

**CYPRESS SHADOWS  
COMMUNITY DEVELOPMENT DISTRICT  
BOARD OF SUPERVISORS  
SPECIAL MEETING  
JULY 23, 2020**

**CYPRESS SHADOWS**  
**COMMUNITY DEVELOPMENT DISTRICT AGENDA**  
**JULY 23, 2020 AT 4:00 p.m.**

**ZOOM MEETING: <https://zoom.us/j/97118926476> MEETING ID: 971 1892 6476**

<b>District Board of Supervisors</b>	Chairman Supervisor Supervisor Supervisor Supervisor	Louis Frattarelli Tony Provinzino Walt Giesbrecht Don Lozzi Vacant
<b>District Managers</b>	Meritus	Brian Lamb
<b>District Attorney</b>	Coleman, Yovanovich & Koester, PA	Greg Urbancic
<b>District Engineer</b>	Banks Engineering Services, LLC	David Underhill, Jr.

The meeting will begin at **4:00 p.m.** with the second section is called **Vendor/Staff Reports**. This section allows the Engineer, and Attorney to update the Board of Supervisors on any pending issues that are being researched for Board action. The third section is called **Business Items**. The business items section contains items for approval by the District Board of Supervisors that may require discussion, motion and votes on an item-by-item basis. If any member of the audience would like to speak on one of the business items, they will need to register with the District Administrator prior to the presentation of that agenda item.

The final sections are called **Supervisor Requests and Audience Comments**. This is the section in which the Supervisors may request Staff to prepare certain items in an effort to meet residential needs. The Audience Comment portion of the agenda is where individuals may comment on matters that concern the District. Each individual is limited to three (3) minutes for such comment. The Board of Supervisors or Staff is not obligated to provide a response until sufficient time for research or action is warranted. **IF THE COMMENT CONCERNS A MAINTENANCE RELATED ITEM, THE ITEM WILL NEED TO BE ADDRESSED BY THE DISTRICT ADMINSTRATOR OUTSIDE THE CONTEXT OF THIS MEETING.**

Agendas can be reviewed by contacting the Manager's office at (813) 873-7300 at least seven days in advance of the scheduled meeting. Requests to place items on the agenda must be submitted in writing with an explanation to the District Manager at least fourteen (14) days prior to the date of the meeting.

Public workshops sessions may be advertised and held in an effort to provide informational services. These sessions allow staff or consultants to discuss a policy or business matter in a more informal manner and allow for lengthy presentations prior to scheduling the item for approval. Typically, no motions or votes are made during these sessions.

Pursuant to provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the District Office at (813) 873-7300, at least 48 hours before the meeting. If you are hearing or speech impaired, please contact the Florida Relay Service at 7-1-1, who can aid you in contacting the District Office.

Any person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that this same person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which the appeal is to be based.

**Cypress Shadows Community Development District**

Dear Board Members:

The Special Meeting of the Board of Supervisors of the Cypress Shadows Community Development District will be held on **Thursday, July 23, 2020 at 4:00 p.m.**, via Zoom Meetings at the information listed below:

**ZOOM MEETING: <https://zoom.us/j/97118926476>      MEETING ID: 971 1892 6476**

- 1. CALL TO ORDER/ROLL CALL**
- 2. VENDOR/STAFF REPORTS**
  - A. District Counsel
  - B. District Engineer
  - C. District Manager
- 3. BUSINESS ITEMS**
  - A. Acceptance of Board Resignation – Charlie Bawtinheimer, Seat 1 ..... Tab 01
  - B. Discussion on Open Board Seat, Seat 1
  - C. Discussion on CDD Facilities Operation and Maintenance Agreement..... Tab 02
  - D. Authorize RFQ for Engineering Services
    - i. Authorize Management to Contract Services with Engineering Firm for Ownership Map
  - E. General Matters of the District
- 4. SUPERVISORS REQUESTS**
- 5. AUDIENCE QUESTIONS, COMMENTS AND DISCUSSION FORUM**
- 6. ADJORNMENT**

*While it is necessary to hold the above referenced meeting of the District’s Board of Supervisors utilizing communications media technology due to the current COVID-19 public health emergency, the District fully encourages public participation in a safe and efficient manner. Toward that end, anyone wishing to listen and participate in the meeting can do so via video conference or telephonically at <https://zoom.us/j/97118926476> Meeting ID: 971 1892 6476. Additionally, participants are encouraged to submit questions and comments to the District Manager in advance at 813-873-7300 to facilitate the Board’s consideration of such questions and comments during the meeting.*

We look forward to speaking with you at the meeting. In the meantime, if you have any questions, please do not hesitate to call us at (813) 873-7300.

Sincerely,

Brian Lamb  
District Manager

On Jun 16, 2020, at 7:41 AM, Charles Bawtinheimer <cwbawtin@yahoo.com>  
wrote:

Morning Gentlemen,

Obviously I'm disappointed with the past two CDD's meetings.

This is my formal resignation from the CDD Board. I don't expect to be a Preserve nor even Florida resident for the delayed August meeting.

Best Regards,

Charlie

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# Cypress Shadows Community Development District

c/o Meritus, 2005 Pan Am Circle, Suite 300, Tampa, Florida 33607

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**To: Board of Supervisors**  
**From: Brian Lamb – District Manager**  
**Re: CDD/HOA Facility Maintenance Agreement Discussions**  
**Date: July 23, 2020**

Dear Board of Supervisors,

Please see attached redline form of agreement best reflecting current discussions as directed. Please note that we are still in discussions related to reserve fund logistics and thresholds on spending and approval considerations.

Consideration factors:

- 1) Impacts/Risk associated with impairing the CDD's ability to obtain assistance from FEMA. *See attached examples. Counsel will elaborate more at the meeting.*
- 2) Reserve Funds - Monies currently collected and prospectively based on reserve schedule. The quantification, tracking as accumulated/expensed and mandates as to the transfer of reserve funds to operating entity should the agreement be terminated by either party in the future.
- 3) Asset Map - The CDD and or the HOA will need to accurately describe the areas in an exhibit to outline areas of either ownership or easement for maintenance right of assets that the CDD installed/improved.
- 4) Revised Budget - Based on further discussions regarding items pertaining to landscape and other mutual expenses we have refined the max notice needs for CDD operations.

**Timeline:**

**The CDD will need to decide at this meeting if there is an intent to increase assessments for notice requirements and provisions to conduct its budget hearing at our August meeting. Staff and appointee(s) will need to work on ownership exhibits and finalization of agreement terms prior to the approval of the final operating budget after the budget hearing in August. Further special meetings can be held specific to the agreement prior to the budget hearing, staff will seek direction from the board after discussion and consideration related to the agreement and/or notice regarding assessment increase.**

**COMMUNITY DEVELOPMENT DISTRICT**  
**FACILITIES OPERATION AND MAINTENANCE AGREEMENT**

THIS COMMUNITY DEVELOPMENT DISTRICT FACILITIES OPERATION AND MAINTENANCE AGREEMENT (this "**Agreement**") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between CYPRESS SHADOWS COMMUNITY DEVELOPMENT DISTRICT, an independent special district established pursuant to Chapter 190, Florida Statutes (the "**District**"), and THE PRESERVE AT CORKSCREW MASTER ASSOCIATION, INC., a Florida not-for-profit corporation (the "**Association**").

**RECITALS:**

A. The District and the Association previously entered into that certain Agreement Between the Cypress Shadows Community Development District and the Preserve at Corkscrew Master Association, Inc. for Infrastructure Management and Maintenance Services dated as of September 27, 2012 (the "**Original Agreement**") for the provision of certain operation and maintenance services for the District.

B. This Agreement shall amend, restate, and replace the Original Agreement in all respects as of the Effective Date (as defined herein).

C. The District is a local unit of special-purpose government established by ordinance adopted by the Board of County Commissions of Lee County, Florida, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "**Act**"), and is validly existing under the Constitution and laws of the State of Florida. The District has the authority to exercise powers to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems and facilities for roads, water management, water supply, sewer, street lights, access control, among other powers, including all powers necessary, convenient, incidental or proper in connection with any of the powers, duties, or purposes authorized by the Act. ~~The District shall provide notice to the Association of its intent to acquire, construct, reconstruct, enlarge or extend facilities and the methodology to pay for such alterations.~~

D. The Association is a private not-for-profit corporation formed pursuant to Chapters 617 and 720, Florida Statutes that owns and operates certain community infrastructure located within The Preserve at Corkscrew community within the boundaries of the District. The membership of the Association is comprised solely of property owners within the District and all of The Preserve at Corkscrew property owners are members of the Association pursuant to the Master Declaration of Covenants, Conditions, Easements and Restrictions for The Preserve at Corkscrew originally recorded as Instrument Number 2012000094216 of the Public Records of Lee County, Florida, as amended and supplemented.

E. The District desires to contract with the Association to operate, maintain, repair and replace the items improvements owned by the District set forth on **Exhibit "A"** located in those areas depicted on **Exhibit "B"** (collectively, the "**District Improvements**").

F. The Association is responsible for operating, maintaining, repairing and replacing certain common areas either contiguous or in close proximity to the areas where the District Improvements are or will be located and the members of the Association are the direct beneficiaries of the District Improvements.

G. The Association agrees to undertake the responsibility for operating, maintaining, repairing and replacing the District Improvements all on the terms and conditions set forth herein.

H. The District and the Association agree that having a single point of contact for community operations and service issues is in the interest of the District and the property owners benefitting from the District Improvements.

NOW, THEREFORE, the District and the Association agree as follows:

1. **Recitals.** The above recitals are true and correct and incorporated herein by this reference.

2. **Finding.** The District and the Association expressly agree that having the Association operate, maintain, repair and replace the District Improvements is in the best interests of the District and the property owners intended to benefit from the District Improvements.

3. **Operation, Maintenance, Repair and Replacement.**

a. Except as otherwise provided for herein, the Association agrees to be responsible during the term of this Agreement, at the Association's sole cost and expense, for operating, maintaining, repairing and replacing the District Improvements. The District Improvements shall be kept by the Association in proper condition and repair according to specific standards mutually agreed upon by the District and the Association: and developed using appropriate industry specialists. Said standards will be used as specifications for the various maintenance contracts for the District Improvements. All such action by the Association shall be performed in compliance with all applicable statutes, ordinances, administrative rules and regulations, permit conditions and the rules, policies, practices and procedures of the District. The Association understands and agrees that the Association shall be required to budget for, fund, and complete the maintenance, repair and replacement of the District Improvements and their component parts.

b. During the Initial Term of this Agreement (and any Renewal Terms), the Association shall have a non-exclusive license to enter upon the property of the District to the extent reasonably necessary to carry out the Association's obligations under this Agreement. Notwithstanding the foregoing, if any property of the District is damaged a result of any activity of the Association pursuant to this Agreement, the Association shall be responsible, at the Association's sole cost and expense, to promptly repair any damaged property or landscaping to the extent necessary to restore the property to its condition prior to the damage.

c. The Association shall ~~maintain~~ a reserve schedule prepared by a reputable third-party consultant that separately details amounts to be collected and reserved over the useful life of the District Improvements for their ultimate replacement ("**Reserve Schedule**"). ~~The cost of the reserve study for the assets shall be split equally by the District and the Association.~~ The reserves for the District Improvements ("**District Improvement Reserves**") may be maintained by the Association in a manner permitted for a homeowners' association under Florida law, if the Association were reserving for its own assets. The Association shall fund ~~reserves for the District Improvements~~ **Improvement Reserves** consistent with the Reserve Schedule. The reserve schedule shall be updated ~~every three (3) years consistent with the Association's standard practices, unless both parties agree that a Reserve Study should.~~ The cost of the reserve studies shall be conducted sooner—the responsibility of the Association. The Association shall provide annually, and at other times upon written request from the District, an update on the amounts ~~in the reserves held by the Association for~~ of the District Improvements **Reserves held by the Association** per the Reserve Schedule.

d. All contracts (or amendments or renewals of contracts) in excess of \$10,000.00 ("**Contract Review Threshold**") entered into by the Association with third-parties for the operation, maintenance, repair and replacement of the District Improvements shall be subject to the prior approval of

the District. If the Association desires to enter into such a contract (or amendment or renewal), the Association shall provide written notice to the District of the proposed contract together with the applicable contract document ("**Contract Notice**"). If the District does not provide written notice of the District's disapproval of the proposed contract within ~~twenty (20)~~<sup>thirty (30)</sup> days after the District's receipt of the Contract Notice, the applicable contract shall be deemed approved by the District and the Association may, in its discretion, proceed with the contract. The Association agrees not to split the procurement of operation, maintenance, repair and replacement services for a particular District Improvement into more than one contract in order to avoid the Contract Review Threshold and the District's ability to conduct contract review pursuant to this subsection.

e. Any contract entered into by the Association for the services hereunder shall provide that it may be assigned by the Association to the District in the event of a termination of this Agreement. Notwithstanding the foregoing, the acceptance of the assignment of a contract upon termination shall be in the District's sole discretion and nothing shall herein obligate the District to accept any such assignment.

4. **Access to the Community.** As part of the operation of the District Improvements pursuant to Section 3, the Association shall be responsible for operating the access point to the Cypress Shadows community (the "**Community**") and managing access to the Community. The Association acknowledges that the internal roadways within the Community are owned by the District and constitute public assets of the District under applicable law. The Association agrees that the operation of the access point and managing access to the Community shall be undertaken by the Association in a manner consistent with all applicable local, state and federal laws, statutes, regulations, ordinances, codes, rules and permits. In connection with the Association's operations under this Section, the Association shall develop and maintain post-orders detailing the Association's gate and gatehouse procedures relating to its operation of the access points and managing access to the Community ("**Post Orders**") for purposes including, without limitation, access by the public to the roadways as required by law, access by the public to meetings and hearings of the District and access by the public to District Improvements to the extent necessary or required by law. The Post Orders shall be subject to the review and approval by the District.

5. **Property Insurance.** The parties acknowledge that the Association is acting as a service provider to the District under this Agreement and this Agreement is a means to provide for the services set forth in Section 3 on a resource-efficient basis as described in the recitals. This Agreement transfers neither ownership nor ultimate legal responsibility for the District Improvements. Nor does this Agreement change the character of the District Improvements, which are public assets of the District. As part of the operational function of the Association, the Association agrees to maintain in full force and effect during the Initial Term (and any Renewal Term, if applicable),- a property insurance policy in an amount equal to the full insurable replacement value of any and all structural improvements comprising the District Improvements, ~~except but excluding items that are ineligible for the coverage including, but not limited to,~~ roads, ponds, forested preserve, and drainage system ~~as those improvements are not eligible for property coverage.~~ The District shall be named as a loss payee as its interests may appear. The policy of insurance required to be obtained by the Association shall be issued by an insurance company authorized to do business in Florida and reasonably satisfactory to the District. The Association shall from time to time, and upon the request of the District, provide the District with a certificate of insurance for such property insurance and renewal certificates upon renewal.

6. **Representative.** The District shall designate in writing a person to act as the District's representative with respect to the services to be performed under this Agreement. The District's representative shall have the authority to transmit instructions, receive information, interpret and define the District's policies and decisions with respect to materials, equipment, elements, and systems pertinent to the Association's services. The District initially designates the District's Manager or his/her authorized



designee to act as the District's representative. The Association agrees to meet with the District's representative, as designated by the District Manager, as is reasonably necessary to evaluate the District Improvements and discuss conditions, schedules, and items of concern regarding this Agreement. The District ~~may have a District Representative shall~~ attend the Association's regular monthly meetings to ~~provide a report on review the maintenance of~~ Quarterly Report (defined below) and discuss any potential issues. The District, upon request to the District Improvements and, if necessary, identify areas requiring correction or improvement. ~~A~~ Association, ~~may have a~~ District Representative ~~shall~~ participate in a quarterly walk around of the community to inspect the District Improvements with a Director of the Association to identify any potential issues.

7. **Annual Budget Updates/Inspections and Reporting.**

a. Annually, the Association shall submit in writing to the District the Association's proposed operating budget (or portions thereof relating to the District Improvements) in sufficient detail to illustrate the Association's estimated expenditures for the operation, maintenance, repair and replacement of the District Improvements for the next fiscal year of the Association pursuant to this Agreement. The District shall respond in writing within ~~fifteen (15)~~ thirty (30) days to the Association that it has reviewed the budget (or applicable portion thereof) and that either (i) the District has no objection to the proposed budget or (ii) the District recommends specific, reasonable changes to the proposed budget, which the Association shall review and either agree to incorporate into the budget or propose its own reasonable changes. The budget must be reasonably and mutually satisfactory to both parties. ~~In the event that an agreed budget is not established prior to December 31, the Association shall use the prior year's budget until an agreement between the parties is reached.~~

b. The Association shall perform regular on-site inspections of the District Improvements to determine their condition, confirm proper operation and perform the maintenance, repair and replacement of such District Improvements as outlined in this Agreement. Based upon such inspections, the Association shall perform such additional maintenance, repair and replacement of the District Improvements as necessary consistent with the obligations set forth under Section 3.

c. The Association shall at a minimum provide to the District a ~~quarterly written field summary asset~~ report prepared by the Association's management company (each, a "Quarterly Report") based upon the on-site inspections of the District Improvements.

d. The Association shall make a representative available to provide reporting on the District Improvements at a regular meeting of the Board of Supervisors upon request of the District Manager.

e. In the ~~event the District identifies a specific deficiency that they believe could be cause for possible Agreement termination first quarter of 2021,~~ the Association shall ~~be given sixty (60) days to address and attempt to cure the cause of the deficiency.~~

~~f. The District shall prioritize any requests for, at the Association's cost, engage one or more independent advisors as follows:~~

- ~~1. Stormwater /drains~~
- ~~2. Roadways~~
- ~~3. Lakes~~
- ~~4. Landscaping~~

~~Independent advisors will be identified and contracted within the time frame below. Such dates to be subject to change, with approval from the District, which approval will not be unreasonably withheld. Once independent advisor reports are obtained, the District agrees to work with the Association to develop the formal Request for Proposal (RFP) to implement the desired experienced in the operation and maintenance mitigation, if any. The RFP to be issued within sixty (60) days, with corresponding response due no later than ninety (90) days after request. Implementation time will be dependent of a stormwater management system and landscaping to assist in the following : (i) the preparation of contract specifications for the maintenance contracts relating to stormwater management system and landscaping based upon the mitigation identified, allowing sufficient time to allow for best management practices; (ii) the hiring of appropriate budget considerations and potential resource constraints. The District vendors; and the Association will work in connection to develop a reasonable funding and implementation schedule, particularly for any proposal that exceeds \$25,000, (iii) contract oversight of applicable vendors.~~

- ~~Priority 1 — No later than November 1, 2020;~~
- ~~Priority 2 — No later than November 1, 2021;~~
- ~~Priority 3 — No later than November 1, 2022;~~
- ~~Priority 4 — No later than November 1, 2023~~

**Commented [GU1]:** Drafting Note: There was no consensus on the initial meeting on how this provision would exactly operate. General conceptual changes are attached for further consideration.

8. **Modifications to the District Improvements.** The Association shall have the right to modify or enhance the District Improvements consistent with the terms of this Agreement; provided, however, that the Association may not make any material modification to the District Improvements (including, without limitation, removal or replacement) without the prior written consent of the District, which consent may be withheld in the District's sole and exclusive discretion. ~~The District shall not alter, improve, modify or add to assets without Association approval. The District shall have the right to modify or enhance the District Improvements from time to time in its discretion. Prior to the commencement of any material modification or enhancement, the District shall provide no less than thirty (30) days' prior written notice to the Association of its commencement. The Association may terminate this Agreement during the 30-day District notice period and the termination shall be effective ninety (90) days after the Association's notice to terminate, unless the parties agree in writing to a shorter time.~~

**Commented [GU2]:** Drafting Note: This provision was not agreed to by the parties. Conceptually the HOA has requested some limitation on the CDD's ability to modify items the HOA will be maintaining. Some conceptual language is included for consideration and further refinement. A more limited provision may be in order.

9. **Term-/Termination.**

a. **Term.** The initial term of this Agreement will commence on October 1, 2020 ("**Commencement Date**") and will run through September 30, ~~2025~~2021 ("**Initial Term**"), unless terminated prior to that time by either party pursuant to a provision of this Agreement. After the Initial Term, this Agreement will automatically renew for additional ~~five (5)~~one (1) year periods (October 1<sup>st</sup> through September 30<sup>th</sup> of the next year) (each, a "**Renewal Term**") unless terminated by either party as provided for herein.

b. **Termination Without Cause.** The District ~~may terminate this Agreement for any or no reason upon~~ on December 31<sup>st</sup> of a calendar year provided the District provides the Association with written notice of termination no later than September 30<sup>th</sup> of that year. If written notice of termination is provided by the District after September 30<sup>th</sup>, then the effective date of termination will be December 31<sup>st</sup> of the following calendar year. The Association may terminate this Agreement for any or no reason upon ~~ninety (90) days' written notice to the~~ on September 30<sup>th</sup> of a calendar year provided the Association provides the District written notice of termination no later than March 31<sup>st</sup> of that year. If written notice of termination is provided by the Association after March 31<sup>st</sup>, then the effective date of termination will be September 30<sup>th</sup> of the following calendar year.

c. **Termination With Cause.** Further, this Agreement may be terminated by either party upon a default of the other party, if after thirty (30) days written notice, the defaulting party has failed to cure

the default stated in the notice. Any default notice under this subsection shall state the nature of the default and give the defaulting party said thirty (30) days after the date of the written notice to cure the default.

d. **Reserve Transfer.** In the event of any termination of this Agreement, the Association will transfer the District Improvement Reserves to the District within sixty (60) days after termination.

~~9.~~**10. Independent Contractor.** In all matters relating to this Agreement, the Association shall be acting as an independent contractor. Neither the Association nor employees of the Association, if there are any, are employees of the District under the meaning or application of any Federal or State Unemployment or Insurance Laws or Old Age Laws or otherwise. The Association agrees to assume all liabilities or obligations imposed by any one or more of such laws with respect to employees of the Association, if there are any, in the performance of this Agreement. The Association shall not have any authority to assume or create any obligation, express or implied, on behalf of the District and the Association shall have no authority to represent the District as an agent, employee, or in any other capacity.

~~10.~~**11. Liens and Claims.** The Association shall promptly and properly pay for all contractors retained, labor employed, materials purchased, and equipment hired by it to perform under this Agreement. The Association shall keep the District's property free from any construction, materialmen's or mechanic's liens and claims or notices in respect to such liens and claims or notices in respect to such liens and claims, which arise by reason of the Association's performance under this Agreement, and the Association shall immediately discharge any such claim or lien.

~~11.~~**12. Other Insurance.** In addition to the property insurance required in Section 5, the Association shall procure, at the Association's expense, and maintain at all times during the term of this Agreement, comprehensive general liability insurance, worker's compensation insurance, automobile liability insurance, and such other coverage as may be necessary or desirable to carry out its duties under this Agreement regarding the District Improvements in the Improvement Area. The Association shall carry the following minimum levels of insurance:

- a. Commercial general liability including contractual liability insurance coverage of \$1,000,000 combined single limit bodily injury and property damage per occurrence, and \$2,000,000 general aggregate.
- b. Worker's compensation insurance coverage insurance shall be in full compliance with Florida statutory requirements.
- c. Automobile Liability Insurance for bodily injuries in limits of not less than \$1,000,000 combined single limit bodily injury and for property damage, providing coverage for any accident arising out of or resulting from the operation, maintenance, or use by the Association of any owned, non-owned, or hired automobiles, trailers, or other equipment required to be licensed.

The District, shall be named as an additional insured on all policies required (excluding worker's compensation). The general liability policy shall provide the District with thirty (30) days' prior written notice of non-renewal or ten (10) days prior written notice for nonpayment of premium. An acceptable certificate of insurance will be provided to the District annually evidencing compliance with the foregoing insurance requirements. Insurance coverage shall be from one or more reputable insurance carriers that are licensed to conduct business in the State of Florida, which carriers shall be reasonably acceptable to the District.

The Association further agrees to require by written contract any contractor or subcontractors hired or engaged by the Association to perform all or part of the Associations' services hereunder to procure and

**Commented [GU3]:** Drafting Note: This provision was not agreed to by the parties. The original provision allowed the CDD to terminate for any reason on 90 days' notice. The HOA requested a longer term, inclusion of a "for cause" termination and a termination "without cause" that correlated to the HOA's fiscal year. This is redline is shown for purposes of further analysis and consideration. The CDD may want to keep in the "without cause" termination right to terminate on 90 days' written notice.

**Commented [GU4]:** Drafting Note: This provision was not agreed to by the parties but conceptually raised by the CDD as a discussion point. This is redline is shown for purposes of further analysis and consideration.

maintain, until the completion of the contractor's or subcontractor's work, insurance of the types and to the limits specified in this Section unless such insurance requirements for the contractor or subcontractor are expressly modified or waived in writing by the District.

~~12~~13. **Indemnification.** Except to the extent of negligence or intentional misconduct of the District, the Association agrees to indemnify, defend and hold harmless the District and its Board members, officers, agents, staff and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or harm of any nature, arising out of, or in connection with, the acts or omissions of the Association, or its officers, employees, representatives, contractors, or subcontractors relating to the obligations assumed by the Association hereunder. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, fines, penalties, attorneys' fees, and paralegal fees (incurred in court, out of court, mediation, on appeal, or in bankruptcy proceedings) as ordered.

~~13~~14. **Payment/Funding.** The District shall pay Association the sum of Ten Dollars (\$10.00) per year for the provision of operation, maintenance, repair and replace services pursuant to the terms of this Agreement. The Association shall not be entitled, for any reason, to reimbursement or refund from the District of any funds expended in the performance of the Association's obligations and responsibilities under this Agreement. To the extent of the Association's funding obligations under this Agreement, the Association shall be responsible for staffing, budgeting, financing, billing and collection of fees, service charges, etc., necessary to perform the operation and maintenance responsibilities set forth in this Agreement. The Association shall assess and collect from the membership of the Association for the operation, maintenance, repair and replacement costs it is providing hereunder. The Association shall maintain any records for the District Improvements from its other Association records and have them available for inspection by the District upon request. At the termination of this Agreement for any reason, the Association shall, within thirty (30) days following the termination date, remit and deliver to the District copies of all records and documents relating to and associated with the performance of the Association under this Agreement.

~~14~~15. **Amendments.** This Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto.

~~15~~16. **Assignment.** This Agreement may not be assigned by the Association or the District without the prior written specific consent of the other party, which consent may be withheld in that party's sole and absolute discretion; provided, however, that the Association may contract with third party contractors (subject to the contacting limitations set forth herein) to perform the work under this Agreement without the consent of the District.

~~16~~17. **Notices.** Any notice, demand, consent, authorization, request, approval or other communication that any party is required, or may desire, to give to or make upon the other parties pursuant to this Agreement will be effective and valid only if in writing, signed by the party giving notice and either (i) delivered personally to the other parties; (ii) sent by commercial courier, delivery service or U.S. mail; or (iii) email, addressed to the other parties at the addresses set forth below (or to such other place as any party may by notice to the others specify). Notice will be considered given when received, except that if delivery is not accepted, notice will be considered given on the date of such non-acceptance. Counsel may deliver notice on behalf of the party represented. Initial addresses for the Parties include:

If to District:	Cypress Shadows Community Development District Attn: Brian Lamb, District Manager Meritus
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2005 Pan Am Circle, Suite 300  
Tampa, FL 33607  
brian.lamb@merituscorp.com

With a copy to:

Coleman, Yovanovich & Koester, P.A.  
Attn: Gregory L. Urbancic, Esq.  
4001 Tamiami Trail North, Suite 300  
Naples, Florida 34103  
gurbancic@cyklawfirm.com

If to Association:

The Preserve at Corkscrew Master Association, Inc.  
Attn: General Manager  
c/o Alliant Property Management, LLC  
13831 Vector Avenue  
Fort Myers, FL 33907  
\_\_\_\_\_@\_\_\_\_\_

The addressees and addresses for the purpose of this Section may be changed by either party by giving written notice of such change to the other party in the manner provided herein. For the purpose of changing such addresses or addressees only, unless and until such written notice is received, the last addressee and respective address stated herein shall be deemed to continue in effect for all purposes.

~~17.~~18. **Governing Law.** This Agreement is made and shall be governed and construed by the laws of the State of Florida. Any litigation arising out of this Agreement shall be in the State court of appropriate jurisdiction in Lee County, Florida.

~~18.~~19. **Prevailing Party.** In any action or proceeding arising between the parties relating to the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees, expenses, and all court costs, including fees and costs incurred through any appeal, from the non-prevailing party.

~~19.~~20. **Public Records Law.** In connection with its services to the District, the Association agrees to fully comply with the provisions of Section 119.0701, Florida Statutes pertaining to Florida's Public Records Law. Said compliance will include the Association taking appropriate and necessary steps to comply with the provisions of Section 119.0701(2)(b), Florida Statutes including, without limitation, the following:

- a. The Association shall keep and maintain public records required by the District to perform the services hereunder.
- b. Upon a request for public records received by the District, the Association shall provide the District with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes or otherwise provided by law.
- c. The Association shall ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of this Agreement if the Association does not transfer the records to the District.

- d. Upon completion of this Agreement, the Association shall transfer, at no cost, to the District all public records in possession of the Association or keep and maintain public records required by the District to perform the service. If the Association transfers all public records to the District upon completion of this Agreement, the Association shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Association keeps and maintains public records upon completion of this Agreement, the Association shall meet all applicable requirements for retaining public records. All records stored electronically by the Association must be provided to the District, upon request from the District's custodian of public records, in a format that is compatible with the information technology systems of the District.

Failure of the Association to comply with Section 119.0701, Florida Statutes may subject the Association to penalties under Section 119.10, Florida Statutes. Further, in the event the Association fails to comply with this Section or Section 119.0701, Florida Statutes, the District shall be entitled to any and all remedies at law or in equity. The following statement is required to be included in this Agreement pursuant to Section 119.0701(2), Florida Statutes:

**IF THE ASSOCIATION HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE ASSOCIATION'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT MERITUS C/O BRITTANY CRUTCHFIELD; TELEPHONE: (813) 873-7300; EMAIL: BRITTANY.CRUTCHFIELD@MERITUSCORP.COM, AND MAILING ADDRESS: 2005 PAN AM CIRCLE, SUITE 300, TAMPA, FL 33607.**

~~20~~21. **Counterparts.** This Agreement may be executed in several counterparts or by separate instruments, and all of such counterparts and instruments shall constitute one agreement, binding on all of the parties hereto.

~~21~~22. **Electronic Signatures.** An electronic signature will be considered an original signature on this Agreement and any related documents or subparts and will have the same force and effect as a written signature unless prohibited by Florida law. Electronic signatures include, but are not limited to, facsimiles, electronic signatures, portable document format (PDF), and any other electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a party with the intent to sign the Agreement or any other document related to this Agreement.

~~22~~23. **Sovereign Immunity.** The Association agrees that nothing contained in this Agreement shall constitute or be construed as a waiver of the District's limitations on liability set forth in Section 768.28, Florida Statutes, and/or other applicable law, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

~~23~~24. **Severability.** In the event any provision of this Agreement is deemed to be unenforceable under applicable law, the remainder of this Agreement shall continue to be enforceable and said provision shall be automatically modified and/or limited so that it is enforceable.

~~24~~25. **Authorization.** Both parties have the requisite approvals and authority to execute and bind the parties.

*{Remainder of page intentionally left blank. Signatures appear on next page.}*

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the date set forth below.

**DISTRICT:**

**CYPRESS SHADOWS COMMUNITY DEVELOPMENT DISTRICT,**  
a community development district

ATTEST:

\_\_\_\_\_  
Brian Lamb, Secretary

By: \_\_\_\_\_  
Louis Frattarelli, Chairman

Date: \_\_\_\_\_

**ASSOCIATION:**

**THE PRESERVE AT CORKSCREW MASTER ASSOCIATION, INC.**  
a Florida not-for-profit corporation

By: \_\_\_\_\_  
Marc Nusbaum, President

Date: \_\_\_\_\_



**EXHIBIT "A"**  
**DISTRICT IMPROVEMENTS**

~~NEED DISTRICT ASSET LIST~~

**EXHIBIT "B"**  
**MAP OF DISTRICT IMPROVEMENTS**

~~NEED DISTRICT MAP OF ASSET LIST~~



**FEMA**

December 11, 2018

Mr. Wesley Maul, Director  
Florida Division of Emergency Management  
2555 Shumard Oak Boulevard  
Tallahassee, FL 32399-2100

Justin Faircloth  
Naples Heritage Community Development District  
5911 Country Lakes Drive  
c/o Severn Trent  
Fort Myers, FL 33905

Re: FEMA Public Assistance Eligibility Determination – Naples Heritage Community Development District, PA ID 021-U4XUL-00, FEMA-4337-DR-FL, Project Worksheet (PW) 8854

Dear Mr. Maul and Mr. Faircloth:

The Department of Homeland Security's Federal Emergency Management Agency (FEMA) has determined that the work is ineligible for Public Assistance funding. Please see the enclosed FEMA Public Assistance Determination Memorandum for detailed information.

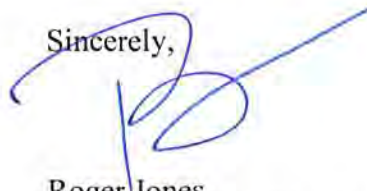
Under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and applicable regulations, the Naples Heritage Community Development District (Applicant) is entitled to appeal this eligibility determination. The Applicant may appeal this determination to the FEMA Region 4 Regional Administrator pursuant to 44 CFR § 206.206. The appeal must: (1) contain documented justification supporting the Applicant's position, (2) specify the monetary figure in dispute, and (3) cite the provisions in federal law, regulation, or policy with which the Applicant believes the initial action was inconsistent. The Applicant should also include a current email address to receive electronic correspondence. An appeal must be submitted to the Florida Division of Emergency Management (Recipient) by the Applicant within 60 days of the Applicant's receipt of this letter. The Pass-Through Entity transmittal of that appeal, with a written recommendation, is required to be submitted to Region 4 within 60 days of receiving the Applicant's letter.

Lastly, as FEMA will not accept additional information after issuance of the Regional Administrator's first appeal decision, the Applicant must submit all relevant supporting information with its first appeal. For reference, a current index of documents relevant to this determination is enclosed.

If you have any questions, please contact me at [Roger.Jones2@fema.dhs.gov](mailto:Roger.Jones2@fema.dhs.gov).

Mr. Maul and Mr. Faircloth  
December 11, 2018  
Page 2

Sincerely,



Roger Jones  
Infrastructure Branch Director  
Federal Emergency Management Agency  
FEMA 4337-DR-FL

Enclosures:  
FEMA PA Eligibility Determination Memorandum

**ELIGIBILITY DETERMINATION MEMORANDUM**

**Naples Heritage Community Development District**

**FEMA-4337-DR-FL**

**PA ID 021-U4XUL-00**

Applicant Type		<input type="checkbox"/> State Agency	<input checked="" type="checkbox"/> Local Government	<input type="checkbox"/> Tribe	<input type="checkbox"/> Private Nonprofit
<b>Grants Manager:</b> <i>Only fill out this section if the project is in Grants Manager.</i>		<b>EMMIE:</b> <i>Only fill out this section if the project worksheet is in EMMIE.</i>			
Project No.	8854	EMMIE Project Worksheet No.	NA		
Version No.		Version No.			
Damage Inventory No.	align="center">39118	EMMIE Project Cost	NA		
		Total Amount Obligated	\$0.00		
Project Title	Community Street Signs				
Project Size	<input type="checkbox"/> Large <input checked="" type="checkbox"/> Small <i>(Potentially subject to Net Small Project Overrun appeal)</i>	Category of Work	C		
<b>Issue(s):</b>					
Amount at Issue	\$14,561.00	Eligibility Issue Type(s)	<input type="checkbox"/> Applicant Eligibility	<input type="checkbox"/> Facility Eligibility	<input checked="" type="checkbox"/> Work Eligibility
Amount Denied	\$14,561.00		<input type="checkbox"/> Cost Eligibility		
Issue Keyword(s)	Facility not open to the general public				

**Project Description:**

Hurricane Irma caused strong winds, torrential rain and tidal surge which resulted in extensive damage throughout Florida. The incident period for this disaster is September 04, 2017, through October 18, 2017. The widespread damage resulted in a major disaster declaration (FEMA-4337-DR-FL) on September 10, 2017. This disaster declaration, as amended, authorized Public Assistance in all Florida counties.

The Naples Heritage Community Development District (Applicant) is a Special Government District. The Applicant owns and maintains systems and facilities for roads, water management, water supply, sewer, street lights, security, parks, and recreational facilities within their District. The Applicant is claiming damages to traffic control and directional street signs (Facilities) located on roads within their District. The signs were damaged by the high winds during the declared incident. Total costs to repair damages to the facilities is estimated at \$14,561.

In July of 1997, the Applicant entered into a Facilities Operation and Maintenance Agreement (Agreement) with the Naples Heritage Golf and Country Club, Inc. (Club). The Agreement states which systems and facilities the Club is responsible for operating and maintaining,

specifically roads including all landscaping and sidewalks, irrigation water facilities, security, water management and drainage, parks, common areas and recreational areas.<sup>1</sup>

**Issue:**

Are the Applicant's street signs, located on roads within the District, eligible for Public Assistance funding if they are not the legal responsibility of the Applicant and are not accessible to the general public?

**Applicable Law, Regulations, and FEMA Policy**

**The Robert T. Stafford Disaster Relieft and Emergency Assistance Act, Public Law 93-288, Stafford Act, as amended:**

***§ 406, Repair, Restoration, and Replacement of Damaged Facilities.***

(a) Contributions –

(1) In General. --.....

(A) to a State or local government for the repair, restoration, reconstruction, or replacement of a public facility damaged or destroyed by a major disaster and for associated expenses incurred by the government.

**Title 44 of the Code of Federal Regulations (C.F.R.) October 1, 2016:**

***§ 206.223 (a)(1) General Work Eligibility***

(a) General. To be eligible for financial assistance at item of work must:

(1) Be required as the result of the emergency or major disaster event.

**FEMA Public Assistance Program and Policy FP- 104-009-2 (April 2018) (PAPPG):**

**CHAPTER 2: Public Assistance Program Administration**

**Section II: Applicant Eligibility (C) Local Governments**

FEMA provides assistance to eligible Applicants, which are defined below. FEMA must first determine whether an Applicant is eligible before evaluating the Applicant's claim. Community Development Districts are special districts that finance, plan, establish, acquire, construct or reconstruct, operate, and maintain systems, facilities, and basic infrastructure within their respective jurisdictions. To be eligible, a Community Development District must be legally responsible for ownership, maintenance, and operation of an eligible facility that is accessible to the general public.

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<sup>1</sup> Community Development District Systems and Facilities Operation and Maintenance Agreement, at 1, 2 (July 28, 1997).

**Analysis:**

Contributions may be made to a local government for the repair, restoration, reconstruction, or replacement of a public facility damaged or destroyed by a major disaster and for associated expenses incurred by the government.<sup>2</sup> The Applicant, a special district type of local government, is eligible to receive contributions for the restoration of the Facilities that are open to or provide a service to the general public and upon a showing of legal responsibility.<sup>3</sup>

The Applicant has not established that it is legally responsible for the Facilities. The Applicant's Agreement with the Club states that the Applicant is not legally responsible for roads including all landscaping and sidewalks, which includes the damaged street signs.<sup>4</sup> Consequently, the Applicant is not eligible to receive FEMA funding for this project.

In addition, both the Applicant and the Club are restricted to members only and is not accessible to the general public. When a facility maintained by a Community Development District is not open to the general public, or does not provide a service to the general public, the facility is not eligible.<sup>5</sup> Therefore, the project is not eligible for public assistance funding because the Facilities are not open to or provide a service to the general public.

This project is not eligible for FEMA PA reimbursement funding because the Applicant has not established legal responsibility for the Facilities and the Facilities are not open to the general public.

**Eligibility Determination:**  Partially Approved  Denied

**Notice of Right to Appeal:**

**The Applicant may appeal this determination to the Regional Administrator, pursuant to Title 44 of the Code of Federal Regulations § 206.206, Appeals. If the Applicant elects to file an appeal, the appeal must:**

- 1) Contain documented justification supporting the applicant's position;**
- 2) Specify the monetary figure in dispute; and**
- 3) Cite the provisions in federal law, regulation, and/or policy with which the Applicant believes the initial action was inconsistent.**

**The appeal must be submitted to the Grantee, the Florida Division of Emergency Management (FDEM), by the Applicant within 60 days of its receipt of this determination. The Grantee's transmittal of that appeal, with recommendation, is required to be submitted to our office within 60 days of the receipt of the Applicant's letter.**

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<sup>2</sup> The Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1998, Pub. L. No. 93-299 (Stafford Act) § 406(a)(1)(A) 42 U.S.C. 5172.

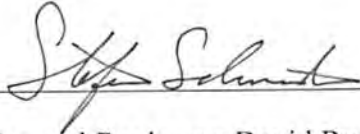
<sup>3</sup> Public Assistance Program and Policy Guide, FP 104-009-2, at 15 (April 2018) [hereinafter PAPPG].

<sup>4</sup> Community Development District Systems and Facilities Operation and Maintenance Agreement, at 1. (July 28, 1997).

<sup>5</sup> PAPPG, at 15.

**Preparation and Review:**

Preparer: Stefanie Schneider, DM Coordinator

Signature: 

Date: 12/11/2018

Office of Chief Counsel Reviewer: David Russo, Attorney Advisor

Signature: 

Date: 10 Dec 18

**Approval:**

PA Management: Roger Jones, Infrastructure Branch Director

Signature: 

Date: 12/11/2018





**FEMA**

**FEB 04 2020**

Mr. Jared Moskowitz, Director  
Florida Division of Emergency Management  
2555 Shumard Oak Boulevard  
Tallahassee, Florida 32399-2100

Mr. Justin Faircloth, Authorized Agent  
Vasari Community Development District  
11250 Via Del Vasari Drive  
Bonita Springs, Florida 34135

Reference: FEMA-4337-DR-FL  
Vasari Community Development District  
PA ID: 071-UTQH5-00  
Pending First Appeal – Request for Information  
Grants Manager Project 7782

Dear Mr. Moskowitz and Mr. Faircloth:

FEMA Region IV conducted an initial review and assessment of the referenced first appeal submission for Grants Manager (GM) Project 7782. All documents considered, upon which FEMA will base its decision, are reflected in the enclosed Administrative Record Index.

Based upon FEMA's initial review, the current administrative record appears insufficient to support Vasari Community Development District's (Applicant) assertion that the work is eligible for Public Assistance (PA) funding. The documentation currently available could lead to a denial or partial denial of the first appeal. Specifically, the administrative record does not contain sufficient information documenting that the work performed was in response to an immediate threat resulting from the declared event.

Upon consideration of the information provided with the Applicant's first appeal, FEMA finds the Determination Memorandum (DM) did not adequately identify and communicate all eligibility issues. Please see the enclosed Administrative Record Index for a list of all the documents that were considered by FEMA and relied upon in making this decision. The purpose of this letter is to ensure that the Subrecipient receives notification of the basis for FEMA's determination and to provide it with the opportunity to provide a response.

To further consider the claim for reimbursement, FEMA requests the following:

- Documentation that the Applicant's facilities serve the general public without exclusion to membership, and facility access is not prohibited by gates or other security features.

It is important to note that provision of supplementary documentation will not guarantee a favorable appeal determination. If you have additional relevant information regarding this

appeal that you believe should be considered, please provide it within 60 days of the date of this letter via email to FEMA-R4-PA-Appeals@fema.dhs.gov, or via mail to:

Terry L. Quarles, CEM, Director, Recovery Division  
c/o Logan Rayburn, Appeals Coordinator  
Federal Emergency Management Agency  
3003 Chamblee Tucker Road  
Atlanta, Georgia 30341

In accordance with 44 C.F.R. § 206.206(c)(3), within 90 days following receipt of additional information or expiration of the period to provide such information, I will notify you of the disposition of this appeal. Should you have any questions or require further assistance, please contact me at (770) 220-5300.

Sincerely,



Terry L. Quarles, CEM  
Director, Recovery Division

Enclosure:  
Administrative Record Index

**ADMINISTRATIVE RECORD INDEX**

FEMA-DR-4337-FL

Vasari Community Development District PA ID: 071-UTQH5-00

Grants Manager Project 7782

<b>Doc. #</b>	<b>No. of Pages</b>	<b>GM Project</b>	<b>Document Date</b>	<b>Document Type</b>	<b>From</b>	<b>To</b>	<b>Document Description/ Subject</b>
1	2	7782	05/29/2019	Letter	Recipient	FEMA	1 <sup>st</sup> Appeal Letter
2	9	7782	4/19/2019	Letter	Applicant	Recipient	1 <sup>st</sup> Appeal Letter
3	7	7782	2/22/2019	Letter	FEMA	Recipient/Applicant	Determination Memo
4	Multi	7782	4/19/19	Letter	Applicant	Recipient	Appeal Attachment: Exhibits B-K
<b>End of Record</b>							



**FEMA**

SEP 19 2019

Mr. Jared Moskowitz, Director  
Florida Division of Emergency Management  
2555 Shumard Oak Boulevard  
Tallahassee, Florida 32399-2100

Mr. Justin Faircloth, Authorized Agent  
Naples Heritage Community Development  
District  
5911 County Lakes Drive  
Fort Myers, Florida 33905

Reference: FEMA-4337-DR-FL  
Naples Heritage Community Development District  
PA ID: 021-U4XUL-00  
First Appeal, Project Worksheets 8852 and 8854

Dear Mr. Moskowitz and Mr. Faircloth:

This letter is in response to the Naples Heritage Community Development District's (Applicant) first appeal of the Federal Emergency Management Agency's (FEMA) decision to deny Public Assistance (PA) funding. The appeal is denied for the reasons discussed below and in the enclosed analysis.


To be an eligible applicant, a Community Development District must be legally responsible for ownership, maintenance, and operation of an eligible facility that is accessible to the general public. The Applicant does not maintain and operate a facility that is open to or serves the general public and, therefore, is not eligible for PA funding. This letter constitutes the official notification of this determination to the Applicant.

The Applicant may appeal this determination to the Assistant Administrator, Recovery Directorate, at FEMA Headquarters pursuant to Title 44 of the Code of Federal Regulations (44 C.F.R.) § 206.206, *Appeals*. If the Applicant elects to file a second appeal, the appeal must: 1) contain documented justification supporting the Applicant's position, 2) specify the monetary figure in dispute, and 3) cite the provisions in Federal law, regulation, or policy with which the Applicant believes the initial action was inconsistent. A second appeal must be submitted to the Florida Division of Emergency Management (Recipient) by the Applicant within 60 days of the Applicant's receipt of this letter. The Recipient's transmittal of that appeal, with recommendation, is required to be submitted to my office within 60 days of your receipt of the Applicant's letter. My office will transmit the second appeal to FEMA headquarters.

If you have questions or need additional information, please contact Mr. Terry L. Quarles, CEM, Director, Recovery Division, at (770) 220-5300.

Sincerely,



 Gracia B. Szczech  
Regional Administrator

Enclosures:

Appeal Analysis: FEMA-4337-DR-FL, *Naples Heritage Community Development District*,  
Project Worksheets 8852, 8854  
Administrative Record Index

**FIRST APPEAL ANALYSIS**  
**FEMA-4337-DR-FL**  
**Naples Heritage Community Development District, PA ID: 021-U4XUL-00**  
**Project Worksheets 8852 and 8854 – Applicant Eligibility**

**Background**

Hurricane Irma, the ninth named storm of the 2017 hurricane season and strongest hurricane in terms of maximum sustained winds observed in the Atlantic since Hurricane Wilma in 2005, made landfall in the Florida Keys on September 10, 2017. Thereafter, Hurricane Irma tracked up and across Florida's peninsula, severely damaging communities along both coasts with strong winds, heavy rain, and storm surge. The event was declared a major disaster (FEMA-4337-DR-FL) on September 10, 2017, with an incident period extending from September 4 to October 18, 2017.

Strong winds damaged facilities owned and maintained by the Naples Heritage Community Development District (Applicant), an independent special district located in Collier County.<sup>1</sup> FEMA prepared Project Worksheets 8852 and 8854 to capture damage and associated cost to repair fencing, an entry gate, and community street signs.

On July 28, 1997, the Applicant entered into an operation and maintenance agreement (Agreement) with Naples Heritage Golf and Country Club (Club) for ease of administration, potential cost savings, and the benefits of full-time on-site operation and maintenance. The Agreement pertains to the roads, including all landscaping and sidewalks, irrigation water facilities not owned by the county, security including guardhouses, water management, drainage systems, parks, common areas, recreational, and conservation areas. Additionally, the agreement states that the Club shall be solely responsible for the staffing, budgeting, financing, billing and collection of fees, assessments, service charges necessary to perform the operation, and maintenance responsibilities.<sup>2</sup>

On December 3, 2018 and December 11, 2018, FEMA prepared a determination memo to deny the cost associated with the repair of the damaged facilities.<sup>3</sup> Specifically, FEMA noted that the Applicant was not legally responsible for the facilities nor were the facilities accessible to the general public.<sup>4</sup>

*First Appeal*

On February 5, 2019, the Applicant submitted a first appeal to the Florida Division of Emergency Management (Recipient).<sup>5</sup> On appeal, the Applicant asserts it is eligible for Public

---

<sup>1</sup> Florida Statutes, Title XIII, Chapter 190, *Community Development Districts*, (2018).

<sup>2</sup> Community Development District Systems and Facilities Operation and Maintenance Agreement, between Naples Heritage Community Development District (NHCDD), and Naples Heritage Golf and Country Club (July 28, 1997).

<sup>3</sup> Notification from FEMA, to Authorized Agent, Naples Heritage Community Development District, (Dec. 3, 2018, 8852) (Dec. 11, 2018, 8854).

<sup>4</sup> *Public Assistance Program and Policy Guide*, FP 104-009-2, V3.1, at 10 (Apr. 26, 2018) [hereinafter *PAPPG*].

<sup>5</sup> Notification from FEMA, to Authorized Agent, Naples Heritage Community Development District, (Dec. 3, 2018, 8852) (Dec. 11, 2018, 8854).

Assistance (PA) funding because: 1) the district is a local government, 2) the facilities are public facilities, and 3) the maintenance agreement does not change the ownership and nature of the facilities. Notably, the Applicant states that it engaged the Club as a service provider to “operate and maintain” certain public infrastructure belonging to the Applicant. Further, the Applicant contends that the agreement neither transfers ownership nor ultimate legal responsibilities for the facilities.<sup>6</sup> The Recipient concurred with the Applicant and transmitted the first appeal to FEMA in a letter dated April 4, 2019, recommending approval.<sup>7</sup>

### *Request for Information*

FEMA issued a Request for Information (RFI) to the Recipient and Applicant on May 23, 2019,<sup>8</sup> requesting documentation substantiating that the Applicant is legally responsible for the repair, maintenance, and operation of the facilities identified in its first appeal letter. In addition, FEMA requested that the Applicant provide additional documentation supporting that its facilities serve the general public without exclusion to membership, and facility access is not prohibited by gates or other security features.

The Applicant responded in a letter dated June 21, 2019.<sup>9</sup> In its response, the Applicant states that it has ultimate maintenance responsibility for the assets, and access to the applicable assets is available to the general public to the extent required by law.

### **Discussion**

Pursuant to Title 44 of the Code of Federal Regulations (44 C.F.R.) § 206.222, *Applicant eligibility*,<sup>10</sup> local governments, which includes special districts as defined by 44 C.F.R. § 206.2,<sup>11</sup> are eligible applicants under FEMA’s Public Assistance program. FEMA’s *Public Assistance Program and Policy Guide (PAPPG)* clarifies:

Community Development Districts (CDD) are special districts that finance, plan, establish, acquire, construct or reconstruct, operate, and maintain systems, facilities, and basic infrastructure within their respective jurisdictions. To be eligible, a Community Development District must be legally responsible for ownership, maintenance, and operation of an eligible facility that is accessible to the general public.<sup>12</sup>

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<sup>6</sup> Applicant First Appeal Letter from Attorney, NHCDD, to Region IV Administrator, FEMA (Feb. 5, 2019).

<sup>7</sup> Recipient Recommendation Letter from Governor’s Authorized Representative, Florida Division of Emergency Management (FDEM), to Region IV Administrator, FEMA (Apr. 4, 2019).

<sup>8</sup> RFI Letter from Recovery Division Director, Region IV, FEMA to Interim Director, FDEM, and Attorney, NHCDD (May 23, 2019).

<sup>9</sup> RFI Response Letter from Attorney, NHCDD, to Director, Recovery Division, Region IV, FEMA (June 21, 2019).

<sup>10</sup> Title 44 of the Code of Federal Regulations (44 C.F.R.) § 206.222 (2016).

<sup>11</sup> 44 C.F.R. § 206.2.

<sup>12</sup> *PAPPG*, at 10.

Therefore, CDD facilities must be open to the general public or provide a service to the general public to be eligible.<sup>13</sup>

The Applicant's facilities are not eligible for PA funding because its facilities are not open to the general public.<sup>14</sup> In its RFI response, the Applicant asserts that the facilities were open to the general public to the extent required by law, and provided the 2018 Florida Statutes, Title XIII, Chapter 190 as supporting documentation. The Applicant is a gated community with facilities limited to members of the Club or members of other country clubs with reciprocal rights.<sup>15</sup> This is further documented by the Naples Heritage Golf and Country Club 2019 Information and Fact Sheet<sup>16</sup> and the Applicant's appeal letter<sup>17</sup> which states that it is a bundled and gated community that collects over \$6,000.00 per member in annual membership fees and assessments for the use of its facilities. The Applicant has not provided documentation in support of its assertion that its facilities are open to and serve the general public and that access to the facilities is not prohibited by gates or other security features.

### Conclusion

The Applicant, a Community Development District, does not maintain and operate a facility that is open to or serves the general public; therefore, the appeal is denied.

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<sup>13</sup> *Id.*, at 15.

<sup>14</sup> *PAPPG*, at 11.

<sup>15</sup> Naples Heritage Golf & Country Club, A Great Gordon Lewis Design Rebuilt in 2015, at 28, [https://nhgcc.com/getmedia/dcdb0f1e-2f10-4d68-91cf-d5517ddc29f4/EN\\_Article.aspx](https://nhgcc.com/getmedia/dcdb0f1e-2f10-4d68-91cf-d5517ddc29f4/EN_Article.aspx) (last visited July 8, 2019).

<sup>16</sup> Naples Heritage Golf & Country Club, 2019 Information and Fact Sheet, <https://nhgcc.com> (last visited July 8, 2019).

<sup>17</sup> Applicant First Appeal Letter from Attorney, Naples Heritage Community Development District, to Region IV Administrator FEMA (Feb. 5, 2019) (stating, "... the Club shares nearly identical geographic boundaries with the District, but the Club is a private entity that provides certain community services to the residents of Naples Heritage").



**ADMINISTRATIVE RECORD INDEX**

FEMA-4337-DR-FL

Naples Heritage Community Development District, PA ID: 021-U4XUL-00

Project Worksheet 8852 and 8854

Doc #	No. of Pages	PW	Document Date	Document Type	From	To	Document Description/ Subject
1.	2	Multi	04/04/2019	Letter	Recipient	FEMA	1 <sup>st</sup> Appeal Letter
2.	7	8852	N/A	Letter	Applicant	Recipient	1 <sup>st</sup> Appeal Letter
3.	7	8854	N/A	Letter	Applicant	Recipient	1 <sup>st</sup> Appeal Letter
4.	4	8854	12/11/2018	Letter	FEMA	Recipient/ Applicant	Appeal Attachment A: Determination Memo
5.	8	Multi	9/24/1996	County Ordinance	Applicant	N/A	Appeal Attachment B: Collier County Ordinance 96-57
6.	3	Multi	11/13/1996	County Ordinance	Applicant	N/A	Appeal Attachment C: Collier County Ordinance 96-71
7.	101	8854	N/A	Report	Applicant	N/A	Appeal Attachment D: Roadway Ownership Information
8.	1	Multi	10/2017	Report	District Engineer	N/A	Appeal Attachment E: NHCDD Public Facilities Report
9.	12	Multi	N/A	Report	Engineer	N/A	Appeal Attachment F: Engineer's Report for NHCDD
10.	3	Multi	7/28/1997	Agreement	Applicant	Vendor	Appeal Attachment G: CDD Systems and Facilities Operation and Maintenance Agreement
11.	4	8852	12/4/2018	Letter	FEMA	Recipient/Applicant	Appeal Attachment A: Determination Memo
12.	9	8852	N/A	Report	Applicant	N/A	Appeal Attachment D: Tract R Ownership Info
13.	16	8852	N/A	Report	Applicant	N/A	Appeal Attachment E: Tract C1 Ownership Information
14.	7	8852	N/A	Report	Applicant	N/A	Appeal Attachment F: Tract C5 Ownership Information

15.	1	N/A	N/A	Information and Fact Sheet	Naples Heritage Golf & Country Club	N/A	Applicant's Vendor Website: Naples Heritage Golf & Country Club 2019 Information and Fact Sheet
16.	2	N/A	06/21/2019	RFI Response	Applicant	FEMA	RFI Response Letter
17.	Multi	N/A	09/30/2018	Report	Applicant	FEMA	RFI Response Attachment: Capital Assets
18.	Multi	N/A	N/A	Invoices	Applicant	N/A	RFI Response Attachment: Invoices/ Canceled Checks
<b>End of Record</b>							

# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

Acct #	Description	HOA 2020 Budget	% transfer to CDD	CDD Budget	HOA Budget
8010	Access Control Contractor	164,551.00	100	164,551.00	164,551.00
8015	Access Control Systems	11,540.00	100	11,540.00	11,540.00
8020	Gate/Gatehouse M&R	6,520.00	100	6,520.00	6,520.00
8050	Landscape Maint-Common	89,585.00	35	31,000.00	31,000.00
8054	Mulching-Common	10,600.00	20	2,120.00	2,120.00
8055	Pruning	29,500.00	20	5,900.00	5,900.00
8056	Street Sweep	1,500.00	100	1,500.00	1,500.00
8060	Landscape Replace & Improve	29,500.00	35	10,325.00	10,325.00
8062	Irrigation Labor - Commons	12,000.00	0	0.00	0.00
8065	Pumps & Wells	9,921.00	100	9,921.00	9,921.00
8066	Preserve Maintenance	60,507.00	100	60,507.00	60,507.00
8068	Preserve Monitoring	6,999.00	100	6,999.00	6,999.00
8070	Fountain Maintenance	11,618.00	100	11,618.00	11,618.00
8072	Lake Maintenance	35,504.00	100	35,504.00	35,504.00
8520	Electricity	122,000.00	80	97,600.00	97,600.00
8525	Telephone	6,936.00	0	0.00	0.00
8540	Irrigation Water	10,000.00	0	0.00	0.00
	<b>Total</b>	<b>618,781.00</b>		<b>455,605.00</b>	<b>455,605.00</b>
<b>CDD ADD-ON</b>					
	<b>Option A - Legal &amp; Admin</b>			<b>77,710.00</b>	
	Field Manager			18,000.00	
	Independent Oversight			26,000.00	
	Add'l accounting			2,000.00	
	Road Signage			5,000.00	
	CDD Reserve Contribution			89,146.00	
	<b>Subtotal</b>			<b>140,146.00</b>	
	<b>GRAND TOTAL</b>			<b>673,461.00</b>	

**FISCAL YEAR 2021**  
**PROPOSED ANNUAL OPERATING BUDGET**

# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

**SUMMARY IMPACT OF OPTION C TRANSFER**  
**(using HOA 2020 Budget, 2021 Reserve contribution Requirements, CDD**  
**Option A)**

**HOA IMPACT BY EXPENSE CATEGORY**

	<b>HOA 2020 Budget</b>	<b>Transfer reduction</b>	<b>Revised Budget</b>
Administration	189,133.00	-	189,133.00
Gate & Access Control	182,611.00	182,611.00	-
Amenity Center Maintenance	89,469.00	-	89,469.00
Entry & Common Area Maint	214,409.00	50,845.00	163,564.00
Lakes & Preserve Maintenance	124,549.00	124,549.00	-
Single Family Houses	552,229.00	-	552,229.00
Utility Expenses	154,784.00	97,600.00	57,184.00
Net Reserve Contribution	145,700.00	89,146.00	56,554.00
	1,652,884.00	544,751.00	1,108,133.00
Annual Assessment (Est 2021)			<b>2,513</b>
Annual assessment W/o Transfer	<b>3,748</b>		

**CDD IMPACT BY EXPENSE CATEGORY**

	<b>FY 2021 Proposed Budget</b>
Proposed Option A Expenses	77,710.00
Option C HOA Transfers	455,605.00
CDD Supervisor added Expenses	51,000.00
CDD Reserve Contributions	89,146.00
<b>Total CDD O&amp;M</b>	<b>673,461.00</b>
<b>Less: CDD Reserves (\$6K)</b>	<b>667,461.00</b>
Per Unit (NET)	1,513.52
Per Unit (GROSS)	1,611.58

**FISCAL YEAR 2021**  
**PROPOSED ANNUAL OPERATING BUDGET**

# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

	Fiscal Year 2020 Final Operating Budget	Current Period Actuals 10/1/19 - 2/29/20	Projected Revenues & Expenditures 3/1/20 to 9/30/20	Total Actuals and Projections Through 9/30/20	Over/(Under) Budget Through 9/30/20
<b>Revenues</b>					
<b>Special Assessments</b>					
Operations & Maintenance Assmts-Tax Roll	63,424.00	60,051.83	3,372.17	63,424.00	0.00
<b>TOTAL SPECIAL ASSESSMENTS</b>	<b>\$63,424.00</b>	<b>\$60,051.83</b>	<b>\$3,372.17</b>	<b>\$63,424.00</b>	<b>\$0.00</b>
<b>Other Miscellaneous Revenues</b>					
Undesignated Reserves	8,286.00	0.00	443.46	443.46	(7,842.54)
<b>TOTAL OTHER MISCELLANEOUS REVENUES</b>	<b>\$8,286.00</b>	<b>\$0.00</b>	<b>\$443.46</b>	<b>\$443.46</b>	<b>(\$7,842.54)</b>
<b>Total Revenues</b>	<b>\$71,710.00</b>	<b>\$60,051.83</b>	<b>\$3,815.63</b>	<b>\$63,867.46</b>	<b>(\$7,842.54)</b>
<b>Expenditures</b>					
<b>Financial &amp; Administrative</b>					
District Manager	34,000.00	14,166.65	19,833.35	34,000.00	0.00
Trustees Fees	9,200.00	9,545.66	0.00	9,545.66	345.66
Auditing Services	6,500.00	546.00	5,454.00	6,000.00	(500.00)
Postage, Phone, Faxes, Copies	75.00	5.50	6.50	12.00	(63.00)
Public Officials Insurance	2,700.00	1,536.00	1,164.00	2,700.00	0.00
Legal Advertising	750.00	564.88	185.12	750.00	0.00
Bank Fees	400.00	162.97	237.03	400.00	0.00
Dues, Licenses & Fees	650.00	175.00	475.00	650.00	0.00
ADA Website Compliance	0.00	0.00	0.00	0.00	0.00
Website Administration	1,500.00	2,125.00	375.00	2,500.00	1,000.00
<b>TOTAL FINANCIAL &amp; ADMINISTRATIVE</b>	<b>\$55,775.00</b>	<b>\$28,827.66</b>	<b>\$27,730.00</b>	<b>\$56,557.66</b>	<b>\$782.66</b>
<b>Legal Counsel</b>					
District Counsel	9,650.00	731.25	1,268.75	2,000.00	(7,650.00)
<b>TOTAL LEGAL COUNSEL</b>	<b>\$9,650.00</b>	<b>\$731.25</b>	<b>\$1,268.75</b>	<b>\$2,000.00</b>	<b>(\$7,650.00)</b>
<b>Other Physical Environment</b>					
Property & Casualty Insurance	6,285.00	5,309.80	0.00	5,309.80	(975.20)
<b>TOTAL OTHER PHYSICAL ENVIRONMENT</b>	<b>\$6,285.00</b>	<b>\$5,309.80</b>	<b>\$0.00</b>	<b>\$5,309.80</b>	<b>(\$975.20)</b>
<b>Capital Reserve</b>					
Reserve	0.00	0.00	0.00	0.00	0.00
<b>TOTAL CAPITAL RESERVE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Expenditures</b>	<b>\$71,710.00</b>	<b>\$34,868.71</b>	<b>\$28,998.75</b>	<b>\$63,867.46</b>	<b>(\$7,842.54)</b>
<b>EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$0.00</b>	<b>\$25,183.12</b>	<b>(\$25,183.12)</b>	<b>\$0.00</b>	<b>\$0.00</b>

# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

### Option A - No Increase

(Added Supervisor Fees)

	Fiscal Year 2020 Final Operating Budget	Total Actuals and Projections Through 9/30/20	Over/(Under) Budget Through 9/30/20	Fiscal Year 2021 Proposed Operating Budget	Increase / (Decrease) from FY 2020 to FY 2021
<b>Revenues</b>					
<b>Special Assessments</b>					
Operations & Maintenance Assmts-Tax Roll	63,424.00	63,424.00	0.00	63,424.00	0.00
<b>TOTAL SPECIAL ASSESSMENTS</b>	<b>\$63,424.00</b>	<b>\$63,424.00</b>	<b>\$0.00</b>	<b>\$63,424.00</b>	<b>\$0.00</b>
<b>Other Miscellaneous Revenues</b>					
Undesignated Reserves	8,286.00	443.46	(7,842.54)	14,286.00	6,000.00
<b>TOTAL OTHER MISCELLANEOUS REVENUES</b>	<b>\$8,286.00</b>	<b>\$443.46</b>	<b>(\$7,842.54)</b>	<b>\$14,286.00</b>	<b>\$6,000.00</b>
<b>Total Revenues</b>	<b>\$71,710.00</b>	<b>\$63,867.46</b>	<b>(\$7,842.54)</b>	<b>\$77,710.00</b>	<b>\$6,000.00</b>
<b>Expenditures</b>					
<b>LEGISLATIVE</b>					
Supervisors Fees	0.00	0.00	0.00	6,000.00	6,000.00
<b>TOTAL LEGISLATIVE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,000.00</b>	<b>\$6,000.00</b>
<b>Financial &amp; Administrative</b>					
District Manager	34,000.00	34,000.00	0.00	34,000.00	0.00
Trustees Fees	9,200.00	9,545.66	345.66	9,600.00	400.00
Auditing Services	6,500.00	6,000.00	(500.00)	6,000.00	(500.00)
Postage, Phone, Faxes, Copies	75.00	12.00	(63.00)	35.00	(40.00)
Public Officials Insurance	2,700.00	2,700.00	0.00	2,700.00	0.00
Legal Advertising	750.00	750.00	0.00	750.00	0.00
Bank Fees	400.00	400.00	0.00	400.00	0.00
Dues, Licenses & Fees	650.00	650.00	0.00	650.00	0.00
ADA Website Compliance	0.00	0.00	0.00	2,000.00	2,000.00
Website Administration	1,500.00	2,500.00	1,000.00	1,500.00	0.00
<b>TOTAL FINANCIAL &amp; ADMINISTRATIVE</b>	<b>\$55,775.00</b>	<b>\$56,557.66</b>	<b>\$782.66</b>	<b>\$57,635.00</b>	<b>\$1,860.00</b>
<b>Legal Counsel</b>					
District Counsel	9,650.00	2,000.00	(7,650.00)	7,790.00	(1,860.00)
<b>TOTAL LEGAL COUNSEL</b>	<b>\$9,650.00</b>	<b>\$2,000.00</b>	<b>(\$7,650.00)</b>	<b>\$7,790.00</b>	<b>(\$1,860.00)</b>
<b>Other Physical Environment</b>					
Property & Casualty Insurance	6,285.00	5,309.80	(975.20)	6,285.00	0.00
<b>TOTAL OTHER PHYSICAL ENVIRONMENT</b>	<b>\$6,285.00</b>	<b>\$5,309.80</b>	<b>(\$975.20)</b>	<b>\$6,285.00</b>	<b>\$0.00</b>
<b>Total Expenditures</b>	<b>\$71,710.00</b>	<b>\$63,867.46</b>	<b>(\$7,842.54)</b>	<b>\$77,710.00</b>	<b>\$6,000.00</b>
<b>EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

FISCAL YEAR 2021  
PROPOSED ANNUAL OPERATING BUDGET

# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

### Option C - Full Control

	Fiscal Year 2020 Final Operating Budget	Total Actuals and Projections Through 9/30/20	Over/(Under) Budget Through 9/30/20	Fiscal Year 2021 Proposed Operating Budget	Increase / (Decrease) from FY 2020 to FY 2021
<b>Revenues</b>					
<b>Special Assessments</b>					
Operations & Maintenance Assmts-Tax Roll	63,424.00	63,424.00	0.00	667,461.00	604,037.00
<b>TOTAL SPECIAL ASSESSMENTS</b>	<b>\$63,424.00</b>	<b>\$63,424.00</b>	<b>\$0.00</b>	<b>\$667,461.00</b>	<b>\$604,037.00</b>
<b>Other Miscellaneous Revenues</b>					
Undesignated Reserves	8,286.00	443.46	(7,842.54)	6,000.00	(2,286.00)
<b>TOTAL OTHER MISCELLANEOUS REVENUES</b>	<b>\$8,286.00</b>	<b>\$443.46</b>	<b>(\$7,842.54)</b>	<b>\$6,000.00</b>	<b>(\$2,286.00)</b>
<b>Total Revenues</b>	<b>\$71,710.00</b>	<b>\$63,867.46</b>	<b>(\$7,842.54)</b>	<b>\$673,461.00</b>	<b>\$601,751.00</b>
<b>Expenditures</b>					
<b>LEGISLATIVE</b>					
Supervisors Fees	0.00	0.00	0.00	6,000.00	6,000.00
<b>TOTAL LEGISLATIVE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,000.00</b>	<b>\$6,000.00</b>
<b>Financial &amp; Administrative</b>					
District Manager	34,000.00	34,000.00	0.00	34,000.00	0.00
Trustees Fees	9,200.00	9,545.66	345.66	9,600.00	400.00
Accounting Fees	0.00	0.00	0.00	2,000.00	2,000.00
Auditing Services	6,500.00	6,000.00	(500.00)	6,000.00	(500.00)
Postage, Phone, Faxes, Copies	75.00	12.00	(63.00)	35.00	(40.00)
Public Officials Insurance	2,700.00	2,700.00	0.00	2,700.00	0.00
Legal Advertising	750.00	750.00	0.00	750.00	0.00
Bank Fees	400.00	400.00	0.00	400.00	0.00
Dues, Licenses & Fees	650.00	650.00	0.00	650.00	0.00
ADA Website Compliance	0.00	0.00	0.00	2,000.00	2,000.00
Website Administration	1,500.00	2,500.00	1,000.00	1,500.00	0.00
<b>TOTAL FINANCIAL &amp; ADMINISTRATIVE</b>	<b>\$55,775.00</b>	<b>\$56,557.66</b>	<b>\$782.66</b>	<b>\$59,635.00</b>	<b>\$3,860.00</b>
<b>Legal Counsel</b>					
District Counsel	9,650.00	2,000.00	(7,650.00)	7,790.00	(1,860.00)
<b>TOTAL LEGAL COUNSEL</b>	<b>\$9,650.00</b>	<b>\$2,000.00</b>	<b>(\$7,650.00)</b>	<b>\$7,790.00</b>	<b>(\$1,860.00)</b>
<b>ELECTRIC UTILITY SERVICES</b>					
Electricity (running of pumps, irrigation, wells)	0.00	0.00	0.00	52,600.00	52,600.00
<b>TOTAL ELECTRIC UTILITY SERVICES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$52,600.00</b>	<b>\$52,600.00</b>
<b>WATER-SEWER COMBINATION SERVICES</b>					
Irrigation Water	0.00	0.00	0.00	0.00	0.00
Pumps and Wells	0.00	0.00	0.00	9,921.00	9,921.00
<b>TOTAL WATER-SEWER COMBINATION SERVICES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,921.00</b>	<b>\$9,921.00</b>
<b>Other Physical Environment</b>					
Field Manager	0.00	0.00	0.00	18,000.00	18,000.00
Quarterly Field Inspections	0.00	0.00	0.00	0.00	0.00
Property & Casualty Insurance	6,285.00	5,309.80	(975.20)	6,285.00	0.00
Irrigation Systems – Wells, Pumps, etc.	0.00	0.00	0.00	0.00	0.00
Landscape Maintenance-Common	0.00	0.00	0.00	31,000.00	31,000.00
Landscape/Lake Independent Oversight Services	0.00	0.00	0.00	26,000.00	26,000.00
Mulching-Common	0.00	0.00	0.00	2,120.00	2,120.00
Pruning	0.00	0.00	0.00	5,900.00	5,900.00
Landscape Replacement & Improvement	0.00	0.00	0.00	10,325.00	10,325.00
Irrigation Labor - Commons	0.00	0.00	0.00	0.00	0.00
Access Control Contractor	0.00	0.00	0.00	164,551.00	164,551.00
Access Control Systems	0.00	0.00	0.00	11,540.00	11,540.00
<b>TOTAL OTHER PHYSICAL ENVIRONMENT</b>	<b>\$6,285.00</b>	<b>\$5,309.80</b>	<b>(\$975.20)</b>	<b>\$275,721.00</b>	<b>\$269,436.00</b>
<b>ROAD &amp; STREET FACILITIES</b>					
Gate/Gatehouse M&R	0.00	0.00	0.00	6,520.00	6,520.00
Street Sweeping	0.00	0.00	0.00	1,500.00	1,500.00
Telephone (Guard House)	0.00	0.00	0.00	0.00	0.00
Light Poles & Fixtures (Street Lights Utility Bills)	0.00	0.00	0.00	45,000.00	45,000.00
Signage Replacement Street/Traffic	0.00	0.00	0.00	5,000.00	5,000.00
<b>TOTAL ROAD &amp; STREET FACILITIES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$58,020.00</b>	<b>\$58,020.00</b>
<b>PARKS &amp; RECREATION</b>					
Preserve Maintenance	0.00	0.00	0.00	60,507.00	60,507.00
Preserve Monitoring	0.00	0.00	0.00	6,999.00	6,999.00
Lakes Management	0.00	0.00	0.00	35,504.00	35,504.00
Fountains and Aerators	0.00	0.00	0.00	11,618.00	11,618.00
<b>TOTAL PARKS &amp; RECREATION</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$114,628.00</b>	<b>\$114,628.00</b>
<b>Capital Reserve</b>					
Reserve	0.00	0.00	0.00	89,146.00	89,146.00
<b>TOTAL CAPITAL RESERVE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$89,146.00</b>	<b>\$89,146.00</b>
<b>Total Expenditures</b>	<b>\$71,710.00</b>	<b>\$63,867.46</b>	<b>(\$7,842.54)</b>	<b>\$673,461.00</b>	<b>\$601,751.00</b>
<b>EXCESS OF REVENUES OVER/(UNDER) EXPENDITURES</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

### SCHEDULE OF ANNUAL ASSESSMENTS

Lot Size	EAU Value	Debt Service Unit Count	O&M Unit Count	Fiscal Year 2020			Fiscal Year 2021			Total Increase / (Decrease) in Annual Assmt
				Debt Service Per Unit	O&M Per Unit	FY 2020 Total Assessment	Debt Service Per Unit	O&M Per Unit	FY 2021 Total Assessment	
<b>SERIES 2011 BONDS</b>										
Single Family 50'	1.00	78	78	\$640	\$150	<b>\$790</b>	\$640	\$1,611.58	<b>\$2,251.58</b>	\$1,461.58
Single Family 60'	1.20	46	46	\$840	\$150	<b>\$990</b>	\$840	\$1,611.58	<b>\$2,451.58</b>	\$1,461.58
Single Family 75'	1.50	33	33	\$1,040	\$150	<b>\$1,190</b>	\$1,040	\$1,611.58	<b>\$2,651.58</b>	\$1,461.58
<b>SERIES 2012 BONDS</b>										
Single Family 50'	1.00	119	119	\$640	\$150	<b>\$790</b>	\$640	\$1,611.58	<b>\$2,251.58</b>	\$1,461.58
Single Family 60'	1.20	132	133	\$840	\$150	<b>\$990</b>	\$840	\$1,611.58	<b>\$2,451.58</b>	\$1,461.58
Single Family 75'	1.50	32	32	\$1,040	\$150	<b>\$1,190</b>	\$1,040	\$1,611.58	<b>\$2,651.58</b>	\$1,461.58
<b>TOTAL</b>		<b>440</b>	<b>441</b>							

**Notations:**

<sup>(1)</sup> Annual assessments are adjusted for the County collection costs and discounts for early payment.



# CYPRESS SHADOWS

## COMMUNITY DEVELOPMENT DISTRICT

### RESIDENTIAL ASSESSMENTS ANALYSIS CHART

#### CDD - GROSS LEVY

Lot Size	O&M Unit Count	OPTION A - NO TRANSFER				OPTION C - FULL CONTROL				Total Increase / (Decrease) in Annual Asmt
		Debt Service Per Unit	O&M Per Unit	HOA ANNUAL	RESIDENT TOTAL ANNUAL	Debt Service Per Unit	O&M Per Unit	HOA ANNUAL	RESIDENT TOTAL ANNUAL	
Single Family 50'	197	\$640	\$150	\$3,748	<b>\$4,538.00</b>	\$640	\$1,611.58	\$2,513.00	<b>\$4,764.58</b>	\$226.58
Single Family 60'	179	\$840	\$150	\$3,748	<b>\$4,738.00</b>	\$840	\$1,611.58	\$2,513.00	<b>\$4,964.58</b>	\$226.58
Single Family 75'	65	\$1,040	\$150	\$3,748	<b>\$4,938.00</b>	\$1,040	\$1,611.58	\$2,513.00	<b>\$5,164.58</b>	\$226.58

441

#### CDD - AT 4% PAID BY NOV 30

Lot Size	O&M Unit Count	OPTION A - NO TRANSFER				OPTION C - FULL CONTROL				Total Increase / (Decrease) in Annual Asmt
		Debt Service Per Unit	O&M Per Unit	HOA ANNUAL	RESIDENT TOTAL ANNUAL	Debt Service Per Unit	O&M Per Unit	HOA ANNUAL	RESIDENT TOTAL ANNUAL	
Single Family 50'	197	\$614.40	\$144.00	\$3,748	<b>\$4,506.40</b>	\$614.40	\$1,547.12	\$2,513.00	<b>\$4,674.52</b>	\$168.12
Single Family 60'	179	\$806.40	\$144.00	\$3,748	<b>\$4,698.40</b>	\$806.40	\$1,547.12	\$2,513.00	<b>\$4,866.52</b>	\$168.12
Single Family 75'	65	\$998.40	\$144.00	\$3,748	<b>\$4,890.40</b>	\$998.40	\$1,547.12	\$2,513.00	<b>\$5,058.52</b>	\$168.12

441