

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

The Board of Supervisors of the Verandah East Community Development District held a Special Meeting on June 1, 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 (via telephone)	Assistant Secretary
Michael Lapinski	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	District Manager
Shane Willis	Operations Manager
Alyssa Willson (via telephone)	District Counsel
Brent Burford	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 1:01 p.m. Supervisors Moore, Shields, Jaross and Lapinski were present, in person. Supervisor Voiles was attending via telephone.

SECOND ORDER OF BUSINESS

Public Comments [3 minutes per person]

There were no public comments.

THIRD 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

Mrs. Adams presented Resolution 2022-04 and read the title. Since the last meeting, a new \$200,000 "Perimeter fence/wall repairs" at line item was added to the proposed Fiscal Year 2023 budget. The proposals for repairs and vegetation removal, adjacent to the conservation areas totals \$121,410. The allocated amount is adjustable.

Mr. Moore categorized the items in question, including repair of the Otter Bend wall, repair of all walls, fencing repairs in the east and clearing brush around the fencing and the maintenance. He believed that the four items are potentially long-term repairs and proposed adding two new line items to the budget, including one to refurbish the damaged Otter Bend wall and another for current and future trimming around the fencing. Mrs. Adams stated it would cost \$16,075 to repair the R-12 section of the wall; Management obtained costs based on the District Engineer's fieldwork.

Discussion ensued regarding the proposals, Otter Bend wall repair costs, scope of work in the wall repair proposals, chain-link fence repair costs, vegetation trim-back costs, recouping repair costs from a car accident, ongoing maintenance considerations, entering into a maintenance agreement with the VCA, explaining cost increases to residents and constituents, flexibility for periodic wall maintenance, the assessment amount, taking out a loan for capital replacements and revising the language in the notice to property owners.

Mr. Moore motioned to amend the proposed Fiscal Year 2023 budget and include the following line item:

Add: "Perimeter fence wall repairs" for "120,000"

On MOTION by Mr. Moore and seconded by Mr. Lapinski, with all in favor, Resolution 2022-04, Approving Proposed Budgets for Fiscal Year 2022/2023, as amended, and Setting a Public Hearing Thereon Pursuant to Florida Law for August 10, 2022 at 1:00 p.m., at 11390 Palm Beach Blvd., First Floor, Fort Myers, Florida 33905; Addressing Transmittal, Posting and Publication Requirements; Addressing Severability; and Providing an Effective Date, was adopted.

A Board Member asked for an explanation of the Tax Collector fee line item on Page 4. Mr. Adams stated the Lee County Tax Collector charges a 1.5% fee for services; the budget would be amended to show that the Property Appraiser fees are \$1 per parcel and the Tax Collector fee is \$1.50 per parcel.

- **Draft Mailed Notice to Property Owners**

Referencing a handout of a letter to property owners, Mr. Lapinski pointed out grammatical and typographical errors and voiced his opinion that the letter is not in laymen's terms and will confuse property owners. He felt that property owners need to know the history of the wall transfer to the CDD and what happened in 2016.

Ms. Willson stated there was a bond refinancing and there were deferred costs owed to the Developer and, in order to allow the Developer to refinance, the CDD purchased the wall with a part of the capital improvement plan. The wall was previously built by the Developer, who was eligible for reimbursement, and to satisfy the bond covenants and allow the refinancing to proceed, the Developer-controlled Board at that time approved the action, which is all in accordance with the bond documents.

Discussion ensued regarding Kolter, CDD ownership of the wall and perimeter fencing, explaining the assessment increase to property owners, meeting minutes from 2016 and transition between Kolter and the VCA. Ms. Willson stated that, in the letter, she could try, in laymen's terms, to summarize what occurred by adding additional color to the surrounding circumstances. Mr. Lapinski stated, as an engineer, he would summarize the occurrence with the following bullet points:

- The refinance allowed Kolter to fund the wall and they did.
- The wall ended up being owned by the Veranda East CDD (VECDD).
- There was never an agreement between the VCA and the CDD to repair and replace the wall even though that is how they behaved.
- During the transition it was learned that there was no agreement for this asset that they did not own and, thus, the VECDD is responsible for maintenance of the wall, for now.
- Staff is currently working on an agreement to convey the wall maintenance responsibility to the VCA.

Mr. Moore stated he did not feel equipped to explain the assessment increase to residents. Mr. Adams stated he would be happy to provide an explanation at the upcoming public hearing, detail the steps of why it is necessary and explain that it was always part of the Engineer's Report.

Discussion ensued regarding the proposed \$158 assessment increase, property owner/resident reaction at the upcoming meeting, what happens if the VCA Board chooses not to enter into an agreement with the CDD, a one-time investment, cost-sharing with the Verandah West CDD (VWCDD) and the upcoming workshop.

Mrs. Adams asked how the letter should be re-worded. The consensus was to insert the following sentence in the letter to property owners:

"The CDD needs to have a maintenance agreement between the VCA and the CDD; not having that agreement requires the CDD to plan for the potential increase. The Board is working on the agreement and hopefully it will be executed."

FOURTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Kutak Rock LLP*

Ms. Willson stated she would continue working diligently with the Association.

- **Historical Discussion of Wall Transfer to CDD**

This item was addressed during the Third Order of Business

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

Mr. Burford stated, regarding an email about the VECDD conservation area showing on the Property Appraiser website as owned by VWCDD, District Counsel is the best person to research this and verify ownership. Mr. Moore voiced his assumption that the conservation area is within the VECDD's ownership and the east boundary must be adjusted on the GIS map but he was unsure if it is worth the expense of having the GIS borders re-routed.

Ms. Willson stated, technically, the GIS borders should not be re-routed if they are in accordance with the legal description of the CDD; she could research this to find out if an error was made on LIPA. Mr. Moore wanted Ms. Willson to research this to determine if an error was made and make a recommendation to the Board; however, this is not a high priority.

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

Mrs. Adams stated a workshop will be held on July 14, 2022, from noon to 2:00 p.m. The rules of a workshop were discussed.

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

All Supervisors confirmed their attendance at the July 14, 2022 Workshop and August 10, 2022 Public Hearing and Regular Meeting.

FIFTH ORDER OF BUSINESS

Supervisors' Requests

There were no Supervisors' requests.

SIXTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

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

[SIGNATURES APPEAR ON THE FOLLOWING PAGE


Secretary/Assistant Secretary


Chair/Vice Chair