

**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, October 18, 2017 at 9:00 a.m., at The Sports Club at Mediterra (Bella Vita Room), 15735 Corso Mediterra Circle, Naples, Florida 34110.

Present and constituting a quorum were:

Robert Greenberg	Chair
Ken Tarr	Vice Chair
Mike Bishko (<i>via telephone and in person</i>)	Assistant Secretary
John Henry	Assistant Secretary/Assistant Treasurer
Dallas Luby	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Robert Rebey	Wrathell, Hunt and Associates, LLC
Mallory Clancy	District Engineer
Alyssa Willson (<i>via telephone</i>)	District Counsel
Tim Richards	Mediterra Community Association GM
David Square	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 9:02 a.m. Supervisors Greenberg, Tarr, Luby and Henry were present, in person. Supervisor Bishko was not present at roll call.

SECOND ORDER OF BUSINESS

Chairman's Opening Remarks

There being no opening remarks from the Chairman, the next item followed.

THIRD ORDER OF BUSINESS

Public Comments [3 minutes per person]

There being no public comments, the next item followed.

FOURTH ORDER OF BUSINESS

Update: Lake Aeration Project

In response to Mr. Greenberg's inquiry, Mrs. Adams stated that the aeration project was completed and Johnson Engineering would certify the completion. Upon approval, an invoice for final payment would be submitted. Mr. Greenberg would like to circulate a letter informing residents that the aeration project was completed on budget and on time and suggested that the letter address items such as the merger. Mr. Greenberg wanted to do it with Mediterra North CDD's concurrence, since the Districts were in the process of merging. The letter could also include information about the Wildfire Plan and the preserves.

FIFTH ORDER OF BUSINESS

Update: Reimbursement Request from Spaulding for District Installation of Aerators in Lakes 75 and 76

Mr. Adams stated that the District received 50% reimbursement from Spaulding Point Development. Installation of aerators in Lakes #75 and #76 would commence. Mr. Greenberg asked if it was okay to execute the License Agreement and related documents in the Mediterra Community Association (MCA) office. Mr. Adams replied affirmatively.

SIXTH ORDER OF BUSINESS

Update: Wildfire Resilience and Preserve Management Plan

Ms. Clancy distributed an updated Wildfire Resilience and Preserve Management Plan (Plan) and a Fuel Reduction Opinion of Probable Cost (OPC). All language referring to the firebreaks and paths was replaced by Home Ignition Zone (HIZ) 1, 2 and 3, for any area within 100' from finished building construction and HIZ 4, was for everything beyond 100'. Ms. Clancy stated that the entire Conservation Area would be considered HIZ 4. Mr. Greenberg asked if the Plan included implementing shaded breaks, instead of the paths, to avoid mitigation. Ms. Clancy replied affirmatively.

Mr. Greenberg introduced Mr. Tim Richards, the new General Manager of the MCA, and updated him on the Lake Aeration project, the Plan and Johnson Engineering's involvement. Ms. Clancy stated that the technical term for the Plan was a "Preserve Management Plan" because the South Florida Water Management District (SFWMD) required CDDs to have a Preserve Management Plan for maintenance, work or fire prevention within the Conservation Area. She stated that mowing, cutting, mulching or removal of anything from the path was

considered removal from the Conservation Area and the District would have to mitigate by buying credits in another Conservation Area, which would be quite costly. Instead, Staff referred to what would have been cutting paths as a HIZ, in excess of 100' from the home, and described the fuel load reduction as the removal of vegetation, vines, dead pieces with no actual tree removal, grinding, mowing and creating meandering paths, which would eliminate a need for mitigation.

******Mr. Bishko joined the meeting, via telephone, at approximately 9:16 a.m.******

The Opinion of Probable Cost (OPC) was updated and included room for clearing and, according to the Plan, requires maintenance every three to five years. She included the cost for the first year, which would be for HIZs 1 through 4 being cleared and the five-year total, which would be for subsequently maintaining the HIZs that need to be done every year and every two years. In response to Mr. Greenberg's question, Ms. Clancy would circulate an updated probable cost sheet, including a HIZ clearing schedule.

******Mr. Bishko left the meeting, via telephone, at approximately 9:20 a.m.******

Mr. Greenberg stated that the five-year costs would be approximately \$292,000; the first year costs for all four HIZs would be approximately \$113,000. He asked if the five-year costs included the first year costs of \$113,000. Ms. Clancy replied affirmatively. Mr. Greenberg commented that the increment would be approximately \$178,000 to \$180,000. Mr. Adams replied that the Plan would cost the District about \$4,500 per year, for four years. Ms. Clancy stated that HIZ 4 would be the highest cost since it covered the largest area of clearing; therefore, she took an estimated percentage of EarthBalance's quote for the shaded fuel break acreage and a percentage of that, over the entire acreage of the conservation area. That was the highest cost but would only need to be cleared every three-to-five years. Clearing HIZ 3 was recommended only every two-to-five years. The five-year estimate assumed that the District was clearing HIZ 3 every two years and HIZ 4 every three years; it was the conservative estimate. The District could go up to five years with only clearing each of them once, which would be in the first year, and the cost would decrease \$20,000 or \$30,000 the second year and continue in spurts for years three and four.

******Mr. Bishko joined the meeting, in person, at approximately 9:33 a.m.******

Mr. Bishko asked whether it made sense to anticipate spreading the costs over the whole term and even it out, year-to-year, to avoid fluctuations in the budget. Discussion ensued

regarding the \$75 one-time assessment increase, thinking about the Plan carefully, the Plan and the numbers, \$260 per acre affecting everything under Section 33.4 of the Plan for HIZ 4 and hiring a subcontractor to complete all the work, for all the acres, for that amount. Ms. Clancy stated that the original cost for shaded fuel breaks was over the entire acreage; clearing would occur in selective areas and the meandering around trees would be completed in strips, so it would not cover the entire Conservation Area. She used all the acreage from, a budget perspective, and took a percentage of that total acreage. Mr. Greenberg understood that it would be as needed and the District could add areas, as needed. In response to a question regarding plantings, Ms. Clancy stated that there would not be any new plantings in the preserves; that language was part of the “Ecologist’s language” and could be removed from the Report. Mr. Adams stated that the District planted only in the recovery zones where work was completed, a few years ago. On behalf of the Board, Mr. Greenberg thanked Johnson Engineering and Mr. Tarr for bringing the project to completion. Mr. Greenberg would send a letter from both the CDD and the MCA alerting the community to the Wildfire Resilience Plan. The District should continue to facilitate and promote home audits, where firefighters visit individual homes, conduct audits and educate residents on ways to reduce potential wildfire damage to their properties. The audits would be more for the single-family homes and villas and not the condos. Mr. Greenberg asked Mr. Tarr to review the community map with Mr. Richards and show him the areas that were of greatest concern, such as Cortona.

Mr. Greenberg would be unable to attend the Mediterra North CDD’s meeting tomorrow and directed Mr. Adams to advise the Mediterra North CDD Board tomorrow that Mr. Richards was briefed on the Preserve Management Plan. Mr. Adams would draft and circulate a letter and commence securing proposals. Mr. Greenberg stated that this was the consensus of the Board and that a formal motion was not necessary. The Board would discuss the increased assessment and Mr. Adams anticipated that the assessment would be reduced for the Fiscal Year 2019 budget because of the savings.

SEVENTH ORDER OF BUSINESS**Update: District Merger**

Ms. Willson stated that the AOJ entered an Order recommending that the Governor and his Cabinet approve the merger. Currently, the appropriate entities were reviewing the records and she would continue to follow up to learn the appropriate next steps. Once clarification on

timing is received, from the Governor's office, she would provide an updated timeline. In response to Mr. Greenberg's question, Ms. Willson estimated that the merger would be finalized by the second quarter of 2018; she would apprise the Board upon receipt of confirmation from the Governor's office.

