



CEPD May 2021 Board Meeting

Table of Contents

Agenda	1
Approval of Minutes	3
April 12 th , 2021 Special Board Meeting	3
Financial Reports	9
Budget Performance	9
Parking Lot Revenue	16
Old Business	17
Service Contracts	17
New Business	18
State Contract 21LE1_A1	18
Project Bids	30
APTIM Recommendation Letter	33
Municipal Bond Loan	34
Synovus	34
5/3.....	40
Bond Counsel	44
Bryant Miller Olive P.A.....	44
Mark E. Raymond.....	48

Please follow page numbers on top right corner



Board Meeting Agenda

Date: Monday May 10th, 2021

Time: 1:00 P.M.

Location: 15951 Captiva Drive, Captiva, Florida 33924
Tween Waters Inn, Ding Darling Room

Via Zoom: <https://us02web.zoom.us/j/84857520829>

Webinar ID: 848 5752 0829

Telephone: +1 646 558 8656

1. **Call to Order**
2. **Roll Call**
3. **Approval of Minutes**
 - A. April 12th, 2021 Board Meeting
4. **Public Comments** – Limit 3 minutes per person
5. **Financial Reports**
 - A. Budget Performance
 - B. Parking Sales Revenue
6. **Old Business**
 - A. Follow up on Action Items
 - I. NOAA Sea Level Rise Report
 - II. Contracts
 - III. Banking



- 7. New Business**
 - A. State Contract 21LE1 A1
 - B. Beach Nourishment Bids
 - C. Municipal Bond Loan
 - D. Bond Counsel
 - E. Parking Refund Policy

- 8. Administrative Report**

- 9. Commissioners' Comments**

- 10. Adjournment**

In accordance with the Americans with Disability Act and F.S. 286.26; any person with a disability requiring any additional reasonable accommodation to participate in this meeting should call the CEPD office at phone 239.472.2472 or email a written request to mycepd@mycepd.com. One or more elected or appointed local government officials, including but not limited to the Captiva Erosion Prevention District, maybe in attendance at this meeting. Any person who decides to appeal any decision of the Board of Commissioners with respect to any matter considered at this meeting will need a record of the proceedings and for such purposes may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The law does not require the CEPD to transcribe verbatim minutes; therefore, the applicant must make the necessary arrangements with a private reporter or private reporting firm and bear the resulting expense.



Captiva Erosion Prevention District

Regular Board Meeting

Monday, April 12, 2021

Location: 'Tween Waters Inn, Ding Darling Room

15951 Captiva Drive, Captiva, Florida 33924

Public Attendance via Zoom webinar

1. Call to Order
 - A. Chairman René Miville called to order the regular monthly meeting of the Captiva Erosion Prevention District (CEPD) at approximately 1:00 pm on April 12, 2021.
2. Roll Call
 - A. Chairman Miville asked if there were any Commissioners requesting to appear remotely. Commissioner Michael Mullins requested to appear remotely. Vice Chairman Silvia motioned to allow Commissioners to appear remotely. Secretary Kaiser seconded the motion. A vote was not held. CEPD Attorney Ralf Brookes stated that a Commissioner may appear remotely if approved by the local governing body in certain circumstances. Three Commissioners are required to be physically present for a quorum to be met. Discussion was held.
 - B. Chairman Miville asked if there were any changes to the agenda. Commissioner Mullins stated that he would like to address previous meeting minutes during the meeting. Vice Chairman Silvia motioned to add the topic to the meeting agenda. Commissioner Mullins seconded the motion. A vote was held and the motion passed unanimously.
 - The following persons were in attendance:
 - CEPD Commissioners:
 - Seat 1, Harry Kaiser, Secretary
 - Seat 2, René Miville, Chairman
 - Seat 3, Michael Mullins, Commissioner (appearing remotely)
 - Seat 4, John Silvia, Vice Chairman
 - Seat 5, Richard Pyle, Treasurer

- CEPD Staff:
 - John Riegert, Administrative Director
 - Jennifer Nelson, Executive Director
- CEPD Attorney: Ralf Brookes (appearing remotely)

3. Approval of Minutes

- Secretary Kaiser moved to approve the minutes of the February 19th Special Meeting and the March 8th meeting minutes. Vice Chairman Silvia seconded the motion
- Discussion was held regarding the February meeting minutes.
 - Ms. Nelson stated that Commissioner Mullins sent an email the previous evening regarding the minutes from February, which reflected a commitment to decide on the apportionment model at the March meeting. Ms. Nelson's recollection and notes indicate that the CEPD has a reasonable amount of time after project completion to decide on the apportionment model. Ms. Nelson clarified that the reason the Board did not vote on the model in the March meeting is because on February 26th Commissioner Mullins and CEPD Contractor Robert (Bob) Gray met and that following this meeting Mr. Gray requested from the CEPD Administration a third apportionment model. As a result of the request, the vote was not held in March 2021.
 - Discussion was held regarding the expressed intent to host a public Town Hall to show members of the public the plan for the project. The goal was to do so when the bids were received. Ms. Nelson stated it was her understanding based on notes from a different meeting with Commissioner Mullins that there would be a combined Town Hall to present the plan for the project in addition to the three potential Apportionment Models.
 - It was stated that the meeting minutes from February may need to be revised. Chairman Miville stated that this would be addressed at a later point. Commissioner Mullins objected, stating that action items are not being identified consistently in the meeting minutes and that there was no mention of the topic in the March meeting.

A. February 19th, 2021 Special Board Meeting

- A vote was held and the motion passed.
 - In Favor: Commissioner Mullins, Treasurer Pyle, Chairman Miville, Vice Chairman Silvia, Secretary Kaiser
 - Opposed: Commissioner Mullins

B. March 8th, 2021 Board Meeting

- Vice Chairman Silvia motioned to dispense of the reading of the March 8th 2021 meeting minutes and approve them as written. Secretary Kaiser seconded the motion. Discussion was invited. A vote was held and the motion passed.
 - In Favor: Treasurer Pyle, Chairman Miville, Vice Chairman Silvia, Secretary Kaiser
 - Opposed: Commissioner Mullins

4. Public Comments – Limit 3 minutes per person

- Public comment was invited.
- No members of the public provided comment.

5. Financial Reports

A. Budget Performance

- Treasurer Pyle led discussion regarding the budget performance as of March 31st. Finances appear to be in very good shape. The General Fund shows \$550,000 income, including money from transfers and parking lot revenue. Treasurer Pyle stated that the March revenues were nearly \$100,000. The Capital Fund Year to Date shows an income of approximately \$500,000. The balance sheet shows General Fund total assets of \$824,000 and Capital Fund total assets of \$4.4M.
- Commissioner Mullins referred to a question from the public regarding the finances of the CEPD. They will be referred to the upcoming workshop regarding this topic.

B. Parking Lot

- Monthly Sales Revenue
 - 2020 total parking meter revenue was \$558,261.35. Year to Date 2021 revenue is \$202,156.00

6. Old Business

A. Captiva Community Panel Sea Level Rise Committee Proposal

- Chairman Miville led discussion regarding the importance of the work that has been done so far by the community panel and through conversations with SCCF there was a consensus that the work would be useful to all parties involved.
- Treasurer Pyle motioned to approve \$10,000 in funding to the Captiva Community Panel for the work of Dr. Cheryl Hapke. Commissioner Mullins seconded the motion. Discussion was invited. A vote was held and the motion passed unanimously.
 - In Favor: Commissioner Mullins, Treasurer Pyle, Secretary Kaiser, Vice Chairman Silvia, Chairman Miville

7. New Business

A. Portable Bathroom Maintenance

- Executive Director Nelson led discussion regarding recent service provided to the Alison Hagerup Beach Park portable bathrooms. The need for daily sanitation service was established by consistent customer complaints of the condition of restrooms. Three service bids were reviewed. United Site Solutions quoted \$2,022.12 for monthly service and Blu Site Solutions quoted \$3,335.87 for monthly service. Though these two bids came back low, they were provided with the caveat that they would not guarantee daily service due to lack of man power. The current provider, Premier Portables, has guaranteed that they will have the staff to perform the duties as required and provided a dedicated driver for a route to Captiva and the cost is \$7,299.99 per month.
- Vice Chairman Silvia motioned to ratify the selection of Premier Portables as the Portable Bathroom service for the Alison Hagerup Beach Park and that service will

be cut back on slow months. Secretary Kaiser seconded the motion. Discussion was invited. A vote was held and the motion passed unanimously

- In Favor: Vice Chairman Silvia, Secretary Kaiser, Treasurer Pyle, Commissioner Mullins, Chairman Miville

B. Proposed Changes to Rules of Procedure

- Rule 4.05 – Commissioners Interaction with Staff
 - Executive Director Nelson led discussion regarding interaction with staff. The intent is to create a procedure where the Executive Director will be included on all requests of the office to maintain accountability.
 - Treasurer Pyle motioned to approve Resolution 2021-08. Vice Chairman Seconded the motion. Discussion was invited. A vote was held and the motion passed unanimously
 - In Favor: Vice Chairman Sivilia, Secretary Kaiser, Treasurer Pyle, Commissioner Mullins, Chairman Miville
- Change from 1967 to the most updated version of Robert’s Rules of Order
 - Vice Chairman Silvia motioned to accept Resolution 2021-09 with the change that the 2020 government edition of Robert’s Rules of Order will be used. Commissioner Mullins seconded the motion. Discussion was invited. A vote was held and the motion passed unanimously
 - In Favor: Vice Chairman Silvia, Secretary Kaiser, Treasurer Pyle, Commissioner Mullins, Chairman Miville

8. Administrative Report

- Executive Director Nelson led the Administrative Report. Chairman Miville raised a discussion about the banking options that CEPD uses. Executive Director Nelson agreed that the district should investigate more technologically capable banks for ease of use during digital transactions.
- Commissioner Mullins inquired about the ability of the district to cycle unspent funds from a capital project into reserve for future projects. Administrative Director Riegert read Rule 2.04 from CEPD Rules of Procedure related to a Project Reserve Fund.

B. Parking Lot Upgrade Issues

- Technical Policy Director Munt led discussion on the Parking Lot issues
- Easement Insufficiency
 - The insufficiency regarding the easement is related to who owns the property. Without an Affidavit of Authorization, CEPD will not be able to perform development of any kind on the lot. The current easement only outlines ingress/egress and the collection of revenue from the lot. Commissioner Mullins made a motion to appoint Chairman Miville to head up all efforts on the Alison Hagerup Beach Park Parking Lot Improvements. Chairman Miville seconded the motion. Discussion was invited. A vote was held and the motion passed unanimously.
 - In Favor: Vice Chairman Silvia, Secretary Kaiser, Treasurer Pyle, Commissioner Mullins, Chairman Silvia

- Gate Installation
 - The installation of a gate at the parking lot would require the same sort of Affidavit of Authorization as any other development in the lot would require. Stacking and a location for vehicles to turn around would also need to be provided as requirements for an installation of a gate.
- C. Project Update
- Technical Policy Director Munt led a presentation on the apportionment and status of the project. The apportionment and special assessments processes were presented to the board as found in the Enabling Legislation. The pre-bid conference has been held and the CEPD office is currently waiting for the bids to be delivered by qualified contractors.
 - Commissioner Mullins inquired about when a timeline for the community will be set to figure out a tentative apportionment model. Discussion was held. Commissioner Mullins made a motion to hold the Tentative Apportionment Hearing in November 2021. Chairman Miville seconded the motion. Discussion was invited. A vote was held, and the motion passed unanimously.
 - In Favor: Vice Chairman Silvia, Secretary Kaiser, Treasurer Pyle, Commissioner Mullins, Chairman Miville
- D. Strategic Planning
- Executive Director Nelson addressed the need for the board and administration to begin designing a strategic plan and vision for the district to be acted upon after the current beach project is completed.
- E. Storage Unit
- Administrative Director Riegert updated the board that many assets for the district were held in former Commissioners names. Efforts are being made by the office to fix instances where the district is not named as the owner of an asset.
- F. AV Equipment
- Executive Director Nelson has investigated purchasing Audio/Visual equipment for the board to improve its audio quality issues with the virtual meetings. Treasurer Pyle's concern with the purchase was that pre-covid, the district had no need for this type of equipment. With the addition of virtual access for the public, this need has grown. Treasurer Pyle made a motion to approve the purchase of the AV Equipment. Commissioner Mullins seconded the motion. Discussion was invited. The motion was approved unanimously.
 - In Favor: Vice Chairman Silvia, Secretary Kaiser, Treasurer Pyle, Commissioner Mullins, Chairman Miville
9. Commissioners' Comments
- Commissioner Mullins reiterated the need for Action Items to be added on to the minutes, to be followed up on at the next month's board meeting.
10. Adjournment
- Vice Chairman Silvia made a motion to adjourn the meeting. Secretary Kaiser seconded the motion. The meeting was adjourned.

Action Items:

Silvia – Baseline Data for Sea Level Rise on Captiva

Mullins – Contracts to be compiled

Miville – Banking for the district to be researched

Mullins – Hold Apportionment workshop on 4/29

Mullins – Review Comprehensive Beach Plan and Emergency Plan

9:25 AM
5/4/2021
Prepared by: JS

Captiva Erosion Prevention District
General Fund - Budget Performance Summary
For the Seven Months Ended April 30, 2021

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	Actual - April '21	Budget - April '21	Actual - April '20	Budget - April '20	2020 YTD Actual	2021 YTD	YTD Budget	YTD Variance	Annual Budget	Residual Budget
Ordinary Income/Expense										
Income										
Ad Valorem Tax	\$ 23,673.14	\$ 58,429.83	\$ 17,384.94	\$ 53,183.34	\$ 593,572.23	\$ 629,667.77	\$ 409,008.83	\$ 220,658.94	\$ 701,158.00	\$ 71,490.23
Interest Income	21.90	125.00	7.78	20.83	130.43	81.64	875.00	(793.36)	1,500.00	1,418.36
Other Income	1,038.47	312.50	0.00	416.66	1,400.00	13,409.56	2,187.50	11,222.06	3,750.00	0.00
Total Income	24,733.51	58,867.33	17,392.72	53,620.83	595,102.66	643,158.97	412,071.33	231,087.64	706,408.00	72,908.59
Expense										
Administrative Expenses	13,028.91	4,541.67	4,264.92	26,525.04	51,974.84	42,172.22	31,791.67	10,380.55	54,500.00	19,980.19
Capital Outlay	0.00	125.00	0.00	1,250.00	0.00	0.00	875.00	(875.00)	1,500.00	1,500.00
Reserves	7,037.50	7,037.50	192,926.80	7,220.83	785,299.64	49,262.50	49,262.50	0.00	84,450.00	35,187.50
Cost of Collecting Ad Valorem	479.05	1,375.00	349.06	1,166.66	11,810.62	17,259.79	9,625.00	7,634.79	16,500.00	0.00
Wages and Professional Fees	13,197.60	13,041.67	16,868.20	17,458.30	104,524.95	108,526.94	91,291.67	17,235.27	156,500.00	47,973.06
Total Expense	33,743.06	26,120.83	214,408.98	53,620.83	953,610.05	217,221.45	182,845.83	34,375.62	313,450.00	104,640.75
Transfer to Capital Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Income	<u>\$ (9,009.55)</u>	<u>\$ 32,746.50</u>	<u>\$ (197,016.26)</u>	<u>\$ -</u>	<u>\$ (358,507.39)</u>	<u>\$ 425,937.52</u>	<u>\$ 229,225.50</u>	<u>\$ 196,712.02</u>	<u>\$ 392,958.00</u>	<u>\$ -</u>

Cash basis - omitted all note disclosures.
No assurance is provided on these financial statements

9:26 AM
5/4/2021
Prepared by: JS

Captiva Erosion Prevention District
General Fund - Budget Performance Detail
For the Seven Months Ended April 30, 2021

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Ordinary Income/Expense	Actual - April '21	Budget - April '21	Actual - April '20	Budget - April '20	2020 YTD Actual	2021 YTD Actual	YTD Budget	YTD Variance	Annual Budget	Residual Budget
Income										
Grant Local	\$ -	\$ 3,183.33	\$ -	3,183.34	\$ -	\$ -	\$ 22,283.33	(22,283.33)	\$ 38,200.00	38,200.00
Ad Valorem Taxes	23,673.14	55,246.50	17,384.94	50,000.00	593,572.23	629,667.77	386,725.50	242,942.27	662,958.00	33,290.23
Total Ad Valorem Tax	23,673.14	58,429.83	17,384.94	53,183.34	593,572.23	629,667.77	409,008.83	220,658.94	701,158.00	71,490.23
Interest Income	21.90	125.00	7.78	20.83	130.43	81.64	875.00	(793.36)	1,500.00	1,418.36
Other Income	1,038.47	312.50	0.00	416.66	1,400.00	13,409.56	2,187.50	11,222.06	3,750.00	0.00
Total Income	24,733.51	58,867.33	17,392.72	53,620.83	595,102.66	643,158.97	412,071.33	231,087.64	706,408.00	72,908.59
Expense										
Administrative Expenses										
Advertising	1,844.52	250.00	336.73	333.34	3,513.27	6,320.64	1,750.00	4,570.64	3,000.00	0.00
Bank Service Charges	207.92	25.00	0.00	0.00	0.00	529.39	175.00	354.39	300.00	0.00
Bay Side Initiatives	0.00	0.00	0.00	8,333.34	0.00	0.00	0.00	0.00	0.00	0.00
Beach Maintenance Monitor	0.00	0.00	0.00	3,183.34	0.00	0.00	0.00	0.00	0.00	0.00
Board Approved Special Projects	0.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Board Meeting Expenses	103.96	83.33	12.78	83.33	85.50	103.96	583.33	(479.37)	1,000.00	896.04
Copier Lease Expense	0.00	75.00	239.69	250.00	899.99	239.08	525.00	525.00	900.00	660.92
Dues and Subscriptions	0.00	375.00	0.00	225.00	7,929.44	257.45	2,625.00	(2,367.55)	4,500.00	4,242.55
General Insurance	0.00	375.00	0.00	1,208.34	7,570.00	3,964.00	2,625.00	1,339.00	4,500.00	536.00
History of CEPD	0.00	0.00	0.00	3,333.34	0.00	0.00	0.00	0.00	0.00	0.00
Newsletter Expense	1,697.91	150.00	0.00	250.00	0.00	1,697.91	1,050.00	647.91	1,800.00	102.09
Office Expense	5,465.69	375.00	406.39	750.00	6,603.08	8,602.38	2,625.00	5,977.38	4,500.00	0.00
Postage	0.00	83.33	79.54	125.00	153.84	161.00	583.33	(422.33)	1,000.00	839.00
Referendum	0.00	0.00	0.00	541.67	0.00	0.00	0.00	0.00	0.00	0.00
Rent Expense	976.25	1,166.67	957.60	1,500.00	9,335.84	8,425.28	8,166.67	258.61	14,000.00	5,574.72
Repairs	0.00	125.00	0.00	291.67	1,989.43	296.00	875.00	(579.00)	1,500.00	1,204.00
Telephone	202.20	166.67	1,088.50	408.33	2,972.36	1,416.85	1,166.67	250.18	2,000.00	583.15
Travel and Per Diem	998.78	625.00	111.41	1,250.00	4,319.22	3,968.17	4,375.00	(406.83)	7,500.00	3,531.83
Utilities	397.00	166.67	154.33	208.34	748.80	1,175.73	1,166.67	9.06	2,000.00	824.27
Warranties	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
Website & Computer Maintenance	1,134.68	500.00	877.95	1,250.00	5,854.07	5,014.38	3,500.00	1,514.38	6,000.00	985.62
Total Administrative expenses	13,028.91	4,541.67	4,264.92	26,525.04	51,974.84	42,172.22	31,791.67	10,380.55	54,500.00	19,980.19
Capital outlay										
Equipment Purchases	0.00	125.00	0.00	1,250.00	0.00	0.00	875.00	(875.00)	1,500.00	1,500.00
Total Capital Outlay	0.00	125.00	0.00	1,250.00	0.00	0.00	875.00	(875.00)	1,500.00	1,500.00
Wages and Professional Fees										
Wages	11,576.98	10,041.67	11,831.87	11,666.66	75,897.77	74,288.26	70,291.67	3,996.59	120,500.00	46,211.74
Professional Fees	1,620.62	3,000.00	5,036.33	5,791.64	28,627.18	34,238.68	21,000.00	13,238.68	36,000.00	1,761.32
Total Wages and Professional Fees	13,197.60	13,041.67	16,868.20	17,458.30	104,524.95	108,526.94	91,291.67	17,235.27	156,500.00	47,973.06
Cost of Collecting Ad Valorem										
Property Tax Appraiser Fees	0.00	333.33	0.00	333.33	0.00	4,681.46	2,333.33	2,348.13	4,000.00	0.00
Tax Collector Commissions	479.05	1,041.67	349.06	833.33	11,810.62	12,578.33	7,291.67	5,286.66	12,500.00	0.00
Total Cost of Collecting Ad Valorem	479.05	1,375.00	349.06	1,166.66	11,810.62	17,259.79	9,625.00	7,634.79	16,500.00	0.00
Reserves										
Operating Reserves Transfers	7,037.50	7,037.50	192,926.80	7,220.83	785,299.64	49,262.50	49,262.50	0.00	84,450.00	35,187.50
Total Expense	33,743.06	26,120.83	214,408.98	53,620.83	953,610.05	217,221.45	182,845.83	34,375.62	313,450.00	96,228.55
Transfer to Capital Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Income	\$ (9,009.55)	\$ 32,746.50	\$ (197,016.26)	\$ -	\$ (358,507.39)	\$ 425,937.52	\$ 229,225.50	\$ 196,712.02	\$ 392,958.00	\$ -

Cash basis - omitted all note disclosures.
No assurance is provided on these financial statements.

9:26 AM
5/4/2021
Prepared: JS

Captiva Erosion Prevention District
Capital Projects Fund - Budget Performance Summary
For the Seven Months Ended April 30, 2021

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	Actual - April '21	Budget - April '21	Actual - April '20	Budget - April '20	2020 YTD Actual	2021 YTD Actual	YTD Budget	YTD Variance	Tentative Budget	Residual Budget
Ordinary Income/Expense										
Income										
Grant Income	\$ -	\$ 77,035.50	\$ -	\$ 54,274.68	\$ 64,679.75	\$ 37,781.00	\$ 539,248.50	\$ (501,467.50)	\$ 924,426.00	\$ 886,645.00
Interest Income	27.62	2,083.33	2,873.09	291.66	20,501.41	28,880.74	14,583.33	14,297.41	25,000.00	0.00
Other Miscellaneous Income	0.00	0.00	0.00	0.00	4,346.57	33,176.73	0.00	33,176.73	0.00	0.00
Parking Lot Revenue	83,286.00	41,666.67	0.00	28,333.34	188,345.81	442,635.49	291,666.67	150,968.82	500,000.00	57,364.51
Transfer from General Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserves - General	7,037.50	7,220.83	192,926.80	7,220.84	785,299.64	49,262.50	50,545.83	(1,283.33)	86,650.00	37,387.50
Special Assessments	25,656.26	25,416.67	19,086.62	23,333.34	316,458.62	276,666.53	177,916.67	98,749.86	305,000.00	28,333.47
Total Income	116,007.38	153,423.00	214,886.51	113,453.86	1,379,631.80	868,402.99	1,073,961.00	(205,558.01)	1,841,076.00	1,009,730.48
Expense										
Advertising	0.00	250.00	0.00	166.66	199.16	2,217.91	1,750.00	467.91	3,000.00	782.09
Annual Memberships & Fees	0.00	375.00	0.00	166.66	500.00	6,500.00	2,625.00	3,875.00	4,500.00	0.00
Bank Service Charges	0.00	25.00	41.68	0.00	579.54	505.12	175.00	330.12	300.00	0.00
Capital Expense	0.00	125.00	0.00	16,452.34	0.00	0.00	875.00	(875.00)	1,500.00	1,500.00
Cost of Assessment Collections	0.00	83.33	0.00	83.34	520.65	5,672.20	583.33	5,088.87	1,000.00	0.00
Engineering (CP)	0.00	0.00	0.00	1,666.66	0.00	0.00	0.00	0.00	0.00	0.00
Grant Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	375.00	0.00	666.66	0.00	3,964.00	2,625.00	1,339.00	4,500.00	536.00
Permit Modifications	0.00	4,166.67	0.00	4,166.66	0.00	0.00	29,166.67	(29,166.67)	50,000.00	50,000.00
Office Expenses	2,540.00	2,350.00	0.00	0.00	0.00	5,224.93	16,450.00	(11,225.07)	28,200.00	0.00
Parking Lot Expenses	17,513.52	10,933.33	16,012.79	8,483.34	51,145.14	139,176.64	76,533.33	62,643.31	131,200.00	65,067.74
Wages and Professional Fees	12,867.61	13,041.67	9,878.52	25,500.00	92,135.88	88,205.12	91,291.67	(3,086.55)	156,500.00	68,294.88
Renourishment 2013/14	0.00	0.00	0.00	17,455.34	54,756.58	0.00	0.00	0.00	0.00	0.00
Renourishment 2021/2022	0.00	48,750.00	0.00	9,833.37	10,435.00	13,000.00	341,250.00	(328,250.00)	585,000.00	585,000.00
Rent	976.26	1,000.00	950.00	625.00	4,279.86	7,868.65	7,000.00	868.65	12,000.00	4,131.35
Redfish Pass	0.00	19,166.67	41,991.87	29,166.67	143,472.22	0.00	134,166.67	0.00	230,000.00	230,000.00
Storage of Records	278.30	166.67	380.70	233.33	2,035.48	716.03	1,166.67	(450.64)	2,000.00	1,283.97
Total Expense	34,175.69	100,808.33	69,255.56	114,666.03	360,059.51	273,050.60	705,658.33	(298,441.07)	1,209,700.00	1,006,596.03
Other Income/Expense										
Premium on Bond	0.00	0.00	(17,868.86)	0.00	(48,462.39)	0.00	0.00	0.00	0.00	0.00
Debt Service - Interest	0.00	0.00	0.00	(2,166.66)	(7,172.60)	0.00	0.00	0.00	0.00	0.00
Debt Service - Principal	0.00	0.00	0.00	(58,333.34)	0.00	0.00	0.00	0.00	0.00	0.00
Net Income	\$ 81,831.69	\$ 52,614.67	\$ 127,762.09	\$ (61,712.17)	\$ 963,937.30	\$ 595,352.39	\$ 368,302.67	\$ 963,655.06	\$ 631,376.00	\$ -

Cash basis - omitted all note disclosures.
No assurance is provided on these financial statements.

Captiva Erosion Prevention District
 Capital Projects Fund - Budget Performance Detail
 For the Seven Months Ended April 30, 2021

5/4/2021
 9:27 AM
 Prepared: JS

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
	Actual - April '21	Budget - April '21	Actual - April '20	Budget - April '20	2020 YTD Actual	2021 YTD Actual	YTD Budget	YTD Variance	Tentative Budget	Residual Budget
Ordinary Income/Expense										
Income										
Grant Income - Local	\$ -	\$ 72,368.83	\$ -	\$ 50,294.84	\$ 64,679.75	\$ 37,781.00	\$ 506,581.83	\$ (468,800.83)	\$ 868,426.00	\$ 830,645.00
Grant Income - State	0.00	4,666.67	0.00	3,979.84	0.00	0.00	32,666.67	(32,666.67)	56,000.00	56,000.00
Interest Income	27.62	2,083.33	2,873.09	291.66	20,501.41	28,880.74	14,583.33	14,297.41	25,000.00	0.00
Other Miscellaneous Revenues	0.00	0.00	0.00	0.00	4,346.57	33,176.73	0.00	33,176.73	0.00	0.00
Parking Lot Revenue	83,286.00	41,666.67	0.00	28,333.34	188,345.81	442,635.49	291,666.67	150,968.82	500,000.00	57,364.51
General Reserves	7,037.50	7,220.83	192,926.80	7,220.84	785,299.64	49,262.50	50,545.83	(1,283.33)	86,650.00	37,387.50
Special Assessments										
Special Assessments Principal	25,656.26	25,416.67	19,086.62	20,833.34	292,372.82	276,666.53	177,916.67	98,749.86	305,000.00	28,333.47
Special Assessments - Interest	0.00	0.00	0.00	2,500.00	24,085.80	0.00	0.00	0.00	0.00	0.00
Total Special Assessments	25,656.26	25,416.67	19,086.62	23,333.34	316,458.62	276,666.53	177,916.67	98,749.86	305,000.00	28,333.47
Total Income	116,007.38	153,423.00	214,886.51	113,453.86	1,379,631.80	868,402.99	1,073,961.00	(205,558.01)	1,841,076.00	1,009,730.48
Expense										
Advertising	0.00	250.00	0.00	166.66	199.16	2,217.91	1,750.00	467.91	3,000.00	782.09
Dues & Subscriptions	0.00	375.00	0.00	166.66	500.00	6,500.00	2,625.00	3,875.00	4,500.00	0.00
Bank Service Charges	0.00	25.00	41.68	0.00	579.54	505.12	175.00	330.12	300.00	0.00
Capital Expense	0.00	125.00	0.00	16,452.34	0.00	0.00	875.00	(875.00)	1,500.00	1,500.00
Cost of Assessment Collections	0.00	83.33	0.00	83.34	520.65	5,672.20	583.33	5,088.87	1,000.00	0.00
Engineering (CP)	0.00	0.00	0.00	1,666.66	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	375.00	0.00	666.66	0.00	3,964.00	2,625.00	1,339.00	4,500.00	536.00
Permit Modification	0.00	4,166.67	0.00	4,166.66	0.00	0.00	29,166.67	(29,166.67)	50,000.00	50,000.00
Office Expenses	2,540.00	2,350.00	0.00	0.00	0.00	5,224.93	16,450.00	(11,225.07)	28,200.00	22,975.07
Rent	976.26	1,000.00	950.00	625.00	4,279.86	7,868.65	7,000.00	868.65	12,000.00	4,131.35
Storage of records	278.30	166.67	380.70	233.33	2,035.48	716.03	1,166.67	(450.64)	2,000.00	1,283.97
Total General Expense	3,794.56	8,916.67	1,372.38	24,227.31	8,114.69	32,668.84	62,416.67	(29,747.83)	107,000.00	81,208.48
Redfish Pass										
Geo-Technical Investigation	0.00	19,166.67	41,991.87	29,166.67	143,472.22	0.00	134,166.67	(134,166.67)	230,000.00	230,000.00
Parking Lot Expenses										
Credit Card Fees	2,416.92	750.00	875.84	750.00	6,872.10	11,520.95	5,250.00	6,270.95	9,000.00	0.00
Machine Warranty	0.00	200.00	0.00	116.67	0.00	0.00	1,400.00	(1,400.00)	2,400.00	2,400.00
Parking Lot Equipment	0.00	416.67	0.00	1,833.33	0.00	58,168.78	2,916.67	55,252.11	5,000.00	0.00
Parking Lot Improvements	0.00	0.00	5,407.43	0.00	6,557.43	0.00	0.00	0.00	0.00	0.00
Parking Maintenance	1,848.46	2,833.33	4,754.28	3,333.34	16,781.06	24,753.69	19,833.33	4,920.36	34,000.00	9,246.31
Portable Toilets	7,299.99	666.67	2,747.92	333.34	7,672.92	19,893.18	4,666.67	15,226.51	8,000.00	0.00
Signage	0.00	150.00	0.00	125.00	0.00	0.00	1,050.00	(1,050.00)	1,800.00	1,800.00
Site Prep and Construction	0.00	4,166.67	0.00	0.00	0.00	0.00	29,166.67	(29,166.67)	50,000.00	50,000.00
Utilities	178.57	150.00	300.00	150.00	300.00	178.57	1,050.00	(871.43)	1,800.00	1,621.43
Sales Tax Expense	5,769.58	1,600.00	1,927.32	1,841.66	12,961.63	24,661.47	11,200.00	13,461.47	19,200.00	0.00
Total Parking Lot Expenses	17,513.52	10,933.33	16,012.79	8,483.34	51,145.14	139,176.64	76,533.33	62,643.31	131,200.00	65,067.74
Wages and Professional Fees										
Professional Fees	1,290.63	3,000.00	0.00	15,666.67	55,192.52	28,667.01	21,000.00	7,667.01	36,000.00	7,332.99
Wages	11,576.98	10,041.67	9,878.52	9,833.33	36,943.36	59,538.11	70,291.67	(10,753.56)	120,500.00	60,961.89
Total Wages and Professional Fees	12,867.61	13,041.67	9,878.52	25,500.00	92,135.88	88,205.12	91,291.67	(3,086.55)	156,500.00	68,294.88
Renourishment 2013/14	0.00	0.00	0.00	17,455.34	54,756.58	0.00	0.00	0.00	0.00	0.00
Renourishment 2021/2022										
Engineering Report/Storm Damage Analysis	0.00	48,750.00	0.00	9,833.37	1,435.00	0.00	341,250.00	(341,250.00)	585,000.00	585,000.00
Project Benefit Analysis	0.00	0.00	0.00	0.00	9,000.00	13,000.00	0.00	13,000.00	0.00	0.00
Total Renourishment 2021/2022	0.00	48,750.00	0.00	9,833.37	10,435.00	13,000.00	341,250.00	(328,250.00)	585,000.00	585,000.00
Total Expense	34,175.69	100,808.33	69,255.56	114,666.03	360,059.51	273,050.60	705,658.33	(432,607.73)	1,209,700.00	1,029,571.10
Other Income/Expense										
Premium on Bond	0.00	0.00	(17,868.86)	0.00	(48,462.39)	0.00	0.00	0.00	0.00	0.00
Debt Service - Interest	0.00	0.00	0.00	(2,166.66)	(7,172.60)	0.00	0.00	0.00	0.00	0.00
Debt Service - Principal	0.00	0.00	0.00	(58,333.34)	0.00	0.00	0.00	0.00	0.00	0.00
Total Other Income/Expense	0.00	0.00	(17,868.86)	(60,500.00)	(55,634.99)	0.00	0.00	0.00	0.00	0.00
Net Income	81,831.69	52,614.67	127,762.09	(61,712.17)	963,937.30	595,352.39	368,302.67	963,655.06	631,376.00	0.00

Cash basis - omitted all note disclosures.
 No assurance is provided on these financial statements.

	<u>April 30, 2021</u>	<u>April 30, 2020</u>
ASSETS		
Current Assets		
Checking/Savings		
Florida Prime S.B.A. Account	\$ -	\$ 124.88
BOTI Checking	835,960.40	251,330.71
Total Checking/Savings	<u>835,960.40</u>	<u>251,455.59</u>
TOTAL ASSETS	<u>\$ 835,960.40</u>	<u>\$ 251,455.59</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	\$ -	\$ -
Other Current Liabilities		
Due to Capital Projects Fund	296,724.19	-
Total Other Current Liabilities	<u>296,724.19</u>	<u>-</u>
Total Current Liabilities	<u>296,724.19</u>	<u>-</u>
Total Liabilities	296,724.19	-
Equity		
Fund Balance	113,298.69	609,962.98
Net Income	425,937.52	(358,507.39)
Total Equity	<u>539,236.21</u>	<u>251,455.59</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 835,960.40</u>	<u>\$ 251,455.59</u>

Cash basis - omitted all note disclosures.
 No assurance is provided on these financial statements.

	<u>April 30, 2021</u>	<u>April 30, 2020</u>
ASSETS		
Current Assets		
Checking/Savings		
BOTI Checking	\$ 1,077,003.20	\$ 163,282.43
Florida Prime S.B.A. Account	-	-
Fifth Third Checking	-	4,242.07
Fifth Third Investment Account	1,438,008.02	1,380,000.00
Fifth Third Treasury Bill #07	418,000.00	418,000.00
Fifth Third Treasury Bill #09	494,000.00	494,000.00
Fifth Third Treasury Bill #22	495,000.00	495,000.00
Fifth Third Treasury Bill #84	-	700,000.00
Sanibel Captiva Bank - CD	256,033.34	254,239.61
Total Current Assets	<u>4,178,044.56</u>	<u>3,908,764.11</u>
Other Current Assets		
Utility Deposit	300.00	-
Due From General Fund	296,724.19	-
Total Other Current Assets	<u>297,024.19</u>	<u>-</u>
Total Current Assets	<u>4,475,068.75</u>	<u>3,908,764.11</u>
TOTAL ASSETS	<u>\$ 4,475,068.75</u>	<u>\$ 3,908,764.11</u>
LIABILITIES & EQUITY		
Equity		
Accumulated Reserves	2,970,107.00	2,478,209.00
Fund Balance	909,609.36	466,617.81
Net Income	595,352.39	963,937.30
Total Equity	<u>4,475,068.75</u>	<u>3,908,764.11</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 4,475,068.75</u>	<u>\$ 3,908,764.11</u>

CAPTIVA EROSION PREVENTION DISTRICT RESERVE ACCUMULATIONS FISCAL YEAR ENDING 9/30/2021												
	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21
Beginning Balance	\$ 2,478,209	\$ 2,539,386	\$ 2,602,575	\$ 2,658,094	\$ 2,716,362	\$ 2,782,137	\$ 2,879,784	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107
Reserves Transferred In												
Parking Revenue	54,140	56,151	48,482	51,230	58,738	90,609	83,286					
Operating Reserves	7,037	7,038	7,037	7,038	7,037	7,038	7,037					
Increase (Decrease) in Reserves	61,177	63,189	55,519	58,268	65,775	97,647	90,323	-	-	-	-	-
Total Accumulated Reserves	\$ 2,539,386	\$ 2,602,575	\$ 2,658,094	\$ 2,716,362	\$ 2,782,137	\$ 2,879,784	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107	\$ 2,970,107



Alison Hagerup Beach Park – Meter Revenue

2020	Tickets Sold	Revenue
January	3,263	\$36,181.10
February	3,040	\$41,091.75
March	1,984	\$28,490.00
April	29	\$375.00
May	2,312	\$53,105.00
June	2,134	\$64,859.00
July	2,232	\$68,757.00
August	1,845	\$56,904.25
September	1,541	\$46,490.00
October	1,940	\$58,030.00
November	1,800	\$53,336.50
December	1,708	\$50,641.75
Total	23,828	\$558,261.35

2021	Tickets Sold	Revenue
January	1,851	\$54,325.00
February	2,084	\$62,581.00
March	2,734	\$85,250.00
April	2,666	\$82,930.00
May		
June		
July		
August		
September		
October		
November		
December		
Total	9,335	\$285,086.00



Contracts

Name	Cost	Outclause	Signed
Back Bay Property Services, LLC	\$1,500/month other services \$40/hr	Month to month	N
CMIT Solutions	\$325/ month other services \$100/hr	30 day notice from either party	Y
Parker Systems	\$7,748.68/year		N
Partners in Progress			N
Stilwell Management, LLC	\$1,3963.15/month		
WWRE	\$3,000/month plus other services invoiced		Y
Ralf Brookes	\$5,000 retainer and \$130/hr plus expenses		Y
Jennifer Nelson	\$100,000/yr and \$14,440/yr stipend	60 days notice from either party	Y
Daniel Munt	\$70,600/yr and \$14,440/yr stipend	30 days notice from either party	Y
John Riegert	\$64,000/yr and \$14,440/yr stipend	30 days notice from either party	Y
Grady Scott	\$20/hr NTE 30 hours/wk	30 days notice from either party	N
Austin Sharkey	\$20/hr NTE 30 hours/wk	30 days notice from either party	N
APTIM			
Mauldin & Jenkins			

**AMENDMENT NO. 1
TO AGREEMENT NO. 21LE1
BETWEEN
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
AND
CAPTIVA EROSION PREVENTION DISTRICT**

This Amendment to Agreement No. 21LE1 is made by and between the Department of Environmental Protection (Department), an agency of the State of Florida, and Captiva Erosion Prevention District, P. O. Box 365, Captiva, Florida 33924-03650 (Grantee), on the date last signed below.

WHEREAS, the Department entered into the Agreement with the Grantee for the Captiva Island Beach Nourishment Project, effective January 4, 2021; and

WHEREAS, the parties wish to amend the Agreement as set forth herein as the Grantee has requested updates to the Grant Work Plan and the Department has agreed; and

WHEREAS, the Department is increasing the total amount of funding of the Agreement pursuant to Chapter 161.101(19), Florida Statutes.

NOW THEREFORE, the parties agree as follows:

- 1) Attachment 5, Special Audit Requirements, Exhibit 1, is hereby deleted in its entirety and replaced with Exhibit 1-A, attached hereto and made a part of the Agreement. All references in the Agreement to Attachment 5, Special Audit Requirements, Exhibit 1, shall hereinafter refer to Exhibit 1-A.
- 2) The total amount of funding of the Agreement is increased to \$6,054,450.00.
- 3) Attachment 3, Grant Work Plan, is hereby deleted in its entirety and replaced with Attachment 3-A, Revised Grant Work Plan, as attached to this Amendment and hereby incorporated into the Agreement. All references in the Agreement to Attachment 3 shall hereinafter refer to Attachment 3-A, Revised Grant Work Plan.
- 4) All other terms and conditions of the Agreement remain in effect. If and to the extent that any inconsistencies may appear between the Agreement and this Amendment, the provisions of this Amendment shall control.

The parties agree to the terms and conditions of this Amendment and have duly authorized their respective representatives to sign it on the dates indicated below.

Captiva Erosion Prevention District

Florida Department of Environmental Protection

By: _____
Executive Director

By: _____
Secretary or Designee

Date: _____

Date: _____

LIST OF ATTACHMENTS/EXHIBITS INCLUDED AS PART OF THIS AMENDMENT:

<u>Specify Type</u>	<u>Letter/Number</u>	<u>Description</u>
Attachment	3-A	Revised Grant Work Plan (4 pages)
Attachment 5, Exhibit	1-A	Special Audit Requirements (3 pages)

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**ATTACHMENT 3-A
REVISED GRANT WORK PLAN**

PROJECT TITLE: Captiva Island Beach Nourishment Project

PROJECT LOCATION: The Project is located between Department of Environmental Protection (Department/DEP) reference monuments R83 and R109 along the Gulf of Mexico on Captiva Island in Lee County, Florida.

PROJECT BACKGROUND: The Captiva Island Restoration was constructed in 1981 as a part of the federal Lee County Shore Protection Project and nourished in 1989. Subsequent nourishments in 1996 and 2006 were built in conjunction with placement on Sanibel Island, as a local option. The 2014 project nourished both sections as a non-federal project. A sand search and project design are proposed for a Captiva Island nourishment scheduled for FY2020/21 with FEMA funds to repair damages sustained during Hurricane Irma.

PROJECT DESCRIPTION: The Project consists of design, construction, and monitoring.

PROJECT ELIGIBILITY: The Department has determined that 42.13 percent of the non-federal Project cost is eligible for state cost sharing. Therefore, the Department's financial obligation shall not exceed the sum of \$6,054,450 for this Project or up to 21.07 percent of the non-federal Project cost, if applicable, for the specific eligible Project items listed, whichever is less. Any indicated federal cost sharing percentage is an estimate and shall not affect the cost sharing percentages of the non-federal share. The parties agree that eligibility for cost sharing purposes will be maintained pursuant to 62B-36, Florida Administrative Code (F.A.C.).

The Local Sponsor will be responsible for auditing all travel reimbursement expenses based on the travel limits established in Section 112.061, Florida Statute (F.S.).

Pursuant to Sections 161.091 - 161.161, F.S., the Department provides financial assistance to eligible governmental entities for beach erosion control and inlet management activities under the Florida Beach Management Funding Assistance Program.

Pursuant to 62B-36.005(1)(d), F.A.C., the Local Sponsor has resolved to support and serve as local sponsor, has demonstrated a financial commitment, and has demonstrated the ability to perform the tasks associated with the beach erosion control project as described herein.

The Project shall be conducted in accordance with the terms and conditions set forth under this Agreement, all applicable Department permits and the eligible Project task items established below. All data collection and processing, and the resulting product deliverables, shall comply with the standards and technical specifications contained in the Department's Monitoring Standards for Beach Erosion Control Projects (2014) and all associated state and federal permits, unless otherwise specified in the approved scope of work for an eligible Project item. The monitoring standards may be found at:

<https://floridadep.gov/sites/default/files/PhysicalMonitoringStandards.pdf>

One (1) electronic copy of all written reports developed under this Agreement shall be forwarded to the Department, unless otherwise specified.

Acronyms:

DEP – Florida Department of Environmental Protection
 F.S. – Florida Statutes
 F.A.C. – Florida Administrative Code
 FEMA – Federal Emergency Management Agency
 FWC – Florida Fish and Wildlife Conservation Commission

TASKS and DELIVERABLES:

The Local Sponsor will provide detailed scopes of work or a letter requesting advance payment if authorized by Attachment 2, for all tasks identified below, which shall include a narrative description of work to be completed, a corresponding cost estimate and a proposed schedule of completion for the proposed work and associated deliverables. Each scope of work shall be approved in writing by the DEP Project Manager to be included into this work plan for reimbursement.

Task 1: Design

Task Description: The Local Sponsor will acquire professional services for the engineering and design of the Project such as coastal engineering analyses, preparation of plans and specifications, physical and environmental surveys, cultural resource surveys, design-level geotechnical services, sediment studies, inlet studies, environmental analyses, orthophotography, plan formulations and for obtaining environmental permits and other Project-related authorizations. The Local Sponsor will submit work products to the appropriate State or Federal regulatory agencies as requested by the DEP Project Manager in order to be eligible for reimbursement under this task.

Deliverable: Certification of Completion including documentation of submittal affirming that the final design document was completed and submitted to the Department. For interim payment requests, a Task Summary Report signed by the Local Sponsor must be submitted detailing work progress during the payment request period. The Task Summary Report must include the dates and descriptions of all activities, surveys and reports completed or in progress during the time period of the interim payment request.

Performance Standard: The DEP Project Manager will review the task deliverable and any associated work products as necessary to verify they meet the specifications in the Grant Work Plan and this task description.

Payment Request Schedule: Payment requests may be submitted after the deliverable is received and accepted and may be submitted no more frequently than quarterly.

Task 2: Construction

Task Description: This task includes work performed and costs incurred associated with the placement of fill material and/or the construction of erosion control structures within the Project area. Project costs associated with eligible beach and inlet construction activities include work approved through construction bids and/or construction-phase engineering and monitoring services contracts. Eligible costs may include mobilization, demobilization, construction observation or inspection services, physical and environmental surveys, beach fill, tilling and scarp removal, erosion control structures, mitigation reefs, dune stabilization measures and native beach-dune vegetation. Construction shall be conducted in accordance with any and all State or Federal permits. The Local Sponsor will submit work products to the appropriate State or Federal regulatory agencies as requested by the DEP Project Manager in order to be eligible for reimbursement under this task.

Deliverable: Certification of Completion by a Florida-registered Professional Engineer with documentation of submittal to the Department affirming the construction task was completed in accordance with construction contract documents. For interim payment requests, a Task Summary Report signed by Local Sponsor must

be submitted detailing activities completed during the payment request period. The Task Summary Report must include the dates and descriptions of all activities, surveys and reports completed or in progress during the time period of the interim payment request.

Performance Standard: The DEP Project Manager will review the task deliverable and any associated work products as necessary to verify they meet the specifications in the Grant Work Plan and this task description.

Payment Request Schedule: Payment requests may be submitted after the deliverable is received and accepted and may be submitted no more frequently than quarterly.

Task 3: Monitoring

State and federal monitoring required by permit is eligible for reimbursement pursuant to program statute and rule. In order to comply with Florida Auditor General report 2014-064 regarding conflicts of interest and to be consistent with Section 287.057(17)(a)(1), F.S., all monitoring data and statistical analysis must be provided directly and concurrently from the monitoring contractor to the Department/Local Sponsor permittee/engineering consultant. The Local Sponsor's engineering consultant must provide an adequate mitigation plan, consistent with Section 287.057(17)(a)(1), F.S., including a description of organizational, physical, and electronic barriers to be used by the Local Sponsor's engineering consultant, that addresses conflicts of interest when contracting multi-disciplinary firms for Project engineering and post-construction environmental monitoring services, or when the Project engineering consultant firm subcontracts for post-construction environmental monitoring. Environmental monitoring includes hardbottom, seagrass, and mangrove resources. Department approval of the consultant's mitigation plan will be required prior to execution of this Agreement. If at any time the Local Sponsor and/or its engineering consultant fails to comply with this provision, the Local Sponsor agrees to reimburse the Department all funds provided by the Department associated with environmental monitoring for the Project listed.

Task Description: This task includes activities associated with permit-required monitoring conducted in accordance with the conditions specified by state or federal regulatory agencies. All monitoring tasks must be located within or adjacent to the Project area and follow the Department's Regional Coastal Monitoring Program and FWC's marine turtle and shorebird monitoring programs. Guidance for monitoring of nearshore resources is available in the Department's Standard Operation Procedures For Nearshore Hardbottom Monitoring Of Beach Nourishment Projects. The Local Sponsor must submit work products directly to the appropriate state or federal regulatory agencies in accordance with permit conditions to be eligible for reimbursement under this task, unless otherwise directed.

Deliverable: For each interim or final payment, the Local Sponsor will provide a Task Summary Report signed by Local Sponsor containing; 1) An itemized listing of all monitoring activities completed or in progress during the payment request period and, 2) Documentation of submittal to state and federal regulatory agencies of completed monitoring data, surveys and final reports for permit-required work under this task description.

Performance Standard: The DEP Project Manager will review the task deliverable and any associated work products as necessary to verify they meet the specifications in the Grant Work Plan and this task description.

Payment Request Schedule: Payment requests may be submitted after the deliverable is received and accepted and may be submitted no more frequently than quarterly.

Estimated Eligible Project Cost

Task #	Eligible Project Tasks	State Cost Share (%)	Federal Estimated Project Costs	DEP	Local	Total
1	Design	21.07%	\$0.00	\$126,406.00	\$473,527.55	\$599,933.55
2	Construction	21.07%	\$0.00	\$5,902,760.00	\$22,112,237.62	\$28,014,997.62
3	Monitoring	21.07%	\$0.00	\$25,284.00	\$94,716.00	\$120,000.00
	TOTAL PROJECT COSTS			\$6,054,450.00	\$22,680,481.17	\$28,734,931.17

PROJECT TIMELINE & BUDGET DETAIL: The tasks must be completed by, and all deliverables received by, the corresponding task end date.

Task No.	Task Title	Budget Category	Budget Amount	Task Start Date	Deliverable Due Date
1	Design	Contractual Services	\$126,406.00	09/01/17	06/30/23
2	Construction	Contractual Services	\$5,902,760.00	09/01/17	06/30/23
3	Monitoring	Contractual Services	\$25,284.00	09/01/17	06/30/23
Total:			\$6,054,450.00		

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Special Audit Requirements
(State and Federal Financial Assistance)**

Attachment 5

The administration of resources awarded by the Department of Environmental Protection (*which may be referred to as the "Department", "DEP", "FDEP" or "Grantor", or other name in the agreement*) to the recipient (*which may be referred to as the "Recipient", "Grantee" or other name in the agreement*) may be subject to audits and/or monitoring by the Department of Environmental Protection, as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by DEP Department staff, limited scope audits as defined by 2 CFR 200.425, or other procedures. By entering into this Agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in 2 CFR §200.330

1. A recipient that expends \$750,000 or more in Federal awards in its fiscal year, must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. EXHIBIT 1 to this Attachment indicates Federal funds awarded through the Department of Environmental Protection by this Agreement. In determining the federal awards expended in its fiscal year, the recipient shall consider all sources of federal awards, including federal resources received from the Department of Environmental Protection. The determination of amounts of federal awards expended should be in accordance with the guidelines established in 2 CFR 200.502-503. An audit of the recipient conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200.514 will meet the requirements of this part.
2. For the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508-512.
3. A recipient that expends less than \$750,000 in federal awards in its fiscal year is not required to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F-Audit Requirements. If the recipient expends less than \$750,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR 200, Subpart F-Audit Requirements, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from recipient resources obtained from other federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at www.cfda.gov

Attachment 5

1 of 7

PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such recipient (for fiscal years ending June 30, 2017, and thereafter), the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, F.S.; Rule Chapter 69I-5, F.A.C., State Financial Assistance; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT 1 to this form lists the state financial assistance awarded through the Department of Environmental Protection by this agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1; the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$750,000 in state financial assistance in its fiscal year (for fiscal year ending June 30, 2017, and thereafter), an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$750,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).
4. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a recipient should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at <http://www.myflorida.com/>, Department of Financial Services' Website at <http://www.fldfs.com/> and the Auditor General's Website at <http://www.myflorida.com/audgen/>.

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), Florida Statutes, State agencies may conduct or arrange for audits of State financial assistance that are in addition to audits conducted in accordance with Section 215.97, Florida Statutes. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and required by PART I of this form shall be submitted, when required by 2 CFR 200.512, by or on behalf of the recipient directly to the Federal Audit Clearinghouse (FAC) as provided in 2 CFR 200.36 and 200.512
 - A. The Federal Audit Clearinghouse designated in 2 CFR §200.501(a) (the number of copies required by 2 CFR §200.501(a) should be submitted to the Federal Audit Clearinghouse), at the following address:

By Mail:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132

Submissions of the Single Audit reporting package for fiscal periods ending on or after January 1, 2008, must be submitted using the Federal Clearinghouse's Internet Data Entry System which can be found at <http://harvester.census.gov/facweb/>

2. Copies of financial reporting packages required by PART II of this Attachment shall be submitted by or on behalf of the recipient directly to each of the following:

A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

B. The Auditor General's Office at the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, Florida 32399-1450

The Auditor General's website (<http://flauditor.gov/>) provides instructions for filing an electronic copy of a financial reporting package.

3. Copies of reports or management letters required by PART III of this Attachment shall be submitted by or on behalf of the recipient directly to the Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

4. Any reports, management letters, or other information required to be submitted to the Department of Environmental Protection pursuant to this Agreement shall be submitted timely in accordance with 2 CFR 200.512, section 215.97, F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

Attachment 5

3 of 7

5. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with 2 CFR 200, Subpart F-Audit Requirements, or Chapters 10.550 (local governmental entities) and 10.650 (non and for-profit organizations), Rules of the Auditor General, should indicate the date and the reporting package was delivered to the recipient correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of the award and this Agreement for a period of **five (5)** years from the date the audit report is issued, and shall allow the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General upon request for a period of **three (3)** years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

EXHIBIT – 1-A

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Note: If the resources awarded to the recipient represent more than one federal program, provide the same information shown below for each federal program and show total federal resources awarded

Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program A	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	
Federal Program B	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	

Note: Of the resources awarded to the recipient represent more than one federal program, list applicable compliance requirements for each federal program in the same manner as shown below:

Federal Program A	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	
Federal Program B	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	

Note: If the resources awarded to the recipient for matching represent more than one federal program, provide the same information shown below for each federal program and show total state resources awarded for matching.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal Programs:					
Federal Program A	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category
Federal Program B	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category

Note: If the resources awarded to the recipient represent more than one state project, provide the same information shown below for each state project and show total state financial assistance awarded that is subject to section 215.97, F.S.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:						
State Program A	State Awarding Agency	State Fiscal Year ¹	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
Original	FDEP	20-21	37.003	Beach Management Funding Assistance	\$679,853.00	140126
Original	FDEP	19-20	37.003	Beach Management Funding Assistance	\$70,786.00	140126
Amendment 1	FDEP	20-21	37.003	Beach Management Funding Assistance	\$5,303,811.00	140126
State Program B	State Awarding Agency	State Fiscal Year ²	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category

Total Award	\$6,054,450.00	
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Note: List applicable compliance requirement in the same manner as illustrated above for federal resources. For matching resources provided by the Department for DEP for federal programs, the requirements might be similar to the requirements for the applicable federal programs. Also, to the extent that different requirements pertain to different amount for the non-federal resources, there may be more than one grouping (i.e. 1, 2, 3, etc.) listed under this category.

¹ Subject to change by Change Order.

² Subject to change by Change Order.

For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [www.cfda.gov] and/or the Florida Catalog of State Financial Assistance (CSFA) [<https://apps.fldfs.com/fsaa/searchCatalog.aspx>], and State Projects Compliance Supplement (Part Four: State Projects Compliance Supplement [https://apps.fldfs.com/fsaa/state_project_compliance.aspx]). The services/purposes for which the funds are to be used are included in the Agreement's Grant Work Plan. Any match required by the Recipient is clearly indicated in the Agreement.

			GLDD	
Item	No	Units	Unit Price	Subtotal
Mobilization/Demobilization	1	LS	\$ 5,480,000.00	\$ 5,480,000.00
Beach Tilling and Scarp Leveling	25,700	LF	\$ 1.55	\$ 39,835.00
Turbidity Monitoring	1	LS	\$ 125,000.00	\$ 125,000.00
Dredging and Placement of Beach and Dune Fill	600,000	CY	\$ 16.00	\$ 9,600,000.00
Relocation Trawling Mobilization	1	LS	\$ 25,000.00	\$ 25,000.00
Sea Turtle Relocation Trawling	8	Days	\$ 4,150.00	\$ 33,200.00
Project Site Layout and Data Collection	1	LS	\$ 135,000.00	\$ 135,000.00
Sea Oat Planting	75,000	Ea	\$ 0.95	\$ 71,250.00
Screening to Remove Unacceptable Material	6,000	CY	\$ 9.00	\$ 54,000.00
Hauling and Removal of Unacceptable Material	600	CY	\$ 62.00	\$ 37,200.00
Remediation of Non-Compliant Material	1	Ac	\$ 25,000.00	\$ 25,000.00
Grand Total				\$ 15,625,485.00

Previous Beach Nourishment Bid Form

Item	No	Units	Unit Price	Subtotal
Mobilization/Demobilization	1	LS	\$ 6,272,500.00	\$ 6,272,500.00
Beach Tilling and Scarp Leveling	25,700	LF	\$ 1.30	\$ 33,410.00
Turbidity Monitoring	1	LS	\$ 58,000.00	\$ 58,000.00
Dredging and Placement of Beach and Dune Fill	600,000	CY	\$ 15.95	\$ 9,570,000.00
Relocation Trawling Mobilization	1	LS	\$ 6,250.00	\$ 6,250.00
Sea Turtle Relocation Trawling	72	Days	\$ 3,550.00	\$ 255,600.00
Remediation of Non-Compliant Material	0.75	Ac	\$ 20,500.00	\$ 15,375.00
Remediation of Unacceptable Material	300	CY	\$ 6.60	\$ 1,980.00
Grand Total				\$ 16,213,115.00

Weeks 1		Weeks 2		
Unit Price	Subtotal	Unit Price	Subtotal	Unit Price
\$ 4,750,000.00	\$ 4,750,000.00	\$ 5,125,000.00	\$ 5,125,000.00	\$ 8,750,000.00
\$ 5.00	\$ 128,500.00	\$ 5.00	\$ 128,500.00	\$ 2.25
\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 125,000.00	\$ 120,000.00
\$ 17.00	\$ 10,200,000.00	\$ 20.50	\$ 12,300,000.00	\$ 26.20
\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 26,000.00
\$ 3,500.00	\$ 28,000.00	\$ 3,500.00	\$ 28,000.00	\$ 4,500.00
\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 425,000.00
\$ 1.25	\$ 93,750.00	\$ 1.25	\$ 93,750.00	\$ 1.25
\$ 35.00	\$ 210,000.00	\$ 35.00	\$ 210,000.00	\$ 57.00
\$ 85.00	\$ 51,000.00	\$ 85.00	\$ 51,000.00	\$ 40.00
\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00
	\$ 15,764,750.00		\$ 18,239,750.00	

Manson	
Subtotal	
\$	8,750,000.00
\$	57,825.00
\$	120,000.00
\$	15,720,000.00
\$	26,000.00
\$	36,000.00
\$	425,000.00
\$	93,750.00
\$	342,000.00
\$	24,000.00
\$	35,000.00
\$	25,629,575.00



Aptim Coastal Planning & Engineering, LLC
6401 Congress Avenue, Suite 140
Boca Raton, FL 33487
Tel: 561.391.8102
Fax: 561.391.9116
www.aptim.com

April 30, 2021

Jennifer Nelson, Executive Director
Captiva Erosion Prevention District
11513 Andy Rosse Lane, Unit 4
Captiva, FL 33924

**Subject: Captiva Island Beach Renourishment Project
Bid Recommendation Letter**

Dear Jennifer:

This is to recommend selection of the low bidder, Great Lakes Dredge & Dock, LLC, by the Captiva Erosion Prevention District (CEPD) for construction of the Captiva Island Beach Renourishment Project along the Gulf coast shoreline. This recommendation is based on the assumption and provided documentation that the Contractor, Great Lakes Dredge & Dock, LLC, understands and has appropriately considered the nature of the project and performs as intended, meeting all of the requirements of the specifications of the project.

The recommendation for the selection of Great Lakes Dredge & Dock, LLC is predicated upon CEPD's approval of the appropriate certificate of insurance documents with all required endorsements and stipulations, performance and payment bonds and any documents and/or endorsements required by the CEPD.

Please do not hesitate to contact us if you have any further questions or comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nicole S. Sharp".

Nicole S. Sharp, P.E.
Coastal Restoration & Modeling Program Manager
Aptim Coastal Planning & Engineering, LLC

A handwritten signature in blue ink, appearing to read "Thomas P. Pierro".

Thomas P. Pierro, P.E., D.CE
Principal Engineer
Coastal Protection Engineering LLC



SYNOVUS®

Government Banking Solutions

April 29, 2021

Jennifer Nelson
Executive Director
Captiva Erosion Prevention District
11513 Andy Rosse Lane,
3rd Floor, Unit 4
Captiva, FL 33924

RE: Special Assessment Loan/Line of Credit, Series 2021

We truly appreciate the opportunity to be your partner in this endeavor. As you will see, Synovus Bank understands the complex issues encountered by governmental entities. Having an experienced Government Banking Solutions team, coupled with the approach of local community relationships, we are positioned to not only provide the attached proposal, but also to assist in future needs of the Town.

With a history dating back to 1888 based on a single act of kindness, Synovus Bank has grown into a full-service financial services company that's proud to meet the banking needs of families, individuals, businesses, and governmental entities across the Southeast. Through our family of companies spanning commercial and retail banking, mortgage and investments, we're committed to building long-term relationships and providing responsive, caring service. We remain committed to the philosophies that have made us unique and successful in the markets we serve. The key to our success has been, and always will be, our service culture. Our people believe in honesty and treating people right – keeping the customer first. Our goal extends beyond solely offering products. It includes taking an advisory role and collaborating with our clients to achieve higher performance.

Our name, like our company, is unique, a word formation composed of synergy and novus. Synergy means working together – the interaction of separate components in such a way that the total is greater than the sum of the individual efforts. Novus, a Latin word, means new – usually of superior quality and different from others in the same category.

Once again, we look forward to the opportunity to be your partner. If after review, you have any questions or need additional information please feel free to contact either of us at the numbers listed below.

Respectfully,

LeeAnn Kirwin

LeeAnn Kirwin
Director Government Banking Solutions
Synovus Bank
2325 Vanderbilt Beach Road
Naples, FL 34109
(239) 552-1879
leeannkirwin@synovus.com

Jim Mitchell

Jim Mitchell
Sr. Director Government Banking Solutions
Synovus Bank
2325 Vanderbilt Beach Road
Naples, FL 34109
(239) 552-1819
jimmitchell@synovus.com

SYNOVUS®

Government Banking Solutions

April 29, 2021

Jennifer Nelson
Executive Director
Captiva Erosion Prevention District
11513 Andy Rosse Lane,
3rd Floor, Unit 4
Captiva, FL 33924

RE: Special Assessment Loan/Line of Credit, Series 2021

Synovus Bank ("Bank") is pleased to consider a financing arrangement for the Captiva Erosion Prevention District (the "District") the basic terms and conditions of which are set forth below. This financing proposal is not exhaustive, and the credit facility is subject to other terms and conditions for similar transactions.

Borrower: Captiva Erosion Prevention District, (the "District")

Facility: 1) Non-Bank Qualified Tax-Exempt Draw Down Term Note
2) Non-Bank Qualified Tax-Exempt Term Note

Amount: \$18,000,000 (not to exceed)

Purpose: The proceeds of the Note(s) will be used by the District to pay for certain improvements within the boundaries of the District, and to pay the costs of issuance related to the Series 2021 Note.

Term:

- 1) The term of the Draw Period shall not exceed 12 months from date of closing. Upon expiration of the Draw Period, the draw down line shall convert to an amortizing Note over the remaining 7-year period. The term of the Note will be approximately 8 years fully amortizing.
- 2) Note will be fully funded upon closing. The term of the Note shall not exceed approximately 8 years fully amortizing.

Collateral: The principal of and interest on this Note will be payable from and secured solely by a lien upon and a pledge of the revenues derived or to be derived from the special assessments levied annually upon the properties which shall be specially benefitted by the improvements made as a result of the project.

Repayment: Semi-Annual interest payments and annual principal payments. Specific dates to be determined by District.

Interest Rate:

- 1) The interest rate will be fixed at 2.12 percent. The rate will be held until June 1, 2021. In the event the closing is delayed past that date, the rate will be reset three days prior to the scheduled closing and will include 79 percent of the prevailing Ten (10) Year Treasury Constant Maturity plus 75 basis points with a floor of 2.12 percent.
- 2) The interest rate will be fixed at 2.07 percent. The rate will be held until June 1, 2021. In the event the closing is delayed past that date, the rate will be reset three days prior to the scheduled closing and will include 79 percent of the prevailing Ten (10) Year Treasury Constant Maturity plus 70 basis points with a floor of 2.07 percent. The Treasury Constant Maturity will be as published by the Federal Reserve (<http://www.federalreserve.gov/releases/h15/update/>).

Pre-payment: The District may prepay and redeem the Note, in whole or part, at any time or from time to time, without penalty or premium, by paying to the Bank all or a part of the principal amount of the Note to be repaid, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment. Each prepayment and redemption of such Note shall be made on such date and in such principal amount as shall be specified by the District in a written notice delivered to the Bank not less than ten days prior thereto specifying the principal amount to be prepaid and the date of such prepayment.

Fees: The District's counsel will provide documentation associated with this transaction. Documentation will be subject to the review and approval of the Bank and the Bank's counsel. The District agrees to pay all legal fees and expenses of the Bank associated with the review and closing of this transaction, which costs may be paid with proceeds of the Loan. Legal costs shall be capped at no more than \$8,500. The Bank's legal counsel for proposed transaction will be Greenspoon Marder Law.

*Affirmative
Covenants:*

For so long as any of the principal amount of or interest on the proposed Loan is outstanding or any duty or obligation of the District contemplated under the proposed Loan remains unpaid or unperformed, the District covenants to the Bank as follows:

- a) the District shall pay the principal of and interest on the proposed Note at the time and place and in the manner provided in the Note,
- b) The District shall not be modified or terminated until the Note is repaid in full.
- c) the District shall within ten days after it acquires knowledge thereof, notify the Bank in writing upon the happening, occurrence, or existence of any Event of Default, and any event or condition which with the passing of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Bank with such written notice, a detailed statement by a responsible officer of the District of all relevant facts and the action being taken by the District with respect thereto,
- d) the District agrees that any and all records of the District related to the project shall be open to inspection by the Bank, or its representatives at all reasonable times at the office of the District,
- e) the District will take all reasonable legal action within its control in order to maintain its existence as a political subdivision of the State, and shall not voluntarily dissolve,
- f) the District shall promptly inform the Bank in writing of any actual or potential contingent liabilities or pending or threatened litigation of an amount limited to \$1,000,000 or greater that could reasonably be expected to have a material and adverse effect upon the financial condition of the District or upon the ability of the District to perform its obligation under the proposed Note,
- g) the District shall maintain such liability, casualty, and other insurance as is reasonable and prudent for a similarly situated Districts and shall upon request of the Bank, provide evidence of such coverage to the Bank,
- h) the District is in compliance and shall comply with all applicable federal, state, and local laws and regulatory requirements.
- i) books and records of the District shall be kept in which complete and correct entries shall be made, in accordance with generally accepted accounting principles.

*Financial
Reporting*

The District will cause a financial audit to be completed of its books and accounts for each fiscal year, beginning with the fiscal year ending September 30, 2021, and shall furnish such financial audit to the Bank within 270 days of the end of each such fiscal year. The financial audit shall be prepared in accordance with Chapter 10.550 of the Rules of the Florida Auditor General or the provisions of any successor state or rule governing Florida local governmental entity audits. In addition, the District shall adopt an annual budget as required by law and shall provide the Bank with a copy for each fiscal year not later than 45 days after the commencement thereof.

Assessments:

- a) *No Amendments.* The District shall not alter, amend or repeal the Assessment Resolutions or take any action impairing the authority given with respect to the imposition of the Assessments or the payment of the Note, without prior written approval of the Bank.
- b) *Assessment Roll.* Commencing with the tax roll adopted during the year 2021, the District shall provide to the Bank the certified assessment roll detailing the Assessments, if any, to be imposed for each tax year within 30 days of the date such roll becomes available.
- c) *Assessment Records.* The District shall maintain records with respect to the Assessments which shall be updated as Assessments are collected. The records shall detail Assessments (i) levied to date on a parcel-by-parcel basis, and (ii) collected to date. A report setting forth the foregoing information as of May 1 of each year will be provided to the Bank by May 10 of each year, and if there are any delinquent Assessments, the District will provide the Bank with another report, by September 1 of such year, updating the information in said report. Upon the occurrence of any Event of Default, the District will, upon request of the Bank, and at the expense of the District, engage the services of a consultant acceptable to the Bank to assist the District in levying the Assessments until such time as the default is cured.
- d) *Maintenance of Improvements.* All Improvements are and will be owned by the District or another political subdivision of the State of Florida and all Improvements shall be available for use by the general public on the same basis, subject only to conditions imposed by the District or another political subdivision of the State of Florida as may be necessary to protect the health safety and general welfare of the District and its inhabitants, visitors, property owners and workers or to protect such Improvements from damage, misuse, or destruction. The District shall observe and perform all the terms and conditions contained in the Act, and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the Improvements. The District shall levy assessments as shall be necessary to provide for the maintenance of the Improvements.
- e) *No Liens.* The District shall not create or permit any pledge, assignment, mortgage or lien on the Assessments or any of its assets other than pursuant to the Loan Documents.
- f) *Limited Obligation.* The District promises that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided and that the principal of and interest on the Note is payable from and secured solely by the Assessments, and nothing in the Note or in the Note Resolution shall be construed as pledging any other funds or assets of the District to such payment. The District is not and shall not be liable for the payment of the principal of and interest on the Note or for the performance of any pledge, obligation or agreement for payment undertaken by the District from any property other than the Assessments. The Bank shall not have any right to resort to legal or equitable action to require or compel the District to levy and collect any tax or special assessment or to keep any tax or special assessment in force, except for the Assessments, to pay principal or interest on the Note.
- g) *Pledge of Assessments.* The principal of and interest on the Note shall be payable from and secured by a lien upon the Assessments. The District shall grant a security interest in favor of the Bank in the Assessments.
- h) *Levy of Assessments.* The District will levy and assess Assessments upon the benefited lands within the District in accordance with the Act and the Assessment Resolution that are sufficient to pay the principal of and interest on the Note. Unless the Bank otherwise agrees, the District shall utilize the uniform method for the collection of the Assessments authorized by Section 197.3632, Florida Statutes. The District will take all necessary steps to levy and collect Assessments sufficient to pay the principal and interest of the Note when due.
- i) *Use of Assessments.* The District will use the proceeds of Assessments solely to pay principal of and interest on the Note and Collection Costs.

