

**MINUTES OF MEETING
WATERFORD LANDING
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Waterford Landing Community Development District held a Special Meeting on November 14, 2024 at 11:00 a.m., at the Linsford Amenity Center, 4101 Dutchess Park Road, Fort Myers, Florida 33916.

Present:

Charles Cox	Chair
Marcina Strang (via telephone)	Vice Chair
Robert Stillman	Assistant Secretary
Joyce Hein	Assistant Secretary
Edward Fitzgerald III	Assistant Secretary

Also present:

Daniel Rom	District Manager
Kristen Thomas (via telephone)	Wrathell, Hunt and Associates, LLC
Whitney Sousa (via telephone)	District Counsel
Frank Savage	District Engineer
Brett Sealy	MBS Capital Markets, LLC
Kendall Bulliet	MBS Capital Markets, LLC

Residents present:

Helen M. Hazi	Ed Oie	Eric Schaefer	Bill Smith
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FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 11:03 a.m. Supervisors Cox, Hein, Fitzgerald and Stillman were present. Supervisor Strang attended via telephone.

SECOND ORDER OF BUSINESS

Public Comments

Resident Helen Hazi stated she wants to learn more about the lakes and how they are managed.

- **Discussion/Consideration of Refinancing Series 2024 Bond Issuance**

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

Mr. Rom stated that some information regarding this item is included in the agenda and additional information and considerations were emailed to the Board Members.

Mr. Sealy recalled that the Board engaged his firm purely on a contingency basis, about a year ago, to explore refinancing opportunities related to the CDD's sole series of bonds, which MBS Capital Markets (MBS) underwrote in 2014. The falling interest rates provided a potential opportunity for the CDD to refinance the outstanding series of bonds, take advantage of lower interest rates and reduce the annual debt service amount that each property owner pays annually. MBS prepared a credit package at no charge to the CDD. The package was sent to various institutions with a history of refinancing loans to other CDDs throughout Florida. Three term sheets are included in the agenda; while Truist Bank provided the most favorable economic terms, all three are presented.

A Board Member voiced their opinion that, if the bonds are refunded, homeowners will want to know what will be the impact on their debt service for the next 20 years and how much it will reduce their annual CDD assessment.

Mr. Sealy presented the MBS Capital Markets, LLC Refunding Summary dated November 14, 2024 and noted the following:

- The Series 2014 Bonds, with \$8,615,000 par outstanding, became optionally callable on May 1, 2024 so, as of May 1, 2024, they could be refunded without penalty. The blended interest rate on the remaining debt service on the bonds is 5.71%.
- Truist Bank provided the two scenarios that offer the greatest economic benefit. Option A is for a one-time refinance at 4.24%, with no second opportunity to refinance. Option B is for a one-time refinance at 4.38%, with a second opportunity to refinance again in ten years.
- MBS has completed 200 of these types of refinancings over the last 15 years.
- When reductions in debt services or savings are referenced, they are presented as net of all associated fees and costs; any fees and costs associated with refinancing come from bond proceeds and not the general budget.
- Under Florida Law, Underwriters are forbidden to extend the maturity date of the bonds.
- Truist Bank Options A and B offer an Estimated Maximum Annual Debt Service Reduction of \$89,957 and \$82,016, respectively.

➤ Beginning with the November 2025 tax bill, the Truist Bank Options A and B estimated reductions to the Annual Debt Service payment would be \$98 and \$90, respectively, which would be a significant savings over the life of the bonds.

Discussion ensued regarding Options A and B, interest rates, economic conditions and the value of the second opportunity to refinance at any time after ten years.

Mr. Sealy stated that the rest of the Financing Team and District Counsel agreed to work on a contingency basis, subject to the bonds closing. The not-to-exceed fee amounts will be provided prior to closing on the bonds.

On MOTION by Ms. Hein and seconded by Mr. Stillman, with all in favor, authorizing Staff to engage the Finance Team to proceed with refinancing the bonds via Truist Bank Option B, was approved.

