

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

Two (2) Public Hearings and a Regular Meeting of the Mediterra North Community Development District's Board of Supervisors were held on **Thursday, August 10, 2017, at 9:00 a.m., at The Renaissance Center, 28121 Palmira Blvd., Bonita Springs, Florida 34135.**

Present were:

David Risley <i>(via telephone)</i>	Chair
David Bocchini	Vice Chair
Thomas H. Van Tassel	Assistant Secretary
Brian Neary	Assistant Secretary
Robert Stangeland <i>(via telephone)</i>	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Jonathan Johnson <i>(via telephone)</i>	District Counsel
Andrew Tilton	District Engineer
Mallory Clancy	Johnson Engineering
BR	
Jack Woulette	<hr/> Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 9:05 a.m. Supervisors Bocchini, Van Tassel and Neary were present, in person. Supervisors Risley and Stangeland were attending via telephone.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

There being no public comments, the next item followed.

THIRD ORDER OF BUSINESS

Update: Merger Proceedings

Mr. Johnson stated that the City of Bonita Springs and Collier County did not object to the merger and elected not to hold hearings; however, the hearing before the State

Administrative Law Judge was scheduled for September 5, at the Mediterra Clubhouse. Although it would be a Public Hearing, Board Members were not required to attend or testify but the testimonies of District Staff would be necessary. After the hearing, the Judge will prepare the Report of Findings and Conclusions, followed by a gradual review process and postings of various notices in publications. Mr. Johnson took questions. An update would be provided at the next meeting. In response to a question regarding when the process would be completed, Mr. Johnson stated that the estimated timeline for finalization was by the second quarter of 2018. In response to a question regarding the merger's impact on audits, Mr. Johnson stated that two separate audit documents would be prepared for one merged District and, eventually, the District would have one audit contract, one District Manager contract and one District Counsel contract. Mr. Risley asked if the two counties would require any special reports, after finalization. Mr. Johnson stated that the merger would not trigger any special reporting requirements beyond what the Districts already filed, such as copies of the proposed budget, audits and other public documents; instead of two Districts filing in two counties, the one District would file with both counties. Regarding the budgets and tax rolls, Mr. Adams stated that two separate lien rolls were already prepared for the two respective counties and that process would continue. The first phase of the merger moved swiftly but the second phase would move slower.

FOURTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Adoption of the District's Final Budget for Fiscal Year 2017/2018, Pursuant to Florida Law

A. Affidavit/Proof of Publication

Mr. Adams presented the affidavit of publication for today's Public Hearing and Regular Meeting. The newspaper notice did not run in a timely enough manner for today's Public Hearing and adoption of the Fiscal Year 2018 budget, which was why it must be continued to August 31 at 9:30 a.m., at this location. Separate mailed notices were sent, on time, to all property owners, indicating that today was the Public Hearing date, allowing them to comment on the contemplated assessment increase in the operating budget. The primary purpose of the increase was related to the Wildfire Assessment and Mitigation Plan. Mr. Adams stated that the Plan was previously prepared and there was a preliminary application meeting with the South Florida Water Management District (SFWMD), which the District Engineer would comment on,

later in the agenda. Funding of approximately \$160,000 was anticipated. The Board opted to fund \$80,000 of the cost in Fiscal Year 2017, as real cost, and would fund \$80,000 in Fiscal Year 2018. In response to a question regarding additional funds, Mr. Adams stated, once the merger was complete, the District Manager’s fees would be less than the combined amount for the two Districts, which would offset that cost going forward. Discussion ensued regarding the additional expenses, wildfire mitigation and the Fiscal Year 2017 budget.

*****Mr. Adams opened the Public Hearing.*****

No members of the public spoke.

Mr. Adams kept the Public Hearing open and reiterated that the Regular Meeting and Public Hearing would be continued to August 31.

B. Consideration of Resolution 2017-6, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2017, and Ending September 30, 2018

This item was deferred to the Continued Meeting.

FIFTH ORDER OF BUSINESS

Public hearing to Hear Comments and Objections on the Imposition of Special Assessments to Fund the Budget for Fiscal Year 2017/2018, Pursuant to Florida Law

A. Mailed Notice(s) to Property Owner(s)

B. Consideration of Resolution 2017-7, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2017/2018; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

This item was deferred to the Continued Meeting.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2017-8, Adopting the Annual Meeting Schedule for Fiscal Year 2017/2018

Mr. Adams presented Resolution 2017-8. A revised Annual Meeting Schedule, with the typographical error related to Meeting #3, was corrected.

On MOTION by Mr. Bocchini and seconded by Mr. Van Tassel, with all in favor, Resolution 2017-8, Adopting the Annual Meeting Schedule for Fiscal Year 2017/2018, as amended, was adopted.

SEVENTH ORDER OF BUSINESS

Update: Wildfire Resilience and Preserve Management Plan

Mr. Tilton and Ms. Clancy provided an update on the Wildfire Resilience and Preserve Management Plan. Ms. Clancy stated that the originally proposed Wildfire Management Plan included both fuel load reduction, for clearing within the conservation area, and firebreak paths that would help hinder the movement of wildfires and provide access for fire trucks. It became apparent that the firebreak paths would reduce the amount of conservation area and mitigation would be necessary because the lone path would have to be maintained, either with mowing or with mulch application. The estimated mitigation cost of \$60,000 to \$120,000 was based on the level that the District would be required to reduce. In response to Mr. Risley’s question regarding mitigation, Ms. Clancy stated that all of the available mitigation within the Mediterra community was already used in the conservation areas and, by removing more square footage for the paths, the District was required to mitigate in another area. Mr. Tilton stated that the cost estimate was based upon the quality of the areas that would be affected by the path and funds for the improvement would be transferred to a mitigation “bank” to purchase credit. Another option was to perform a fuel load reduction without a declared path, which was a decision for both Boards. The Management Plan was flexible and did not require mitigation. In response to Mr. Risley’s question regarding pricing, Mr. Tilton stated that the cost would be about the same and recommended staying the course and completing the initially-targeted areas with fuel load reduction and no path. Mr. Tilton would provide Management with an estimate of the total cost to perform fuel load reductions, across of the conservation areas. Discussion ensued regarding fuel load reduction, installing firebreak paths, the Management Plan, the cost estimate, the budget and purchasing mitigation credits. Mr. Tilton stated that, from a permitting standpoint,

Engineering encountered similar conditions in other communities and opted for just fuel reduction

******Mr. Stangeland left the meeting at 9:35 a.m.******

Mr. Risley felt that there should be a joint meeting with the Mediterra South CDD Board to arrive at a consensus. Mr. Adams agreed that a Joint Workshop was a good idea. In response to a question, Mr. Adams stated that mitigation was not feasible because the District did not have extra funding; however, the District could still address the original priority, which was to reduce fuel load in critical areas where the preserves were close to neighborhoods and to prevent fires from burning intensely adjacent to homes. Mr. Adams would meet with Mediterra South CDD on August 16, provide an update to this Board, during the August 31 Continued Meeting and schedule a joint session, in October, to determine how to proceed. In response to a question, Mr. Adams confirmed that the first option would be a one-time expense of \$300,000, with ongoing expenses of \$40,000 to 50,000.

EIGHTH ORDER OF BUSINESS

Consideration of Responses to RFP for Annual Audit Services (Sitting as the Auditor Selection Committee)

Mr. Adams recalled that the Board previously approved the form of Request for Proposals (RFP). In response to a question about the current audit fee, Mr. Adams stated that Grau & Associates charged \$6,500. Mr. Risley stated that, when someone inquired about the potential of a combined District, the cost escalated, significantly. Mr. Adams stated that the Mediterra North District's audit fees were for the operating fund, while the Mediterra South CDD included a couple of debt service funds, which was the reason for the increase. As the Districts merge, the requirements will recede and the audit contract for Mediterra North would eventually terminate and the final fiscal year's operating transactions would be housed with Mediterra South, the surviving District.

A. RFP Package

This item was included for informational purposes.

B. Affidavit of Publication

This item was included for informational purposes.

C. Respondents

- i. **Berger, Toombs, Elam, Gaines & Frank**
- ii. **Carr, Riggs & Ingram, LLC**
- iii. **Grau & Associates**
- iv. **McDermitt Davis & Company, LLC**

The Board sat as the Auditor Selection Committee and completed their ranking forms. In response to a question, Mr. Adams stated that all four firms were qualified, understood the scope; pricing was the final consideration and the lowest bidder was usually awarded the contract, after all elements were considered.

D. Ranking

The Audit Committee completed their ranking forms.

E. Award of Contract/Authorization to Negotiate with Number-One Ranked Firm

Berger, Toombs, Elam, Gaines & Frank (Berger, Toombs) ranked first and the Audit Selection Committee authorized Staff to enter into contract negotiations with Berger, Toombs.

On MOTION by Mr. Neary and seconded by Mr. Bocchini, with all in favor, awarding the Annual Audit Services contract to Berger, Toombs, Elam, Gaines & Frank, the Number-One ranked firm, and authorizing Staff to negotiate a contract, was approved.

NINTH ORDER OF BUSINESS

Approval of Unaudited Financial Statements as of June 30, 2017

Mr. Adams presented the Unaudited Financial Statements as of June 30, 2017. Assessment revenue collections were at 100%. Mr. Bocchini wanted to know why the “Supervisors” line item was at 142%. Mr. Adams stated that Mediterra South CDD meets 10 times per year and Mediterra North only met quarterly; however, additional meetings occurred, due to the merge process, which could last until April or May, 2018, Once the Districts merge, the amount should decrease.

On MOTION by Mr. Neary and seconded by Mr. Van Tassel, with all in favor, the Unaudited Financial Statements as of June 30, 2017, were approved.

TENTH ORDER OF BUSINESS

Approval of May 18, 2017 Regular Meeting Minutes

Mr. Adams presented the May 18, 2017 Regular Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Mr. Neary and seconded by Bocchini, with all in favor, the May 18, 2017 Regular Meeting Minutes, as presented, were approved.

ELEVENTH 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

In response to a comment, Mr. Adams confirmed that he would share the Board's comments on the Wildfire Management Plan with Mediterra South at the August 16 meeting and, subsequently share their feedback with this Board, at the August 31 meeting. A joint meeting, in October, was anticipated.

D. Operations Manager

Mrs. Adams distributed the Operations Report. She provided updates on the following items:

- The annual lake audit was performed on July 23
- There were two erosion issues: Lake #75, a resident must extend a gutter from their home into the pond and on Lake#32, erosion between two resident lots requires additional drain boxes and extension of drainage pipe into the lake
- The interconnecting pipes were being maintained and would be completed in two weeks
- Littoral plantings would be installed in Lakes #9, #19, #69, #71 and #72
- The lakes received a favorable review, overall – only seven of the 75 lakes were out of compliance and LakeMasters Aquatic Weed Control Inc., (LakeMasters) already addressed those lakes

Board Member commented that LakeMasters was doing a wonderful job monitoring the lakes. Mrs. Adams stated that LakeMasters kept all of the spikerush from encroaching but there would be an increase in fees in the next fiscal year.

➤ Mrs. Adams previously emailed an update about the aeration insulation project

Regarding the overall good condition of the lakes, Mr. Tilton stated that all of the stormwater ponds or lakes were directly connected to the surficial aquifers and, depending on the rainfall, the water levels fluctuate. A Board Member asked if there were dramatic drops in Florida’s aquifers. Mr. Tilton stated that the surficial aquifers were rain-driven and the Florida aquifer was surficial, in the middle of the State, which had significant water level drops, and there was an effort to change the water source.

TWELFTH ORDER OF BUSINESS

Supervisors’ Requests

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

THIRTEENTH ORDER OF BUSINESS

Public Comments

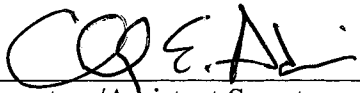
Mr. Jack Woulette, a resident, thanked the Board and Staff for making common sense decisions regarding the Wildfire Management Plan.

FOURTEENTH ORDER OF BUSINESS

Continuation of Regular Meeting and Budget Public Hearings to Thursday, August 31, 2017 at 9:00 A.M.

There being nothing further to discuss, the meeting recessed and was continued to Thursday, August 31, 2017 at 9:30 a.m., at this location.

On MOTION by Mr. Neary and seconded by Mr. Van Tassel, with all in favor, the meeting recessed at approximately 10:13 a.m., and was continued to Thursday, August 31, 2017 at 9:30 a.m., at this location.


Secretary/Assistant Secretary


Chair/Vice Chair