

**MINUTES OF MEETING
SARASOTA NATIONAL
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Sarasota National Community Development District held a Public Hearing and Regular Meeting on July 11, 2023 at 2:00 p.m., at the Sarasota National Clubhouse, 25500 National Boulevard, Venice, Florida 34293.

Present were:

Gerald Bergmoser	Chair
Carlton (Cary) Leuschner	Vice Chair
John Istwan	Assistant Secretary
Richard (Dick) Smith	Assistant Secretary
Douglas Kasl	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Cleo Adams	District Manager
Shane Willis	Operations Manager
Lindsay Whelan (via telephone)	District Counsel
Patrick Healy (via telephone)	District Engineer
Michael Barnett (via telephone)	Keefe McCullough
Alex Kurth	Premier Lakes, Inc.
Bill Kurth	Premier Lakes, Inc.
Donald Young	Resident
Peggy Powers	Resident
Beth Dolce	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mrs. Adams called the meeting to order at 2:00 p.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments: Agenda Items [3-Minute Time Limit]

Resident Peggy Powers presented pictures and expressed her opinion that littorals on Lake 28 have grown significantly and require maintenance to promote natural water flow. Mrs. Adams stated the littoral shelf is beneficial and it does not appear to be excessive. Mr. Adams stated it will be inspected and noted that some portions of the littoral shelf are under the requirements of the Southwest Florida Water Management District (SFWMD) and the County.

The photographs and littoral shelf plantings were discussed.

Mr. Willis stated he inspected the area recently and did not see an issue in the area.

Mr. Bill Kurth stated he recently treated the lake and, while the littorals are beneficial, the area is shallow and might need minimal maintenance to encourage water flow. Mr. Istwan expressed concern about setting a precedent for such issues surrounding the littoral plantings.

Mr. Healy stated the permitted littoral shelves must be dug to a certain depth to allow plant growth; he thinks the area in question is not a permitted area. Regarding dredging the lake, he stated most of the CDD lakes are deep and there would be no benefit to dredging. The lake must be dug to a 4:1 slope and digging deeper can increase the slope and cause erosion.

Mr. Adams stated similar issues occurred in the past and the best solution seems to be monitoring and minimal maintenance.

Resident Donald Young discussed the presence of midge flies. Dick Smith recalled midge fly treatments performed in the past and asked if any benefit was observed. Ms. Powers replied affirmatively and stated it takes about one month to notice a significant reduction.

Discussion ensued about previous treatments and the pervasive nature of midge flies.

Mr. Kurth and Mr. Willis explained the current treatment program and stated the results seem better than previous treatments; multiple treatments are necessary. This subject will be addressed further later in the meeting.

THIRD ORDER OF BUSINESS

Presentation of Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2022, Prepared by Keefe McCullough

Mr. Barnett presented the Audited Annual Financial Report for the Fiscal Year Ending September 30, 2022 and accompanying disclosures. There were no findings, irregularities or instances of noncompliance; it was an unmodified opinion, otherwise known as a clean audit.

Discussion ensued regarding the Balance Sheet.

Mr. Bergmoser recalled that, when WCI purchased the CDD out of receivership or bankruptcy, the outstanding CDD bonds were negotiated down. Mr. Adams stated the bonds were negotiated from approximately \$60 million down to about \$20 million, which was fairly typical at the time. Mr. Bergmoser stated the CDD is in a strong financial position.

Consideration of Resolution 2023-05,
Hereby Accepting the Audited Basic
Financial Statements for the Fiscal Year
Ended September 30, 2022

On MOTION by Mr. Leuschner and seconded by Mr. Bergmoser, with all in favor, Resolution 2023-05, Hereby Accepting the Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2022, was adopted.

▪ **Discussion: Agreement Between CDD and HOA**

This item was an addition to the agenda.

Mrs. Adams stated she was recently notified by the HOA about a broken sidewalk near the entrance to the CDD. She distributed and presented an Infrastructure and Maintenance Agreement between the Master Association and the CDD that was put into place in 2007 but never fully executed. Mr. Adams indicated this occurred around the time that the Developer filed for bankruptcy. Ms. Whelan recommended the HOA sign the Agreement, which states that the HOA is responsible for all the common elements of anything owned by the CDD.

A Board Member asked when the GIS will be complete. Mrs. Adams estimated the GIS will be complete in approximately two weeks.

Discussion ensued regarding the repairs needed, the ongoing need for sidewalk maintenance and the specific area in question.

Mr. Healy stated, per the Property Appraiser's map, the area seems to be CDD property. The understanding has always been that common areas are to be maintained by the HOA. Mrs. Adams stated, while it is not a legal survey, the GIS Survey will provide the necessary information, including ownership of parcels, lakes, flow ways and conservation areas.

A Board Member asked if there is evidence or a photograph of the sidewalk damage. Mrs. Adams replied no, Staff needs to inspect the area.

Mr. Adams asked Mr. Healy to email the Sarasota National plats. Mr. Healy stated he will do so and the area in question is in the Phase 1 plat. Mr. Adams stated, while the CDD owns the parcel outside the gate, the dedication language on the plat will tell who is responsible for specific improvements.

Mr. Healy stated the plat is old but that tract is listed as maintained by Toscano, LLC, the original Developer, so he thinks that would include the HOA. The plat was recorded in 2007 and

includes stormwater areas listed as owned and maintained by the CDD and the common areas are listed as owned and maintained by Toscano, LLC.

Discussion ensued regarding the plat and ownership and maintenance of improvements.

Mr. Bergmoser asked if there is a potential legal problem. Ms. Whelan stated this issue was just identified yesterday and she and Mr. Healy need time to research it. She suggested delegating authority to the Chair or a Board Member and sending a letter to the HOA to advise that the CDD will work to fix the portions of the sidewalk but the CDD is not accepting responsibility for the repair and replacement of the sidewalk.

Mr. Willis stated the Property Appraiser's website indicates that a Quit Claim Deed was recorded in June 2021 transferring that property from DiVosta Homes, L.F., to Island Walk and West Villages Homeowners Associations.

Ms. Whelan stated Staff will continue researching and determining whether repairs are warranted. Based on the lack of a signed Agreement and the HOA Declaration, the HOA is not obligated to maintain the sidewalk so it is up to the CDD or another entity. While the Agreement is a standard Agreement, Staff must review it to ensure the accuracy of Exhibit A.

FIFTH ORDER OF BUSINESS**Update: Premier Lakes, Inc. (Alex Kurth)****• Lakes Identified for Littoral Planting Projects**

Mr. Alex Kurth and Mr. Bill Kurth presented the Inspection Report and noted the following:

- The lakes are improving despite low water levels and a lot of initial work to be done.
- Shoreline weeds and algae were treated with an emphasis on controlling torpedo grass before water levels rise while not damaging the littorals.
- Many of the littorals look good.

Mr. Smith stated a Bulrush resident near Lake 17 was pleased with Premier Lakes' weed infestation treatment. He noted and appreciates the attention to the right of Hole 10.

Mrs. Adams discussed the littoral work performed by Eco-Logic in conjunction with SWFWMD permit requirements.

Mr. Bill Kurth stated 16 lakes are devoid of littoral plantings. He will provide a prioritized list to Mrs. Adams based on goals that are still being determined. He recommended waiting until water levels rise to plant littorals.

Mr. Smith stated he appreciated the tour of the lake banks.

A Board Member noted that a fish kill occurred in the big lake. Mr. Bill Kurth stated 98% of the fish that died are non-native tilapia. The fish kill might have been related to a change in water temperature and bacterial infections; similar situations exist in nearby communities.

Discussion ensued regarding lake temperatures, causes of the fish kill, fish cleanup, etc.

Resident Beth Dolce asked if there is a chance the fish kills will end in a month. Mr. Bill Kurth stated that cooler temperatures might bring improvement.

Mr. Kurth provided and presented a One-Time Work Order Agreement to stock Lake 56 with Gambusia Channel Catfish, which will eat midges. He discussed treatment strategies for Lake 56 and midge flies and responded to questions. Mr. Willis stated bright white outdoor lights tend to attract midge flies.

Mr. Kurth will consult with the vendor and advise of the likelihood that stocked fish will reproduce and restock the lake over time.

Fish stocking and the priority list regarding littoral plantings will remain on the agenda.

SIXTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2023/2024 Budget

- A. Proof/Affidavit of Publication**
- B. Consideration of Resolution 2023-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024 Authorizing Budget Amendments; and Providing an Effective Date**
The Public Hearing was opened.

Mr. Adams reviewed the proposed Fiscal Year 2024 budget, highlighting increases, decreases and adjustments, compared to the Fiscal Year 2023 budget, and explained the reasons for any changes. Wetland maintenance monitoring will decrease because several littoral shelves met the required performance criteria. Rather than reducing assessments, the funds saved were allocated to midge fly treatment, keeping assessments flat year-over-year.

Ms. Whelan noted that public comments related to the proposed Fiscal Year 2024 budget are welcome prior to adoption of the Resolution.

No members of the public spoke.

The Public Hearing was closed.

On MOTION by Mr. Leuschner and seconded by Mr. Bergmoser, with all in favor, Resolution 2023-06, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024 Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2023-07, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mrs. Adams presented Resolution 2023-07. This Assessment Levying Resolution directs Staff to prepare a lien roll and transmit the on-roll lien roll to the Tax Collector for placement of the assessments on the property tax bill.

On MOTION by Mr. Bergmoser and seconded by Mr. Istwan, with all in favor, Resolution 2023-07, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments, Including but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Consideration of Direct Collection of Special Assessments Agreement for Fiscal Year 2023/2024

This item was deferred.

NINTH ORDER OF BUSINESS

Continued Discussion/Update: Wetland 43 & 46 Disturbance

This item was discussed in conjunction with Item 13C.

Discussion: Midge Fly Mitigation

- **Continued Use of Larvicide on District Lakes**
- **Fish Stocking**
 - **Consideration of Proposal for Lake 56**

This item was discussed in conjunction with the Fifth Order of Business.

ELEVENTH ORDER OF BUSINESS

**Acceptance of Unaudited Financial
Statements as of May 31, 2023**

Mr. Adams discussed the features and benefits of the Cash Sweep account. Synovus Bank has a government lending and investment division that only deals with governmental entities. As of today, CDDs that keep a balance over \$500,000 can get an interest rate that is indexed against the Federal Funds rate, minus 75 basis points, for a 4.5% interest rate. Balances of \$200,000 to \$500,000 can get an interest rate that is indexed against the Federal Funds rate, minus 100 basis points, for a 4.25% rate. Balances below \$200,000 can get an interest rate that is indexed against the Federal Funds rate, minus 100 basis points, for a 3.5% rate.

On MOTION by Mr. Bergmoser and seconded by Mr. Kasl, with Mr. Bergmoser, Mr. Kasl, Mr. Istwan and Mr. Leuschner in favor and Mr. Smith dissenting, authorizing Staff to open and fund a Cash Sweep Account with Synovus Bank, as discussed, and authorizing the Chair to execute, was approved.

The financials were accepted.

TWELFTH ORDER OF BUSINESS

**Approval of April 11, 2023 Regular Meeting
Minutes**

The following changes were made:

Lines 32, 350 and 356: Change "Mark Gooeier" to "Marc Goodier"

Line 211: Insert "littoral plantings in" before "lakes" and delete "in common areas"

On MOTION by Mr. Kasl and seconded by Mr. Leuschner, with all in favor, the April 11, 2023 Regular Meeting Minutes, as amended, were approved.

A. District Counsel: Kutak Rock LLP

Ms. Whelan stated Legislation requiring Supervisors to complete a four-hour ethics continuing education course passed. The requirement will become effective on January 1, 2024. Course options and further updates will be provided when available.

Ms. Whelan discussed upcoming changes to contracts and Request for Proposals (RFP) requirements for future CDD contracts to indicate that environmental, social and governance factors will not be taken into account in future CDD contracts.

B. District Engineer: Kimley Horn and Associates, Inc.

A Board Member asked if the Golf Course Committee met with Staff yet. Mr. Healy replied affirmatively; the Committee is still in the preliminary planning stage. The architect is meeting with the Renovation Committee in the coming weeks. Updates will be provided in the event of impacts on CDD-owned infrastructure, etc.

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

- **NEXT MEETING DATE: August 8, 2023 at 2:00 P.M.**
 - **QUORUM CHECK**

Supervisors Leuschner, Smith, Kasl and Bergmoser confirmed their in-person attendance at the August 8, 2023 meeting. Supervisor Istwan will attend via telephone.

Mrs. Adams reported the following:

- On May 30, 2023 a second notice and an invoice totaling \$9,812.50 to date was sent to Sarasota National Golf Club regarding the Wetlands 43 and 46 disturbances.
- The Restoration Plan has not been received yet. Once the plan is received, it is hoped that the Golf Course will purchase and install those plants, which will represent a significant savings compared to a CDD vendor.
 - Mr. Jim Dunne left a voicemail asking to set up a meeting to discuss the letter. Mrs. Adams advised him that he needs to attend a CDD meeting and speak with the Board. Mrs. Adams will email the correspondence to Ms. Whelan, who will send a letter to Mr. Dunne.

Mrs. Adams stated the Restoration Plan will be developed by the Environmental Consultant at a cost of approximately \$7,000; the surveyor will cost approximately \$3,000.

- Commencing immediately, Eco-Logic's crews will wear company shirts while working in the field and provide a report following service.

➤ The GIS mapping system should be operational in two weeks. Phase 1 will include parcel ownerships, lakes, flow ways and wetland conservation areas. Phase 2, under the 2024 budget, will include drainage, labels and platted easements.

D. Operations Manager: Wrathell, Hunt and Associates, LLC

The June Field Operations Report was included for informational purposes.

Regarding his email regarding the fish kill, Mr. Willis stated it was initially believed that the fish kill was related to a heavy rain washing pesticide from a recent application into the lake; however, it was later determined that it was not likely the cause.

FOURTEENTH ORDER OF BUSINESS

Supervisors’ Requests: Supervisor Kasl’s Discussion Topics

• **Community Communication/Reaction to Inclusion in the June Newsletter**

Mr. Kasl questioned if the Newsletter is an appropriate means of disseminating CDD updates. Mr. Willis noted email updates assume the risk that information will be outdated.

In response to a request for an update from the HOA meeting, Mr. Kasl stated there were no matters of importance to affect CDD deliberations. He will forward his update to Mrs. Adams for inclusion in the next meeting agenda.

• **Annual Community Irrigation Challenges/Review of Water Management Plan**

Mr. Kasl asked if the Water Management Plan will be reviewed to determine if it suits the needs of the CDD and if it is still appropriate in terms of structure and operations.

Mr. Willis stated the CDD’s stormwater management system is not for irrigation.

• **Development of District’s Written History, Evolution, Current Status and Future Vision**

Mr. Kasl discussed the need to share CDD information with residents. Mr. Adams will meet with Mr. Kasl to discuss his informational PowerPoint presentation for residents.

• **Strategic Plan for Golf Course and Remediation Actions Following Hurricane Ian**

This item was discussed earlier in the meeting.

FIFTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Leuschner and seconded by Mr. Istwan, with all in favor, the meeting adjourned at 4:07 p.m.


Secretary/Assistant Secretary


Chair/Vice Chair