

**MINUTES OF MEETING
BEACH ROAD GOLF ESTATES
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Beach Road Golf Estates Community Development District held a regular meeting on November 18, 2019 at 1:00 p.m., at the Bonita National Golf and Country Club, 2nd Floor of the Clubhouse, 17671 Bonita National Blvd., Bonita Springs, Florida 34135.

Present at the meeting were:

Russell Smith	Chair
Alex Hinebaugh	Assistant Secretary
Mike Rollins	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Greg Urbancic	District Counsel
Dave Underhill	District Engineer

Residents present were:

Sheldon Saidman	Rich Cohen	Jeff Cutler
Simon Rodich	Carol Leon	Sal Dona
Barry Cove	Joe Shay	Denise Deramo
Steve Riggs	Jim Degrob	Denise Campbell
Michelle Santo	Bob Newman	Cindy Irwin
Francisco		

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 1:09 p.m. Supervisors Smith, Hinebaugh and Rollins were present, in person. Supervisors Gabor and Moran were not present.

SECOND ORDER OF BUSINESS

Public Comments

Resident Sheldon Saidman asked the Supervisors and Staff to introduce themselves.

THIRD ORDER OF BUSINESS**Update: Lake Bank Erosion Repair Project**

Mr. Adams stated he and Mr. Underhill met with Mr. Edwards, of Lennar, to evaluate drawings and specifications under consideration to repair the lake banks and help prevent future lake bank erosion. The team decided that, rather than connecting to gutter downspouts, the best solution would be to collect the water up the bank, above the water's edge. It would be lightly excavated to create a capture point through which water would be collected and transported from yard drains, via flexible underground tubing extending fifteen to twenty feet into the lake. The tubing would be buried so that it would not be exposed when the lake recedes during dry season. Sod would be installed in excavated areas and escarpments would be re-graded and reshaped, with the sod extending into the lake to create erosion resistance. The project must go out to bid for proposals. This CDD would take the lead and include the Bonita Landing CDD. The repair project would also include installation of permeable fabric underneath the turf that would help hold the repairs. The only component of the original plan that was excluded, which was tying into the downspouts, was ruled out in favor of capturing water down the bank, installing erosion fabric and grading to prevent water from running over the turf and causing the turf to collapse. The project should commence in early 2020, when water levels would be as low as possible, soil would be as dry as possible and afternoon rains should not be an issue.

Mr. Rich Cohen, a resident, asked whether riprap was considered, as it seemed to be a more permanent solution and, if not, whether homeowners could install riprap themselves. Mr. Underhill stated the CDD must check with the City because there are usually limits to how much riprap can be used; additionally, riprap is generally installed at a steeper slope, is significantly more expensive, use of it must be discussed with the City and there would also be issues working with common property lines. Discussion ensued regarding riprap and residents expressing an interest in installing riprap. Mr. Cohen stated, given the option, he would approach his neighbors and, perhaps all residents around the entire pond, about installing riprap. Mr. Underhill stated he did not think the City would allow the installation of riprap around the entire lake bank. Asked why riprap was used in certain areas, Mr. Underhill stated it was as an aesthetic and drainage feature in certain areas on the golf course.

Mr. Jeff Cutler, a resident, stated that, in addition to drainage on the side of his home, he has a drainage problem in the middle of the backyard with a hazardous grass-covered ditch. Mr. Adams stated those repairs were included in the project.

Mr. Simon Rodich, a resident, stated he had the same problems as Mr. Cutler. He noted that some changes on undeveloped lots seemed to be working and asked whether the CDD was proposing the same type of repair. Mr. Smith stated the sod would now be installed all the way to the water line, as was proposed in escarpment areas, with good results.

Ms. Carol Leon, a resident, stated she knew of a community where Lennar installed netting and it was supposedly very successful.

Mr. Sal Dona, a resident, asked about the longevity of the proposed solution and whether residents could be included in the decision. Mr. Adams stated the solution under consideration for the lot line water issue was utilized successfully for over twenty years in nearby communities, such as The Brooks, where it continued to be effective to this day. The escarpment issue was very prevalent in this area and adding sod to the water's edge was the best solution for holding the banks in place.

Mr. Barry Cove, a resident, asked whether the plans discussed encompassed all areas of erosion on the report. Mr. Adams replied affirmatively; most properties had some erosion, the map was continually updated and this would be a multi-year project.

Mr. Saidman asked how this project would be funded. Mr. Adams stated that, at the last meeting, it was disclosed that Lennar would allow the use of \$200,000 of construction funds each of the next two years and the District already collected approximately \$150,000; the overall project would be approximately \$600,000. Regarding what happens if costs exceed that, Mr. Adams stated an assessment program would be implemented; however, the aforementioned funds should cover the majority of the project. Regarding the time frame, Mr. Adams stated the project would commence in early 2020, likely February or March, and proceed with approximately four months of good working conditions before the rainy season.

Mr. Joe Shay, a resident, stated that, while many of the homes did not have gutters, he installed them on his home and asked the Board to consider tying the gutters into the proposed solution. He described hazardous ruts under his grass where lawnmowers got stuck and asked

whether those ruts would be addressed. Mr. Adams stated the District could not make repairs on private property but, generally, the District would repair issues on the lake management easement, within about 20' of the original water line.

Ms. Denise Deramo, a resident, asked whether Lennar would compensate residents for their gutters. Mr. Adams stated the District was not compensating for gutters but that might be addressed with Lennar. Mr. Cohen stated a group of homeowners on his street got gutters, at substantial savings; he would share the contractor information after the meeting.

Mr. Rodich asked whether the new engineering updates would be shared with residents. Mr. Adams stated the updates would be posted on the District website.

Mr. Francisco, a resident, asked how much remained in the original CDD funding. Mr. Adams stated the construction fund had approximately \$4.85 million. Regarding how the remaining funds would be spent, Mr. Adams stated requisitions were underway, in the amounts of approximately \$1.2 and \$1.4 million, and there may be other qualifying construction costs in addition to the \$400,000 commitment towards this project. All figures were represented in the financials on the District website.

Mr. Steve Riggs, a resident, asked for clarification regarding whether the \$400,000 Lennar referenced would come from Lennar Construction or from the bond proceeds. Mr. Adams stated the funds in the Construction Fund are available to Lennar for requisitioning and selling qualifying infrastructure to the CDD. The bonds were sold, the Construction Fund represented the proceeds and the CDD pays interest on the bonds. It was important to understand that the CDD represents all property owners and, for several years, all those assessments were paid by Lennar, as the owner of most of the properties. Mr. Adams stated he expected that, at the turnover of the CDD, all qualifying infrastructure would have been turned over and, at some point, the District Engineer would certify the project as complete, as required in the Trust Indenture, and excess funds in the Construction Fund would be used to pay down principal outstanding on the bonds, which would, in effect, lower property owner assessments.

Mr. Jim DeGrob, a resident, asked whether the \$400,000 would have gone towards principal had it not been spent out of the CDD Construction Fund. Mr. Adams stated, once the project is complete, all qualifying infrastructure is completed and there is no other qualifying

infrastructure for the District to acquire through the Construction Fund, the District Engineer would certify the project as complete and the Trustee would transfer the balance of the Construction Fund into the Revenue Account to pay down principal at the next scheduled principal payment date. The funds in the Construction Fund were to pay for infrastructure and, in some cases, for land acquisition, which was anticipated as part of the Engineer's Report before the bonds were issued and the Construction Fund was funded.

Mr. Underhill stated, as part of the financing, the District and the Developer entered into an Acquisition Agreement, which stated, if the Developer builds qualifying infrastructure as described in the Engineer's Report, the District would acquire it so, when the Developer stated they would forego drawing those funds, they were essentially stating they would not claim \$400,000 to which they are entitled, under that Agreement.

Mr. Riggs voiced his opinion that, if this approach was taken at time of construction, these monies would likely have been spent anyway.

Ms. Leon asked who would certify the project completed. Mr. Adams stated Mr. Underhill, as the District Engineer, would certify the project completion. Ms. Leon took issue with an employee of Banks Engineering certifying the project's completion, given the erosion issues. Mr. Adams stated the District Engineer would certify completion of all aspects of the infrastructure project anticipated in the Engineer's Report, which developed the budget for the Construction Fund for which bonds were issued. The District Engineer would certify that all infrastructure was completed according to plan and permit, and that there were no other qualifying expenditures for which the Developer could requisition the District, essentially confirming that the project is done. Ms. Leon asked what recourse homeowners would have in case of a problem with the lake bank erosion repair. Mr. Adams stated the District Engineer would develop specifications for the repair and there would be a workmanship warranty from the contractor and likely a manufacturer's warranty on materials.

A resident asked how the erosion issue was not Lennar's responsibility and why the funds would come from the CDD. Mr. Adams stated the District was responsible for the pond and, if the lake's edge was out of compliance with how it was permitted, the owner and

operator of the pond must bring it back into compliance. The lake was not as permitted or designed and the District was making repairs to prevent issues in the future.

Ms. Leon asked what part the South Florida Water Management District (SFWMD) plays and stated SFWMD took pictures and advised that the erosion must be fixed before turnover. Mr. Adams stated the "turnover" SFWMD referred to was the transfer of the surface water management permit from the construction phase to the operational phase, which generally requires an inspection from SFWMD, to look for issues around the edge of the pond.

Mr. Seidman stated he saw a budget showing \$150,000 set aside for lake bank erosion repair and \$113,994 in an unassigned line item and asked whether the \$400,000 mentioned for the project would be added to the budget. Mr. Adams stated that the unassigned line item surplus fund balance was there because the District needed at least 25% of the annual budget for gap funding to cover first quarter expenses until revenue was received from the Tax Collector. Asked where the \$200,000 for this year appeared, Mr. Adams stated it would be requisitioned from the Construction Fund, as costs are incurred; it was not a budget item.

Ms. Denise Campbell, a resident, asked whether the budget referred to was just for this CDD. Mr. Adams replied affirmatively; the budget was specifically for this CDD. Each District has its own budget, with its share of allocated pro rata costs for operating Bonita Beach Road and maintaining and monitoring the Panther Property.

Mr. Francisco asked when the District would turnover to homeowners. Mr. Adams stated the process started in 2018 and, in November 2020, two more seats would turn over to residents. Mr. Francisco asked whether the Engineering firm that certified the project was required to be the same firm that initiated the process. Mr. Adams replied it was not required but it was very convenient, due to historical knowledge.

Ms. Michelle Santu, a resident, asked Mr. Adams to list other communities, other than Palmira, where lake bank erosion was successfully treated in a way similar to the currently proposed approach. Mr. Adams stated the Shadow Wood portion of The Brooks CDD had localized repair on the property lines, where steeper slopes were part of the problem, and the repairs, with a yard drain approach, were still holding up. A few homes in the River Hall CDD, off State Road 80, were treated and were still doing well. There were also repairs in the

Mediterra CDD. Most in Palmira were solved by extending the sod to the water's edge. In the Stoneybrook CDD, geotube, a linear cylindrical tube of woven fabric, was installed; however, the permitting process to allow it to be left in place took 18 months. It had a 15-year warranty and it was unattractive during the dry season. Permitting took so long because Lee County only allows 20% of the total linear footage of the lake bank to be hardened. In other communities that were simply recovering soil, a barge pumped mud into a non-woven geotube material to collect and dry the soil from the lake. The soil was then redistributed and sod was installed, which lasted twenty to twenty-five years.

Mr. Cohen asked whether the District would consider riprap for this project. Mr. Adams stated it was not considered because it was far more expensive, far more invasive to truck in and place behind homes and extensive restoration work would add to the expense.

Mr. Cove asked, based on the new proposal, how many homes were expected to be repaired in the first year. Mr. Underhill stated the project included all the houses along the lake. Regarding how homes would be chosen, Mr. Underhill stated the project would start at one location and proceed block by block. When the project goes out to bid, the District would discuss the specifics with the contractors; develop a realistic plan and work methodically, year-by-year, until the project is completed. Any irrigation destroyed, as part of the project, would be repaired.

Mr. Bob Newman, a resident, stated that many residents installed gutters and asked whether the repair and remediation would be adversely affected by homes without gutters. Mr. Adams stated he did not believe so.

Ms. Cindy Irwin, a resident, stated her backyard lost at least 3' and asked whether that would be backfilled. Mr. Adams stated the project would restore the lake bank to its original configuration.

Mr. Smith stated the solution was designed to be a permanent drainage solution, to capture the water on top of the bank before it reaches a velocity that causes erosion.

FOURTH ORDER OF BUSINESS**Update: Potential Streetlighting on Bonita Beach Road**

Mr. Adams presented the Photometric Analysis Report. The Report would allow Florida Power & Light (FPL) to advise what can be utilized for infrastructure and power and costs to be calculated. This was expected to be a long process, involving a lease power maintenance agreement with FPL. Initial costs were estimated at \$30,000 per year for the north side of which, this community's share would be approximately \$12,000 to \$13,000 per year, not knowing the cost of underground crossings and power upgrades. Costs would be shared between communities, including the cost of the Photometric Analysis Report.

Mr. Riggs thanked the Board for performing the research and taking the time necessary. Mr. Adams stated there was still a lot of work to do and, once the south side was engineered, the work on easements would commence.

Ms. Campbell asked whether reflectors could be installed in the roadway. Mr. Adams stated he would look into installing roadway pavement markers (RPMs).

FIFTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of September 30, 2019

Mr. Adams presented the Unaudited Financial Statements as of September 30, 2019. The financials were accepted.

SIXTH ORDER OF BUSINESS

Approval of August 19, 2019 Regular Meeting Minutes

Mr. Adams presented the August 19, 2019 Regular Meeting Minutes.

On MOTION by Mr. Smith and seconded by Mr. Hinebaugh, with all in favor, the August 19, 2019 Regular Meeting Minutes, as presented, were approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Coleman, Yovanovich & Koester, P.A.*

There being nothing to report, the next item followed.

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

Mr. Underhill stated Lennar was required to construct a water main to the west of Longford Court. That water main was completed and would ultimately connect the District to Valencia. It should improve water quality and provide an alternate path for water in the event of a water main break. As part of the construction, the District is required to give an easement over the main, which crosses under the lake to the west of Longford Court.

On MOTION by Mr. Smith and seconded by Mr. Rollins, with all in favor, authorizing Staff to finalize the Easement and for the Chair to execute it, was approved.

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

- **NEXT MEETING DATE: December 16, 2019 at 1:00 P.M.**
 - **QUORUM CHECK**

The next meeting was scheduled for December 16, 2019.

EIGHTH ORDER OF BUSINESS

**Audience
Requests**

Comments/Supervisors'

A resident asked whether the sewage pumping stations had generator backups for hurricanes. Mr. Underhill stated the three sewage pumping stations within the District were constructed by Lennar and not funded by the District; as part of the construction of the first lift station, Lennar donated a generator to Bonita Springs Utilities (BSU), during Phase I. The generator is not on the ground but it is available. The lift stations are owned by BSU.

NINTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Mr. Rollins and seconded by Mr. Hinebaugh, with all in favor, the meeting adjourned at 2:27 p.m.


Secretary/~~Assistant Secretary~~


Chair/~~Vice Chair~~