

**MINUTES OF MEETING  
MEDITERRA  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Mediterra Community Development District held a Regular Meeting on June 21, 2023 at 9:00 a.m., in the Bella Vita I Room at the Sports Club at Mediterra, 15735 Corso Mediterra Circle, Naples, Florida 34110.

**Present were:**

Robert Greenberg	Chair
Kenneth Tarr (via telephone)	Vice Chair
Mary Wheeler	Assistant Secretary
John Henry (via telephone)	Assistant Secretary
Vicki Gartland	Assistant Secretary

**Also present were:**

Chuck Adams	District Manager
Cleo Adams	District Manager
Shane Willis	Operations Manager
Alyssa Willson (via telephone)	District Counsel
Andy Tilton	District Engineer
Bill Bowden	MCA General Manager
Brenda Radford (via telephone)	M.R.I. Inspection, LLC (MRI)

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Adams called the meeting to order at 9:00 a.m.

Supervisors Greenberg, Wheeler and Gartland were present. Supervisors Tarr and Henry attended via telephone.

**SECOND ORDER OF BUSINESS**

**Public Comments (3 minutes)**

There were no public comments at this time.

**THIRD ORDER OF BUSINESS**

**Chairman's Comments**

The Chairman had no comments.

**FOURTH ORDER OF BUSINESS**

**Continued Discussion/Update: Nature Trail and Board Walk**

This item was presented following the Sixth Order of Business.

**FIFTH ORDER OF BUSINESS**

**Discussion/Consideration of MRI Inspection, LLC, Estimate #4179 Cleaning Storm Water System**

Mr. Greenberg presented MRI Estimate #4179. Asked why Staff did not sign off on the estimate, given that it is under \$5,000, Mrs. Adams stated the total cost, including portions already approved, exceeds \$50,000.

Ms. Gartland asked about the comment “We would like to get a clarification on this line as to whether the CDD or Home Owners Assn. is responsible for this pipe.” Mrs. Adams stated confirmation was received that it is a CDD line that connects from the lake to the wetland; the information was provided to the GIS contractor and he has updated the GIS., accordingly.

**On MOTION by Ms. Gartland and seconded by Ms. Wheeler, with all in favor, MRI Inspection, LLC, Estimate #4179 for cleaning the stormwater system, in the amount of \$1,850, was approved.**

**SIXTH ORDER OF BUSINESS**

**Discussion: MRI Underwater Specialists, Inc., HOA Storm Water Inspection Report**

Mr. Greenberg presented the MRI Underwater Specialists, Inc., HOA Storm Water Inspection Report, noting that the report includes all non-CDD pipes. The Report indicates that six HOAs have no need for cleaning. He suggested the MCA circulate this Report to the HOAs for each to decide what they want to do.

Mr. Bowden stated the MCA will communicate and explain to the single-family homes as members of their Association. He thinks it would be nice to have a letter but he does not want the MCA to be the sole communicator of why the work is necessary. He noted that at least one person on the MCA Board wants to discuss cost sharing a little more. Mr. Greenberg stated he will attend the MCA Board meeting to provide updates on the nature trail and offered to address this matter.

Mr. Bowden stated, once the communication comes out, questions will arise. He asked if this will be a Fiscal Year 2024 project to be built into the maintenance budgets. Mr.

Greenberg replied affirmatively. Mr. Bowden noted that some communities have major costs while some have minor costs and others have none and expressed concern about setting a precedent by designating these as common area expenses for everybody. Mr. Greenberg voiced his opinion that the MCA can control the single-family homes and the HOA pipes are the MCA's call. The CDD will only be concerned if HOA pipes are not cleaned and they affect CDD infrastructure; flooding in HOA localities that does not impact CDD areas will not be addressed.

Mr. Bowden asked how often this project will be done. Mr. Greenberg stated the CDD pipes are inspected every year and, from his standpoint, the MCA would decide the frequency for the single-family homes and the HOAs would decide for their neighborhoods. The CDD has no legal obligation for non-CDD areas and he does not want to undertake a responsibility that cannot be discharged within the CDD's budget constraints or take on any new problems.

