

**MINUTES OF MEETING
VERANDAH EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Verandah East Community Development District held a Regular Meeting on May 11, 2022 at 1:00 p.m., at 11390 Palm Beach Blvd., First Floor, Fort Myers, Florida 33905.

Present were:

David Moore	Chair
Richard (Denny) Shields, Jr.	Vice Chair
Christina Jaross	Assistant Secretary
Jacqueline Voiles	Assistant Secretary
Michael Lapinski	Assistant Secretary

Also present were:

Cleo Adams	District Manager
Shane Willis	Operations Manager
Alyssa Willson (via telephone)	District Counsel
Brent Burford	District Engineer
Susan Shields	Resident/VCA Board Member

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 1:00 p.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

There were no public comments.

Mrs. Adams requested approval to consider the Sixth Order of Business before the Third Order of Business.

On MOTION by Ms. Voiles and seconded by Mr. Shields, with all in favor, considering the Sixth Order of Business before the Third Order of Business, was approved.

- **Consideration of Resolution 2022-04, Approving Proposed Budgets for Fiscal Year 2022/2023 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date**

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

Mrs. Adams presented Resolution 2022-04. She reviewed the proposed Fiscal Year 2023 budget, highlighting any line item increases, decreases and adjustments, compared to the Fiscal Year 2022 budget, and explained the reasons for any adjustments.

Discussion ensued regarding the budget, the SOLitude contract, advertising a Request for Proposals (RFP) for aquatic maintenance, adding benchmarks to the RFP to reduce surcharges, increasing fund balance to cover costs, determining which entity should repair the wall, the next scheduled VCA and CDD meetings, a one-time assessment of \$200 and sending the Mailed Notice property owners.

Resident and VCA Board Member Susan Shields stated the VCA Board functions exactly as the CDD Board in that no decisions can be made or votes taken outside of a public meeting.

Regarding the CDD postponing wall repairs until the next fiscal year, Ms. Willson stated the CDD is required to keep its infrastructure in sound operating condition and the only way the repairs could be deferred is if the District Engineer attests that the wall will not cause harm to the infrastructure or to another individual.

Mrs. Adams suggested tabling this item until the June meeting.

A Special meeting will be scheduled on June 1, 2022, to discuss the proposed Fiscal Year 2023 budget.

Ms. Willson will prepare a draft Mailed Notice for review at the June meeting.

On MOTION by Mr. Moore and seconded by Mr. Shields, with all in favor, tabling consideration of the proposed Fiscal Year 2023 budget and authorizing Staff to schedule a Special Meeting on June 1, 2022 at 1:00 p.m., to consider the proposed Fiscal Year 2023 budget and responsibility for wall repairs, was approved.

THIRD ORDER OF BUSINESS

Update: CDD Ownership and Maintenance of Property

A. Discussion/Update: Agreement Between the Verandah East Community Development District and Verandah Community Association, Inc., for Facility Management, Operation and Maintenance Services

Ms. Willson reported the following:

- The Maintenance Agreement with the VCA was just discussed.
- CDD Staff is meeting with VCA Staff to work through the maintenance issues.
- Information from vendors regarding certain projects that need to be done, was pending.
- The District Engineer will determine which repairs must be done immediately and which repairs can be delayed.
- The group coordinated with the Association about what, if anything, will potentially be allowed to be held before considering the maintenance obligation.
- Another meeting is scheduled for May 20th for further discussions. and Staff will continue providing updates on the outcomes.
- The consensus was that, while the CDD cannot be fined, in the interest of fairness, the CDD should facilitate the wall repairs.
- The VCA's Attorney received edits and is re-drafting the current Maintenance Agreement.
- Mr. Burford completed his review and there is nothing in his research of the County records that requires anything on the wall being upgraded.

Mr. Burford confirmed that no upgrades are required and there is no requirement for the wall. The wall was installed at the Developer's discretion and to meet the codes that the County had in place. There is nothing codified that states the CDD must change any fencing or the walls but the fence needs to be maintained and operational. The wall repairs that are pending can be considered maintenance. One portion of the wall on Otter Bend Circle needs to be addressed and the rest can be considered maintenance items, which do not necessarily need to be done immediately, other than to meet the needs of the VCA Agreement.

Discussion ensued regarding recent damage to the wall by a motorist and the insurance company, police report, the Developer filing for a variance, buffer zoning laws and land development codes.

Mr. Shields voiced his opinion that it is important to resolve the situation and the Board must determine which entity will maintain the wall although the CDD owns it. In his opinion, it is unjust to assess property owners a one-time \$200 assessment because of a Developer’s decision in 2016.

Ms. Willson explained that this involves the refinancing and the use of proceeds from the deferred cost account; the Developer was entitled to utilize the funds in the cost account for construction that was completed and was within the scope of the project and the retaining wall was within the scope of the project. In the draft Mailed Notice that will be presented at the June meeting, she will include language explaining the situation in “laymen’s terms” and advising of the difference between the east and the west in a way that will help residents better understand the issue.

B. Consideration of Conveyance Documents

I. Quit Claim Bill of Sale (Perimeter Wall and Landscaping)

II. Release of License Agreement

These items were tabled.

Ms. Willson stated that the District Engineer addressed Items 3BIII, IV and V and noted that the Developer’s address changed and, should the Board approve the documents, they would be amended to reflect the new Delray Beach address.

III. Quit Claim Warranty Deed (Edgewater Trace, Parcel 127 North)

Mr. Moore noted that the folio number on the deed is incorrect and needs to be updated. The correct number is 29-43-26-L4-45LK3.000. Staff would make the correction.

On MOTION by Mr. Moore and seconded by Ms. Voiles, with all in favor, the Quit Claim Warranty Deed for Edgewater Trace, Parcel 127 North, as amended, was approved.

IV. Bill of Sale – Edgewater Trace (Parcel 127 North)

On MOTION by Mr. Moore and seconded by Ms. Jaross, with all in favor, the Bill of Sale for Edgewater Trace, Parcel 127 North, was approved.

V. Quit Claim Bill of Sale (Edgewater Trace LK-3)

On MOTION by Mr. Moore and seconded by Ms. Jaross, with all in favor, the Quit Claim Bill of Sale for Edgewater Trace LK-3),was approved.

FOURTH ORDER OF BUSINESS

Consideration of FL GIS Solutions, LLC, Professional Services Agreement for Geospatial Services

Mrs. Adams presented the FL GIS Solutions, LLC, Professional Services Agreement for Geospatial Services. Staff negotiated a fee of \$100 per hour for 24 months. Ms. Jaross pointed out that the contractor’s address is incorrect. Mrs. Adams stated Staff obtained all the Contractor’s credentials and will follow up regarding the address and make the correction.

On MOTION by Mr. Moore and seconded by Ms. Jaross, with all in favor, the FL GIS Solutions, LLC, Professional Services Agreement for Geospatial Services, at a rated of \$100 per hour for 24 months and terminating the current GIS contract with Passarella & Associates and sending notice, was approved.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-03, Implementing Section 190.006(3), Florida Statutes, and Requesting That the Lee County Supervisor of Elections Begin Conducting the District’s General Elections; Providing for Compensation; Setting Forth the Terms of Office; Authorizing Notice of the Qualifying Period; and Providing for Severability and an Effective Date

Mrs. Adams presented Resolution 2022-03 and read the title. Seats 1 and 2, currently held by Supervisors Shields and Lapinski, respectively, will be up for election at the November 2022 General Election.

On MOTION by Ms. Voiles and seconded by Mr. Moore, with all in favor, Resolution 2022-03, Implementing Section 190.006(3), Florida Statutes, and Requesting That the Lee County Supervisor of Elections Begin Conducting the District’s General Elections; Providing for Compensation; Setting Forth the Terms of Office; Authorizing Notice of the Qualifying Period; and Providing for Severability and an Effective Date, was adopted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2022-04, Approving Proposed Budgets for Fiscal Year 2022/2023 and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date

This item was presented following the Second Order of Business.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2022-05, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023 and Providing for an Effective Date

Mrs. Adams presented Resolution 2022-05 and read the title.

On MOTION by Mr. Lapinski and seconded by Ms. Voiles, with all in favor, Resolution 2022-05, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023 and Providing for an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Discussion: Verandah East CDD Safeguards

Mrs. Adams referenced an article entitled “Accused Property Manager Bought Jet” and stated a Board Member asked Staff to address the safeguards in place for the CDD. She pointed out that HOAs are not required to conduct annual audits but CDDs must have annual audits conducted by an outside auditor. To protect the CDD from fraud, internal control policies are in place, there are state requirements and Wrathell, Hunt and Associates implemented numerous layers in processing the billing. Mrs. Adams explained the accounting process, including invoice coding, check runs, Manager check verification and pulling invoices if unrecognized. She also discussed check execution by Mr. Wrathell and check transmission by the Controller, Mr. Jeff Pinder.

Discussion ensued regarding the newspaper article, outside audits and internal controls.

Board Members stated that they are comfortable with the process and trust Management.

NINTH ORDER OF BUSINESS

Discussion/Consideration: Johnson Engineering, Inc., Stormwater Management Needs Analysis Report

Mrs. Adams recalled that, at the last meeting, the Board approved proceeding with the Stormwater Management Needs Analysis Report.

Mr. Burford gave an overview of the Report dated May 5, 2022.

Discussion ensued regarding replacement costs, reserves and inflation.

An error on Page 6 regarding there being geospatial data and other mapping systems in place to locate stormwater infrastructure was noted; it would be changed from “No” to “Yes”.

On MOTION by Ms. Voiles and seconded by Mr. Moore, the Stormwater Management Needs Analysis Report, as amended, was approved.

TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of March 31, 2022

Mrs. Adams presented the Unaudited Financial Statements as of March 31, 2022 and called attention to the Financial Highlights Report handout. The financials were accepted.

ELEVENTH ORDER OF BUSINESS

Approval of January 12, 2022 Regular Meeting Minutes

Mrs. Adams presented the January 12, 2022 Regular Meeting Minutes.

On MOTION by Mr. Shields and seconded by Ms. Jaross, the January 12, 2022 Regular Meeting Minutes, as presented, were approved.

TWELFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Kutak Rock LLP*

There was nothing further to report.

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

There was nothing further to report.

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

I. 840 Registered Voters in District as of April 15, 2022

II. NEXT MEETING DATE: August 10, 2022 at 1:00 P.M. (Public Hearing & Regular Meeting)

The next meeting would be held on June 1, 2022.

Mrs. Adams reported the following:

- Two lake bank restoration projects were scheduled; one in 2023 and the other in 2024.
- The South Florida Water Management District (SFWMD) issued a violation notice because the golf club removed ½ an acre of conservation area on Hole #9 in the Verandah West CDD.
- Staff filed for an extension to make the repairs.

○ **QUORUM CHECK**

All Supervisors confirmed their attendance at the June 1, 2022 meeting.

THIRTEENTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

FOURTEENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Ms. Voiles and seconded by Mr. Lapinski, with all in favor, the meeting adjourned at 2:17 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair