

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

A Regular Meeting of the Mediterra North Community Development District's Board of Supervisors was held on **Thursday, October 20, 2016, at 9:30 a.m., at The Renaissance Center, 28121 Palmira Blvd., Bonita Springs, Florida 34135.**

Present were:

Frank Godshall	Chair
David Risley	Vice Chair
Thomas H. Van Tassel	Assistant Secretary
Brian Neary	Assistant Secretary
David Bocchini	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Crismond	Assistant Regional Manager
Lindsay Whelan (<i>via telephone</i>)	Hopping Green & Sams
Dave Robson (<i>via telephone</i>)	District Engineer
Robert Greenberg	Chair, Mediterra South CDD
Ken Tarr	Vice Chair, Mediterra South CDD
Greg Pick	General Manager, MCA

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Godshall called the meeting to order at 9:34 a.m., and noted, for the record, that all Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

Mr. Robert Greenberg, Mediterra South CDD Chair, discussed his vision for Mediterra. The four stakeholders in Mediterra are The Club at Mediterra (The Club), the Mediterra Community Association (MCA) and the CDDs. In the past, the law made it impossible for Mediterra North to meet in Mediterra. There are two Boards and two budgets; yet, all of the stakeholders have the same interests, to protect and improve property values and maintain the aesthetics, water quality and stormwater management. Mr. Greenberg's goal was to merge the CDDs and forge a closer relationship with the MCA and The Club. According to District

Counsel, the CDD that would survive the merger would be Mediterra South, which would enable the District to meet in Mediterra and, at some point, become a Homeowners' Association (HOA). Three stakeholders would operate Mediterra as one entity, except for The Club, sports facilities and the golf course.

Mr. Greenberg stated that the merger review process began yesterday, at the Mediterra South meeting. A community workshop about the merger would be held and he wanted the Mediterra North Board to assist, in that effort. If there were political issues, Mr. Greenberg would relinquish his seat, as he felt that the merger was in the best interests of all property owners. It made sense to merge; however, it must be "sold" to the community. Mr. Greenberg hoped that the Mediterra North Board would be a partner in the endeavor.

With regard to cost savings, Mr. Neary asked if documentation was available because, in the information provided to the Mediterra North Board, a \$100,000 expense was projected, in order to bring about the merger; therefore, he questioned whether there were any offsetting cost savings. Mr. Greenberg had no answer but acknowledged that it was clearly an issue; however, he advised District Counsel of his belief that the merger would not cost \$100,000. Mr. Greenberg was willing to put the merger out for bid, as cost is a consideration. If the merger cost \$100,000 and resulted in a \$25,000 per year cost savings, the District would recover the expenditure in four years. Mr. Neary asked if Mr. Greenberg anticipated having cost savings documentation for the workshop. Mr. Greenberg replied affirmatively.

Mr. Greenberg pointed out that some Board Members would no longer be able to serve because the surviving CDD would only have five Supervisors; he would relinquish his seat, if necessary.

Mr. Greenberg stated that the Mediterra South Board voted to remove the spikerush on Lakes 71 and 72. Next spring, a different type of planting would be considered to improve the aesthetics and water quality. Yesterday, the Mediterra South Board instructed the District Manager to secure a proposal for water testing of each lake in Mediterra South and, if Mediterra North did not follow suit, it would affect Mediterra South, and vice versa. As one entity, testing would be performed once. Mr. Greenberg urged the Mediterra North Board to partner with Mediterra South in the merger.

Mr. Neary stated that, with regard to the merger, the Mediterra North Board anticipated that the community's concern would be cost. Mr. Greenberg agreed that cost must be addressed; the cost, financial benefits and non-financial benefits would be provided.

Mr. Godshall stated that the merger would be more streamlined than it would have been last year but felt that the timeline was very cumbersome, as it would take approximately one year. Mr. Greenberg felt that, when dealing with State government, one year was not surprising. Mr. Adams pointed out that the CDDs span County lines and are therefore required to apply with the Florida Land and Water Adjudicatory Commission (FLWAC), a State entity consisting of the Governor and his Cabinet, which would slow the timeline considerably.

Mr. Greenberg stressed the importance of community involvement to build political momentum. Mr. Bocchini asked about the prospects. Mr. Greenberg indicated that District Counsel felt that the merger was possible, as did he but it must be done properly, to be successful.

In response to a question, Mr. Adams stated that Hopping Green & Sams (HGS) was involved with several mergers; however, he was not personally involved in any successful mergers. Ms. Whelan stated that HGS was involved in two mergers between four Districts, both in the Jacksonville area. In response to a question from Mr. Neary, Ms. Whelan stated that the expenses were similar to those in the memo in the agenda package. The process would be similar to the one establishing a new district, so the cost of the mergers and the cost to establish a new district were reviewed in order to estimate the cost. In a merger with similar costs, the return on investment (ROI) was three to five years but it may be different for Mediterra.

Mr. Greenberg stated that Mediterra South was issuing an RFP for banking services and insurance, as it was felt that local institutions should be used.

THIRD ORDER OF BUSINESS

Consideration of Consent Order with South Florida Water Management District and The Club Settling the Early 2015 Conservation Area Notice of Violation

Mr. Adams distributed a revised Consent Order, based on additions made at yesterday's Mediterra South meeting.

The following changes were noted:

Page 4, 10, Line 6: Insert "solely" between "undertaken" and "by"

Page 4, 10, Line 7: Insert "The District has no evidence to the contrary" after "NOV."

Page 5, 13, Line 5: Insert "and the District" between "Respondents" and "agree"

Page 5, 15, Line 3: Insert “solely by The Club and not Mediterra North and/or Mediterra South” after “violated.”

Page 9, 24, Line 4: Insert “not corrected within a reasonable amount of time given the nature of the violation” after “Order.”

Mr. Adams stated that the Consent Order would be sent to The Club, to approve the modifications, and then submitted to SFWMD and SFWMD’s General Counsel, for approval. Assuming that all parties agree, the Consent Order would be presented to the governing board of the SFWMD, for final adoption.

On MOTION by Mr. Neary and seconded by Mr. Bocchini, with all in favor, the Consent Order with South Florida Water Management District and The Club Settling the Early 2015 Conservation Area Notice of Violation, as amended, was approved.

FOURTH ORDER OF BUSINESS

Consideration: Second Year Option to LakeMasters Contract for Lake and Wetland Maintenance in the Amount of \$151,140.00

Mr. Adams stated that the LakeMasters Aquatic Weed Control, Inc., (LakeMasters) contract for lake and wetland maintenance was a one-year contract with a second year option, at the same amount as the first year. The Mediterra South Board approved their portion.

On MOTION by Mr. Neary and seconded by Mr. Van Tassel, with all in favor, the Second Year Option to the LakeMasters Aquatic Weed Control, Inc., contract for lake and wetland maintenance, in the amount of \$151,140.00, was approved.

FIFTH ORDER OF BUSINESS

Discussion: Potential Increase in Water Quality Testing Locations and Parameters

Mr. Adams stated that the water quality testing increase was initiated by Mediterra South; they chose to identify the water quality and set a base line, for comparison with SFWMD’s standards. A pricing guide was distributed and Mr. Adams explained that Pelican Landing performed a one-year lake health assessment study with Dr. Serge Thomas, a professor from

Florida Gulf Coast University (FGCU), and decided to continue water quality testing of 10 lakes. The parameters in the guide were those for which Pelican Landing was testing. Mediterra South tasked the District Engineer with preparing a proposal to identify parameters deemed to be important by Johnson Engineering's Environmental Department and to prepare a proposal to test all lakes, one time. Mr. Adams suggested that Mediterra North authorize pursuing the proposal, using the same parameters, and to prepare a proposal specific to Mediterra North's lakes.

Mr. Adams reviewed the testing parameters.

Mr. Robson stated that there are 10 drainage basins within Mediterra North and South. A recommendation would be made, after the basins were reviewed, as to which lakes should be tested. It would be helpful for LakeMasters and Mr. Adams to identify lakes that were problematic in the past. Testing costs were per lake; therefore, testing points should be limited.

Mr. Adams anticipated that the proposal would include a price to test every lake in each District, which would be the first option, and a price to test a lake in each drainage basin, which would be the second option. For quarterly testing of 10 lakes, in Pelican Landing, and a quarterly oral presentation, the cost was \$20,000.

Mr. Neary asked what Mediterra South approved. Mr. Adams stated that a proposal would be provided by Johnson Engineering's Environmental Department to test every lake, one time, to set a benchmark. Mr. Neary recalled that the Mediterra North Board just approved a contract with LakeMasters, who is more knowledgeable about all of the lakes in the community than anyone is, and suggested asking LakeMasters to take a more active role. Mr. Adams stated that LakeMasters would be consulted to help identify the problematic lakes. The lakes would be part of Staff's recommendation for the second option, to identify one testing point in each basin, or perhaps multiple points, depending on feedback from LakeMasters. Mr. Neary stated that the Board just approved a \$151,000 contract with LakeMasters and this project was a substantial expense. Mr. Neary felt that LakeMasters should contribute some of the cost to reduce expenses to the community. Mr. Adams advised that LakeMasters was taking quarterly dissolved oxygen readings, on three lakes, at no charge. Mr. Neary recalled that water quality testing was required since The Club disposed of grass in the lake. Mr. Adams clarified that the water quality testing Mr. Neary was referring to was directly related to The Club's use of a CDD drainage pond as an irrigation holding pond and it was a requirement under The Club's Consumptive Use Permit. Mr. Neary asked about FCGU students and Dr. Thomas becoming involved to reduce the cost. Mr. Adams stated that there would be no reduction in expenses.

Mr. Van Tassel noted that the lakes existed for many years and asked if baseline testing was established. Mr. Adams replied no; there was no permit requirement to do so.

Mr. Greenberg stated that, when he became a Board Member, everyone was discussing water quality and how it affects aquatic plants and how some plants favor one chemical over another. The Board should know which plants would flourish because of the replacement costs and suggested establishing a baseline and developing a policy from the baseline. The first step would be to determine the cost. There were 10 drainage areas and Mr. Greenberg requested a proposal; no decision was made but he felt that all lakes should be tested if the cost is reasonable.

Mr. Bocchini had no issue with obtaining a proposal. The community may already meet the acceptable minimum water quality levels.

In response to a question, Mr. Adams stated that the results would help measure how the water quality compares to acceptable levels. He discussed potential issues and options for remediation.

A Board Member felt that the biggest risk was that there were no regulations regarding discharge and a large amount of Mediterra's discharge flows into Imperial Golf Village. If standards are placed on discharge and communities must certify their outflow, Mediterra had no way of storing its discharge; the system was established to flow to the gulf, so the community should be knowledgeable about its water quality.

Discussion ensued about sediment in the lakes and methods of management.

Staff would provide a proposal and Mr. Adams anticipated having Mr. Dennison present it and answer questions.

SIXTH ORDER OF BUSINESS

Discussion/Consideration: District Merger Memo from District Counsel

Mr. Adams recalled that District Counsel's memo was initiated by Mediterra South. The memo detailed the necessary steps, timeline and estimated pricing, for a merger. Mediterra South would like to schedule a joint workshop, in January or February with both Boards, The Club, the MCA, neighborhood representatives and the public. There would be a PowerPoint presentation outlining the pros and cons of the merger.

Mr. Godshall asked about the process of transitioning from 10 Board Members to five. Mr. Adams stated that the initial resolution would require the selection of the initial five Board Members, to be chosen by the current Boards. Ms. Whelan stated that there was no statutory

framework for choosing the five Board Members. It would be memorialized, perhaps in the Merger Agreement approved by the Merger Approval Resolution.

With regard to the meeting location, Mr. Greenberg stated that, if Mediterra South were the surviving entity, CDD meetings would be held in Mediterra South. Mr. Godshall asked why a new entity could not be created. Mr. Greenberg understood that it would be more expensive to create a new entity. Mr. Adams asked Ms. Whelan if it would be more efficient to abolish both CDDs and establish a new district or for one CDD to annex the other and if there was a preference for Bonita Springs versus Collier County. Ms. Whelan stated that, if a district crosses County lines, the district is required to hold its meetings, maintain records and publish notices where the majority of the acreage lies, which is Mediterra South; however, a district may be renamed during the merger process. Instead of calling it Mediterra South, it could be named Mediterra CDD. Ms. Whelan would research the associated costs and time and provide a response in January.

- **Discussion of Lake Depth**

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

Mr. Adams stated that the ponds were excavated to spec but were shallower than typical. The ponds were permitted to be much deeper but the excavated depth was allowable. Mr. Bocchini inquired about the expense for dredging. Mr. Adams replied hundreds of thousands of dollars, perhaps millions. Mr. Neary noted that the lakes, on the west side, were very shallow.

SEVENTH ORDER OF BUSINESS

Follow-Up Discussion: Wildfire Break and Controlled Access Report Presented at August Meeting

Mr. Adams recalled a presentation from Ms. Sarah Webber, at the last meeting, regarding controlled access. The Mediterra Wildfire Access Assessment and Recommendations Report was provided, afterwards. Staff would like to hold a joint workshop, in the same time frame as the merger workshop, but separately. The MCA, The Club, residents, the Fire Control and Rescue District (FCRD) and Florida Forest Service (FFS) would participate, to provide a better understanding of where there may be issues and the impacts of addressing or not addressing them, and how to proceed. Mr. Neary felt that Ms. Webber provided a very detailed, excellent report but surmised that it would be a substantial expense to carry out the recommendations. Mr. Adams would ask Ms. Webber to provide summary costs on a per acre basis. Mr. Bocchini

felt that the cost might be smaller for a reasonably large percentage of return, as not all recommendations may be necessary. Mr. Greenberg stressed the importance of educating the community about potential risks.

The Board concurred with holding a joint wildfire workshop.

EIGHTH ORDER OF BUSINESS

Consideration of Authorizing the Manager to Issue an RFP for Insurance

Mr. Godshall referred to Mr. Greenberg's earlier discussion about Mediterra South issuing an RFP for insurance and banking. Mr. Adams suggested obtaining both prices at the same time. Mr. Dallas Luby, a Mediterra South CDD Board Member, was assisting with developing the RFP and Mr. Pick provided the RFP recently used by the MCA. The goal was to advertise the RFP in the next week and obtain proposals two or three weeks after, for discussion at the next CDD meetings. Mr. Adams noted that, if a merger occurred, insurance costs would be further reduced.

The Board authorized the District Manager to issue an RFP for insurance and banking.

NINTH ORDER OF BUSINESS

Presentation/Discussion: Community-Wide Palm Tree Replacement Strategies

Mr. Adams stated that a certain variety of palm tree was planted for their beauty; however, their natural habitat is in dry areas of the country and Mediterra has wetter conditions. As a result, the palms were susceptible to fungus, in particular, Gamma Derma, which was prevalent in Southwest Florida. The only option for a tree that contracts this particular disease is to remove it. Rather than purchasing new date or canary palms, the MCA has been relocating existing palms. Since Mediterra North does not have any of these palms within its areas, the information was provided for informational purposes only.

Mr. Ken Tarr, Mediterra South Vice Chair, stated that, in the wildfire report, Medici Way was noted and the plants behind the homes were referred to as "the gasoline of the plant world". The Club was removing the plants to improve the view of the golf course and homeowners were pleased that a fire prone plant was being removed. The report also indicated that the bridges in the preserves were not marked with the weight carrying capacity for fire equipment; therefore, fire trucks would not cross them if the weight capacities were not known. Many inexpensive improvements could be made.

TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of August 31, 2016

Mr. Adams presented the Unaudited Financial Statements as of August 31, 2016. “Revenues” were 100% collected, year-to-date. Items over budget were highlighted. “Legal” was related to the additional efforts for the Consent Order and the merger review and memorandum. “Engineering” was related to the Mediterra Wildfire Access Assessment and Recommendations report. “Insurance” was due to the increase in Directors and Officers (D&O) coverage, from \$1 million to \$5 million. “Capital outlay – aeration” was the result of the Board adopting a policy to aerate all lakes in Mediterra North. Expenses were at 74%, cumulatively.

On MOTION by Mr. Neary and seconded by Mr. Risley, with all in favor, the Unaudited Financial Statements as of August 31, 2016, were accepted.

ELEVENTH ORDER OF BUSINESS

Approval of August 18, 2016 Public Hearing and Regular Meeting Minutes

Mr. Godshall presented the August 18, 2016 Public Hearing and Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Mr. Van Tassel and seconded by Mr. Neary, with all in favor, the August 18, 2016 Public Hearing and Regular Meeting Minutes, as presented, were approved.

TWELFTH ORDER OF BUSINESS

Other Business

There being no other business, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being no report, the next item followed.

B. District Engineer

There being no report, the next item followed.

C. District Manager

i. NEXT MEETING DATE: January 19, 2016 at 9:30 A.M.

Mr. Adams stated that the next meeting will be held on January 19, 2016 at 9:30 a.m., at this location.

D. Operations Manager

• Dissolved Oxygen Report Update

Ms. Crismond reported that the dissolved oxygen readings were included in the agenda and were status quo. LakeMasters was taking the readings at no charge; however, if water quality testing commences, dissolved oxygen readings would no longer be necessary.

FOURTEENTH ORDER OF BUSINESS Supervisors' Requests

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

FIFTEENTH ORDER OF BUSINESS Public Comments

Mr. Greenberg invited the Mediterra North Board to attend the MCA meeting on October 27, 2016 at 3:00 p.m., and the Mediterra South CDD meeting on November 29, 2016 at 9:00 a.m.

With regard to two or more Mediterra North Board Members attending a Mediterra South CDD meeting, Ms. Whelan advised that North Board Members may attend; however, they must be cautious about providing public comments. If more than one Mediterra North Board Member wished to provide comments at the Mediterra South CDD meeting, a workshop for the Mediterra North CDD may be noticed for the same time and location.

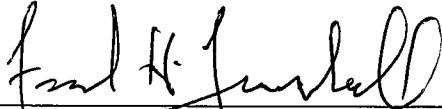
Mr. Greenberg asked if Mediterra North could issue a public notice indicating that the Board would be attending the Mediterra South CDD meeting. Ms. Whelan replied affirmatively. A workshop may also be noticed for the same time, where no Mediterra North Board action would be taken but minutes must be recorded and there must be a Call to Order for the Mediterra North CDD, followed by a Call to Order for the Mediterra South CDD.

SIXTEENTH ORDER OF BUSINESS Adjournment

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

**On MOTION by Mr. Neary and seconded by Mr. Van Tassel,
with all in favor, the meeting adjourned at 11:10 a.m.**


Secretary/Assistant Secretary


Chair/Vice Chair