Events of Default:

An "Event of Default" shall be deemed to have occurred under this Loan Document if:

- a) the District shall fail to make any payment of the principal of or interest on the Note after the same shall become due and payable, whether by maturity, by acceleration at the discretion of the Bank, or otherwise; or
- b) the District shall default in the performance of or compliance with any term or covenant contained in the Loan Documents, which default or noncompliance shall continue and not be cured within thirty (30) days after (i) notice thereof to the District by the Bank; or (ii) the Bank is notified of such noncompliance or should have been so notified, whichever is earlier; or
- c) any representation or warranty made in writing by or on behalf of the District in any Loan Document shall prove to have been false or incorrect in any material respect on the date made or reaffirmed; or
- d) the District admits in writing its inability to pay its debts generally as they become due or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself; or
- e) the District is adjudged insolvent by a court of competent jurisdiction, or it is adjudged a bankrupt on a petition in bankruptcy filed by or against the District, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property, and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 90 days from the date of entry thereof; or
- f) the District shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or the State of Florida; or
- g) the District shall default in the due and punctual payment or performance of covenants under any obligation for the payment of money to the Bank or any other subsidiary or affiliate of the Bank; or
- h) a judgment or order shall be rendered against the District for the payment of money in excess of \$1,000,000 and such judgment or order shall continue unsatisfied or unstayed for a period of more than 30 days.

Default Rate: The “default rate of interest” shall be the lesser of five percentage points in excess of the Bank's Prime Rate of interest charged at the time of the Monetary Default or the maximum legal interest rate. The default rate of interest shall only apply for interest during the period between when the Monetary Default occurs and when it is cured by the District.

Interest Rate Adjustments: In the event the interest on the Loans become subject to federal income tax in any period **due to action or inactions of the District**, the interest rate will convert to the taxable rate during that period. The taxable rate will be calculated by dividing the then current non-bank qualified tax-exempt rate by 1 minus the effective federal tax rate. In addition, the City shall make the Bank whole for any interest, penalties, and additions to tax suffered by the Bank.

Conditions of Lending: The obligations of the Bank to lend hereunder are subject to the following conditions precedent:

- a) Documents are and shall be true and correct to the best of the District's knowledge at the time of closing.
- b) On the closing date the District shall be in compliance with all the terms and provisions set forth in the Loan Documents on its part to be observed or performed, and no Event of Default nor any event that, upon notice or lapse of time or both, would constitute such an Event of Default, shall have occurred and be continuing at such time.
- c) On or prior to the closing date, the Bank shall have received the following supporting documents, all of which shall be satisfactory in form and substance to the Bank (such satisfaction to be evidenced by the purchase of the Note by the Bank): (i) the opinion of counsel and/or bond counsel to the District, regarding the due authorization, execution, delivery, validity and enforceability of the Agreement and the Note, the District's power to incur the debt evidenced by the Note, the due adoption and enforceability of the Note Resolution and Assessment Resolutions and the due creation and existence of the District and to the effect that the Note is excluded from gross

- d) income for federal income tax purposes, and (ii) such additional supporting documents as the Bank may reasonably request.
- e) No material and adverse changes shall have occurred in the financial condition of the District.
- f) The Bank shall not be required to enter the proposed Credit Accommodation until the completion of all due diligence inquiries, receipt of approvals from all requisite parties and the execution and receipt of all necessary documentation reasonably acceptable to the Bank and its counsel. The Bank complies with the US Patriot Act of 2001 (the "Act"), including, but not limited to; those sections relating to customer identification, monitoring and reporting of suspicious activities, and the prevention of money laundering. This Act mandates that we verify certain information about the borrower and any guarantor while processing the Credit Accommodation request. Furthermore, certain assumptions are made for this proposal which, if altered, could affect the overall credit approval and or the terms of the proposed Credit Accommodation.

Waiver of Jury Trial

District and Bank knowingly, intentionally, and voluntarily waive any right which any of them may have to a trial by jury in connection with any matter directly or indirectly relating to any loan document executed in connection herewith or any other matter arising from the relationship between Bank and District.

Synovus Bank appreciates the opportunity to submit this Proposal and looks forward to your favorable response. If you have any questions or need additional information, please do not hesitate contacting either of us at the numbers below.

Respectfully,

LeeAnn Kirwin

Jim Mitchell

LeeAnn Kirwin
Director Government Banking Solutions
Synovus Bank
2325 Vanderbilt Beach Road
Naples, FL 34109
(239) 552-1879
leeannkirwin@synovus.com

Jim Mitchell
Sr. Director Government Banking Solutions
Synovus Bank
2325 Vanderbilt Beach Road
Naples, FL 34109
(239) 552-1819
jimmitchell@synovus.com

Agreed to and accepted this ____ day of _____, 2021.

BORROWER: Captiva Erosion Prevention District

Signature: _____

Name: _____

Title: _____

REVISED

April 30, 2021

Mrs. Jennifer Nelson
Executive Director
Captiva Erosion Prevention District
777 Tamiami Trail, N
Naples, FL. 34103

Terms for Your Proposed Financing

Dear Jennifer,

We are pleased to provide you with the financing proposal as outlined in the attached term sheet. Addendum.

Please be aware that nothing in this letter or the term sheet is a commitment to consummate any transaction or to take or refrain from taking any other action. The summary of the proposed financing set forth in the term sheet is for discussion purposes only and is subject to the terms and conditions set forth therein.

The terms and conditions of this letter will expire on May 31, 2021, unless we and you agree to revisions or extensions in writing. To accept these terms, please sign and date below and return to me at your earliest convenience so we can begin underwriting and the appraisal.

Again, we appreciate your interest in financing from Fifth Third Bank and look forward to continuing our discussions regarding how we can help with your financial needs. Please don't hesitate to contact me at 239-591-6372 or (630) 809-1057 if I can assist you in any way.

Thank you.

Sincerely,



Timothy J. Reiter
Senior Vice President
Middle Market Team Lead

CC: Cara Parker – G & I Credit - 5/3 Bank
Penny Rodgers – RCM – 5/3 Bank

Accepted By:

Captiva Erosion Prevention District

Print Name / Title

Signature.

Dated



REVISED

April 30, 2021

Mrs. Jennifer Nelson
 Executive Director
 Captiva Erosion Prevention District
 777 Tamiami Trail, N
 Naples, FL. 34103

Fifth Third Bank ("Fifth Third") is pleased to provide you with this summary term sheet ("Term Sheet"). This Term Sheet summarizes the basic terms and conditions that Fifth Third is considering relative to the proposed financing.

Summary Terms and Conditions	
Borrower (s):	Captiva Erosion Prevention District
Facility Type / Use	Term Note up to \$18,000,000 to fund beach re-nourishment project
Tenor/Maturity:	8 year (96 month)
Repayment Schedule:	Fully Amortizing
Pricing:	Tax Exempt Fixed Rate 2.60% (Subject to change at closing based on Market Conditions)
Advances	Completely funded at closing
Collateral:	A pledge of the Special Assessment levied by the district using the uniform method for the collections
Guarantor(s):	None
Financial Covenant(s):	None
Reporting Requirements:	<ul style="list-style-type: none"> (a) Borrower to provide annual CPA prepared audited financial statement within 180 days of fiscal year end. (b) Within 30 days of availability a Special Assessment Tax Roll of property holders / delinquency report (Specifics to be worked out after Residence Workshop April 27, 2021) (c) Other financial information as requested by Bank within 15 days of request.

Fees:	None
Additional Bank Services	1) Borrower (s) shall maintain its primary cash management services and deposit accounts with Fifth Third Bank.
No Additional Debt	Borrower (s) shall not increase secured additional debt greater than \$500,000 without prior consent from Fifth Third Bank
Other Expenses:	All expenses related to the transaction which are not limited to Legal, appraisal, environmental, UCC searches and 3 rd party construction engineer services.
Other Requirements:	<ol style="list-style-type: none"> 1) Borrower will not create or permit any mortgage or lien on any of its assets other than pursuant to the loan documents 2) Borrower shall not dispose of any of its assets other than in the ordinary course of business 3) Borrower shall not loan money or make advances or other extensions of credit to other persons or entities 4) Borrower shall not incur any indebtedness payable from or secured by the Special Assessment Levy
Other Deliverables for underwriting	<ol style="list-style-type: none"> 1) GC Contract for Project 2) Final special assessment payment schedule for property owners 3) Sources and uses for project
Contingencies	<ol style="list-style-type: none"> 1) Provide Bank evidence that the Borrower has liability insurance in an amount equal to or greater than the loan amount listing the Bank on the Certificate of Insurance (COI) as Lender Loss Payable and Loss Payee and checking the boxes on an Accord 27 or 28 COI form Loss Payee and Additional insured addressed to: <ul style="list-style-type: none"> Fifth Third Bank Commercial Banking 200 East Las Olas Blvd. Suite 1200 BMME2A Fort Lauderdale, FL 33301 2) Final Credit Approval.

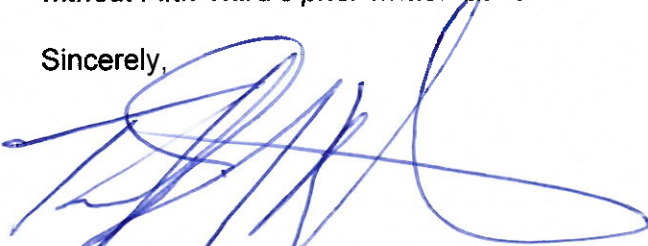
Should the terms outlined in this proposal be acceptable please provide the Bank a **\$0 deposit** to be applied towards closing cost, complete the underwriting and engaged a closing attorney. If at any time the bank elects to not move forward with this transaction, the **\$0 deposit** will be refunded in three (3) business days. If you pay the underwriting fee and elect not to accept these terms and conditions, the bank shall keep the deposit as an underwriting fee and all incurred expenses shall be billed to you.

This Term Sheet is not a commitment to consummate any transaction, or to take or refrain from taking any other action. It is for discussion purposes only. Discussions may be terminated at any time without liability to, or obligation of, Fifth Third. Any commitment will be documented in a written

commitment letter signed by an authorized officer of Fifth Third and will be subject to the terms and conditions set forth therein. Fifth Third has no obligation to provide a commitment.

This Term Sheet is confidential information subject to any applicable confidentiality or nondisclosure agreement. If there is no applicable confidentiality or nondisclosure agreement then you will, during the discussions contemplated by this Term Sheet and thereafter, hold this Term Sheet and its contents in confidence and will not disclose them to any person or entity (except your directors, officers, employees, legal counsel, and financial representatives with a bona fide need to know) without Fifth Third's prior written consent.

Sincerely,



FIFTH THIRD BANK
Timothy J. Reiter
SVP – Commercial Team Leader
(239) 591-6372

May 3, 2021

John Riegert, Administrative Director
Captiva Erosion Prevention District
P.O. Box 365
Captiva, Florida 33924

Re: Proposal for Bond Counsel Services to Captiva Erosion Prevention District

Dear Mr. Riegert:

I am pleased to have the opportunity to present a proposal for Bond Counsel services to Captiva Erosion Prevention District (the "District") including a concise statement of qualifications on behalf of Bryant Miller Olive P.A. (the "Firm"). The Firm stands ready, if selected, to provide Bond Counsel services to the District in connection with the upcoming beach nourishment financing in a responsive and timely manner.

The Firm is a Florida based firm with full-service public finance offices located in Tampa, Orlando, Jacksonville, Tallahassee, Miami, Washington, D.C. and Atlanta, Georgia. The principal location from which the work for the District will be performed will be from the Firm's Tampa office. The Firm is organized as a professional association of attorneys under the laws of the State of Florida, established in 1970, with a national and statewide municipal bond practice since 1973. The Firm just celebrated its 50th year in business in 2020 and has been providing bond counsel and other public finance related legal services for 48 years. The Firm is rated "AV" by Martindale-Hubbell. The Firm first appeared in The Bond Buyer's Municipal Marketplace (referred to in the industry as "The Red Book") as a nationally recognized bond counsel firm in 1973, the first Florida law firm still in existence to be so listed. The Firm has been the *top-ranked bond counsel firm in Florida* for the last two decades based on number of issues according to Securities Data Company, Inc. One of our greatest strengths in providing Bond Counsel services is our robust in-house Section 103 federal tax law practice. As part of its Public Finance Group, the Firm does not subcontract any of its tax work to other firms which is rare. The Firm is qualified to promptly respond to all matters of federal taxation relating to the issuance of state and local government debt and its tax expertise is frequently sought in connection with bond financings throughout the State of Florida.

The Firm currently serves as Bond Counsel to various counties, cities, special districts, interlocal agencies, and non-profits throughout the State of Florida, including the Cities of Sanibel, Fort Myers, Bonita Springs, Naples, Marco Island, and Sarasota, and the Gasparilla Island Bridge Authority, to name a few. The Firm proposes to offer a team of lawyers to represent the District in its role as Bond Counsel in connection with the upcoming beach nourishment financing. Rather than assigning one individual to serve the client, it is our philosophy to assign a team of lawyers with complementary skills and experience in order to provide the highest quality and most responsive service. In addition, we work in collaboration with our clients' general counsel to promote a consistency in legal advice as between counselors. In fact, we understand that Mr. Ralf Brookes serves as the District's general counsel and we have a very good

Mr. John Riegert, Administrative Director

May 3, 2021

Page 2

working relationship with Mr. Brookes, having most recently worked with him in connection with issuance of various bonds by the City of Madeira Beach, Florida, where he served as the City Attorney.

Duane Draper, a shareholder, who currently Co-Chair's the Firm's Public Finance Group, Chairs the Firm's Business Development Committee and serves as a member of the Firm's Board of Directors, is located in the Tampa office, and will be the primary contact and would be ultimately responsible for the transaction management, legal structuring, drafting, document review, coordinating subject matter expertise, invoicing, and billing. Mr. Draper has been in public finance, either as an attorney or investment banker, beginning in 1989. He is rated "AV Preeminent" by Martindale-Hubbell. Since joining Bryant Miller Olive in 1995, Mr. Draper has focused his practice on Bond Counsel and Disclosure Counsel representations including service as Bond Counsel or Disclosure Counsel to many Florida counties, cities, special districts, interlocal agencies, and non-profits. In addition, Will Milford, a shareholder and tax counsel, Christopher Roe, a shareholder and Vera Gurova, an associate will assist Mr. Draper in connection with the upcoming beach nourishment financing. Here is a link to the Firm's website where you can access bios for each attorney on the District's proposed team: www.bmolaw.com.

The Firm attorneys possess a collective wealth of understanding in the identification and development of statutory and home rule funding sources for local governments, including a high level of familiarity and understanding of the State Constitution and case law requirements for valid special assessments and the use of both ad valorem and non-ad valorem funding sources. The Firm is very adept at either structuring the special assessment program, or collaborating with the General Counsel should he take the lead on structuring, providing a second set of eyes, since the non-ad valorem special assessments will ultimately secure and pay the debt service on the indebtedness. We have unparalleled experience in cooperatively developing, drafting and preparing programs which comport with the stringent requirements of the statutory uniform method for levy and collection of non-ad valorem assessments. Our work in this area has contributed significantly to the Firm's standing as a recognized leader in developing special assessment programs and, if advisable or required, validating related bond issues before local courts and the Florida Supreme Court. The Firm has been involved in numerous transactions involving the levying and subsequent pledging of non-ad valorem special assessments for capital purposes. Our work with governmental units has included the drafting of complex interlocal agreements, assessment ordinances, the development of assessment methodologies, the financing of improvements secured by such assessments, and the validation where appropriate. The Firm is currently serving as Special Counsel and Bond Counsel to St. Lucie County, Florida (the "County") with respect to its beach renourishment project involving South Hutchinson Island. The Firm assisted the County with establishing a special purpose ad valorem taxing unit to fund the local share cost contribution necessary for receipt of matching state and federal grant funding made available through the Florida Department of Environmental Protection and U.S. Army Corp of Engineers, respectively, and is working with the County on its strategy to obtain temporary and permanent easements required for sand and dune improvements located on beachfront private property. The Firm likewise served the County on its prior beach renourishment project in 2012 wherein the local matching funds were derived from non-ad valorem special assessments. In addition, the Firm recently served as Special Counsel and Bond Counsel to the Town of Longboat Key, Florida (the "Town"), the municipal charter for which requires voter approval prior to the issuance of certain revenue bonds, similar to the requirement in the District's enabling legislation. In such capacities, the Firm assisted the Town with the issuance of (i) general obligation bonds payable from the Town's ad valorem tax revenues and full faith, credit and unlimited ad valorem taxing power within the Gulfside District for the

Mr. John Riegert, Administrative Director
May 3, 2021
Page 3

purpose of financing beach restoration, renourishment, and maintenance capital projects within the Town and (ii) special assessment revenue bonds for the purpose of financing the undergrounding of overhead utility lines and the installation of street lighting and fiber optic improvements. In connection with such projects, the Firm has assisted the Town with all aspects of projects finance including drafting the ordinances approving a bond referendum for each phase and the related ballot summaries, the ordinances and resolutions authorizing imposition of the assessments and the issuance of (i) general obligation bonds secured by full faith, credit and unlimited ad valorem taxing power within the Gulfside District, and (ii) revenue bonds secured by the non-ad valorem assessments, and trial court validations. After referendum approvals, the Firm successfully obtained trial court validations of the Town's authority to issue bonds.

The Firm provides not only an in-depth understanding of the legal, procedural and political intricacies of special assessment programs and an appreciation for the constitutional premises and constitutional procedures upon which they must be implemented, but also a pragmatic understanding that revenue development programs must not be so complex from the legal defensibility standpoint that they're difficult to implement or not able to be easily embraced by elected officials and affected citizenry.

The Firm's extensive bond experience, Florida focus, and commitment to local issuers in southwest Florida and that have beach communities, makes the Firm well qualified to represent the District as its Bond Counsel. In sum:

1. No other firm has the ability to meet the District's needs like we can. We are the largest, most resourceful public finance law firm in Florida, meaning there is hardly an issue we have not successfully navigated.

2. With the largest public finance and tax practice in Florida, our technical ability, reputation and experience as Florida Bond Counsel is superior. We are an objectively safe choice which will help minimize the chance that mistakes will be made.

3. The Firm has demonstrated that it has the experience, accessibility and availability to serve the District. There are approximately sixty public finance lawyers in Florida, more than a third of which work for the Firm. We are the most active public finance firm in Florida in general and in southwest Florida specifically.

4. We have always been, and will continue to be, very sensitive to actual or perceived conflicts of interest. In addition, as a boutique law firm that primarily serves governmental interests, there are far fewer conflicts for the District to deal with, by design, than might be experienced with a large full-service law firm. The Firm does not engage in litigation on behalf of private interests against local government or in local land use representation on behalf of developers. The Firm would never represent a land use client in the District although many firms offering Bond Counsel services actively practice and litigate in such areas.

5. Bond Counsel firms are not created equal, and this is a highly specialized field with lots of zeroes and commas meaning significant potential liability for the District. Our advice to the District is to pick the Firm it feels most comfortable will do excellent work and provide superior service, and then ensure the proposed fee is reasonable. Unlike the purchase of a vending machine, this is not an area where you want to blindly award the business to the low bid by a few thousand dollars. Bond issues, not done

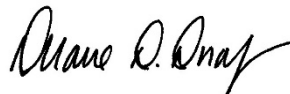
Mr. John Riegert, Administrative Director
May 3, 2021
Page 4

correctly, can be treacherous from a liability standpoint. The SEC and IRS are more active than they have ever been. You need the best protection available. Bond Counsel service is a great example of a place to not be penny wise, but pound foolish.

If selected, we propose for a bank line of credit or loan, or a public offering, a contingent fixed fee of \$1.25 per \$1,000 of principal amount (with a minimum fee of \$17,500 per series, inclusive of expenses), exclusive of non-contingent hourly fees to be negotiated for any special assessment work, if requested, or any bond validation work, if requested or necessary.

Thank you very much for the opportunity to present this information. We hope to establish a fruitful, long-term public finance relationship with the District.

BRYANT MILLER OLIVE P.A.

A handwritten signature in black ink, appearing to read "Duane D. Draper". The signature is fluid and cursive, with a long horizontal stroke at the end.

Duane D. Draper, Shareholder

MARK E. RAYMOND

ATTORNEY AT LAW

8416 MAN-O-WAR ROAD
PALM BEACH GARDENS, FL
33410
Tel: 561.775.8440
Fax: 561.775.8443
mark.raymond@mraymondlaw.com

December 3, 2019

Captiva Erosion Prevention District
11513 Andy Rosse Lane
Unit 4
PO Box 365
Captiva, FL 33924

Re: Proposed Financing

Ladies and Gentlemen:

I would be pleased to again serve as bond counsel in connection with the issuance by Captiva Erosion Prevention District (the "District") of special assessment debt (the "Debt") to finance the cost of certain erosion control projects (the "Project"). The purpose of this letter is to set forth my role and responsibilities as bond counsel with respect to the financing. In general, my role and responsibilities would be the same as was the case with respect to the 1995, 2005 and 2013 financings.

Bond counsel is engaged as a recognized expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of the Debt.

As bond counsel, I will:

- a. consult with the District and its staff to determine the most appropriate method of financing the Project;
- b. prepare the resolutions authorizing and securing the Debt and imposing the special assessments that will serve as the source of repayment (the "Resolutions"), such other documents as may be required by the financing or which I deem necessary for rendering my opinion and the forms of such closing documents, certifications, and opinions of counsel as may be required by the terms of the financing and applicable federal and state laws;
- c. assist in the identification and selection of the financial institution to purchase the Debt and negotiate the terms thereof on behalf of the District; and
- d. undertake such additional duties as necessary to render my opinion.

Subject to the completion of proceedings to I will render my opinion that, among other things:

Captiva Erosion Prevention District

December 3, 2019

Page 2

- a. the District is duly created and validly existing as special district of the State of Florida, with authority to adopt the Resolution, perform agreements on its part contained therein and incur the Debt;
- b. the Resolution has been duly adopted by the District constitutes a valid and binding obligation of District enforceable against the District;
- c. the Resolution creates a valid lien on the funds or assets pledged by the Resolution for the security the Debt;
- d. the Debt has been duly authorized, executed and delivered by the District and is a valid and binding special obligation of the District, payable solely from the sources as provided in the Resolution;
- e. if applicable, the interest on the Debt will be excluded from gross income for federal income tax purposes and the Debt and the interest thereon are exempt from present intangible personal property taxes of Florida; and
- f. if applicable, the Debt has been duly designated by the District as a "qualified tax exempt obligations" for purposes of Section 265 of the Internal Revenue Code (the "Code").

The opinion will be executed and delivered by me in written form on the date the Debt is issued in exchange for purchase price (the "Closing") and will be based upon facts and law existing as of that date. Upon delivery of the opinion, my responsibilities as bond counsel would be concluded with respect to this financing.

While serving as bond counsel, my client will be the District and I will represent its interests.

My fee as bond counsel will be \$15,000 plus out-of-pocket expenses consisting of travel (at the IRS approved mileage rate), postage and overnight delivery charges (at cost). The foregoing fee will include one trip to the District; if more than one trip is required I will charge \$500.00 per hour for the driving time, but nothing additional for the time at the District offices. My fee will only be due and payable at Closing, and I will not be paid any fee except at Closing. The foregoing fee amount is valid only if the Closing occurs during 2020; if the closing is delayed the fee will increase by \$2500 per year (for example, the fee would be \$17,500 for a Closing in 2021).

Captiva Erosion Prevention District
December 3, 2019
Page 2

If the foregoing terms are acceptable to you, please so indicate by returning a copy of this letter signed by an appropriate officer. I look forward to working with you.

Very truly yours,

Mark E. Raymond

Accepted and Approved:

CAPTIVA EROSION PREVENTION DISTRICT

By: _____

Its:

Date: