

**MINUTES OF MEETING
MOODY RIVER ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Moody River Estates Community Development District's Board of Supervisors was held on **Thursday, March 15, 2012 at 1:00 p.m.**, at the **Candlewood Suites, 3626 Colonial Court, Fort Myers, Florida 33913.**

Present and constituting a quorum were:

Ilse Mayer	Chair
Kathy Shea	Vice Chair
Terry Pye	Assistant Secretary

Also present were:

Cleo Crismond	Assistant Regional Manager
Mike Eckert	District Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Crismond called the meeting to order at 1:00 p.m., noting, for the record, that Supervisors Mayer, Shea and, Pye were present, in person. Supervisors Mazuk and Berry were not present.

SECOND ORDER OF BUSINESS

**Update: Mood Development Corp.
Litigation**

Mr. Eckert reported that three (3) cases are currently pending against the CDD related to the 2009, 2010 and 2011 assessments. He stated the third case may have been filed after the last meeting to preserve their rights to contest this year's assessment.

Mr. Eckert discussed the mediation he attended on February 15, along with Ms. Mayer, Mr. Adams, legal representatives and corporate representatives of Mood Development Corporation (Mood). Mr. Eckert indicated that the Chair attended and participated in negotiations; however, it was made clear that the Chair had no authority to bind the Board. It is the Board's decision whether to accept a settlement.

Mr. Eckert distributed copies of a mediated settlement agreement, which he indicated is a tentative agreement, subject to Board approval. He advised that the debt assessments are not implicated in this agreement. Mood has a right to pay off those assessments and has indicated that they want to pay them off early. Mr. Eckert emphasized that there is nothing in the settlement agreement that negates their responsibility to pay debt assessments.

With regard to operation and maintenance (O&M) assessments, Mr. Eckert explained that the District has been levying O&M assessments based upon the number of units that the District was told would be developed on the property, which was a little over 200 units; however, they were only assessed for the administrative portion of the budget. Mood was not assessed for any of the maintenance components of the budget, such as stormwater management, because there are no stormwater management facilities on their lands or that their lands drained into. The Board made the decision to only charge Mood a pro-rata share of the administrative portion of the budget, based on the 200+ units. Mood has since indicated that they do not feel it is possible to develop that number of units on the lands within the District. At most, Mood anticipates developing 55 multi-family and 14 single-family units. Mr. Eckert stated if that is the intention, there must be an irrevocable deed restriction or a plat submitted with that number of units. He stressed that any deed restrictions will be subject to the Board's absolute discretion.

Mr. Eckert summarized that, instead of assessing 200 units, assessments will be based on 69 units, going forward. He noted that the Board budgeted \$25,000 per year for legal fees related to these cases. If the cases are resolved, \$25,000 can be removed from next year's budget. Mr. Eckert felt that settling in this manner would not negatively impact the amount paid by existing residents.

Mr. Eckert reported that Mr. Adams is working with Mr. Huther to determine whether there are any other costs that should not be charged to Mood, based upon the lack of maintenance performed by the District. The Board has final approval regarding whether to make changes.

Mr. Eckert noted that, if the settlement agreement is approved, the cases will be dismissed and the District will no longer incur legal fees. By signing this agreement, Mood is not waiving any claims that they have against Colonial Homes, Meritage or any other affiliates.

Mr. Eckert explained that the agreement is contingent upon Mr. Adams having discussions with Mood so that they are comfortable with whatever other reductions can be made, if any, with final approval by the Board. Also, a formal settlement agreement will be drafted

containing more detailed terms. Mr. Eckert expressed his opinion that the most cost effective strategy for the District is to enter into the settlement agreement.

On MOTION by Mr. Pye and seconded by Ms. Mayer, with all in favor, entering into the mediated settlement agreement, as discussed by District Counsel, was approved.

THIRD ORDER OF BUSINESS

Approval of August 18, 2011 Public Hearing and Regular Meeting Minutes

Ms. Crismond presented the August 18, 2011 Public Hearing and Regular Meeting minutes and asked for any additions, corrections or deletions. The following change was made:

Between Line 193 and 194: Indent and add *“***No one left or entered the room between adjournments***”*

On MOTION by Ms. Mayer and seconded by Ms. Shea, with all in favor, the August 18, 2011 Public Hearing and Regular Meeting Minutes, as amended, were approved.

FOURTH ORDER OF BUSINESS

Other Business

It was noted that the audit should be finalized by the next meeting.

FIFTH ORDER OF BUSINESS

Staff Reports

a. Attorney

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

b. Manager

i. Unaudited Financial Statements as of January 31, 2012

Ms. Crismond presented the Unaudited Financial Statements as of January 31, 2012. She pointed out that assessment collections are at 42%. The assessments from Mood and Colonial should be collected by March.

ii. NEXT MEETING DATE: May 17, 2012 at 1:00 P.M.

Ms. Crismond advised that the next meeting will be held on May 17, 2012 at 1:00 p.m.

SIXTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors'

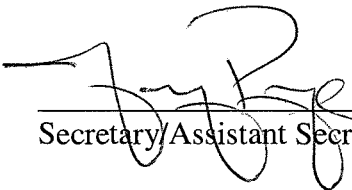
There being no audience comments or Supervisors' requests, the next item followed.

SEVENTH ORDER OF BUSINESS

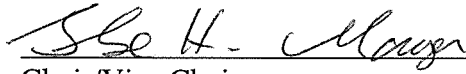
Adjournment

There being no further business, the meeting adjourned.

**On MOTION by Ms. Mayer and seconded by Ms. Shea, with
all in favor, the meeting adjourned at 1:14 p.m.**



Secretary/Assistant Secretary



Chair/Vice Chair