

DRAFT

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

The Board of Supervisors of the Moody River Estates Community Development District held a Regular Meeting on May 9, 2019 at 6:00 p.m., in the Clubhouse at Moody River Estates, 3050 Moody River Blvd., North Fort Myers, Florida 33903.

Present and constituting a quorum were:

Chris Jenner	Chair
Elizabeth Keeler	Vice Chair
William Keeler	Assistant Secretary
Ilse Mayer	Assistant Secretary
Robert Geltner	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	Assistant Regional Manager
Sarah Sandy (via telephone)	District Counsel
Carl Barraco, Jr.	District Engineer
Tony Grau (via telephone)	Grau & Associates
John Teckorius	Resident
Teresa Silva	Resident and HOA President
3 Residents	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 6:00 p.m. All Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Public Comments (*agenda items*)

There were no comments on agenda items.

▪ **Public Comments (*non-agenda items*)**

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

39 Mr. John Teckorius, a resident, distributed the Moody Ranch Permitted Land Uses
40 document dated April 2, 2003, Revised October 2003. He asked whether the statement in the
41 document, that something could be constructed in the conservation area, was true, as he was
42 told, over the years, that no one could access the area. If it could be accessed, he asked the
43 Board to consider future planning in the wetlands and uplands conservation areas and installing
44 a canopy in the preserve area, etc.

45 Mr. Barraco stated the District must consider conservation easements involving South
46 Florida Water Management District (SFWMD) or the United States Army Corps of Engineers
47 (USACE), which would limit use. Mr. Adams stated that the County's land usage was mostly
48 related to the outer ring of the preserves, meaning the upland area; however, it was possible
49 the SFWMD permit included language allowing for some passive recreational facilities, such as a
50 foot path or boardwalk for public consumption and education.

51 Ms. Keeler was concerned with users walking into other areas and destroying natural
52 habits that would require the District to incur costs to restore. She passed on considering this
53 option and stated she was sure some of the HOA Board Members also did not want to go any
54 further. The District Engineer would review the permit and provide an update as to whether it
55 allows walking, etc., in the preserve area.

56

57 **THIRD ORDER OF BUSINESS**

**Presentation of Audited Financial
Statements for Fiscal Year Ended
September 30, 2018, Prepared by Grau &
Associates**

61

62 Mr. Grau presented the Audited Financial Report for Fiscal Year Ended September 30,
63 2018 and described the information that could be found on each page. Mr. Grau stated that it
64 was a clean, unqualified audit with no findings or instances of noncompliance.

65 The following change would be made:

66 Page 13: Change "owners of the property" to "registered electors"

67 Ms. Sandy, Mr. Adams and Mr. Grau responded to Mr. Geltner's questions, as follows:

68 ➤ The presentation was specifically related to "Audited" Financial Statements.

69 ➤ The CDD is an Independent Special District and The Florida Special District Handbook,
70 developed by the Florida Department of Economic Opportunity (FDEO), applies to this CDD in
71 many ways; however, some aspects of it might not apply.

72 The Florida Legislature passed the Committee Substitute to Senate Bill (CSSB) 7014 that
73 would go into effect July 1, 2019. Once signed it would require the District to change its Policy
74 and Procedures practices related to internal controls, best practices and the District's audit
75 selection process. Ms. Sandy expected, based on the changes in law, to present the District's
76 revised Standard Rules of Procedure in August. Mr. Grau stated the Management Letter is
77 dictated by the Auditor General and, once he reviews the changes in law, procedural changes
78 would be made and provided to the Auditors to implement.

79 ➤ Regarding whether anyone anticipated certain events that would cause the action,
80 noted in the last sentence on Page 18, of extraordinary mandatory redemption of bonds prior
81 to maturity, events as outlined in the Bond Indenture, to occur, Ms. Sandy stated this action
82 was weighted down in the Bond Indenture; she would send a copy to Mr. Geltner.

83 ➤ Regarding examples of situations where coverage may not be extended, as noted in the
84 last sentence of Note 8 – Risk Management, on Page 19, Mr. Grau stated natural disasters or
85 loss related to landscaping was one; however, the District cannot eliminate risk since insurance
86 carriers lists several disclaimers. Mr. Adams stated, typically, lakes, wetlands and
87 interconnecting pipes are uninsurable assets. The District is insured against liability and risk.

88 ➤ Regarding how many units are in the District, whether any assessments were in arrears
89 and whether that information appeared in the Financial Statements, it was noted that, of the
90 844 units within the District, Page 2, line item "Revenues-Assessment levy", reflected the
91 percentage of revenue received. No units were in arrears and, if any were, they would be
92 purchased through the tax certificate sale process.

93

94 **FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2019-03,
Hereby Accepting the Audited Financial
Report for the Fiscal Year Ended
September 30, 2018**

96

97

98

99

Mr. Jenner presented Resolution 2019-03.

100 **On MOTION by Ms. Mayer and seconded by Ms. Keeler, with all in favor,**
101 **Resolution 2019-03, Hereby Accepting the Audited Financial Report for the**
102 **Fiscal Year Ended September 30, 2018, amended as discussed, was adopted.**

103
104
105 **FIFTH ORDER OF BUSINESS**

**Discussion: Hopping Green & Sams Fee
Increase Letter**

106
107
108 Ms. Sandy presented the Hopping Green & Sams (HGS) Fee increase letter and noted
109 that the rates were unchanged since 2017; the new rate would be effective October 1, 2019.

110 Mr. Geltner stated that he was fairly satisfied with District Counsel's performance but
111 suggested considering going out to bid for all professional staff and comparing costs. Ms.
112 Keeler asked if a Committee would be formed and stated Mr. Eckert's reputation was
113 extraordinary. Ms. Sandy stated the District Manager would handle the bid process, since legal
114 services did not require a formal bidding process. Mr. Adams stated that HGS's fees were in
115 line for this type of local governmental law expertise; he would provide Management's contract
116 and other CDDs' legal fees to Mr. Jenner and the Board. He cautioned against changing, since
117 HGS had been with the District since its inception and bringing new District Counsel up to
118 speed, especially on historical data, could be more costly than the requested increase.

119
120 **On MOTION by Ms. Mayer and seconded by Ms. Keeler, with Ms. Mayer, Ms.**
121 **Keeler, Mr. Keeler and Mr. Jenner in favor and Mr. Geltner dissenting, the**
122 **Hopping Green & Sams Fee Increase Letter, dated March 28, 2019, was**
123 **approved. [Motion passed 4-1]**

124
125
126 **SIXTH ORDER OF BUSINESS**

**Consideration of Lykins Signtek Temporary
Sign Quote**

127
128
129 Mrs. Adams distributed the Lykins-Signtek proposal for temporary meeting signs and
130 indicated a person must place and remove the signs. Discussion ensued and the Board
131 Members tabled this item; their Comcast channel would soon announce the meetings.

134 SEVENTH ORDER OF BUSINESS

135 Consideration of Resolution 2019-04,
136 Approving a Proposed Budget for Fiscal
137 Year 2019/2020 and Setting a Public
138 Hearing Thereon Pursuant to Florida Law;
139 Addressing Transmittal, Posting and
140 Publication Requirements; Addressing
141 Severability; and Providing an Effective
142 Date

143 Mr. Adams presented Resolution 2019-04. He recalled assessments increased in Fiscal
144 Year 2019 to generate more revenue to aggressively address lake bank erosion issues and to
145 build up an already low fund balance. The District continues that goal but assessment levels
146 would remain the same. He expected to schedule three or four lake bank erosion repairs this
147 year and four or five next year while still building fund balance.

148 Mr. Adams distributed corrected versions of Pages 5 through 7 of the Debt Service
149 Schedule, which differed from the version in the agenda package; the corrected version was
150 properly posted to the website.

151 Ms. Sandy stated that the \$12,000 "Expenditures-Legal-general counsel" line item
152 covers the bare minimum work for meetings throughout the year; it did not take into account
153 any additional work. Mr. Adams stated the proposed Fiscal Year 2020 budget did not anticipate
154 rolling funds to offset the fountain and aerator depreciation schedule, prepared last year to
155 reflect what needed to be repaired or replaced in the next two years, which must be considered
156 before considering reducing assessments. Mr. Jenner summarized that assessment levels
157 would remain flat, there was no increase and the General and Debt Service Fund balances
158 would go towards building fund balance.

159 The following change was made to the District's meeting schedule:

160 Add "at 1:00 p.m." to each date without a time.

161

162 **On MOTION by Mr. Geltner and seconded by Ms. Mayer, with all in favor,**
163 **Resolution 2019-04, Approving a Proposed Budget for Fiscal Year 2019/2020**
164 **and Setting a Public Hearing Thereon Pursuant to Florida Law for August 15,**
165 **2019 at 1:00 p.m.; Addressing Transmittal, Posting and Publication**
166 **Requirements; Addressing Severability; and Providing an Effective Date, as**
167 **amended, was adopted.**

168 **EIGHTH ORDER OF BUSINESS** **Acceptance of Unaudited Financial**
169 **Statements as of March 31, 2019**

170
171 Mr. Adams presented the Unaudited Financial Statements as of March 31, 2019.

172

173 **On MOTION by Ms. Mayer and seconded by Ms. Keeler, with all in favor, the**
174 **Unaudited Financial Statements as of March 31, 2019, were accepted.**

175

176

177 **NINTH ORDER OF BUSINESS** **Approval of March 14, 2019 Regular**
178 **Meeting Minutes**

179

180 Mr. Adams presented the March 14, 2019 Regular Meeting Minutes. The following
181 changes, received from District Counsel, were made:

182 Line 49: Change "She" to "He"

183 Line 77: Change "request a revision to" to "Mr. Geltner's request to revise"

184 Line 121: Insert "assessment levels" after "and"

185 Line 136: Insert "on the District" after "served"

186 Line 136: Change "than with" to "compared to litigation just involving"

187 Line 140: Insert "was approved and staff was requested to make a request" after
188 "amended,"

189 Line 141: Delete ", before it reaches litigation, was approved"

190 Line 183: Insert "and announced at the Board meeting " after "Management"

191 Line 224: Change "expense was cost prohibited" to "repair method was cost prohibitive"

192 Line 245: Change "simplifies" to "reduces"

193 Line 247: Insert "." after "HOA"

194 Line 247: Change "such as" to "In addition,"

195 Line 250: Change "publically" to "publicly"

196 Line 251: Insert "and another CDD Board Member is on the Committee or in
197 attendance" after "Committee"

198

199 **On MOTION by Ms. Keeler and seconded by Ms. Mayer, with all in favor, the**
200 **March 14, 2019 Regular Meeting Minutes, as amended, were approved.**

201 • **Action Items**

202 Items 15, 21, 22, 23, 20, and 19 were completed.

203 Item 2: Monitoring of another District's solar energy test project continued.

204 Item 20: Mr. Adams stated the County was not receptive to the District's request to add
205 additional language to the Uniform Collection Interlocal Agreement.206 Item 19: Mr. Adams stated the County modified the Hancock Bridge Parkway
207 Improvement Perpetual Easement Agreement language from wastewater to water, which was
208 placed on the Board of County Commissioner's (BOCC's) agenda this month. Once approved,
209 he expected to receive \$2,000 to offset the District Counsel and District Engineer's review fees.

210 Item 8: Ms. Teresa Silva's last name was corrected.

211 Completed Action Item 5: Transfer to the new "Ongoing Action Item" List

212 Mr. Geltner asked if the SFWMD permit was posted on the website. Since the Board
213 was provided the link and District Counsel did not recommend posting it, Mr. Adams would
214 have the following language added to the website:215 "Contact Management's Office to request copies of any document of interest not
216 posted to the website."

217

218 **TENTH ORDER OF BUSINESS****Staff Reports**

219

220 **A. District Counsel: *Hopping Green & Sams, P.A.***221 Ms. Sandy stated the Florida Legislature Session passed several bills, which were
222 mentioned in the Capital Conversation End Discussion Letter sent to the Board. These changes
223 require reviewing and updating the District's Rules of Procedures policy, which was last
224 updated in 2013. Once completed, a public hearing would be scheduled and notices published.225 **B. District Engineer: *Barraco & Associates, Inc.***226 Mr. Barraco wanted to ensure a manual lake bank review was included in the District's
227 annual project schedule. Mr. Adams stated Management was committed to perform a lake
228 bank review and a wetland perimeter review yearly.229 **C. District Manager: *Wrathell, Hunt & Associates, LLC***230 **i. 1,084 Registered Voters in District as of April 15, 2019**

231 There were 1,084 registered voters residing within the District as of April 15, 2019.

232 ii. **NEXT MEETING DATE: June 20, 2019 at 1:00 P.M.**

233 The next meeting will be held on June 20, 2019 at 1:00 p.m.

234 **D. Operations Manager: Wrathell, Hunt & Associates, LLC**

235 • **Monthly Status Report – Field Operations**

236 Mrs. Adams distributed the Monthly Status Report.

237 ○ **Key Activity Dates**

238 Mrs. Adams would make changes to the Berm Compliance activity indicating
239 Management would conduct the annual inspection, instead of the District Engineer, and enter a
240 June or July due date to complete that task.

241 Mr. Geltner stated he was unable to reconcile his 228 figure of Moody River Central
242 Single Family Home count with the Lee County Property Appraiser's record of 230. Mrs. Adams
243 would provide an updated lien roll with names and addresses, to Mr. Geltner in mid June after
244 it was updated.

245 ○ **Aeration Summary Replacement Schedule**

246 ○ **Aeration Replacement Schedule**

247 ○ **Fountain Summary Replacement Schedule**

248 ○ **Fountain Replacement Schedule**

249 These items were provided for information purposes.

250

251 **ELEVENTH ORDER OF BUSINESS**

Public Comments (*non-agenda items*)

252

253 This item was presented following the Second Order of Business.

254 Mr. Teckorius stated he too had trouble reconciling Moody River Central Single Family
255 Homes; manually adding and using maps provided by the District Engineer, his figure was 229.

256

257 **TWELFTH ORDER OF BUSINESS**

Supervisor's Requests

258

259 Ms. Keeler asked the Board to reconsider the meeting time, as, despite the thought that
260 there would be more resident participation when holding meetings in the evening, she felt
261 attendance was greater when the meetings were in the afternoon. Mr. Adams stated the time

262 could be discussed when the proposed Fiscal Year 2020 Meeting Schedule is presented in
263 August.

264 Ms. Mayer referred to her comment in the March minutes, which reflected two
265 residents in attendance and noted that there were actually three. She stated that a resident
266 praised how the website had all relevant financial data on it and the resident was looking
267 forward to what would be posted again.

268 Mr. Jenner asked if there were any comments about the SOLitude Lake Management
269 (SOLitude) nano-bubbler aeration systems webinar last week, as he thought the technology was
270 very interesting. All webinars, the first one on erosion and bank management, could be viewed
271 on SOLitude’s website.

272

273 **THIRTEENTH ORDER OF BUSINESS**

Adjournment

274

275 There being no further business to discuss, the meeting adjourned.

276

277 **On MOTION by Ms. Mayer and seconded by Ms. Keeler, with all in favor, the**
278 **meeting adjourned at 7:25 p.m.**

279

280

281

282

283

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

284
285
286
287
288
289
290
291

Secretary/Assistant Secretary

Chair/Vice Chair