EIGHTH ORDER OF BUSINESS

**Discussion: Drainage System
Performance Following August Rain
Event and Hurricane Irma**

Mr. Adams stated that there was a 100-year storm event at the end of August, followed by Hurricane Irma, two weeks later, which had a similar substantial impact. The system swelled, causing short-term flooding but the water drained out. Management hired M.R.I. UnderWater Specialists, Inc. (MRI) to check the main outfall structures to make sure that they were flowing. When they were first inspected, there was a small amount of debris in a few outfall structures, which was expected, since it was a high wind event. The debris was removed and the drainage system flowed relatively quickly, considering the high water levels in the surrounding areas. There were discharges offsite, particularly on the northwest corner into the old US 41 basin, and there was flooding on Bonita Beach Road for two weeks following the hurricane. Although the drainage system performed well, the Brendisi and Terrazza neighborhoods had flooding concerns, which Management checked. In both cases, there were minor amounts of debris facing roadside catch basins, which were cleaned upon discovery. The MCA cleaned the street drains along the roadway, which they controlled. Mr. Greenberg asked if there was good coordination between the CDD, the MCA and the neighborhoods. Mr. Adams stated that it could have been better; Management compiled maps that delineated the responsibilities between the District, the MCA and the neighborhood associations, in terms of the drainage pipe work and catch basins. Some of the District's resources were utilized by the MCA. Mr. Adams stated that a 5-year storm event was expected to have water in the street, a 25-year storm event caused water to approach driveways and a 100-year storm event could enter homes that were built to the minimum finished floor elevation. Considering the District experienced two equivalent 100-year storm events, the system performed really well. Mr. Greenberg felt that, at the annual meeting, the District should educate the community about storms and resulting drainage issues. Mr. Adams had good information distributed by SFWMD and felt that it would be worthwhile to post

it on the CDD's website. Mr. Greenberg concurred. Mr. Greenberg stated that the community should be aware of both the "good" and the "bad" and that, at the annual meeting, a presentation should be given regarding what was done between the MCA and the CDD, aeration of the ponds, the Wildfire Plan and the drainage system. In response to Mr. Adams' question, Mr. Greenberg stated that the annual meeting would be in February. Mr. Adams stated that he would attend.

Mr. Tarr discussed the catch basins and his understanding that it was a concrete box with an outfall with a flow pipe and a container or something underneath, which were probably filled with debris. Mr. Adams stated that, with a catch basin, there was typically a short drop; however, he did not know the measurement of it, from the invert of the out flowing pipe to the bottom of the box, which is intended to collect sediment during smaller rain events such as, the first quarter of an inch; however, the recent rain events would have washed those out, probably due to the velocity. Mr. Tarr asked how many of the catch basins were the CDD's responsibility. Mr. Adams replied that he would note those on the District's maps; it was wherever there was pipe work going from lake-to-lake, underneath the road. Mr. Tarr stated that they are actually on Corso and asked if they were the responsibility of the District and not the MCA. Mr. Adams replied affirmatively. Mr. Tarr felt that, during an emergency, all activities to remediate storm issues should be led by one entity, with the other two entities offering assistance, and suggested establishing a pre-ordained agreement to that effect. Mr. Greenberg concurred and felt that the CDD should take the lead, as it had the most responsibility, knowledge and expertise. Mr. Adams would coordinate with District Counsel, draft an agreement, and include the item on the next agenda. Mr. Greenberg asked Mr. Richards to include the item on the MCA's November agenda. In response to a question regarding damages, Mrs. Adams stated that there was no damage to the drainage system; however, the old and new aeration systems suffered \$10,000 in damage. Mr. Greenberg asked if repairs were made. Mrs. Adams replied that the repairs were underway. In response to Mr. Greenberg's question, Mr. Adams stated that the aeration system was not an insurable asset and, if it was, the deductible would be \$10,000. Mr. Greenberg asked Mr. Adams to review the insurance carried by the MCA and The Club to determine if the CDD should change insurance carriers or at least compare the policies.

******Mr. Bishko rejoined the meeting at approximately 9:42 a.m.******

Discussion ensued regarding insurance deductibles, risks, wind damage deductibles usually being based on a percentage. Mr. Adams would review and compare the insurance policies of the three entities and present the findings at the next meeting.

Mr. David Square, a resident, asked which waterway the CDD's systems drained into. Mr. Adams replied that the District's waterways drained into the Caloosahatchee River; the SFWMD was conducting a study and re-examining the basin, as a result of the storm. The hurricane impacted the entire region and the water levels were influenced by high tides, onshore winds that pushed water into the inlets and the flooding of the areas north and east of the I-75 intersection and Bonita Beach Road, which is a basin break. Mr. Square felt that it was wise to examine mitigation methods, if the Board felt that there was a significant flooding hazard within Mediterra. Discussion ensued regarding finished floor elevations, breached basins, mitigation measures, flooding and flood insurance. Mr. Greenberg felt that the drainage system performed very well and he did not see anything that the District could do if there was another 100-year event and water came up Bonita Beach Road; the District could not construct dykes or pumps.

Mr. Adams stated that the SFWMD was preparing a Regional Report related to recent storm events and the conclusions drawn would affect everyone residing in the region. In response to Mr. Square's question regarding the elevation of the downstream distance, Mr. Adams referred Mr. Square to the maps on the CDD website. Mr. Square requested an email with the figures. Mrs. Adams would provide the data after the meeting. The consensus was that it was the CDD's responsibility to keep the pipes clean and make sure the system worked to its designed capacity. Mr. Tarr recalled previous discussion about improving drain pipe structures to prevent blockage and asked about the status. Mr. Adams replied that the contractor would inspect the pipes in spring and then submit proposals for improvements in areas where it made sense. Mr. Greenberg stated that the Board established a process and procedure; pipe structures would be improved, incrementally.

NINTH ORDER OF BUSINESS**Approval of August 16, 2017 Public Hearings and Regular Meeting Minutes**

Mr. Greenberg presented the August 16, 2017 Public Hearings and Regular Meeting Minutes and asked for any additions, deletions or corrections. The following changes were made:

- Line 149: Change "Partiera" to "Partierre"
- Line 260: Delete "a" before "written"
- Line 260: Delete the comma after "testimony"
- Line 261: Delete the comma after "District Counsel"

On MOTION by Mr. Tarr and seconded by Mr. Luby, with all in favor, August 16, 2017 Public Hearings and Regular Meeting Minutes, as amended, were approved.

TENTH ORDER OF BUSINESS

Action Items

Mr. Bishko asked what happened to the analysis page of the financials that was supposed to be provided to him, in advance. Mr. Adams would forward the item this afternoon.

Mr. Greenberg asked if the decision to vacate responsibility for the Lakes #71 and #72 retaining walls was communicated to the homeowners in Lucarno. Mr. Adams stated that it was recorded. Mr. Greenberg directed Ms. Willson to send a letter and a copy of the actual instrument to Ms. Lisa Van Dean, in-house counsel at London Bay, Mr. Allan Fillet, President of Lucarno, and Ms. Nancy Wiedner, at Gulf Breeze, informing them of actions taken and all affected homeowners should be copied. Mr. Adams asked for a draft copy to revise, finalize and circulate to the affected homeowners and Board Members.

Mr. Greenberg asked if the Il Corsini Royal Palms issue was resolved. Mr. Adams stated that the project was rejected because the trees were not submitted for approval prior to installation. To update Mr. Richards, Mr. Greenberg explained that he observed Royal Palms within the 10' bank of a pond in Il Corsini. Mr. and Mrs. Adams were alerted and, apparently, the homeowner commenced installation of the palms without going through the architectural review process and it became an MCA issue. Mr. Adams stated that the trees were installed within the lake maintenance easement. Mrs. Adams stated that it was important to make sure that there was enough area to continue maintaining the pond and there was. Mr. Greenberg concluded that it was a matter of the homeowner paying for the restoration and going through the process.

Mr. Greenberg asked if ongoing action items, related to procedures, could be incorporated into the District's Rules or some other permanent Record of Procedures, rather than carrying them on as mere action items. Mr. Adams confirmed that he could do that.

Items 1, 2, 3, 4, and 6 were completed.

Items 5, 7, 8, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 were ongoing.

ELEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of August 31, 2017

Mr. Adams presented the Unaudited Financial Statements as of August 31, 2017. Total revenues were at 100%.

In response to Mr. Greenberg's inquiry, Mr. Adams stated that the District was on budget. A Board Member questioned the "Special assessment: on roll" line item for \$1. Mr. Adams replied that it was a rounding correction. Mr. Henry felt that, at every meeting, the Board should be assured that the savings the District planned to generate to enable the CDD to pay off the note, have occurred.

On MOTION by Mr. Henry and seconded by Mr. Luby, with all in favor, the Unaudited Financial Statements as of August 31, 2017, were approved.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

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

B. District Engineer

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

C. District Manager

- i. NEXT MEETING DATE: November 29, 2017 at 9:00 A.M. at The Club at Mediterra (Boardroom), 15755 Corso Mediterra Circle, Naples, Florida 34110**

The next meeting will be held on November 29, 2017 at 9:00 a.m., at The Club at Mediterra (Boardroom), 15755 Corso Mediterra Circle, Naples, Florida 34110.

Mr. Tarr asked about Management's plans to repair damaged lake banks. Mr. Adams stated that the preserves needed to be addressed. In response to Mr. Greenberg's question, Mr. Tarr confirmed that the inquiries were storm-related. Mr. Adams stated that Hurricane Irma's high winds caused a lot of broken branches and downed trees in the preserves and a full assessment was pending. He expected that there was more potential fire fuel since the storm. Mr. Greenberg stated that this would be a good time to clear the preserves, as the District was implementing a fire prevention plan. Mr. Adams stated that the preserves would be cleared, as the fire prevention program was already in place. Discussion ensued regarding funding sources and contractor bids.

D. Operations Manager

Mrs. Adams stated that, after the storm, Management received a few calls from homeowners indicating that downed trees from the preserves landed on their properties and asking if the CDD would remove them. Residents were informed that it was their responsibility, as the trees were on their property. Mr. Terry Wood, of the MCA, contacted Mrs. Adams regarding a resident who reported that a tree was in the pond and that the CDD should remove it. She advised the resident that, if the tree was in the pond, the CDD would take care of it; if it was in the resident's backyard, he must take of it; she requested photos, which remained pending. Management asked LakeMasters Aquatic Weed Control (LakeMasters) to inspect another pond but the water levels were too high and would put workers in danger; therefore, it was postponed to a later date.

In response to Mr. Tarr's question regarding legal responsibility for tree removal, Mr. Adams stated that, unless the owner of a tree was put on notice of a dead or defective tree, Florida case law dictated that, if a tree blows over onto an adjacent property owner, that property owner would be responsible to cut it back to the property line and remove that and any damage caused would be the adjacent property owner's responsibility as well. Consequently, the same thing was true if a homeowner's tree fell on District property. In the case where a homeowner's tree fell into a lake, it was the District's responsibility to cut and remove the tree from the lake. In response to Mr. Bishko's question, Mr. Greenberg confirmed that the damages were an "Act of God" situation. Further discussion ensued.

Mr. Greenberg asked if the next meeting could be rescheduled to January. Mrs. Adams was reviewing bids as the lake and wetland contract would expire at month's end. Mr. Adams suggested asking LakeMasters to continue servicing the District, month-to-month, until the January meeting. It was the consensus of the Board to meet in January and cancel the scheduled November 29 meeting.

Mr. Greenberg asked which seats were up for election and if anyone qualified for the November election. Mr. Adams replied that the next election would be in November 2018.

Mrs. Adams stated that EarthBalance completed landscape plantings recently and all of the neighborhoods looked good, except for one, which would be redone.

Mr. Greenberg would draft a letter to the homeowners and directed Staff to send him information regarding the merger, the Plan and the performance of the drainage system.

FOURTEENTH ORDER OF BUSINESS Public Comments

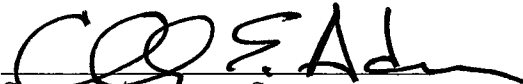
There being no public comments, the next item followed.

FIFTEENTH ORDER OF BUSINESS Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Luby and seconded by Mr. Henry, with all in favor, the meeting adjourned at 10:24 a.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair