

**MINUTES OF MEETING
MEDITERRA
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Mediterra Community Development District held a Regular Meeting on December 8, 2021 at 3:00 p.m., on the terrace adjacent to the Bella Vita I Room at the Sports Club at Mediterra, 15735 Corso Mediterra Circle, Naples, Florida 34110.

Present were:

Robert Greenberg	Chair
Ken Tarr	Vice Chair
Mary Wheeler	Assistant Secretary
Vicki Gartland	Assistant Secretary
John Henry	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant District Manager
Shane Willis	Operations Manager
Jonathan Johnson (via telephone)	District Counsel
Alyssa Willson (via telephone)	Kutak Rock, LLP
Sara Zare	MBS Capital Markets, LLC
Andy Tilton	District Engineer
Rodney Chase	Resident and MCA President
Steven Light	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 3:02 p.m. All Supervisors were present in person.

SECOND ORDER OF BUSINESS

Chairman's Comments

Mr. Greenberg stated that a lot of positive feedback was received about the Cane Toad program. He expected the program to continue in perpetuity. He suggested incorporating a brief annual report to include information related to the toad program, ponds, aerators, etc.

Mr. Adams suggested releasing the report during the first quarter of the calendar year to reach as many residents as possible such as in January or February. The consensus was that a report would be sent via e-blast and included in a newsletter. Mr. Greenberg suggested that Staff send him a draft to be reviewed by the Board. He felt that topics should be top-level and should inform property owners about what the CDD is doing. The consensus was to include programs completed and upcoming programs such as the toad program, the contingency fund, the wild fire program, etc.

Mr. Greenburg stated his term ends in 2024 and it would be his last. He felt that it is important to attract new Board Members.

THIRD ORDER OF BUSINESS

Presentation: Padova-Frescott Drain Issues on Club Property

Mr. Tilton referred to “Area Drainage maps” and discussed the following features that were changed from the original plan in the southwest portion of the CDD:

- The outfall pipe stops at the boundary, but the original plan called for it to extend to the west and then south again. Apparently, because it worked fine without additional piping the decision was made to stop at the boundary to save money. It has functioned properly without the extension.
- The drainage from Lake 57 was originally proposed to go East and then South and then into Lake 23 but it was built differently. One was not built and a connection was built across the golf course so the water from Lake 57 takes a different route to Lake 23. All piping in the area in question is owned and maintained by either the MCA or The Club.

Discussion ensued regarding the area drainage maps, the pipes, original and actual designs and ownership of the pipes. Mr. Tilton stated he was unsure of the original intention when the plan was designed, but none of the pipes in the area in that portion of the system are owned by the CDD. Mr. Greenberg asked who would be responsible if flooding occurs due to blockage. Mr. Tilton stated he was unsure but the matter must be addressed because some pipes are on MCA property and some are on The Club’s property.

Mr. Greenberg suggested that since the CDD maintains all of the other pipes, outfall structures and ponds, there is a need for a Maintenance Agreement with all stakeholders allowing the CDD to take responsibility for managing repairs and maintenance and giving the CDD the ability to charge the expenses back to the entity that owns the pipes. Mr. Johnson suggested he could formulate a draft proposal.

Discussion ensued regarding why the CDD does not own the pipes. Mr. Tilton stated he was unsure. He noted that given the system's structure, the CDD owned pipes have other means of moving water if necessary.

The consensus was that all of the pipes in question should be incorporated into the CDD's maintenance, inspection and repair program.

District Counsel and Staff were directed to draft an agreement for the Board to review.

Mr. Adams asked Mr. Tilton if he could provide a new CAD file or cleaner exhibits. Mr. Tilton stated the PDFs displayed were from the CDD website. He may have CAD files for a portion of the project but not the entire project. Discussion ensued regarding other pipes not inspected by the CDD. The consensus was that there are hundreds of sections of pipe the CDD does not inspect. Mr. Greenberg noted that some HOAs perform their own inspections. Asked if clogged pipes would contribute to water retention, Mr. Tilton stated clogs would stop local water from flowing to the pond. In the vicinity of the blockage, water would only flow one way.

Resident Steven Light described water accumulation on his property where the ground has settled and the drain inputs are above the ground level. He expressed his opinion that regardless of the pipes, there would be ponding until the ground is re-graded. A Supervisor stated the property in question is owned by The Club. Mr. Light stated The Club did extensive re-grading on its property behind his property and he installed grass which relieved the issue. He suggested moving the out of bounds markers by 20' would resolve the issue of people walking through the area that accumulates water during heavy rains.

Resident and MCA President Rodney Chase stated while inspecting the quality of drainage on MCA property in the area, he observed a lot of water accumulation. He also observed the situation Mr. Light described as very close to the southern border. He felt that was not a natural drainage area, even though it should be. He agreed that the area needs some

work and investment. He felt that the community would be much better served if the CDD could own the infrastructure. Mr. Greenberg concurred. Mr. Chase believed that The Club's management would agree. Mr. Greenberg stated he would need a means to facilitate an agreement between the MCA, CDD and The Club. If the CDD assumes responsibility for repairs, the cost would become part of Operating Expenses assessed via the tax bill. Mr. Chase stated he would be happy to initiate the discussion. Mr. Greenberg suggested the MCA continue discussions with The Club and asked Mr. Chase to inform both entities that the CDD is amenable. The consensus was not to assume responsibility for pipes managed by individual HOAs. Mrs. Adams stated she would work with MRI to assess the issue.

Ms. Wheeler asked if any other pipes in Mediterra that run from one pond to another have not been inspected. The consensus was that those pipes are inspected annually as they are already designated as the CDD's responsibility. Discussion ensued regarding the exhibits on which pipes managed by entities other than the CDD were shown in red; additional pipes for which the CDD would assume responsibility would be shown in black. Mr. Greenberg noted that a precedent would be set in this instance, but there is an immediate need and with multiple stakeholders, this was the most sensible solution. He stated that the goal was to perform any work required to fix and maintain the area.

Mr. Tilton discussed considerations regarding the inspection of the area to be performed by MRI. He would email his suggestions regarding MRI's inspection to Mrs. Adams.

- **Update: Installation of East Gate**

Mr. Tarr inquired about three large structures adjacent to Veterans Memorial Boulevard he observed on the east side of Mediterra that seemed to line up with drains on the map. Mr. Tilton stated that water from that portion of the Veterans Memorial Boulevard Right-of-Way (ROW) was permitted to discharge after storage, attenuation and water quality treatment into CDD lakes, then across to Livingston and out through the outfall to the northeast corner of Imperial Golf Estates. Mr. Tilton stated the pipes would be added to the map when it is updated. Mr. Tilton stated the overflow drainage was designed for a four-lane highway and currently there are only two lanes. The possible addition of an exit on I-75 and future expansion of Veterans Memorial Boulevard were discussed.

Mr. Chase stated he was advised that the County intends to complete the junction between Veterans Memorial Boulevard and Livingston as a full four-way intersection and that any new Mediterra exit gate would need to be approved before Easter.

Mrs. Adams would forward information received from Mr. Tilton to Passarella and Associates to have the map updated.

FOURTH ORDER OF BUSINESS

Update: Lake 74 Permit

- **Notice of Action**

Mr. Tilton stated an extension until February 2027 was granted. Mrs. Adams stated it was included in the Key Activity Dates. Mr. Adams stated the required public notice was prepared and was in the process of being published. Mr. Tilton stated that Ms. Willson was able to include the latest extension and the previous permit action in one notice, saving the CDD several hundred dollars.

FIFTH ORDER OF BUSINESS

Consideration: Agreement for Underwriting Services with MBS Capital Markets, LLC

Mr. Greenberg recalled discussions about potentially refinancing of the Series 2021 bonds and stated that at the last meeting, he was under the impression that the cost of refinancing could be offset by the savings. Mr. Adams introduced Ms. Sara Zare of MBS Capital Markets, LLC (MBS) and she would address the issue.

Ms. Zare presented the Investment Banking Agreement that would engage her firm at no cost and give her permission to speak to the Board about the funding. The contract may be terminated should the CDD choose not to proceed with funding or choose not to proceed with her firm. The CDD would not incur a fee until there is an actual refinancing.

Mr. Adams stated that Ms. Zare has a presentation for the Board. Mr. Tarr read Action Item 15 and asked why it was not completed. Mr. Greenberg stated that Mr. Adams was not able to do what Action Item 15 asked him to do. Because of Rule G-17, Ms. Zare must do it but

Ms. Zare cannot deliver her presentation until the CDD signs the Agreement for Underwriting Services.

On MOTION by Mr. Tarr and seconded by Ms. Gartland, with all in favor, the Agreement for Underwriting Services with MBS Capital Markets, LLC, was approved.

Ms. Zare distributed the “Refunding Summary” presentation. She discussed MBS’s history and experience in the industry and noted the following:

- The Series 2012 Bonds are outstanding in the amount of \$7.955 million. They are due May 1, 2031 and have a blended interest rate of 5.08% and is callable May 1, 2022.
- Estimated Refunding Results predict a possible interest rate of 2.35%.
- Assuming a rate of 2.35% the CDD may achieve an estimated 8.77% Net Present Value savings of \$697,779 and an estimated annual Debt Service reduction of 16.6% or an annual net reduction of \$169,463.
- The CDD’s strength of credit lends itself to a bank opportunity. Ms. Zare recommended competitively bidding the loan to eight or nine banks and stated she would make the case to get the lowest cost of borrowing.
- The due date would not be extended and the par amount would not be increased.

Ms. Zare discussed revenue efficiencies and the process of working with the banks. She stated MBS does a dual track process so that the Board may consider term sheets and choose between a bank refinance and a public offering. Discussion ensued regarding the CDD’s ability to lock in a rate, the possibility of eliminating the requirement for a reserve, a bank loan versus public offering and the Underwriter’s compensation.

Mr. Greenberg asked if a new bond could be sold to Mediterra property owners. Ms. Zare stated she would have to inquire about whether that is permissible.

Mr. Greenberg asked Ms. Willson if her firm had experience with this type of venture. Ms. Willson stated her firm did not, but from initial review one year ago, she had not found anything prohibiting it and noted that legal fees for such an undertaking could be significant.

Discussion ensued about reserve requirements for previous bond issuances and the dual track process.

The consensus was that Mr. Henry would be designated to work with Staff and Ms. Zare. Ms. Zare stated she would approach banks in January and intends on presenting term sheets at the January meeting. Ms. Zare responded to questions regarding rates, processes, fees and the advantages of bank loans. Discussion ensued regarding timing and current interest rates. Ms. Zare noted that residents would see a decrease in assessments.

Mr. Tarr recalled previous discussions as far back as June and stated he was unhappy that the process took so long. Ms. Zare noted the May 1, 2022 call date. Mr. Adams stated due to the timing requirements the Board would not have been able to begin work on a plan sooner due to lock-in limitations because a rate cannot be locked before February.

Ms. Zare stated her next step to begin the bank loan process would be to create a Credit Memorandum that she would share with Mr. Adams and Mr. Henry. Mr. Adams stated he would forward information about banking contacts with regard to previous CDD loans.

SIXTH ORDER OF BUSINESS**Discussion: AR Reporting Policy**

Mr. Greenberg recalled at the last meeting the Board was informed about a homeowner who failed to make a payment. Mr. Adams stated when the agenda was prepared 12 days in advance of the meeting, the payment had not been received, but payment was received prior to the meeting. Mr. Greenberg asked that an inquiry be made with Accounts Receivable before the meeting, if this type of situation arises in the future.

SEVENTH ORDER OF BUSINESS**Discussion: Review of Aerator Failures and Repair Issues**

Mr. Greenberg stated he received reports and observed aerator failures on golf course ponds and asked how often aerators are checked. Mrs. Adams stated technicians should ensure that the aerators are operational when they are on the property weekly. Biannual maintenance work is also currently underway. Mr. Tarr stated he spoke with a technician who told him he did

not have a map of the aerators. Mrs. Adams stated she would address the issue with SOLitude, because all technicians should have maps and electronic resources.

Mr. Henry asked if a report should be compiled to address aerator issues to understand the scope of the problem. Mrs. Adams stated the only issue she was aware of is recurring delays with obtaining parts and working with warranty replacements. Mr. Adams stated other CDDs are experiencing delays and issues due to nationwide parts shortages. Mr. Greenberg stated a report may be helpful but SOLitude should be contacted first.

Mr. Greenberg stated he would like the annual report to include an explanation of the situation and a request that residents report aerator failures.

Discussion ensued regarding the electrical boxes that power the aerators. Mrs. Adams stated when one power source recently caught fire, five lakes were without power and aeration for a little while, but it had since been repaired.

EIGHTH ORDER OF BUSINESS

Discussion: February Meeting Date Change

Mr. Adams stated The Club advised that the meeting room is not available on February 16, 2022. Discussion ensued to change the meeting date and time and the consensus was that a morning meeting would be preferable. This item was deferred.

NINTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of October 31, 2021

Mr. Greenberg presented the Unaudited Financial Statements as of October 31, 2021.

On MOTION by Mr. Henry and seconded by Ms. Wheeler, with all in favor, the Unaudited Financial Statements as of October 31, 2021, were accepted.

TENTH ORDER OF BUSINESS

Approval of October 20, 2021 Regular Meeting Minutes

Mr. Greenberg presented the October 20, 2021 Regular Meeting Minutes.

Mrs. Adams stated Ms. Wheeler submitted an edit to Line 180; the change was made at Corporate and a revised version was sent to the Board.

Discussion ensued regarding what would be an adequate amount of time for the Board to receive the draft meeting minutes for review and submit their revisions to Management for inclusion in the agenda for each upcoming meeting. Mr. Greenberg stated that one option may be to submit revisions on the record at the meetings. Ms. Wheeler suggested changes be submitted to Mrs. Adams. Mr. Greenberg stated that would be fine for typographical type changes, but not substantive changes.

Mr. Greenberg asked that Board Members have three full days to review minutes before the agenda package is sent. Mrs. Adams stated she would advise the Transcription Department of this.

The following change was made:

Line 152: Change “October 20” to “November 17”

Mr. Tarr asked how revisions to Minutes are posted. Mr. Adams stated the previous version of the minutes posted on the CDD website are replaced with the new version.

On MOTION by Mr. Henry and seconded by Ms. Wheeler, with all in favor, the October 20, 2021 Regular Meeting Minutes, as amended to include the edit noted and any edits submitted to Management, were approved.

Mr. Tarr asked how revisions to the minutes are verified. Mrs. Adams stated Corporate Staff processes revisions and in addition to recordings, Staff’s meeting notes are scanned and saved.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Hopping Green & Sams, P.A.*

- **Consideration of Kutak Rock LLP Fee Agreement**

Mr. Greenberg recalled that Mr. Johnson and Ms. Willson’s practice group joined Kutak Rock, LLP. He stated the agreement was standard and mirrored the old agreement with their

prior firm. He requested that Item III be amended to reflect that client files may not be destroyed without asking the Board's permission first. He stated the CDD would require a period of time in which to decide whether the CDD would retain the files or allow Kutak Rock to destroy them.

Ms. Willson stated that provision in the Agreement would be modified accordingly.

On MOTION by Mr. Tarr and seconded by Ms. Gartland, with all in favor, the Kutak Rock, LLP Fee Agreement and authorizing the Chair to execute, were approved.

B. District Engineer: *Johnson Engineering, Inc.*

There was no report.

C. District Manager: *Wrathell, Hunt and Associates, LLC*

- **NEXT MEETING DATE: January 19, 2022 at 3:00 P.M.**
 - **QUORUM CHECK**

The next meeting would be held on January 19, 2022.

D. Operations Manager: *Wrathell, Hunt and Associates, LLC*

- **Key Activity Dates**

The November Key Activity Dates Report was included for informational purposes and would be updated as needed.

Mr. Greenberg asked if there was an entry related to the bonds. Mr. Adams stated it must be done prior to May 1 and the call timing is 45 days in advance to put on notice. Mr. Adams stated it would be done well in advance.

Mr. Tarr questioned why "Wetland Maintenance" referred to Cintron's three-year program. Mrs. Adams stated a revised Key Activity Dates Report was prepared but did not make it into the agenda. She would email the most current Report to the Board.

Mr. Tarr stated that Mr. Tim Richards was no longer the MCA General Manager. Ms. Wheeler stated the new employee would not begin until January 1, 2022. Mr. Adams stated the task of updating the CDD computer in the MCA office more complex than anticipated and Staff was moving away from the new computer.

Mr. Tarr questioned the “Qualified Public Depositor Annual Report to CFO” entry. Mr. Adams stated the Auditor would certify that it was completed. Mr. Greenberg stated it would be included in the Audit report. Discussion ensued regarding when the Audit would be received and when confirmation of filing would be received. Mr. Adams stated the confirmation would be a clean audit. Mr. Adams located the Report on the District server and stated he would forward the information to Mr. Tarr. He noted that it is a simple report from the Treasurer to the Chief Financial Officer of the State on a form created by the State Department of Financial Services. It includes the CDD’s FEIN number and the CDD’s Qualified Public Depositor and the number of the bank itself. Mr. Tarr asked if it was filed for the new Mediterra CDD, and not Mediterra North and South. Mr. Adams stated he would email the Report to Mr. Tarr.

TWELFTH ORDER OF BUSINESS

Action/Agenda or Completed Items

Item 15 would be deleted.

Mrs. Adams stated Items 17, 18, 19, 20, 21, 24, 25, 26, 30 and 31 were all previously completed but the “Possibly Completed Before Next Meeting” column was erroneously marked. It was decided that this column would be deleted from the Action/Agenda and Completed Items List.

THIRTEENTH ORDER OF BUSINESS

Old Business

- **Status: Review of Properties with a Fence and Any Unimproved Land/Letter to London Bay Homes**

Mr. Greenberg stated the encroaching fence was removed and replaced and London Bay paid for it and the affected homeowner was very satisfied. He was unaware of any others. Mr. Tilton stated he was not aware of any other affected homeowners.

FOURTEENTH ORDER OF BUSINESS

Supervisors’ Requests

Mr. Tarr stated that he and Ms. Gartland were tasked with addressing the website. Ms. Gartland stated her understanding that she and Mr. Tarr must discuss the website at a noticed public meeting and asked if there is a better way to address the issue.

Mr. Greenberg stated that one Board Member could manage the project.

Mr. Tarr asked what the project is trying to achieve. Mr. Greenberg stated the goal is a more informative, easier to use and easier to navigate website. Mr. Tarr stated while he was very impressed with another CDD's website, he believed the CDD achieved cost efficiency by using Wrathell Hunt's standard design.

Mr. Greenberg stated the options are to leave the website as it is, hire an outside firm or solicit residents to design a website. Mr. Tarr stated he felt unqualified for this project. Mr. Greenberg believed that not many residents utilize the website and until people complain or request an upgrade, it would be a waste of time. The consensus was not to pursue a new website design at this time. Ms. Wheeler asked if there was a counter of the visitors to the CDD website. Mr. Adams would ask if a counter could be added.

Mr. Tarr asked Mr. Tilton for the status of the work that Johnson Engineering would be performing at Imperial Golf Village. Mr. Tilton stated his firm is under contract and a meeting was scheduled with the Project Manager. The project would involve reviewing the areas that drain through Imperial Golf Village and out to the Cocohatchee. It was known that some problems exist and his firm was hired to determine which areas should be worked on first. He stated that the south end of Mediterra, the road, the high school and some property to the east drain through their stormwater system.

Mr. Tarr asked if the CDD should be concerned about the next hurricane season given all the changes. Mr. Tilton stated he would not have additional concern because the CDD's main outfall would be unchanged and the only change to the southwest corner will be to extend the pipe. A large pipe was included in the plans. Mr. Tilton stated that Mediterra is far enough uphill that water would continue flowing. He stated he would be more concerned for the community to the south if their pipe is too small.

Regarding Mr. Tarr's earlier question about the QPD Reports, Mr. Adams stated the Report for the South includes the Mediterra consolidated FEIN number and the Truist account.

Mediterra North has no FEIN number and only has the account number for the Truist general fund with a balance of approximately \$600. Accounting was asked to close out the account. Mr. Tarr asked if there should be a name change given that it is no longer Mediterra South CDD. Mr. Adams stated the form comes from the State. Mr. Tarr asked if this was the same problem experienced with Collier County in the past. Mr. Greenberg suggested the next time the Mediterra North CDD form is submitted, it should be marked “No Longer in Existence.”

FIFTEENTH ORDER OF BUSINESS

Public Comments

There were no public comments.

SIXTEENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Ms. Gartland and seconded by Ms. Wheeler, with all in favor, the meeting adjourned at 4:47 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair