

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

The Board of Supervisors of the Sarasota National Community Development District held multiple Public Hearings and a Regular Meeting on Tuesday, August 14, 2018, at 2:00 p.m., at the Sarasota National Clubhouse, 25500 National Boulevard, Venice, Florida 34293.

Present at the meeting were:

Russell Smith	Chair
Barry Ernst	Vice Chair
Terry Kirschner	Assistant Secretary
Matthew Koratich	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Michael Eckert	District Counsel
Bill Conerly	District Engineer
Cindy Calvert	Keefe, McCullough & Co., LLP
Kim Schraeder	Resident
Steve Hale	Resident
Peter Duffy	Resident
Pam Bahee	Resident
Sandy Russo	Resident
Joanne Krause	Resident
Peggy Powers	Resident
Paul Foster	Resident
Douglas Richards	Resident
Nancy Larkin	Resident
Pat Corrao	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 2:00 p.m. Supervisors Smith, Ernst, Koratich, and Kirschner were present, in person. Supervisors Brewer was not present.

SECOND ORDER OF BUSINESS

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

Ms. Kim Schraeder, a resident, asked where the April 17, 2018 meeting minutes could be found. Mr. Adams stated it is in today's agenda package and posted on the CDD website.

Mr. Steve Hale, a resident, asked if the ponds would be discussed today. Mr. Adams stated that Mr. Hale could discuss that topic during the Public Comments on Non-Agenda Items, near the end of the meeting.

▪ **Amendments to the Agenda**

This item was an addition to the agenda.

Mr. Eckert asked to add the following items to the agenda:

➤ **Easements for Interlocal Agreement with the County**

An Interlocal Agreement with the County was previously approved but authorization is needed for the Chair to execute easements, etc. to facilitate the construction of Venice East Boulevard and Manasota Beach Road.

➤ **Wetlands Conservation Easements**

Authorization is needed for the Chair to execute wetlands conservation easements, consistent with the Development plan.

On MOTION by Mr. Smith and seconded by Mr. Kirschner, with all in favor, amending the agenda to include the items, as described, was approved.

THIRD ORDER OF BUSINESS

Consideration of Acceptance of Resignation of Supervisor Rhonda Brewer, SEAT 5, Term Expires November, 2018

Mr. Adams presented Ms. Rhonda Brewer’s resignation letter.

On MOTION by Mr. Smith and seconded by Mr. Ernst, with all in favor, the resignation of Ms. Rhonda Brewer, dated May 8, 2018, was accepted.

FOURTH ORDER OF BUSINESS

Discussion/Consideration: Appointment to Fill Vacant Seat

Mr. Adams indicated that Seats 5 and 1, currently held by Ms. Brewer and Mr. Koratich, respectively, are transitioning to the General Election; however, no one qualified for either Seat during the June candidate qualifying period. If no one is appointed to Seat 5 today, the Board must declare both seats vacant at the January meeting and appointments could be considered.

A. Administration of Oath of Office (*the following to be provided in separate package*)

- i. **Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
 - ii. **Membership, Obligations and Responsibilities**
 - iii. **Financial Disclosure Forms**
 - **Form 1: Statement of Financial Interests**
 - **Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - **Form 1F: Final Statement of Financial Interests**
 - iv. **Form 8B – Memorandum of Voting Conflict**
- B. Consideration of Resolution 2018-07, Electing the Officers of the District**
- These items were deferred.

FIFTH ORDER OF BUSINESS

Presentation of Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2017, Prepared by Keefe, McCullough & Co., LLP

This item was presented following the Ninth Order of Business.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2018-08, Accepting the Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2017

This item was presented following the Ninth Order of Business.

SEVENTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on Adoption of Fiscal Year 2018/2019 Budget

- A. Affidavit/Proof of Publication**

The affidavit of publication was included for informational purposes.
- B. Consideration of Resolution 2018-09, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019; Authorizing Budget Amendments; and Providing an Effective Date**

Mr. Adams stated that there were essentially no changes to the Fiscal Year 2019 budget since the draft was presented at the April meeting. Slight adjustments were made within the Fiscal Year 2018 projections for Water management, contractual services and Trustee line items that were not projected in the Fiscal Year 2018 budget. The necessary adjustments for those items were also incorporated into the original draft Fiscal Year 2019 budget previously presented. Assessments for on-roll and off-roll increased and Mailed Notices were sent to all property owners. The budget and assessments increased primarily because, in Fiscal Year 2019, the CDD will accept from the Developer additional portions of the storm water system, specifically Phases 6 and 7, and some minor parts that the CDD will maintain, monitor and report on.

On MOTION by Mr. Koratich and seconded by Mr. Smith, with all in favor, the Public Hearing was opened.

Mr. Peter Duffy, a resident, asked if the Golf Course, Palm Club and 19th Hole are assessed. Mr. Adams replied no; the off-roll assessments are primarily related to Developer-owned units that have been assessed from the beginning, regardless of whether constructed yet. Mr. Duffy asked again if the Palm Club, Golf Course and 19th Hole are assessed by the CDD. Mr. Adams replied no. Mr. Duffy asked if the ponds on the Golf Course or Clubhouse grounds are the CDD's responsibility. Mr. Adams replied affirmatively. Mr. Duffy asked if the off-roll assessments are collected from the Developer in cash or cash-in-kind. Mr. Adams stated that the Developer is direct billed and pays by check or wire. Mr. Duffy asked if services by the Developer are used to offset the Developer's assessments. Mr. Adams replied no.

Ms. Pam Bahee, a resident residing on Ironbridge Drive, asked who is responsible for maintaining the palm trees, landscaping and items around the lakes and the conservation areas near her area. Mr. Adams stated the CDD maintains the ponds and certain preserve and wetland areas that are under a permit; those areas are routinely monitored and reported on. Ms. Bahee felt that those areas were poorly maintained.

Ms. Sandy Russo, a resident, asked who is responsible for the street lights. Mr. Adams stated that they are not the CDD's responsibility and she was directed to contact Ms. Arika Malichanh, at the Master Association.

Mr. Hale was concerned about red tide and asked who monitors bacteria and algae levels in the CDD. Mr. Adams stated SOLitude Lake Management (SOLitude) inspects the lakes weekly and treats them, as appropriate; SOLitude does not monitor bacteria levels. Mr. Hale noted a lake with heavy algae. Mr. Adams will follow up with SOLitude.

Ms. Joanne Krause, a resident, was concerned about the County's work in the preserve area, as the County did not replace enough indigenous grasses to offset the non-indigenous grasses that were killed, leaving the area with standing water that is preventing saplings from setting in. She was directed to email Mr. Adams with the location; he will determine which entity is responsible for rectifying it, if there is a valid issue.

Ms. Peggy Powers, a resident, acknowledged that the assessment increase for Fiscal Year 2019 was slight but, with a 44% increase over Fiscal Year 2018, she would be concerned if this level of increase occurred regularly. She asked if ponds in a construction area were being maintained during the construction phase, as some residents had insect issues. Mr. Adams stated that the ponds were likely being maintained; however, the CDD's maintenance is related to unwanted aquatic vegetation and not insects. Regarding the assessment increase, Mr. Adams stated that he would not expect this level of increase every year but, as the stormwater system is constructed and turned over, the CDD will be responsible for maintaining it, which will increase assessments. He noted that the Developer has been paying heavily into the CDD operating budget since the inception of the community.

Ms. Paula Foster, a resident, asked if the CDD ever "ends". Mr. Adams replied no; while the bond portion of the assessment will mature and end, the CDD will generally remain in perpetuity to operate and maintain the public assets that it owns.

On MOTION by Mr. Ernst and seconded by Mr. Koratich, with all in favor, the Public Hearing was closed.

Mr. Adams presented Resolution 2018-09.

On MOTION by Mr. Koratich and seconded by Mr. Ernst, with all in favor, Resolution 2018-09, Relating to the Annual Appropriations and Adopting the Budgets for the Fiscal Year Beginning October 1, 2018, and Ending September 30, 2019; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

Public Hearing to Hear Comments and
Objections on the Imposition of
Maintenance and Operation Assessments
to Fund the Budget for Fiscal Year
2018/2019, Pursuant to Florida Law

A. Affidavit/Proof of Publication

The affidavit of publication was included for informational purposes.

B. Mailed Notice(s) to Property Owner(s)

Copies of the Mailed Notices to the off-roll owners were included and Mr. Adams provided a generic copy of the Mailed Notice sent to on-roll property owners. Mailed Notices were sent to all property owners affected by the assessments and assessment increase.

C. Consideration of Resolution 2018-10, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2018/2019; 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

On MOTION by Mr. Koratich and seconded by Mr. Smith, with all in favor, the Public Hearing was opened.

Mr. Adams presented Resolution 2018-10. This Resolution takes into consideration the Fiscal Year 2019 budget that was just adopted and the assessment level included in that budget and directs Staff to finalize the lien roll, for placement of the assessments on the property tax bills and to direct-bill assessments to the major landowner.

On MOTION by Mr. Ernst and seconded by Mr. Koratich, with all in favor, the Public Hearing was closed.

On MOTION by Mr. Smith and seconded by Mr. Ernst, with all in favor, Resolution 2018-10, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2018/2019; 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.

Mr. Eckert stated that Florida Statutes require the Board to adopt a Public Facilities Report, which outlines the District's facilities and the projects the District might undergo in the next five years. He recommended that the District Engineer present a proposal at the January meeting to prepare the Public Facilities Report. Once the Report is prepared and provided to the County, the County should use the Report to determine if it wants to coordinate projects with the District. The Board directed the District Engineer to provide a proposal for preparation of the Public Facilities Report at the January meeting.

▪ **Presentation of Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2017, Prepared by Keefe, McCullough & Co., LLP**

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

Ms. Cindy Calvert, of Keefe, McCullough & Co., LLP, presented the Audited Basic Financial Statements for Fiscal Year 2017. As required and represented in Note 2, on Pages 14 through 17, she disclosed that, for Fiscal Year 2017, the District did not adopt any new accounting policies, the application of the existing policies was not changed, the auditor did not note any transactions entered into by the District for which there was a lack of authoritative guidance or consensus and all significant transactions were recognized for the proper period. The most sensitive estimate affecting the District's Financial Statements was depreciation of capital assets. The key factors and assumptions used to estimate the useful life of the assets were determined to be reasonable in relation to the Financial Statements, as a whole. There were no difficulties working with Management, no uncorrected misstatements noted during the audit or adjusting journal entries. No disagreements arose during the audit. An unmodified opinion was issued, which is the highest level of assurance that the Financial Statements are presented in accordance with the Generally Accepted Accounting Principles (GAAP). There were no recommendations, findings or instances of noncompliance; it was a clean audit.

▪ **Consideration of Resolution 2018-08, Accepting the Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2017**

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

Mr. Adams presented Resolution 2018-08.

On MOTION by Mr. Smith and seconded by Mr. Kirschner, with all in favor, Resolution 2018-08, Accepting the Audited Basic Financial Statements for the Fiscal Year Ended September 30, 2017, was adopted.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2018-11, Adopting the Annual Meeting Schedule for Fiscal Year 2018/2019

Mr. Adams presented Resolution 2018-11.

On MOTION by Mr. Ernst and seconded by Mr. Koratich, with all in favor, Resolution 2018-11, Adopting the Annual Meeting Schedule for Fiscal Year 2018/2019, was adopted.

ELEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2018

Mr. Adams presented the Unaudited Financial Statements as of June 30, 2018. Assessment revenue collections were at 100% and expenditures were at 77%.

TWELFTH ORDER OF BUSINESS

Approval of April 17, 2018 Regular Meeting Minutes

Mr. Adams presented the April 17, 2018 Regular Meeting Minutes. The following changes were made:

Line 58: Insert "is" after "Light"

Line 62: Insert "ago" after "month"

Line 83: Change "inspects" to "inspect"

Line 103: Insert ", except for costs of collection and early payment discounts" after "affirmatively"

Lines 115 and 177: Change "this location" to "the Sarasota National Clubhouse, 25500 National Boulevard, Venice, Florida 34293"

Line 168: Insert "for members of the public" after "line"

Line 210: Change "Quick" to "Quit"

Line 232: Change "tax" to "withholdings"

On MOTION by Mr. Smith and seconded by Mr. Ernst, with all in favor, the April 17, 2018 Regular Meeting Minutes, as amended, were approved.

THIRTEENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: *Hopping Green & Sams, P.A.***

Mr. Eckert stated that a resolution to officially declare vacancies in Seats 1 and 5 will be presented at the January meeting.

➤ Easements for Interlocal Agreement with the County

This item was an amendment to the agenda.

Mr. Eckert recalled the previously approved Interlocal Agreement with the County to help facilitate construction of Venice East Boulevard and Manasota Beach Road, which is anticipated to go before the County soon. Related to a companion Mobility Fee Agreement, the County identified several easements that it wants the District to grant or release, specifically related to Tracts 458 and 111, which are flowage and access easements that the District must sign on so that the County is comfortable it has clean title. As the next meeting is not until January, he requested a motion authorizing the Chair to execute easements, etc.

On MOTION by Mr. Smith and seconded by Mr. Koratich, with all in favor, authorizing the Chair to execute easements, release of easements and other documents required by the Mobility Fee Agreement, including but not limited to flowage and access easements over Tracts 458 and 111, to facilitate the development of Venice East Boulevard and Manasota Beach Road, was approved.

B. District Engineer: *Kimley Horn and Associates, Inc.***➤ Wetlands Conservation Easements**

This item was an amendment to the agenda.

Mr. Conerly stated that he is trying to certify an Army Corps of Engineers permit and, as part of the permit, the District must grant conservation easements over the tracts of land it owns. He requested that the Chair be authorized to execute the easements, when necessary.

On MOTION by Mr. Koratich and seconded by Mr. Kirschner, with all in favor, authorizing the Chair to execute the easements for the Army Corps of Engineers permit, once prepared and made available, was approved.

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

i. **631 Registered Voters in District as of April 15, 2018**

Mr. Adams reported that there were 631 registered voters residing within the boundaries of the District as of April 15, 2018.

ii. **Consideration of ADA Site Compliance Proposal for Website Compliance Shield, Accessibility Policy and One (1) Annual Technological Audit**

Mr. Adams stated that claims were recently filed against numerous CDDs and other entities alleging that their websites were not compliant with the Americans with Disabilities Act (ADA) requirements for websites. Management engaged ADA Site Compliance (ADASC) to bring its clients' websites into compliance, which is currently underway. A Website Compliance Shield was attached to the website with a link to the CDD's ADA Accessibility Policy and who to contact with questions or for assistance. Website content not legally required or that has exceeded the posting time requirements will be removed from the website, required content will be converted to an ADA compliant format and, going forward, only required content will be posted and content will be removed as the posting time requirement expires. He discussed the terms of the settlement for the CDDs with claims filed against them and the other CDDs represented by the same insurance carrier. In response to the question of whether a motion was necessary, Mr. Adams stated that ADASC was already engaged, on the District's behalf.

iii. **LANDOWNERS' MEETING: November 20, 2018, at 2:00 p.m., at the Sarasota National Clubhouse, 25500 National Boulevard, Venice, Florida 34293 (*Board Members are not required to attend*)**

The Landowners' meeting will be held on November 20, 2018 at 2:00 p.m.

FOURTEENTH ORDER OF BUSINESS

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

Mr. Douglas Richards, a resident, noted a small pond behind his house on Copperleaf with a recurring washout issue, which he previously reported to the CDD. Mr. Smith inspected it and sod was installed across the washout but it was only a temporary remedy as, when it

rained, it washed out again. He asked for it to be inspected again and for the CDD to provide a permanent solution. Mr. Adams stated that the area will be inspected.

Mr. Duffy referred to a purple pipe along the shoulder of US 41, near the main entrance, and asked if the District is involved where the water is being obtained from. Mr. Conerly stated that the District is not involved; it is a County project between the County and West Villages. Mr. Duffy asked if the water is being taken from the CDD's lift stations. Mr. Conerly replied no; it comes directly from the County. Discussion ensued regarding the location of the pipe and impact to the District; it was stated that it is solely for West Villages and will not impact the District. Regarding why water was possibly being taken off District property, Mr. Conerly stated water must be removed from the hole so they are dewatering into the wetlands.

Ms. Nancy Larkin, a resident, asked who to contact regarding mosquito and midge treatments. Mr. Adams stated that the County treats for mosquitoes but was unsure if those treatments control midges; the CDD does not have a midge control program. Ms. Larkin asked if the County treated the ponds for mosquitoes. Mr. Adams stated she should ask the County. Ms. Larkin asked what the boat in the pond near her home was spraying last week along the perimeter of the pond. Mr. Adams stated likely copper sulfate for algae in the littoral plants.

Ms. Pat Corrao, a resident, asked if red and green tide affects ponds. Mr. Adams replied it is being found along beaches and rivers in Southwest Florida and should affect the ponds.

FIFTEENTH ORDER OF BUSINESS

Supervisors' Requests

There being no Supervisors' requests, the next item followed.

SIXTEENTH ORDER OF BUSINESS

Adjournment

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

On MOTION by Mr. Smith and seconded by Mr. Koratich, with all in favor, the meeting adjourned at 2:58 p.m.


Secretary/~~Assistant Secretary~~


Chair/~~Vice Chair~~