculative". He advised that, within those broad parameters, to the extent that a Supervisor feels that they have a financial interest that will be either enhanced or diminished, by Board actions, the Supervisor should confer with Staff, prior to voting.

Mr. Bishko voiced his opinion that the phrase "special private gain or loss" is "strange" and asked if there are "non-special" private gains or losses and, if so, what are they. He questioned if the phrase is meant to be "all encompassing" so that the modifier word "special" is irrelevant and it really means "any" private gain or loss.

72 Mr. Johnson advised that the phrase is pulled from statutory and case law, which uses the  
73 term “special”; it is not a term that was invented for the purposes of the Rules of Procedure. He  
74 stated that the statute refers to a gain that is general in nature to the members of a class to which  
75 the Supervisors are a part of; this type of gain would not rise to the level of a conflict of interest.  
76 Mr. Johnson indicated, for example, that a vote to increase or reduce assessments inures to the  
77 private gain or loss of each Supervisor; however, it is not a “special private gain or loss” because  
78 the gain or loss is shared by all members of the community.

79 Mr. Nails noted that several Supervisors are members of the Golf Club and vote on  
80 matters that will affect the golf community; however, it does not affect the Supervisors  
81 individually, as a golfer, otherwise from being part of the golf community.

82 Mr. Johnson stated that Mr. Nails’ example is correct, in most instances. He noted that  
83 he would want to research a situation such as, if the Board were voting to file a lawsuit against  
84 The Club, which could potentially cause significant damages that would be borne in a variable  
85 measure of the membership.

86 Mr. Bishko asked if the term “special” is defined anywhere; he believes that the term  
87 “special” implies that there are “non special” instances.

88 Mr. Johnson indicated that the term “special” refers to something that applies to the  
89 Supervisor, as opposed to something that is broader and would benefit a larger group of which  
90 the Supervisor is a member. He stressed that this situation will always be considered on a case-  
91 by-case basis and, while the District can include definitions, it cannot incorporate the sum and  
92 substance of the law into the Rules of Procedure. Mr. Johnson summarized that, to the extent  
93 that there is a question of gain or loss, the matter must be raised and evaluated prior to a Board  
94 vote.

95 Mr. Bishko reiterated that he is “thrown” by the word special.

96 For example, Mr. Johnson explained that, if a Board Member voted to award a contract to  
97 a company that the Supervisor or a family member owns, it would constitute a “special private”  
98 gain. He noted that voting to authorize a refund of an over-assessment to the community would  
99 be a “private” gain but not a “special private” gain because the entire community benefits.

100 In response to Mr. Bishko’s question, Mr. Johnson confirmed that a Board Member with  
101 a conflict of interest can remain in the room during deliberations.

102 Mr. Johnson recommended that a specific reference to the statutory and rule provisions of  
103 the Commission on Ethics be added. Rather than adding a lot of verbiage to the Rules of  
104 Procedure, Mr. Johnson stated that the motion should be to add a specific cross-reference to  
105 those definitions in the Florida Statutes and the rules of the Commission on Ethics.

106 In response to a question, Mr. Adams confirmed that he will provide the Board with a  
107 copy of F.S. 112.3143.

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**On MOTION by Mr. Bishko and seconded by Mr. Tarr, with all in favor, referencing Florida Statute 112.3143, as defined, to Section 2, Paragraph 6, of the Rules of Procedure, was approved.**

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115 **B. Consideration of Resolution 2014-2, Adopting Rules of Procedure of the Mediterra**  
116 **South Community Development District; Providing a Severability Clause; and**  
117 **Providing an Effective Date**

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**On MOTION by Mr. Bishko and seconded by Mr. Tarr, with all in favor, Resolution 2014-2, Adopting Rules of Procedure of the Mediterra South Community Development District; Providing a Severability Clause; and Providing an Effective Date, as amended, was adopted.**

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126 **▪ Reconsider Slate of Officers**

127 *\*\*\*This item was an addition to the Agenda.\*\*\**

128 Mr. Nails recommended that the Board reconsider the slate of officers.

129 Mr. Tarr stated that he is “terribly appalled” by the memorandum that links his name with  
130 a “problem”. He contended that Mr. Nails does not have all of the facts. Mr. Tarr asked Mr.  
131 Nails to explain what he did that caused Mr. Nails to call for a reelection of officers.

132 Mr. Nails indicated that any Board Member can call for a reelection of the officers at any  
133 time. He stated that it concerns him when individual Supervisors contact District Counsel or  
134 others, directly, which will cost the District money, rather than working through the District  
135 Manager. Mr. Nails stressed that the Board cannot control the budget, if this type of activity  
136 continues.

137 Mr. Tarr stated, for the record, “Number one, we all have a personal liability serving on  
138 this Board. Number two; there is no policy in place precluding Supervisors from talking to Staff.  
139 In fact, I did some research on the subject. You can take umbrage, Mr. Nails, but here is the  
140 Florida Attorney General Advisory legal opinion, dated October 28, 2009, regarding questions  
141 posed to Staff prior to meetings. You see, the Attorney General frequently answers questions  
142 about issues like this and all of this information is posted and the question was raised regarding  
143 another matter and, as part of it, it was the question of does a commissioner or an individual,  
144 such as myself, have the right to talk to Staff because I’ve never been told. You obviously think  
145 I’m not allowed to. Chuck, have you ever told me I was not allowed to talk to Staff.”

146 Mr. Adams replied no.

147 Mr. Tarr indicated that he believes that “Staff” is the District Engineer, District Counsel  
148 and Mr. Adams. He stated, “Clearly commissioners may seek advice or information from Staff  
149 and, a court case was referenced”. Mr. Tarr quoted from Wood v. Marston, Florida 1983  
150 “Recognizing that the function of Staff is to inform and advise the decision maker”. He stated  
151 that he has no interest in “waging war with anyone”; however, he has a mission. Mr. Tarr voiced  
152 his opinion that the memorandum is denigrating and suggests that he did something  
153 inappropriate but there is nothing in the District’s protocol or procedures to state that he did  
154 something inappropriate. He stated that, in the last budget meeting, no one commented about the  
155 legal expenses being 140% over budget; no one suggested that the Board must stop its contact  
156 with District Counsel.

157 Mr. Tarr pointed out that all officers will be up for reelection and this is a board of  
158 individuals. He stated that there are severe liability issues and he was shocked to discover the  
159 fines.

160 Board Members asked Mr. Tarr where he was going with this discussion.

161 Mr. Tarr requested a retraction of the “very damaging letter that was put in the public  
162 domain suggesting that, because Chairman Nails had no basis in fact to say that I am not allowed  
163 to contact Counsel, one. Two, I did not instruct the Counsel to research anything, I asked  
164 Counsel, in the course of business, a professional opinion; our Counsel is well-versed in these  
165 matters. I was...I did not like the fact that, if there is a conflict of interest and, if I am required to  
166 file a form, a failure to do so, I can be fined up to \$10,000 and eliminated from my office. So, I  
167 don’t think any Chairman, of any CDD Board should be putting Board Members in a position

168 where they can't talk to Staff. I did not...and one other thing, I did not instruct Staff to engage in  
169 any practice that would incur an enormous expense, in fact, when I wrote the privileged and  
170 confidential memorandum to Counsel, I copied Chuck. Chuck did not write me back and say  
171 Ken, this is going to be a very expensive endeavor so, Counsel, Mr. Johnson, how much was  
172 expended in time in helping me understand the issue that I sought help with and how do you bill  
173 in incremental hours so the Board can understand what Chairman Nails is upset about.”

174 Mr. Johnson indicated that the cost was reflected on his October bill. He had a law clerk  
175 perform research analyzing the structure of The Club and how those conflicts might arise. Mr.  
176 Johnson stated that the District was billed 3.7 hours, at \$110 per hour, for law clerk research and  
177 slightly more than one hour, at \$295 per hour, for his time for reviewing the research and  
178 conferring with Mr. Nails. He advised that it cost the District approximately \$700 to \$800 for  
179 District Counsel to respond to Mr. Tarr's inquiry.

180 Mr. Tarr asked if, prior to his request, Mr. Johnson understood the structure of the  
181 ownership of The Club and how golf members have voting rights that overshadow all other  
182 residents in the District or did Mr. Johnson ask him to explain it. Mr. Johnson stated that he  
183 asked Mr. Tarr to explain it. Mr. Tarr contended that, prior to this point, the ownership structure  
184 of The Club was not clear to District Counsel. Mr. Johnson advised that he did not have cause to  
185 review it before.

186 Mr. Tarr stated “This is inappropriate, this is damaging to my reputation”.

187 Mr. Nails asked what Mr. Tarr finds inappropriate. He suggested that Mr. Tarr submit a  
188 statement to Mr. Adams, for the record. Mr. Nails indicated that he will not withdraw the  
189 memorandum.

190 Mr. Tarr stated “This is damaging to me”.

191 Mr. Bishko indicated that, when he read the email, he thought that something “major”  
192 had occurred, such as a large expenditure or an inappropriate action. He stated that he is  
193 unaware of a committee ever proposing to “turn over all of the officers on something unless there  
194 was a serious ethical issue”. Mr. Bishko discussed his professional experience and stated that,  
195 oftentimes, he answered client questions free of charge and, if research in required, he would  
196 inform the client of the cost. He implied that Mr. Johnson should have informed Mr. Tarr of the  
197 cost to research the matter. Mr. Bishko voiced his opinion that reconsidering the slate of officers  
198 is “vindictive and contrite”.

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**On MOTION by Mr. Nails and seconded by Mr. Luby, with Mr. Nails, Mr. Luby and Mr. Rowe in favor and Mr. Tarr and Mr. Bishko dissenting, reconsideration of the slate of officers was approved. (Motion passed 3-2)**

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Mr. Nails asked for nominations for Chair. Mr. Luby nominated Mr. Nails. No other nominations were made. There being no other nominations, Mr. Nails was elected as Chair.

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Mr. Nails asked for nominations for Vice Chair. Mr. Luby nominated Mr. Rowe. A nomination was made for Mr. Luby. Mr. Luby declined the nomination. Mr. Tarr nominated himself. Mr. Nails called for a vote. Mr. Tarr and Mr. Bishko voted in favor of Mr. Tarr. Mr. Nails, Mr. Luby and Mr. Rowe voted in favor of Mr. Rowe. Mr. Nails announced that Mr. Rowe was elected as Vice Chair.

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Mr. Nails asked if there were any changes to the remainder of the slate of officers.

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In response to a question, Mr. Adams indicated that the remaining Board Members would serve as Assistant Secretaries, with Mr. Adams serving as Secretary and Mr. Wrathell as Treasurer and Assistant Secretary.

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Mr. Bishko withdrew himself as an Assistant Secretary; he finds this action damaging to the future operation of the Board. Mr. Tarr withdrew himself as an Assistant Secretary.

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Mr. Luby will serve as an Assistant Secretary.

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Mr. Adams read the slate of officers:

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Chair Ken Nails

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Vice Chair Bill Rowe

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Assistant Secretary Dallas Luby

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Assistant Secretary Craig Wrathell

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Secretary Chuck Adams

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Treasurer Craig Wrathell

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Mr. Tarr asked how his documents will be incorporated into the meeting minutes. Mr. Adams indicated that the documents will be an attachment to the minutes.

229

Mr. Tarr stated, for the record, that he requested and now demands a retraction of this extraordinarily damaging memo.

230

231 Referring to discussion, at the previous meeting, regarding the newsletter, Mr. Bishko  
232 indicated that suggested including Mr. Teich and Mr. Tarr's names because they contributed  
233 substantially to the community. He stated that if not for Mr. Tarr's constant focus on drainage,  
234 the District would have experienced serious issues.

235 Debate ensued regarding whether cleaning the drainage pipes was the reason that the  
236 District did not encounter flooding issues during the summer. Mr. Bishko stated that he would  
237 have expected Mr. Adams to advise the Board that, after 12 years, the pipes should be cleaned.  
238 He contended that, since Mr. Adams did not advise the Board, Mr. Tarr had to take on the  
239 matter, on his own, to conduct research, etc., and force the District to clean the pipes. Mr.  
240 Bishko stated "he and Mr. Tarr are hypersensitive, I think, to personal liabilities, the conflicts of  
241 interest, to understanding what all of the laws say to control our day-to-day operations and I  
242 think it is a higher level of sensitivity than other members possibly on this Board". He  
243 acknowledged that Mr. Tarr can become exacerbated and aggressive but he believes that Mr.  
244 Tarr is trying to "do what's right for the community".

245 Mr. Tarr recalled discussion, at a previous meeting, regarding the fee paid to the bond  
246 trustee. He stated that Mr. Adams confirmed that no one ever challenged the fee. Mr. Tarr  
247 indicated that, in the Chair's absence, he was called upon, as Vice Chair, to sign the trustee  
248 documents. Mr. Tarr advised that, at the closing, he informed the trustee that he was not acting  
249 on behalf of the Board; he was acting on behalf of himself, as a Supervisor, with decades of  
250 experience in the investment business. He tried to explain to the trustee that the District has  
251 many professionals who understand fees in the financial service industry and that he was  
252 troubled by the \$25,000 trustee fee. Mr. Tarr stated that he personally asked the trustee to "go  
253 back to his boss" and recognize that the Board serves its taxpayers and it is the Board's job to try  
254 to "get them the best deal possible". He asked Mr. Adams if the trustee fee was subsequently  
255 reduced.

256 Mr. Adams confirmed that the trustee fee was reduced; however, the primary reason for  
257 the reduction was because the District collapsed multiple bond issues. He explained that trustees  
258 charge a base amount for each bond issue, along with an amount related to the outstanding  
259 balance; therefore, the reduction was primarily due to removing several bonds during the  
260 refinancing process.



261 Mr. Tarr stated that he does not spend taxpayer money frivolously. He noted that he must  
262 run for reelection and finds the document circulating in the public domain unacceptable.

263

264 **FOURTH ORDER OF BUSINESS**

**Update: Lake Maintenance Status**

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266 Ms. Crismond recalled that the lake maintenance contract was considered at the last  
267 meeting. She noted discussion regarding dissatisfaction with the contractor. Ms. Crismond  
268 indicated that she and Mr. Adams recently inspected the property and found the quality of work  
269 to be much improved. She advised that Staff will continue monitoring the conditions and notify  
270 the Board of any findings.

271 In response to Mr. Nails’ question, Ms. Crismond confirmed that she is seeking further  
272 improvement. Ms. Crismond stated that the contractor appears to “have the right person in  
273 charge”. Mr. Adams stated that he met with the contractor’s President and Vice President; he  
274 believes that the District has their attention.

275 Mr. David Squarer, a resident, asked Ms. Crismond to define “improvement”.

276 Ms. Crismond discussed the invasive plant issues faced last summer, which were brought  
277 under control. Mr. Adams explained the contractor’s efforts to improve the conditions.

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279 **FIFTH ORDER OF BUSINESS**

**Discussion/Consideration of Aeration  
Proposal from LakeMasters Aquatic  
Weed Control, Inc.**

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283 Mr. Adams recalled a problem with numerous fish kills in the lakes, during October. He  
284 noted that fish kills are naturally occurring events, in Florida, related to temperature changes.  
285 Mr. Adams stated that, per the lake contractor, aeration can be helpful in maintaining the  
286 dissolved oxygen levels in lakes, which can help to avoid fish kills. He advised of a Florida Gulf  
287 Coast University (FGCU) professor who felt that aeration provides no benefit. Mr. Adams  
288 indicated that, in this situation, he prefers to rely on the “real time, on ground, practical  
289 knowledge” of someone who manages lakes on a daily basis. He obtained a proposal from Lake  
290 Masters Aquatic Weed Control, Inc. (LakeMasters), to aerate the lakes. Mr. Adams noted that  
291 the aeration aspect is not complex; however, the electrical side is more complicated. He  
292 reviewed the proposal.

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**On MOTION by Mr. Luby and seconded by Mr. Rowe, with all in favor, the LakeMasters Aquatic Weed Control Inc., proposal for aeration, as presented, in a not-to-exceed amount of \$62,313.06, was approved.**

Mr. Adams indicated that he will prepare a statement of this activity and ask the MCA to e-blast it to the community. It was suggested that the District prepare its own communication to report on various items taking place in the community. Mr. Adams confirmed that he will prepare the information.

Mr. Robson noted that Lee County requires aerators to be dug deeper than 12'; however, he must research the Collier County Land Development Code requirements.

**SIXTH ORDER OF BUSINESS**

**Discussion: Board Member Membership In Club and Potential Conflicts of Interest**

Mr. Johnson summarized that there is no inherent conflict of interest for a Board Member who is also a member of The Club. He added that, to the extent that the Board makes decisions, from time-to-time, which can impact the expenses of The Club, relative to lake maintenance, water quality, etc., those votes do not arise to the level of conflict of interest, insofar as those activities can be expected to occur in The Club's budget. Mr. Johnson advised that, to the extent that the District was to consider legal action against The Club that could have unexpected and significant impact on The Club's budget, as well as the fees and assessments at the sport and golf levels, he suggested that Staff and the Board carefully consider those conflicts.

Mr. Tarr asked how his memorandum to Mr. Johnson can be distributed to the Board, in order to avoid issues under the Sunshine law. Mr. Johnson stated that he or Mr. Adams can distribute it to the Board and, if the Board Members do not reply to each other, there would be no problem. Mr. Johnson indicated that he can provide Mr. Adams with the entire chain of information for dissemination to the Board.

Mr. Frank Godshall, a Mediterra North Board Member, voiced his opinion that all ten Mediterra North and South Board Members are members of The Club.

326 Mr. Tarr indicated that the reason he brought this issue up is because The Club has  
327 different levels of membership; social members have no financial exposure. He was shocked to  
328 discover that 173 property owners have no financial exposure to profits or losses of The Club.

329 Discussion ensued regarding who could vote on a matter, if some Board Members had a  
330 conflict. Mr. Johnson referred to Rule 1.1(1)(c), on Page 3 of the Rules of Procedure, located  
331 behind Tab 3, which states, “Action taken by the Board shall be upon a majority vote of the  
332 members present, unless otherwise provided in the Rules or required by law”. He stated that, if  
333 less than a majority of those present were able to vote, it could be difficult to proceed.

334 Mr. Godshall questioned if a decision regarding The Club would essentially be a gain or  
335 loss for the entire community and not for a single Board Member. Mr. Johnson stated that, if a  
336 situation reaches the level of distinguishing potential conflict of interest based on the type of club  
337 membership, he could obtain an advisory opinion from the Ethics Commission, prior to the  
338 Board making a decision.

339 Mr. Tarr resumed his previous questions related to the District’s policy on Board  
340 Members talking to District Staff. He reiterated that, based on the legal information he has, it is  
341 “absolutely” allowed, as part of the normal course of business. Mr. Tarr asked for guidance.

342 Mr. Nails suggested that, as a courtesy to the other Board Members, Mr. Tarr should take  
343 his questions to Mr. Adams; Mr. Adams can then disseminate the information to the Board.

344 Mr. Adams concurred that he is the person that Board Members should be contacting. He  
345 noted that the District Manager’s fee is set, while the District Engineer and District Counsel’s  
346 fees are not; therefore, if the Board Members continue engaging the District Engineer and  
347 District Counsel, individually, the Board might wish to establish protocol. Mr. Adams indicated  
348 that he will include this as a discussion item on the next agenda.

349 A Board Member asked that Mr. Johnson’s response to Mr. Tarr’s questions also be  
350 included in the agenda. Mr. Tarr indicated that he asked Mr. Johnson “not to spend a lot of time  
351 writing something on this”. Mr. Johnson confirmed that he did not write a response or analysis  
352 on the ethics question.

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354 **SEVENTH ORDER OF BUSINESS**

**Discussion: Arbitrage Calculations**

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356 **A. Meaning**

357 **B. District Responsibilities**

358 **C. Timely Receipt**

359 Mr. Adams indicated that, when issuing tax-exempt bonds, the District must be careful  
360 with its interest earnings on investments, in comparison to the interest expense. The purpose of  
361 the arbitrage rebate calculation is to ensure that the District is not issuing a bond strictly for the  
362 investment purpose of funding the governmental entity. He explained that CDDs are subject to  
363 Sections 148 and 61, under Title 26, of the Internal Revenue Service Code. Mr. Adams indicated  
364 that, during the early phases of a bond, when there is a construction fund, a CDD is generally  
365 required to perform the arbitrage calculation more frequently; either annually or semiannually.  
366 When a CDD is in a positive arbitrage situation, the positive arbitrage amount must be paid to  
367 the U.S. Treasury. Mr. Adams advised that he has never encountered this situation. He stated  
368 that, once the construction period is over, the CDD can usually revert to filing the arbitrage  
369 report and making payments every five years. The District currently files annually; the last  
370 reports were submitted in 2011. Mr. Adams explained that there were no 2012 or 2013 reports  
371 because the District was required to go through arbitrage, as part of the refinancing process.  
372 Annual reporting will resume in 2014. Mr. Adams indicated that the arbitrage calculations are  
373 performed by the underwriter. He stated that an arbitrage certificate was required as part of the  
374 bond closings. In response to a question, Mr. Adams advised that the District did not pay extra  
375 for the arbitrage at closing; the costs were included in the costs of issuance. Annual arbitrage  
376 costs are factored into the budget. In response to a question, Mr. Adams confirmed that, once on  
377 the five-year filing cycle, weaker years can offset stronger years, as the overage payments are  
378 submitted every five years.

379 Mr. Adams anticipated that the next arbitrage calculation will be performed during this  
380 summer.

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382 **EIGHTH ORDER OF BUSINESS**383 **Approval of October 16, 2013 Regular**  
384 **Meeting Minutes**

385 Mr. Nails presented the October 16, 2013 Regular Meeting Minutes and asked for any  
386 additions, deletions or corrections.

387 Mr. Bishko referred to Action Item 13, on Page 20, and asked that the term “his brother’s  
388 home”, be removed. He stated that there are no erosion issues at 15433 Milan Way and  
389 questioned the accuracy of the address. Ms. Crismond confirmed that Milan Way has erosion

390 issues; the property owner of 15433 Milan Way should contact her. Ms. Crismond presented  
 391 photographs of two properties on Milan Way, which have severe erosion problems.

392 The following change was made:

393 Line 646: Remove “his brother’s home”

394 Mr. Robson referred to Action Item 6, on Page 19, and stated that he was not aware of  
 395 initiating a review of the pipes crossing the golf course. He spoke to Mr. Tilton and this item  
 396 was contingent upon whether legal action would proceed regarding whether bond money was  
 397 illegally spent on pipes.

398 Mr. Adams indicated that Item 6 can be removed during the Board’s review of the Action  
 399 Items.

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401 **On MOTION by Mr. Bishko and seconded by Mr. Rowe, with**  
 402 **all in favor, the October 23, 2013 Regular Meeting Minutes, as**  
 403 **amended, were approved.**

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406 **▪ Action Items**

407 ***\*\*\*This item was an addition to the Agenda.\*\*\****

408 A Board Member referred to Action Item 1, and pointed out that Mr. Adams was  
 409 supposed to forward copies of the April, 2013 dissemination report, in addition to the arbitrage  
 410 rebate calculation report. Mr. Adams indicated that he will forward the dissemination  
 411 information.

412 Item 1: Change to “Mr. Adams to forward copies of the April, 2013 dissemination report  
 413 to the Board.”

414 Regarding Item 10, Mr. Tarr indicated the MCA completed deer reduction activities. Mr.  
 415 Adams pointed out that, if they did, the MCA must have acted without executing the  
 416 indemnification and insurance documents requested by the District, prior to the MCA entering  
 417 the CDD Preserve area. Mr. Tarr advised that 16 deer were taken, without the District’s  
 418 approval. After further discussion, Mr. Tarr clarified that he heard that the deer reduction  
 419 activities were moving forward; however, something might have stopped it. Mr. Adams advised  
 420 that he was told that it was too late in the season; he will verify whether deer reduction occurred.

421 Items 2, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19 were removed.

422 Item 1 was continued, with the change referenced above. Items 3 and 12 were continued.

423 **NINTH ORDER OF BUSINESS** **Other Business**

424  
 425 A Board Member commented on the number of dead trees in the District’s Preserve areas  
 426 and asked if the CDD could cut the trees down. Mr. Adams advised that the trees cannot be cut  
 427 unless they are dying and leaning or creating a threat to people or private property. In response  
 428 to a question, Mr. Adams stressed that the language in the permits is very strict regarding the  
 429 activities allowed within the Preserve boundaries. Mr. Adams explained that the District cannot  
 430 enter the Preserve simply to cut down trees; allowed cutting generally relates to removing exotics  
 431 and nuisance vegetation. Mr. Nails suggested including this fact in the information that the  
 432 MCA is distributing to residents. Discussion ensued regarding why trees are dying. Mr. Adams  
 433 pointed out that some dormant trees appear dead, during this time of year. Mr. Adams will  
 434 prepare a “Do’s and Don’t’s in the Preserves”, for inclusion in the newsletter.

435 Regarding irrigation maintenance responsibilities in certain areas; Mr. Adams indicated  
 436 that a contract was prepared and provided to the MCA. He voiced his understanding that the  
 437 MCA is maintaining those areas. Several Board Members reported that maintenance activities  
 438 were performed in their areas. Mr. Adams noted “positive” action by the MCA without  
 439 execution of a contract or billing the District for the work.

440

441 **TENTH ORDER OF BUSINESS** **Staff Reports**

- 442  
 443 **A. Attorney**  
 444 **i. Discussion: Potential Conflicts of Interest**

445 This item was previously discussed.

- 446 **B. Engineer**

447 There being nothing additional to report, the next item followed.

- 448 **C. Manager**

- 449 **i. Approval of Unaudited Financial Statements as of November 30, 2013**

450 Mr. Adams presented the Unaudited Financial Statements as of November 30, 2013.

- 451 **ii. NEXT MEETING: May 21, 2014 at 11:30 A.M. (Bella Vita Room at the**  
 452 **Mediterra Sports Club, 15735 Corso Mediterra Circle)**

453 The next meeting will be held on May 21, 2014 at 11:30 a.m., in the Bella Vita Room at  
 454 the Mediterra Sports Club, 15735 Corso Mediterra Circle. Mr. Adams advised that the next two  
 455 meetings will be at the Mediterra Sports Club location.

456 **ELEVENTH ORDER OF BUSINESS** **Supervisors' Requests**

457

458 There being no Supervisors' requests, the next item followed.

459

460 **TWELFTH ORDER OF BUSINESS** **Adjournment**

461

462 There being no further business to discuss, the meeting adjourned.

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464 **On MOTION by Mr. Luby and seconded by Mr. Rowe, with**  
465 **all in favor, the meeting adjourned at 1:25 p.m.**

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Secretary/Assistant Secretary

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Chair/Vice Chair