Ms. Gartland noted that the CDD Board Members view this as an annual project with which they are familiar but the HOAs are not familiar with it. She suggested sharing information with the HOAs that explains the project and how it could affect them so that the HOAs can decide. Mr. Greenberg stated the HOAs will be informed that they can contact MRI directly and Mrs. Adams' contact information will be provided as a resource of information about the CDD program. Mrs. Adams stated, with several of her CDDs, the CDD performs these inspections on a three-year rotation basis although there is a budget line item for it every year.

Mr. Greenberg stated annual inspections might not be needed, unless there is a hurricane because, following a large hurricane, there is a lot of debris flowing through the pipes. With no hurricane, inspections every three years seems to be a good approach.

Ms. Wheeler opined that this Report will be the worst one the HOAs will receive because the cleanings have not been done so there is buildup. Once cleaning the pipes commences, it will be easier and it will not be as expensive. Mr. Greenberg stated just because one neighborhood has the highest amount of sand and the highest bill this time does not mean that will be the case next time.

It was noted that some pipes were bricked off.

Discussion ensued regarding HOAs that have not budgeted for this expenditure, whether the HOAs have adequate reserves, etc.

Ms. Radford, from MRI, stated, rather than giving residents her telephone number, she or Mike Radford are willing to attend HOA meetings to inform homeowners about what will be done. Mr. Greenberg expressed his opinion that the best way to handle this is for the MCA to

schedule a meeting with MRI in the fall and invite all the HOA Presidents and concerned residents to attend a meeting. Mr. Bowden agreed and stated he does not want to release numbers or information yet. Mr. Greenberg stated he will attend the MCA Board meeting, discuss this with the MCA Board Members and suggest this begin in the fall.

Mr. Tarr reminded the Board that this reflects the results from two significant storms. Hurricane Irma had a water event that some referred to as a 500-year storm and Hurricane Ian was another significant water maker; the project needs to be viewed as necessary due to two decades without cleaning. He noted a possible very large expense for The Club and stated his preference that they use MRI but they could obtain a competitive bid from another company as could any neighborhood. He recalled an issue several years ago with a pipe adjacent to Medici. The individual in charge of MCA hardscape went to a competing company and they learned, after the fact, that the pipe was not really cleaned. He reiterated that, while the CDD can use MRI, the other entities can do what they want to do.

Mr. Greenberg feels that there is a plan in place and he suggested not sending the letter until the fall.

Ms. Wheeler asked when this will be released to The Club. Mr. Greenberg suggested informing them now and suggesting they contact MRI if they want to deal with it.

Mr. Henry asked if the risk of major flooding exists for any of these neighborhoods if no remediation occurs in the near term. Mr. Greenberg stated he has not read all 300 pages of the Report. Ms. Radford stated she must review the Reports and advise accordingly. Mr. Greenberg feels that, based on the numbers, it does not look like it. Mr. Henry stated, if that is the case he does not have a concern but he thinks that, if there is a risk, it should be communicated. Mr. Greenberg thinks The Club has the most risk based on the summary Report; he supports letting The Club know now.

Ms. Radford noted one in Teramo that is at 90% should probably be cleaned as it could cause some street flooding; she will need to review the Report further.

Mr. Bowden suggested creating a list of the ones that are exposed and dealing with them. Ms. Radford stated Lagos Way has one at 80%.

It was noted that The Club hauls sand in and out every year and it winds up all over the streets and in the pipes.

In summary, Mr. Greenberg stated he will address the MCA Board to introduce this issue and any letter signed by himself and Mr. Bowden will hold off until the fall, when a meeting with the HOA Representatives will be held; they will look at the worst neighborhoods.

Mr. Greenberg asked if the other Board Members would be of the mind to advance the funds to the communities that do not have the ability in their budget to pay for the cleanout now and allow them to pay the CDD back and amend their 2024 cycle, if the professionals determine that those four or five neighborhoods are in danger of flooding in the event of a hurricane this summer. He asked Ms. Willson if that can be done legally.

Ms. Willson stated CDD Operation & Maintenance (O&M) funds could be expended if there is a finding that the cleanup is necessary to preserve the CDD's system and that the CDD is doing it for that purpose and that the MCA/HOAs will repay the CDD in the future; otherwise, it would not be an appropriate use of the CDD's O&M funds.

Mr. Adams stated it is always cleaner to have the Associations deal with it directly. Ms. Radford stated, according to the report, the highest cost is \$4,200. Mr. Adams estimated that half a dozen will need to be cleaned now and suggested the Association advance the funds, as they can recover from them. Mr. Greenberg noted that the MCA has reserve funds, so it has the money.

Mr. Tarr opined that the HOAs have ownership of these pipes in perpetuity. The Reserve Study noted that the common area pipes are owned by the MCA and funds are not set aside for replacement; however, the MCA should maintain sufficient funds to maintain them. He thinks changing this model would be a mistake especially as the pipes age and problems develop. He supports keeping the responsibility with the entities that own the pipes.

The Board was in agreement.

▪ **Continued Discussion/Update: Nature Trail and Board Walk**

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

Mr. Greenberg stated all Supervisors should have received the final handout to be distributed. Mr. Byrd at The Club will address his Board about it to determine their level of support. Some interesting questions from The Club include what other types of recreational activities can be undertaken in the Preserve. He heard there was interest in building a nine-hole golf course there but Ms. Willson advised that only passive recreation is allowed and active recreation such as golf, tennis or skeet shooting would not be permitted. The Club was also

interested in whether the trail can eventually return users to The Clubhouse. Mr. Greenberg will address the MCA Board and he anticipates a positive response.

Mr. Greenberg wants to finalize the survey and mailing schedule. While some Board Members would like to wait until the fall, it is not necessary to restrict mailings to just one. He suggested sending it now, sending it again with a letter about the survey and sending it a third time with the survey, as he believes repetition is important for education.

Ms. Wheeler expressed concern about the trail and opening the gates to outsiders given a recent robbery in Amarone and activities of professional theft rings. She asked how to prevent thieves from entering under false pretenses.

Mr. Bowden discussed two home invasions in Amarone on the same night two weeks ago and potential future security measures that might be taken. He discussed measures taken at other golf courses and stated, while additional steps will be taken, the issue of legal access to use the boardwalk and restrictions must be considered. Mr. Adams stated the CDD can charge user fees comparable to the assessments residents pay. Mr. Willis suggested visitors be required to register in order to identify who is entering the property in order to access the amenity. Ms. Willson stated nonresident users must register and pay a fee, which is typically an annual fee based on the amount paid by residents. Mr. Adams stated additional protocols will be set up at the gate and entry limited to guests only if they registered.

Discussion ensued regarding deterrents, previous vehicle burglaries and user fees.

Mr. Bowden stated the three components of the program include law enforcement, staff for communications and residents. He stated a number of residents do not understand the functionality of their alarm systems and noted that waivers would be required. Mr. Adams estimated that the fee for nonresidents would exceed \$1,000. Ms. Willson stated interest from nonresident users is generally minimal.

Ms. Wheeler noted that bears were observed in the preserve; a resident cautioned that the animals do not want contact with humans so care should be taken to ensure that the animals are not driven out towards the residences. Mr. Greenberg stated they can consult naturalists to decide how best to manage this pervasive and inevitable issue.

**SEVENTH ORDER OF BUSINESS****Discussion: Fiscal Year 2024 Budget**

Mr. Adams stated that the amount budgeted for "Engineering- nature trail" was reduced from approximately \$169,000 to \$100,000 in anticipation of reduced activities for the

upcoming year. At the Board's request, under "Lake Maintenance Contract" was broken out at \$200,000 and "Contractual services" at \$42,500. The expense shown under Conservation area and mitigation cleanup was removed and instead added as an increase to Fund balance. "Fuel load reduction right of ways" was added in the amount of \$129,000, and "Capital outlay: nature-trail" was added in the amount of \$300,000. The net effect brings the proposed Fiscal Year 2024 assessment to \$1,267.42, which is an increase of approximately \$233 over the Fiscal Year 2023 assessment.