Mr. Rom stated that a Supplemental Assessment Methodology Report would be prepared. Initially, when bonds are issued, the Engineer's Report sets forth the Capital Improvement Plan (CIP) and the funding requirements. The Master Assessment Methodology Report reflects the unit and product types in the CDD, the associated costs, Equivalent Residential Unit (ERU) weightings and the rates for each unit type. He voiced his belief that the calculations for the CDD are easy because all units pay the same Operation & Maintenance (O&M) and Debt Service Assessments. The Supplemental Assessment Methodology Report related to the refinancing would be updated to show the numbers and then show the adjusted annual amounts per unit.

A Board Member asked if the reduced Debt Service Assessment would go into effect for Fiscal Year 2026. Given the projected closing date in mid-December 2024, Mr. Sealy stated that the adjustment would be reflected on the November 2025 tax bill, which would be for the Fiscal Year 2026 budget.

A Board Member noted the importance of making it very clear to property owners that no refunds will be issued and that the reduction will not actually show up until the Fiscal Year 2026 budget year.

Mr. Rom stated that additional Mailed Notices would not be sent related to the refinancing.

Mr. Sealy stated that, when Staff was performing due diligence, it was noted that the CDD's property owners are generally extremely efficient when paying their property tax bills; nearly all property owners receive the prompt/early pay discount for paying in November.

Mr. Rom stated the closing would be on December 16, 2024. The consensus was to schedule a meeting on December 12, 2024, to be held only if needed for the bond closing, and to authorize the Chair to execute necessary documents if the meeting is not held.

On MOTION by Mr. Fitzgerald and seconded by Ms. Strang, with all in favor, authorizing the Chair to execute bond-related documents outside of a meeting and ratifying all supplemental documents at a future meeting, was approved.

Mr. Sealy stated that Truist Bank will be notified of the Board's decision to proceed with Option B. He noted that Ms. Wilhelm will prepare the documents.

Mr. Sealy and Ms. Bulliet left the meeting.

THIRD ORDER OF BUSINESS

Considerations of Proposals for Lake Bank Restoration Project

The following proposals were included for informational purposes:

- **Lake Bank Restoration Exhibits**
- A. Crocker Land Development, LLC**
- B. Seabreeze Erosion Solutions**
- C. SOLitude Lake Management, LLC**

Mr. Rom stated that the proposals were discussed at the last meeting. Each proposal offers different solutions for lake bank restoration, which would be completed in phases.

Regarding Ms. Hazi's interest in lake management, Mr. Rom stated that different levels of erosion have been evident in nearly all the lakes, due to causes, such as wind pattern and age of the lake, and private property issues, such as pool discharge or irrigation. The Board and Staff are identifying issues and engaging vendors for the lake bank restoration. The proposals were tabled at the last meeting so Board Members could visit neighboring communities.

Mr. Stillman stated he was not impressed with the bullnose solution proposed by SOLitude and expressed support for the solutions proposed by Seabreeze or Crocker. He voiced

his opinion that the Cocomat solution seems very good, given that it held up well for 10 years. He would suggest more plants, for additional beautification, if Cocomat is selected and expressed support for Seabreeze or Crocker.

Ms. Hein stated she also was not impressed with the bullnose solution. She noted that the Cocomat exceeded its seven-year guarantee but a lower guarantee was offered to the CDD. She questioned the material and type of mats utilized and expressed support for the Seabreeze or Crocker solutions. She prefers Seabreeze, given the very mature lake bank observed.

Discussion ensued regarding the Seabreeze and Crocker proposals, on-site observations and the warranties offered. It was noted that Seabreeze guarantees its work if they perform the lake maintenance; the cost would be slightly higher than the current lake maintenance contract.

Ms. Hein recalled that clarification is needed regarding the cost for maintenance, as it was quoted at the same price for three lakes or 16 lakes.

Ms. Strang expressed support for Seabreeze based on her on-site observations, the installation methods and the maintenance offered.

Mr. Cox voiced his opinion that extensive maintenance work will be needed in some locations before remediation can begin. It was noted that the CDD contracts with a different division of SOLitude for the lake maintenance being discussed, such as treating weeds and algae. The CDD executes the contract through the Master Association and it is paid for by the Master Association because Ronto set it up that way when the CDD and the Master Association were formed at the same time.

Mr. Cox stated the Seabreeze services proposal would total approximately \$33,000 per year for all 19 lakes; the current contract with SOLitude is in the high \$20,000 range, so the increase is not very significant. Seabreeze's separate fee for annual littoral maintenance also includes permanent replacement in the event of storm damage or a failure to thrive.

Discussion ensued regarding increasing the variety of littorals for improved beauty, the lifetime guarantee offered by Seabreeze and the pros and cons of requiring replacements to be completed within a specified time following storm events. The consensus was that the replacement time will be addressed during final negotiations.

Mr. Cox expressed support for remediating individual lake banks in their entirety rather than piecemeal and noted the need to determine how many lakes will be completely remediated

in the first and subsequent years, and how the remediations will be funded going forward. He suggested that gutter and pool discharges be addressed before remediation begins.

The consensus was to award the contract to Seabreeze and to include the full contract with lake management services.

Mr. Stillman stated the sprinklers at the lakes aiming away need to be converted to the residences. Mr. Cox suggested Mr. Savage consult with CLA to find out where the sprinkler heads and the main irrigation lines are. He expressed concern about damage to irrigation lines. Mr. Savage suggested that standard language in the contract holds the contractor responsible for damage. It was noted that irrigation maps are needed. Mr. Stillman stated that CLA was going to charge \$300 to map the irrigation for the entirety of Phase 3, including individual lots. Mr. Cox stated the maps of distribution mains were obtained from DR Horton and sent to CLA. While the locations of the distribution mains are known, Pinnacle installed each lot's plumbing; he does not think any homeowner received an overlay showing the locations of their irrigation lines.

Supervisor-Elect Bill Smith asked how long the maintenance contract price is fixed.

Mr. Savage stated that this is a new vendor to the CDD; the contract verbiage will be scrutinized, especially with regard to the warranty, which was understandably a big factor.

Mr. Smith expressed concern about treatments applied by CLA, given the responsibility for Seabreeze to replace damaged littorals.

Ms. Hazi asked if the remediation proposals address the lake bank slope and whether any materials are more supportive of wildlife that feeds on the banks, including herons.

Mr. Savage stated that all the lake banks will be restored to a 4:1 slope, as the permit requires. The Seabreeze solution is layered with littoral plantings to further help stabilize the shoreline. Ms. Hein stated that Lake 16 will be addressed during lake bank remediations.

Discussion ensued regarding the need to coordinate with landscapers to prevent damage to littoral plantings and increase runoff into the lake.

Mr. Savage noted the following:

- The cost to perform the Seabreeze overall solution concurrently with the downspout work would be approximately \$400,000. Board direction is needed regarding partial versus whole implementation and which lakes should be considered first.

- Knowing the downspout consideration, questions were previously raised regarding the CDD's potential legal access to perform work on private property. He believes some parallel work might be ongoing by District Counsel, which would also affect timing.
- Given that the CDD does not have a history of working with this solution, it is unknown whether permitting requirements might apply; the City of Fort Myers is an unknown. He believes the Seabreeze proposal indicates that they will determine the requirements but he will participate in conversations and consult with the South Florida Water Management District (SFWMD). According to Seabreeze, the SFWMD is on record as not considering this solution to be a hardened shoreline.

Mr. Rom asked if the initial Seabreeze Phase 1 includes Lakes 5, 10 and 16.

Mr. Savage replied affirmatively and confirmed that the \$400,000 number includes the full Seabreeze proposal, including the entire lake bank of each lake, and not just the piecemeal portions, and the downspouts.

Mr. Rom stated that, as a standalone project, Florida Statute would require this project to go through the Request for Proposals (RFP) process, except if the solution provided is a standalone, patent-pending type of solution for which the requirement would be waived because the contractor is the only provider offering this proprietary solution.

Ms. Sousa stated that Seabreeze provided a letter advising the CDD that it has a patent pending; if any competitor utilizes Seabreeze's same method of remediating the lake banks, they can sue them. No other vendor is providing this type of solution; therefore, she is comfortable that the CDD can make the argument that this is a full-force exception to the RFP requirement.

The consensus was that remediations will address each lake, in its entirety, rather than piecemeal.

Mr. Rom noted the need to address private property issues before work commences.

Mr. Cox voiced his belief that Seabreeze counted 28 sites that need remediation, to include running a cord from the gutter discharge down to the lake, before they can install the barrier. He asked Ms. Sousa if she will provide a release for the property owner to sign so that the CDD's contractor, Seabreeze, can legally come onto their property, which is outside of the maintenance easement, in order to trench and install that drain.

Ms. Sousa replied affirmatively; once the homes that need remediation are identified, Mr. Rom will email her the list. Letters will be drafted and sent to each property owner with a release; each individual property owner must sign a release before work can begin.

Ms. Strang noted that the work is included in the quote and suggested the letter state that the property owner is not responsible for paying for the remediation expense.

Mr. Savage will follow up with Seabreeze and obtain the list, by property address.

Mr. Savage stated his understanding that authorization will be granted to allow the CDD to construct the drains. He asked if these will then be conveyed to the property owners with the understanding that any ongoing maintenance that can or would occur will be their responsibility. He suggested that permit easements might be needed because he thinks that, if the CDD installs it, there should be clarity regarding what entity is responsible for maintenance. If not well-defined, he thinks it would likely fall back on the CDD.

Mr. Cox replied affirmatively. The CDD will be responsible for the installation; thereafter, it is the responsibility of the homeowner to maintain or perform any associated repairs.

Ms. Sousa stated that information will be included in the letter to homeowners. It can be explained that the CDD is undertaking this expense in conjunction with this large project for lake bank remediation and that the CDD does not want to start the repairs without first addressing the root causes of the erosion. Going forward, the homeowner will be on notice that the CDD will expect the property owner to continue maintenance and make repairs to problems or conditions on their property that contribute to erosion on CDD property.

Ms. Hein thinks homeowners will want to understand the scope of what they might be responsible for. If the CDD pays for it but then it stops working, the homeowners will want to know what they might be paying for.

Discussion ensued regarding the letter to homeowners. It was noted that homeowners will be responsible for clearing downspouts and clogging and for maintaining their roof to prevent debris from clogging the drain. The homeowners are responsible for keeping the drains clear, it is not the CDD's responsibility.

Mr. Rom stated that, in the future, the CDD can provide some potential maintenance.

A Board Member asked if it is true that the CDD does not have eminent domain. Ms. Sousa replied affirmatively.

Asked what recourse the CDD has if a homeowner refuses to participate or sign a release, Ms. Sousa stated it will be considered on a case-by-case basis. With this letter and then the CDD taking the initiative to make the initial repair, the CDD has done everything it can do to put the CDD in the position that, if there are issues with individual owners, the CDD can send demand letters. If there is an issue and the homeowners do not pay, the CDD would have to go to court.

Mr. Cox voiced his belief that the CDD paying for remediation will prevent the majority of the issues and that the letter needs to stress the importance of homeowners participating so that the CDD can correct problems that they are causing and thereby protect the CDD's interests. He thinks the CDD cannot pay Seabreeze \$400,000 to treat these lakes and then allow some homeowners to neglect their responsibility and cause major issues.

Ms. Strang voiced her opinion that the letter should emphasize that the CDD is incurring the remediation cost and is seeking homeowner participation to avoid problems in the future. She asked for the letter to be circulated to the Board before it is sent. Mr. Rom stated the letter will be circulated for feedback.

Ms. Hein noted that maintenance responsibility will pass on to new owners when the property is sold.

Asked if there is a place on the website that shows the lake numbers, Mr. Rom stated it is included in Exhibits on the agenda on the CDD website, www.waterfordlandcdd.net. He can also email the information.

It was noted that Staff will work with Seabreeze to discuss staging of materials, access to lakes, etc. Communications will be sent to residents.

Mr. Savage stated that remediations will be performed according to the CDD's specifications. In general, there will be a small inlet to catch surface runoff; the pipe will be deep enough that even during dry season, the pipe will be under water. The District Engineer assists at the discretion of the Board.

Mr. Savage discussed the nature of the pipe repairs, the extent of repairs needed and the responsibility of property owners. He noted that qualified contractors will be capable of doing the work; information and resources will be provided.

On MOTION by Mr. Cox and seconded by Ms. Hein, with all in favor, engaging Seabreeze Erosion Solutions for full lake bank restoration of Lakes 5, 10 and 16, to include drain repair solutions; authorizing District Counsel to draft an Agreement; engaging District Counsel to draft a release and information letter to residents with Staff and Board review prior to sending out, in a not-to-exceed amount of the proposal amount plus 5%, was approved.

Mr. Savage will follow up with Seabreeze and begin working on the list of locations and permitting. He asked when Staff would like the project to commence. The consensus was that water levels are falling and work will be scheduled as soon as possible.

FOURTH ORDER OF BUSINESS**Discussion/Consideration of Refinancing
Series 2014 Bond Issuance**

This item was discussed following the Second Order of Business.

FIFTH ORDER OF BUSINESS**Acceptance of Unaudited Financial
Statements as of September 30, 2024**

On MOTION by Mr. Stillman and seconded by Ms. Hein, with all in favor, the Unaudited Financial Statements as of September 30, 2024, were accepted.

SIXTH ORDER OF BUSINESS**Approval of October 16, 2024 Special
Meeting Minutes**

On MOTION by Mr. Cox and seconded by Mr. Stillman, with all in favor, the October 16, 2024 Special Meeting Minutes, as presented, were approved.

SEVENTH ORDER OF BUSINESS**Staff Reports**

- A. District Counsel: Straley Robin Vericker
- B. District Engineer: Barraco and Associates, Inc.
- C. District Manager: Wrathell, Hunt and Associates, LLC

There were no Staff reports.

- **NEXT MEETING DATE: January 23, 2025 at 11:00 AM**

○ **QUORUM CHECK**

As previously discussed, a meeting will be scheduled for December 12, 2024, if needed for bond issuance. Otherwise, the next meeting will be on January 23, 2025.

EIGHTH ORDER OF BUSINESS**Supervisors' Requests**

Mr. Cox noted the passing of Mr. Mark Taylor, the Senior Vice President of Land Development with Ronto for 45 years. Mr. Taylor was responsible for building the Amenity Center and did many good things for this community.

Mr. Cox stated that water levels in Lake 3 have been a topic of discussion in HOA and Master Association discussions. People would like to know why the water level is so low in Crofton Lake. It is believed that the water was drained by the development next door. After numerous discussions with Cardno, SOLitude and the SFWMD, it is believed that, as Montego Square began utility construction and started digging its lakes, they were issued a dewatering permit. Their dewatering line ran parallel to the fence and, as they pulled water out so they could keep their construction sites dry, it drained the CDD lake. The other four lakes in Phase 3 are connected by a 36" pipe so those lakes dropped as well. The SFWMD Field Investigator was asked to examine their records for the dewatering permit to make sure that they are finished dewatering and to see if the CDD can claim some type of restitution. A response is pending. The recharge pumps were turned back on but, entering dry season, refilling those lakes will be a slow process because more frequent irrigation will be necessary. Both The Master and Phase 3 draw from Crofton Lake.

Mr. Cox stated that Serena Park is a subdivision that will go in between the canal and Phase 3. The majority of it is on the west side of Aldermans between Aldermans and Veronica Shoemaker. There will be some houses on the east side of Aldermans, between there and the Montego Square Apartments. There was a lot of discussion about who will maintain Aldermans. That section of Aldermans has a public dedication; it was part of the original ordinance that created Berkshire. The Developer had to give potential developments outside of Linsford access to Aldermans in order to get that spine road approved. There are two bump outs at San Marcos Avenue and the CDD cannot say no; those roads will be hooked in but those 254 houses are not gated and they will have access to Aldermans but they are not paying for it. The CDD is paying

for it through Master Reserve Allocations. After a discussion to enter an Interlocal Agreement with the City of Fort Myers, so the CDD and the City of Fort Myers can split maintenance responsibilities, some help is needed from Ms. Sousa to draft the Agreement. It will involve both the CDD and the Master Association because the CDD right-of-way (ROW) passes through a residual tract owned by the Master Association. Last week, it was learned that Serena Park would like a new exit onto Aldermans, about halfway between San Marcos and the canal. It would be a straight line west to Veronica Shoemaker and the City thinks the CDD should all be thrilled about it because it will be another exit in addition to\ going up to Winkler. The reason they want it is because Valencia Way is basically landlocked. This is a nice thing to have but the CDD does not have to agree to give it to them. He asked the Master Association and the CDD if the Board has authority to grant the easement or to sell part of the ROW to the City in order for the City to make this new connection to Aldermans.

Ms. Sousa stated that she is happy to research this. It is necessary to find out if the City is drafting the Agreement. Usually, the CDD would defer to the City using their Form but, if the City wants, the CDD can draft it.

Discussion ensued regarding the request and the response to be provided to the City.

Mr. Cox thinks the maintenance of the spine road is independent of a second exit; he would not tie those together. As he told City Engineer Nicole Setzer at that meeting, if the CDD or Master Association Governing Documents require an approval of membership, in which 50% of people must approve, it will likely not be approved. The question is who can grant access to tie in to the ROW owned by the CDD. He asked if the Board can do it or if it requires an act of membership.

The residual tract and the request were discussed.

Ms. Sousa will research it and advise if the CDD can make the decision.

On MOTION by Ms. Strang and seconded by Mr. Cox, with all in favor, authorizing District Counsel to provide a letter agreement to the City of Fort Myers in which the City of Fort Myers would maintain the drainage improvements, roadway resurfacing and gutter maintenance, and the CDD is willing to maintain the landscape, the irrigation and the signage, related to Alderman's Walk between the canal and Winkler, was approved.

District Counsel was directed to investigate the requirements for the City to be able to tie Valencia Way, the proposed new exit from Serena Park, to Aldermans and what would be required for the CDD grant approval.

Ms. Strang asked about the light on Winkler and Aldermans. Mr. Cox stated the City intends to rebuild that intersection, including traffic signals, late this year or January of next year. Depending on availability of components and contractors, the City sees it being completed in the late third quarter or early fourth quarter of 2025.

NINTH ORDER OF BUSINESS**Public Comments**

In response to a question about the school bus stop, Mr. Cox stated his understanding that the school bus stop will need to be moved; it cannot remain at the intersection where the new traffic light is being installed. The School District will determine the new bus stop location.

Mr. Rom thanked Ms. Hein and Mr. Stillman for their service to the Board and stated that they have been a pleasure to work with.

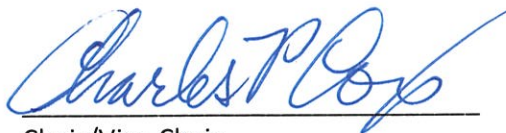
TENTH ORDER OF BUSINESS**Adjournment**

On MOTION by Ms. Hein and seconded by Mr. Stillman, with all in favor, the meeting adjourned at 1:06 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair