

**MINUTES OF MEETING  
MEDITERRA SOUTH  
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Mediterra South Community Development District's Board of Supervisors was held on **Wednesday, May 18, 2016 at 11:00 a.m.**, at **The Club at Mediterra, 15755 Corso Mediterra Circle, Naples, Florida 34110.**

**Present and constituting a quorum were:**

Ken Nails	Chair
Bill Rowe	Vice Chair
Ken Tarr	Assistant Secretary
Mike Bishko	Assistant Secretary
Dallas Luby	Assistant Secretary

**Also present were:**

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Dave Robson	District Engineer
Alyssa Wilson ( <i>via telephone</i> )	Hopping Green & Sams
Sarah Weber ( <i>via telephone</i> )	Johnson Engineering, Inc.
Greg Pick	MCA General Manager
Robert Greenberg	Resident & MCA Board Member

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Adams called the meeting to order at 11:04 a.m., and noted, for the record, that all Supervisors were present, in person.

**SECOND ORDER OF BUSINESS**

**Public Comments [3 minutes per person]**

There being no public comments, the next item followed.

**THIRD ORDER OF BUSINESS**

**Consideration of Resolution 2016-3, Approving the District's Proposed Budgets for Fiscal Year 2016/2017 and Setting a Public Hearing Thereon Pursuant to Florida Law and Providing an Effective Date**

Mr. Adams presented Resolution 2016-3 for the Board's consideration. The resolution sets the Public Hearing for final adoption of the Fiscal Year 2017 budget for August 17, 2016 at 11:00 a.m., at this location, directs the District Manager to place the required advertisement in the newspaper and transmit the proposed budget to Collier County, at least 60 days prior to the Public Hearing.

Mr. Adams explained that there is cost sharing between the Mediterra North and Mediterra South CDDs, for operation and maintenance (O&M), based on the number of assessable units within each District.

Mr. Adams reviewed the following budget modifications for Fiscal Year 2017:

- Page 2: "Insurance" increased from \$12,428 to \$19,046, based on actual costs, increase in Director and Officer (D&O) limits and inclusion of crime coverage.
- Page 2: "Aquascaping/Cutbacks/Pipe Cleanout" decreased from \$125,000 to \$100,000, primarily due to the success of the littoral shelf plantings and less aquatic plantings necessary, in the future.
- Page 2: "Lake bank stabilization" decreased from \$30,000 to \$10,000, due the success of the littoral plantings and reduction in the need for mulch around the lakes and exposed lake banks, going forward.
- Page 2: "Electricity" increased from \$9,000 to \$13,000, to account for additional aeration.

Mr. Adams reported that the appropriation adjustments resulted in a minor reduction in assessment levels.

Mr. Bishko asked why "Engineering" decreased from \$23,000 to \$10,000. Mr. Adams felt that the Fiscal Year 2017 \$23,000 amount was conservative in anticipation of completing engineering for Fiscal Year 2016; a special exercise that Ms. Webber is conducting, on behalf of the District, was included, which was anticipated to cost \$10,000 to \$11,000. A large portion of the \$15,000 anticipated for the remainder of Fiscal Year 2016, are related to that task. A typical engineering fee was in the \$10,000 to \$15,000 range. Mr. Robson agreed with the amount budgeted, if there are no issues, other than attendance at meetings.

Regarding "Insurance", Mr. Bishko inquired what accounted for the spike. Mr. Adams explained that the D&O limit was increased from \$1 million to \$5 million, as requested by the Board, and there was an additional \$1 million in crime coverage at a cost of \$700 to \$800, per year, specific to this District.

Mr. Bishko asked if the “Aquascaping/Cutbacks/Pipe Cleanout” included the spikerush spraying. Mr. Adams indicated that aquascaping is for additional plants but there is a maintenance program for reducing the width of the spikerush and keeping it within the constraints of the 10’ to 15’ width. Due to the extended hydration period, this year, with increased water levels for a long period of time, the plants are thriving, such that there was no lake bank stabilization program this year.

Mr. Bishko asked if the aquatics for the golf course ponds were the responsibility of The Club or the District. Mr. Adams indicated that it depended on the location of the aquatics. Ms. Crismond recalled that LakeMasters Aquatic Weed Control, Inc. (LakeMasters), removed dead spikerush. Mr. Bishko reported dead spikerush beyond the shelf and asked if spikerush was removed when someone complains or if it was removed on a routine basis. Mr. Adams recalled that the spikerush reduction was performed early, when water levels were up. LakeMasters would have preferred to wait until water levels were down. When the spikerush was cut, LakeMasters cut it down as early as possible, so there may be areas of dead spikerush, and it is becoming exposed as, water levels recede. Mr. Adams will ask LakeMasters to reassess the spikerush.

Mr. Adams advised that littoral plants can survive in water at the control level, the outer edges and on a 6:1 slope, which is 3’ deep. Most aquatic plants can live in shallow water. Multiple years, water levels dropped, significantly, resulting in mechanical removal. With raised water levels, for an extended time, the plantings on the outer edges are not likely to survive. It made sense to have the unsightly areas removed.

Mr. Rowe reported the following rainfall amounts, through February of each year:

- 14.5” this year.
- 7.5” in 2015
- 3.8” in 2014
- 3.95” in 2013
- 3.9” in 2012

Mr. Rowe indicated that 4” of rainfall was typical but the District received 14.5”; the total amount to date, of rain, was 18.2”, versus 19.25” through this time last year, 11.2” in 2014, 12.8” in 2013 and 10” in 2012. Mr. Rowe opined that the total rainfall amount, over the past few years was “unusual”, particularly through February.

Mr. Bishko requested that Ms. Crismond tour the lakes with LakeMasters and formulate a plan, as some of the lakes are unsightly. Ms. Crismond recalled, at the last meeting, Mr. Bishko inquired about a concern he had regarding spikerush in a pond but it was the incorrect pond. Mr. Bishko's concern was related to Lake #14, as he did not understand why spikerush was not reduced. Ms. Crismond explained that Lake #14 is an extremely shallow lake. The last Lake Audit identified Lake #14 as a wetland on three sides and golf course on the other side; therefore, the lake was not taken into consideration for spikerush reduction, as the lake was considered healthy. Ms. Crismond pointed out that ponds that were under consideration for spikerush reduction were surrounded by homes.

Mr. Bishko will provide a list of ponds for review.

Mr. Adams advised that, in preparation for the annual audit, Staff will be on-site, in a couple of weeks, taking pictures and will identify areas with dying spikerush on the outer bands.

Mr. Tarr asked if Staff received complaints from residents about spikerush, in the middle of the pond, on the east or north side of Mediterra. Mr. Adams, Ms. Crismond, Mr. Pick and Mr. Robson had not received complaints.

A Board member asked if remediation on the east side worked or if funds should be budgeted for additional remediation. Mr. Adams confirmed that the remediation was effective but Staff should not allow the spikerush to regenerate. Mr. Adams surmised that there were no complaints because the width of plants was significantly reduced, from prior years, and water levels are higher than usual, improving the overall appearance of the spikerush.

Referring to Page 8, Mr. Bishko asked if the total number of units would increase from 781.53. Mr. Adams replied affirmatively. Mr. Adams referred to the combined number of units for Mediterra North and South CDDs.

In response to Mr. Tarr's question, Mr. Adams confirmed that Ms. Alice Carlson, of AJC Associates, Inc. (AJC), factored in the units for the new London Bay Homes (London Bay) development. Mr. Tarr pointed out that London Bay changed the home type from coach to single-family homes. Mr. Adams recalled that this was addressed, last year, by Ms. Carlson, during the budget process and, this year, the pocket that was supposed to be multiple homes, was reduced to two home sites. Mr. Tarr asked about the bonds. Mr. Adams indicated that, during the re-plat, London Bay Homes paid the buy down, so the debt assigned to the parcel was down to two folio numbers and split, accordingly, which the owners must buy down or in its entirety.

Mr. Tarr questioned the coupon rate, on Page 14. Mr. Adams confirmed that the coupon rate was incorrect.

Mr. Tarr referred to Page 2, the “Fund balance – beginning (unaudited)” amount of \$278,558 and surplus of \$235,000, and asked about the accepted standard for CDDs and how low the fund balance could go. Mr. Adams indicated that, generally, the amount should be 20% to 25% of total expenses to help meet GAP funding needs during October, November and December, prior to receiving assessment revenue. Mr. Tarr asked if Mr. Adams meant that the 20% to 25% was off of the combined \$584,000? Mr. Adams replied affirmatively but explained that, in terms of each District’s specific balances, Mediterra North CDD was in good shape and Mediterra South CDD was where it needed to be, at \$107,767, compared to the annual expenditure obligation of \$405,440.

Mr. Tarr asked if Mediterra South CDD could have a different assessment amount. Mr. Adams indicated that it could but the intent was to eliminate the combined operational budget and have two separate budgets. Mr. Tarr asked why Mediterra South CDD was getting near the threshold amount, while Mediterra North CDD was not. Mr. Adams indicated that Mediterra North CDD had surplus money, before the operational budgets were combined, as it did not expend all of its funds for operations. Originally, the Districts did not have a joint operational budget.

Mr. Tarr voiced concern about not having extra funds for fire mitigation; no one knew what was being proposed and how much it would cost. He preferred increasing aeration, which may postpone dredging. Mr. Tarr indicated that Island Walk was considered the best water system in Collier County and has aerators in every lake, while the Mediterras were taking years to aerate the lakes, which did not make sense to him. Mr. Tarr recommended allocating more money into aeration, holding the same level as last year, at \$75,000, even if it increases assessments.

Mr. Tarr questioned why \$1,000 was budgeted for interest, as \$170 was projected, through September and why funds were budgeted for Arbitrage Rebate Calculation, when there was no calculation in Fiscal Year 2016. Mr. Tarr recalled that Mr. Johnson was supposed to report on the legislative change for additional website changes. Mr. Adams explained that the proposed legislation was to add items to the website but the legislation did not pass.

Mr. Tarr recalled a fee from the Supervisor of Elections for the District's proportionate share of the election expense, which is on Page 2 of Resolution 2016-4, and read the following into the record:

*"The District understands that it will be responsible to pay for its proportionate share of the general election cost and agrees to pay same within a reasonable time after receipt of an invoice from the Supervisor of Elections."*

Mr. Adams indicated that the District never receives a bill and that the District must pay its proportionate share of running the legal advertisement, 30 days prior to the qualifying period.

Mr. Adams advised that Mediterra South CDD could have a different assessment amount than Mediterra North CDD, without breaking the joint operating concept, the District would not be taking \$30,634 out of "Excess/(deficiency) of revenues over/(under) expenditures", to keep the assessment level the same as Mediterra North CDD. The use of fund balance was to reduce the District's overall revenue needs and reduce the assessment level to match Mediterra North CDD's assessments.

Mr. Tarr was in favor of increasing the aeration program to \$100,000 and not decreasing it to \$50,000. Mr. Adams recalled that the Board chose to increase aeration by another \$24,000, based on a proposal from LakeMasters, which included all lakes in Mediterra North CDD; therefore, it was not a cutback. Mr. Tarr asked the Board to consider increasing the aeration amount to fully aerate the lakes, as quickly as possible. Mr. Tarr voiced concern about decreasing the District's surplus balance to the point where there was a mismatch in the surplus between Mediterra North and Mediterra South CDDs. Mr. Adams stated that the quickest way to correct that is not using fund balance to keep assessment levels the same as Mediterra North CDD. The District would have an assessment level higher than Mediterra North CDD and higher than Fiscal Year 2016, which would result in a requirement to send a separate mailed notice to all property owners indicating that the assessment was increasing. Mr. Rowe asked if the purpose of aeration was to improve water quality. Mr. Tarr explained that aeration reduces muck from the bottom of the lake; no reserve was designated for lake dredging.

In response to a question, Ms. Crismond indicated that 16 lakes are aerated; all lakes in Mediterra North CDD were completed and three lakes were added in Mediterra South CDD. Mr. Tarr pointed out that the District helps pay for expenditures in Mediterra North CDD because of the split budget. Mr. Adams noted that Mediterra North CDD pays for expenditures in Mediterra

South CDD, as well. Mr. Adams confirmed that the Board agreed to complete Mediterra North CDD's aeration and then would focus on Mediterra South CDD's aeration, going forward. Mr. Bishko estimated that, if 16 lakes were already aerated, in Mediterra South CDD, 40 lakes remained. Ms. Crismond confirmed that 22 lakes in Mediterra North CDD were aerated. Ms. Crismond advised that 38 lakes were completed, in total, community-wide, over three or four years.

Mr. Tarr asked about the cost per lake. Mr. Adams indicated that it depends; however, the goal is to aerate multiple lakes with one aerator was considered. Ms. Crismond noted that it depends on the underground boring and connecting the electricity as well.

Mr. Adams advised that increasing "Capital Outlay-Aeration", from \$50,000 to \$100,000, would increase the assessment from \$502.65 to \$550.75, for an increase of slightly under \$50 per unit, for both Districts, if Mediterra North CDD agrees. Mr. Bishko asked if Mr. Adams could persuade Mediterra North CDD to agree. Mr. Adams replied probably; however, he was concerned that the letter notifying owners about increasing assessments, "raises a red flag" and results in questions.

Mr. Tarr asked about the cost to dredge the lakes. Mr. Robson indicated that the only lakes he was aware of that were being dredged are in a new community, which has a unique situation in the way it was built and how the lakes were constructed. The construction of the lakes and the lack of proper maintenance accelerated the need for dredging. The lakes in the east are affected by the shallowness of the lakes.

Mr. Tarr asked if other Districts receive benchmarks for the depth of their lakes. Mr. Adams recalled performing a one year Lake Health Assessment with Florida Gulf Coast University (FGCU) on 12 to 13 lakes in Pelican Landing, which were 30 years old. The muck was measured to take different approaches mitigating muck buildup and comparing the results after one year. There were no reductions or changes in the muck layer; however, it revealed that aeration was necessary. Mr. Adams recommended introducing with aeration, enzymes, which increases levels of dissolved oxygen and have a positive effect in reducing muck.

In response to Mr. Tarr's question, Mr. Adams did not feel that expediting aeration was necessary.

Mr. Rowe was comfortable with the Proposed Fiscal Year 2017 budget.

Mr. Bishko requested further discussion of accelerating the aeration program, at a future meeting, and believed that the surplus inequality between the Districts was a historical anomaly.

At Mr. Tarr’s request, Mr. Adams will confirm whether the arbitrage rebate calculation is on the schedule for next year; if not, this line item would be removed from the budget.

Mr. Adams recalled that the Board’s decision, in January, authorizing additional aeration, above and beyond what was budgeted, was due to halting the canna lily cutback, and the \$125,000 budgeted for the canna lily cutback could be reappropriated for pipe cleaning.

Mr. Tarr recalled that, on Page 4, the public officials liability limit of \$1 million should be changed to \$5 million.

Ms. Crismond advised that the proposal from MRI for the pipe cleanout is \$28,000.

**On MOTION by Mr. Nails and seconded by Mr. Rowe, with all in favor, Resolution 2016-3, Approving the District’s Proposed Budgets for Fiscal Year 2016/2017, as amended, changing the public officials liability limit of \$1 million to \$5 million, and Setting a Public Hearing Thereon Pursuant to Florida Law for August 17, 2016, at 11:00 a.m., at this location, was adopted.**

▪ **Update/Discussion: Fire Break and Controlled Emergency Response Access Report for District Conservation Areas**

*\*\*\*This item, previously the Eighth Order of Business, was presented out of order.\*\*\**

Ms. Webber obtained feedback and performed site visits throughout the community; issues were identified with emergency responder access to preserves. Additional coordination was complex, as it involved various entities, different agencies, Counties and emergency responders but there is now an open line of communication; some issues were eliminated by the needs of the emergency responders and additional issues were identified. Ms. Webber is preparing an assessment of access to the preserves, in the event of a wildfire.

Ms. Webber addressed the following:

- The South Florida Water Management District (SFWMD), which is responsible for both conservation easements, was in favor of the District conducting field management and a prescribed burn.
- The Florida Forestry Service (FFS) assessed different areas; some had no issues but, in other areas, the potential for wildfire was reduced and a prescribed burn, in a few test areas, was recommended.



- If the community can establish itself as a Firewise community, by meeting certain criteria, it may qualify for grants, reimbursements or insurance discounts. Ms. Webber is waiting for Collier Fire Rescue to forward information about becoming a Firewise community.

Ms. Webber urged residents to talk to legislators, in Tallahassee, or email local representatives to support Mediterra becoming a Firewise community, for the purpose of receiving insurance discounts. Ms. Webber compiled data on wildfires that occurred in the area, within a five mile radius or immediately adjacent to Mediterra; one was in the south at the La Playa Golf Club.

Ms. Webber will provide the Fire Break and Controlled Emergency Response Access Report, prior to the next meeting.

Mr. Bishko asked about issues with fire roads. Ms. Webber indicated that potential locations for fire breaks and related costs from FFS, as well as from a private entity, will be included in the report. Using a private entity eliminates utilizing the services of FFS, which are limited, resulting in a delay of non-emergency services, such as installing fire hydrants. Mr. Bishko inquired if fire road locations must be discussed with the local fire department. Ms. Webber indicated that feedback from local fire rescue was part of the coordination and one of the reasons why she delayed distribution of the final report.

Ms. Webber recalled some hesitancy from the Board for creating ignition zones around homes and urged the Board to reconsider. She is considering ideas for addressing the Board's concerns of having privacy and aesthetic vegetation in certain areas, without the risk of wildfires affecting homes and preventing access to preserves.

Mr. Rowe suggested a special meeting to discuss the Fire Break and Controlled Emergency Response Access Report. Mr. Adams recommended scheduling a joint special meeting. Ms. Webber suggested inviting representatives of local fire rescue departments and FFS to answer questions and present information. Mr. Adams suggested that the Board wait until the report was distributed before deciding whether to hold a joint special meeting or waiting until the August meeting.

Mr. Tarr recalled, that, at the last meeting, Ms. Webber stated that because nothing was done, the community had a higher risk of fire and asked if any of the agencies she contacted looked at the preserves. Ms. Webber indicated that Collier County Rescue and FFS assessed the preserves. FFS was onsite several times. In response to Mr. Tarr's question about the risk level,

FFS agreed with Ms. Webber’s assessment of the fuel load, with some areas having a low risk of 1 or 2 and others having a higher risk of 9 or 10, meaning an area conducive to intense fires, based on restricted access; the level of risk varies by year and weather conditions.

**\*\*\*Ms. Webber left the meeting.\*\*\***

Mr. Robson confirmed that coordination with FFS and other agencies was difficult. A CDD in Sarasota tried for three months to get an FFS representative to give a Firewise presentation.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-4, Implementing Section 190.006(3)(A)(2)(C), Florida Statutes, and Instructing the Collier County Supervisor of Elections to Conduct the District’s General Election**

Mr. Adams presented Resolution 2016-4 for the Board’s consideration. Seats 3, 4 and 5, currently held by Mr. Bishko, Mr. Nails and Mr. Rowe, respectively, are up for General Election. The Resolution recognizes that Board Members receive \$200 per meeting, not to exceed \$4,800 per year, and the terms are for four years. Following the General Election, on November 8, 2016, each elected Supervisor can assume their seat no sooner than the second Tuesday in November.

Mr. Tarr advised that, after the election, a form must be filed with the County within a certain time frame or the seat becomes vacant. Mr. Adams explained that the form is sent directly from the Supervisor of Elections, upon certification of the person elected to the seat.

**On MOTION by Mr. Nails and seconded by Mr. Tarr, with all in favor, Resolution 2016-4, Implementing Section 190.006(3)(A)(2)(C), Florida Statutes, and Instructing the Collier County Supervisor of Elections to Conduct the District’s General Election, was adopted.**

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-5, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2014 and Ending September 30, 2015; and Providing for an Effective Date**

Mr. Adams presented Resolution 2016-5 for the Board’s consideration. The amendment was necessary because actual expenditures, for Fiscal Year 2015, exceeded budgeted appropriations and to prevent a finding in the Audit. The majority of the overage was due to the unbudgeted canna lily cutback and spikerush reduction. This provides an opportunity, during the budget process, to reconcile every line item, prior to finalization of the journal entries. Unused funds would be transferred to fund balance. Two items were amended; \$5,000 was added to “Legal” and, under “Water management”, \$30,000 was added to “Other contractual”. The total amount of the amendment is \$137,601.

**On MOTION by Mr. Nails and seconded by Mr. Rowe, with all in favor, Resolution 2016-5, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2014 and Ending September 30, 2015; and Providing for an Effective Date, was adopted.**

**SIXTH ORDER OF BUSINESS**

**Ratification of MCA Boar Trapping License Agreement**

Mr. Adams presented the executed boar trapping licensing agreement with the Mediterra Community Association, Inc., (MCA), which was similar to the deer culling agreement. The agreement was executed on January 29, 2016 by both Districts and the MCA. The joinder to the agreement from the trapper, Mr. Michael Cintron, was attached.

Mr. Tarr asked if a boar was trapped. Mr. Pick replied no.

**On MOTION by Mr. Tarr and seconded by Mr. Rowe, with all in favor, the Boar Trapping License Agreement By and Between Mediterra North Community Development District, Mediterra South Community Development District and Mediterra Community Association, Inc., was ratified.**

**SEVENTH ORDER OF BUSINESS**

**Consideration of Policy for Board Members to Engage Hourly Rate Professional Staff**

Mr. Adams presented a policy for Board Members to engage hourly rate professional staff and recalled that, in October, 2015, the Board discussed the need for a policy but did not adopt a policy.

Mr. Adams read Section 2 of the policy:

*“Board Members shall make a written request for such engagement to the District Manager. The District Manager shall transmit such requests to other members of the Board of Supervisors for informational purposes only. The District Manager shall determine which request should be transmitted to District Staff for immediate subsequent action and the District Manager shall present any requests that were not transmitted to District Staff at the next meeting of the Board of Supervisors.”*

Mr. Adams recalled that the need for a policy was the result of the grass clippings in the lakes and how Board Member(s) engaged professional hourly staff.

Mr. Bishko asked if the District Manager will solely decide whether to present something to the Board, without consultation of any Board Member. Mr. Adams replied affirmatively.

- **Consideration of Resolution 2016-6, Adopting a Policy for Board Members to Engage Hourly Rate Professional Staff**

*\*\*\*This item was an addition to the agenda.\*\*\**

Mr. Adams presented Resolution 2016-6. This Resolution memorializes the policy.

**On MOTION by Mr. Tarr and seconded by Mr. Bishko, with all in favor, Resolution 2016-6, Adopting a Policy for Board Members to Engage Hourly Rate Professional Staff, was adopted.**

**EIGHTH ORDER OF BUSINESS**

**Update/Discussion: Fire Break and Controlled Emergency Response Access Report for District Conservation Areas**

This item was discussed following the Third Order of Business.

**NINTH ORDER OF BUSINESS**

**Discussion/Consideration: M.R.I. Under Water Specialists, Inc., Inspection Summary Report/Proposal**

Ms. Crismond presented the M.R.I. Under Water Specialists, Inc. (M.R.I.), Inspection Summary Report/Proposal and noted a few discrepancies, which she is working on, with M.R.I. For the second year in a row, Mr. Mike Radford, of M.R.I., forgot to inspect three outfall structures in Mediterra North CDD and two in Mediterra South CDD but the inspections will be completed today. She indicated that, on Page 9, storm boxes 119 and 120 are Lakes 41 and 46, respectively. Storm box numbers are numbered internally and identified on a map.

Mr. Adams will provide this information to the individual maintaining the GIS map. A new map, with all designations, will be provided.

Mr. Tarr recalled that last year's price was \$19,000, for both Districts, compared to this year's price of \$28,300, for both Districts. Mr. Peck indicated that with the golf course renovation projects that may have contributed to additional sediment build up in the pipes. Ms. Crismond has requested that M.R.I. provide a year-by-year comparison this year, just as they have provided in the past. Revised reports will be provided to the Board upon receipt, as well as being posted to the Web.

Mr. Adams requested that the Board approve a not-to-exceed amount of \$35,000, to include the outfall structures, in the event they require cleaning.

Mr. Tarr attended the last Medici HOA Board meeting to urge the Board to inspect their pipes. One Board Member believed that, when Collier County installed the drainage system, in Medici, it was videotaped, which is not true. Collier County videotapes the sewer system, prior to acceptance. Medici owns the drainage system and, after build out, Landmark tied three of the five collection boxes that flow directly into the lake, into an MCA pipe at the end of the street. The MCA pipe was 90% blocked; therefore, Medici's water would not flow into the lake during a major storm. Mr. Tarr felt that the Districts do a great job of keeping pipes clear and hoped that the MCA would do the same, going forward.

Mr. Tarr asked what would happen if a pipe crossed Corso Mediterra Circle. Mr. Adams explained that, if the District had an interconnecting pipe going from lake-to-lake and it passed underneath a road, the District would own, operate and maintain the pipe, even if it was a private road, because it was a connecting pipe between two lakes. Mr. Tarr pointed out that the District has not identified the drain boxes. Mr. Adams stated that the pipes were color coded. If a pipe is in the District's color, the District is taking responsibility. If it crosses under a road, Mr. Adams expected there to be roadside catch boxes, as this was the ideal location. Mr. Adams stressed

that the District assumes responsibility for the pipe because it is critical to how the trunk drainage system operates.

Mr. Bishko asked if catch boxes run into MCA pipelines and some into the District's pipeline. Mr. Adams replied affirmatively, noting that, if a pipe runs from a lake on one side of Medici, to a lake on the other side of Medici, and crosses under Medici's road, the pipe belongs to the District; the same on the main circle road that MCA owns.

Mr. Tarr inquired if it made sense to identify the drain boxes that the District owns. Mr. Adams indicated that, on the drawing, the boxes will be color coded the same as the pipe work.

In response to Mr. Nails' question, Ms. Crismond indicated that the District's map shows the District's piping and the MCA's piping. Mr. Adams pointed out that Staff did not research MCA owned structures for the map but, if it is easily assessable, it would be plotted. Mr. Tarr pointed out that it was possible that other community pipes run to the MCA. Mr. Adams agreed that it was possible; Staff has urged each association, in the newsletter, for a number of years, to maintain their own systems. Mr. Bishko suggested sending a letter to the President of each association and directed Mr. Adams to handle this. Mr. Adams will send a letter to Mr. Pick, addressing the Board's concerns about the pipes for distribution to the Neighborhood Associations.

**On MOTION by Mr. Tarr and seconded by Mr. Rowe, with all in favor, M.R.I. Under Water Specialists, Inc., proposal, as discussed, for an Inspection Summary Report, in a total not-to-exceed amount of \$35,000, was approved.**

Mr. Robson advised that the drawings and coding of District pipes, versus MCA pipes, was based upon the developer's engineer's CAD drawings and not field verified. Mr. Robson used the information provided to generate the drawing but there might be a time where some field verification, for clarification will be necessary, in order for the drawings to be updated with that information. Mr. Adams noted that the current drawing works well and the details that Mr. Radford generated, from inspections and cleanouts would be incorporated.

Mr. Rowe asked if Staff could approach Bonita Bay Group (BBG) to ask where the deviation from the plan occurred. Mr. Robson indicated that it is complicated because the backbone system was installed by BBG but individual neighborhoods were permitted through Collier County and may have been modified, such as Medici. Mr. Tarr stated that houses were

built on easements, where drain pipes were supposed to go directly into the lake. A house was built with a drain box in the middle so, modifying the pipe would require going under the slab.

Mr. Adams advised that it would take days or weeks to pull permits on the SFWMD’s e-permitting site and verifying each permit.

Regarding the Associations proposal, Mr. Tarr explained that the MCA 48” pipe that is 90% blocked would cost over \$6,000 to clean, which is.

**TENTH ORDER OF BUSINESS**

**Approval of January 20, 2016 Regular Meeting Minutes**

Mr. Adams presented the January 20, 2015 Regular Meeting Minutes and asked for any additions, deletions or corrections.

This item was deferred to the next meeting.

• **Action Items**

This item was not discussed.

**ELEVENTH ORDER OF BUSINESS**

**Other Business**

Mr. Tarr reviewed the ledgers and financial information and discovered that the bank charges a monthly analysis fee for the new account and questioned whether the District must pay the fee, which is over \$600 per year, since the fees than the interest received. Mr. Adams indicated that, according to SunTrust, this was an account management fee. There is a base amount of \$25, a \$25 fee for computer access, and other fees, such as wire fees. Even banks like Iberia Bank and smaller banks charge fees.

Mr. Tarr compared the debt service schedules in the financials from last year, to this year, and noticed no consistency with balance amounts and maturity dates. Mr. Bishko recalled removing unapplicable data. Mr. Adams will review the financials with Mr. Tarr after the meeting.

**TWELFTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Wilson advised that Senate Bill 516, making financial data searchable by specific method, did not pass. Staff is continuing to review bills before the Florida Legislature and coordinating with the District Manager to ensure that all new requirements are met.

**B. Engineer**

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

**C. Manager**

**i. Approval of Unaudited Financial Statements as of March 31, 2016**

Mr. Adams presented the Unaudited Financial Statements as of March 31, 2016. As noted earlier in the meeting, on Page 2, the \$125,000 budgeted under “Aquascaping” was not used. The canna lily cutback was planned for this line item but was halted. The \$30,000 budgeted under “Lake bank stabilization”, remained unspent, due to continually high water levels. He suggested using the excess funds for “Capital outlay-aeration”, which was estimated to cost \$73,000, against a \$50,000 budget.

**On MOTION by Mr. Rowe and seconded by Mr. Nails, with all in favor, the Unaudited Financial Statements as of March 31, 2016, were approved.**

**ii. 588 Registered Voters in District as of April 15, 2016**

Mr. Adams reported that there were 588 registered voters residing within the boundaries of the District as of April 15, 2016.

**iii. NEXT MEETING DATE: August 17, 2016 at 11:00 A.M.**

Mr. Adams indicated that the next meeting will be held on August 17, 2016 at 11:00 a.m., at this location. August 17 would be the Public Hearing on adoption of the Fiscal Year 2017 budget. Mr. Adams will poll the Board for a meeting in late August or early September, as a quorum could not be established for the August 17 meeting.

**THIRTEENTH ORDER OF BUSINESS**

**Supervisors’ Requests**

Mr. Tarr asked if the District funds flow through the SunTrust General Fund 001 account. Mr. Adams replied affirmatively, especially County receipts. Any receipts not belonging to the General Fund are transmitted to the Debt Service Fund. In response to Mr. Tarr’s question, Mr. Adams explained that, once the bond payment is transmitted to US Bank, the money is placed into an investment vehicle. Mr. Tarr confirmed that the maximum balance was slightly over \$1 million and asked if the balance ever was more than \$1 million. Mr. Adams replied no.



Mr. Tarr questioned the open issue about the Rules of Procedure (ROP) calling for \$2 million of crime coverage, especially since the District cannot secure more than \$1 million at any one time.

Mr. Adams advised that Wrathell, Hunt and Associates, LLC (WHA) implemented a new internal policy whereby, anytime accounts payable makes a payroll run, a transfer of balance will be made from the General Fund to the Debt Service Fund, monthly, at a minimum. Mr. Tarr asked if it was easier to send a copy of the bank account. Mr. Adams indicated that the purpose of the statement was to show where the money was and where the money went. Mr. Tarr noted that the money flow tells the entire story and Page 1, of the General Fund, shows what has taken place.

Mr. Adams reported that, as of mid-February, the District had \$804,000 of the 2012 revenues in the General Fund, which was transferred out, and was an accumulation of collections from late November, December and January. Funds will be transferred each month, as they are received, so that the District will never reach this level.

Mr. Tarr reiterated that, unless there is a reason why \$2 million in crime coverage was necessary, the District cannot secure more than \$1 million at any one time. Mr. Adams stated that the amount exceeds \$1 million, for a short time, especially in January, as a major portion of assessment collections are received in December. Mr. Tarr pointed out that the ROP are not being changed but there is a violation of the ROP because they call for \$2 million in crime coverage. Mr. Adams advised that the ROP would be changed to reflect the requirement of the \$1 million in crime coverage, as well as the results of District Counsel's review of the last legislative session, which is concluding.

Mr. Tarr asked if a motion was necessary, recognizing that the ROP require the District to have \$2 million in crime coverage, if the District should be done and the violation would continue. Mr. Adams felt that it was a moot issue, as the District had \$2 million of coverage; \$1 million from WHA and \$1 million specific to the District and the language in the ROP would be amended. Mr. Adams preferred to amend the ROP once. Ms. Wilson advised that two notices must be published and it was more cost effective to run the ads one time. Mr. Adams requested that District Counsel review and amend the ROP, based on the last legislative session, focusing primarily on lowering the crime coverage from \$2 million to \$1 million.

Mr. Adams will run the ads to amend the ROP at the August meeting.

Mr. Tarr questioned the latest date to hold the Public Hearing. Mr. Adams indicated that Lee and Collier Counties set a deadline of September 15, even though the deadline, according to the Statute was October 1.

**FOURTEENTH ORDER OF BUSINESS                      Adjournment**

There being nothing further to discuss, the meeting adjourned.

**On MOTION by Mr. Rowe and seconded by Mr. Tarr, with all in favor, the meeting adjourned at 12:50 p.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

  
Secretary/Assistant Secretary

  
Chair/Vice Chair