Mr. Henry asked if the \$300,000 shown as nature trail costs should be shown as unallocated funds available but not budgeted for that, as it has not yet been approved. Mr. Adams stated it is shown as an anticipated expense to be incurred in the coming year that drives assessment levels up. Mr. Henry suggested increasing the unassigned funds by \$300,000 and reducing the nature trail line item. Mr. Adams asked if Mr. Henry is not opposed to the assessment being driven by the anticipated expenditure but he is instead just opposed to making it appear that the decision is made. Mr. Henry replied affirmatively. Mr. Greenberg suggested budgeting \$100,000 for anticipated expenses to the line item and adding \$200,000 to unassigned.

Mr. Adams stated the resulting budget is revenue neutral in terms of the assessment. The increase to fund balance is \$280,000, of which \$80,000 is conservation area fuel reduction, \$200,000 is the potential future nature trail and \$100,000 remains in "Capital outlay-nature trail." Mr. Henry stated he still prefers adding \$300,000 due to other potential costs.

Mr. Tarr noted the Lake Maintenance contract expires on January 31, 2024 and asked how much the renewal amount will be. Mr. Adams stated there is no fixed renewal amount and he will likely recommend a change in the service provider as SOLitude lost its local leadership and the impact has been great. Asked when this will be presented to the Board, Mr. Adams stated the full lake audit will be presented at the next meeting and, at that point, they will share their findings. Mrs. Adams stated a Defective Work Notice will be issued to provide SOLitude a certain amount of time to remedy the issues. Sealed bidding will take two months or more. Mr. Greenberg asked Ms. Willson to be involved in the preparation of the Defective Work Notice. Mrs. Adams stated that funds will be withheld in the meantime.

The Lake Maintenance contract, sealed bid processes, contract termination and potential cost increases, were discussed.

The consensus was to increase "Lake Maintenance Contract" to \$220,000.

Mr. Tarr noticed the text under the “Electricity” description on Page 4 is not aligned.

**On MOTION by Ms. Gartland and seconded by Ms. Wheeler, with all in favor, this amended version of the proposed Fiscal Year 2023/2024 budget, as discussed, and attaching it as an Exhibit to previously adopted Resolution 2023-05, was approved.**

Mr. Adams stated the Mailed Notice will be prepared. Mr. Greenberg will prepare a Chairman’s Letter. Mr. Adams stated the public hearing is scheduled for August 16, 2023.

**EIGHTH ORDER OF BUSINESS**

**Acceptance of Unaudited Financial Statements as of April 30, 2023**

- **2023 Operations Financial Impact Analysis**
- **Breakdown/Summary Report**

Mr. Adams presented the Unaudited Financials as of April 30, 2023.

Mr. Tarr asked why assessment revenues are not 100% collected. Mr. Adams stated, due to Hurricane Ian and the Governor’s Emergency Executive Order, the payment period was extended beyond March 31, 2023 to April 30, 2023. It might be only one person that has not paid. He noted that the CDD budgeted for all payments to be submitted early, so the CDD might receive slightly more than budgeted.

The financials were accepted.

**NINTH ORDER OF BUSINESS**

**Approval of May 17, 2023 Regular Meeting Minutes**

Mr. Greenberg stated he submitted his revisions in advance of the meeting.

Mr. Tarr stated the minutes were well done. Mrs. Adams thanked him for his email and stated the transcription staff will be appreciative.

The minutes in the agenda are inclusive of the edits received from the Board Members in advance of the meeting.

**On MOTION by Ms. Wheeler and seconded by Ms. Gartland, with all in favor, the May 17, 2023 Regular Meeting Minutes, as presented, were approved.**



**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel: Kutak Rock LLP**

There was no report.

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

There was no report.

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

- **NEXT MEETING DATE: August 16, 2023 at 9:00 AM [Budget Adoption Public Hearing]**

- **QUORUM CHECK**

Supervisors Wheeler, Greenberg and Gartland confirmed their in-person attendance at the August 16, 2023 meeting. Supervisors Tarr and Henry will attend via telephone.

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

- **Key Activity Dates Report**

Mrs. Adams stated Johnson Engineering is doing the final report today or tomorrow.

**ELEVENTH ORDER OF BUSINESS**

**Action/Agenda or Completed Items**

Item 15 was completed.

**TWELFTH ORDER OF BUSINESS**

**Old Business**

- **Continued Discussion: Lake Fountains**

Mr. Greenberg stated the CDD does not own any of the decorative fountains; they are owned by three different stakeholders. One is owned by a homeowner, the HOAs own fountains in certain communities and the rest are owned by the MCA. Because the fountains could leak oil, etc., into CDD ponds and a legal structure and recourse are needed, the Agreement was prepared by District Counsel. License Agreements and Letters will be sent for signature and those who will not sign will be asked to remove the fountain(s).

Mr. Henry asked if who owns which fountain(s) is known and if a list of non-MCA owned fountains exists. Ms. Willson replied affirmatively; she worked with various stakeholders in the communities to determine ownership. The fountains needing a License Agreement are mostly

owned by the MCA, as the License Agreement with the Tract references exemplifies. A fountain owned by the Monterosso HOA was inadvertently not included in the agenda.

Mr. Greenberg asked about the resident in Marcello. Mrs. Adams stated a License Agreement has been in effect since 2009.

Discussion ensued regarding privately owned fountains.

Mr. Greenberg noted that the CDD has been paying for privately owned fountains for years. He asked the Board Members to let Ms. Willson know if an HOA owns a fountain. Mr. Henry stated he is on the Lucarno Board and he has no knowledge of Lucarno owning a fountain. Mr. Bowden believes that is correct and the only “tweeners” are the Marcello individual owner’s fountain and he believes there are two in Monterosso. Mr. Greenberg stated his belief that Long Bay Partners ( a Bonita Bay Group company) turned everything over to the MCA. Mr. Bowden stated any MCA fountain that goes down is fixed at their expense. Mr. Greenberg stated they will proceed under the assumption that the MCA is the owner.

**THIRTEENTH ORDER OF BUSINESS****Supervisors’ Requests**

Ms. Gartland asked if follow up was done with Mr. Tom Lively at The Club regarding the 10<sup>th</sup> Hole and the question of whether it is completed. It was noted that they are completed. Mr. Willis stated during the lake audit he observed it and it looks really nice.

Ms. Wheeler stated a bubbler at the Medici lake is not working properly.

Ms. Wheeler recalled that Ms. Willson discussed a new law involving ethics and consumer education and asked how the CDD will develop an implementation plan. Ms. Willson stated information is still being received; an updated memo will be circulated by late December. The requirement will become effective in 2024.

Mr. Tarr discussed the property insurance market and price increases. He asked how the CDD can share information about its fire reduction and stormwater policies so that residents can present it to their insurance brokers. He does not believe any other CDD has policies as extensive as Mediterra. Mr. Adams agreed. Mr. Greenberg stated the best way to do that is to create a chart of what has been completed and send it to residents.

Mr. Willis discussed the Florida Fire Safe Community program that allows residents to receive a certificate that can be presented to the insurance company for discounted homeowners insurance rates. The program was administered by the Foundation side at Fiddler’s Creek, the equivalent of the MCA. Asked if residents are required to take part in

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cleanup, Mr. Willis stated no, it involves inspections of home and community areas; upon being certified as Fire Safe, certificates are issued to homeowners. Asked if the MCA is willing to participate, Mr. Bowden voiced his opinion that it would be good. Ms. Gartland wondered if the CDD can qualify due to the proximity of trees to the homes. The consensus was it is worth an attempt.

**FOURTEENTH ORDER OF BUSINESS**

**Public Comments (3 minutes)**

There were no public comments.

**FIFTEENTH ORDER OF BUSINESS**

**Adjournment**

**On MOTION by Ms. Wheeler and seconded by Ms. Gartland, with all in favor, the meeting adjourned at 10:10 a.m.**

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

  
Secretary/Assistant Secretary

  
Chair/Vice Chair