



March 2024 Board Meeting

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Please follow page numbers on top right corner



Board Meeting Agenda

Date: Monday, March 11th, 2024

Time: 1:00 P.M.

Location: Captiva Civic Association, 11550 Chapin Lane, Captiva, Florida, 33924

Via Zoom: <https://us02web.zoom.us/j/89711482449>

Telephone: +1 (305) 224-1968

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Minutes**
 - A. February 12th, 2024, Board Meeting
- 4. General Public Comments – Limit 3 minutes per person**
- 5. Changes to the Agenda**
- 6. Financial Reports**
- 7. Administrative Update**
 - A. Referendum Update
 - B. Army Corps Participation
 - C. Tidal Gauge
- 8. Old Business**
 - A. Becker Update
 - B. APTIM Update
 - I. Beach Nourishment
 - II. Bayside Adaptation
 - C. Andy Rosse Kayak Launch
- 9. New Business**
 - A. Bond Counsel Selection
- 10. Commissioner Comments**
- 11. 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, may be 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.



February 2024 Board Meeting Minutes

1. Call to Order – See Video (00:00:00)

Chairman Wade called to order the February Board Meeting for the Captiva Erosion Prevention District at approximately 1:00 PM on Monday February 12th, 2024.

2. Roll Call – See Video (00:00:21)

Commissioners:

- Seat 1, John Wade, Chairman (Present)
- Seat 2, Rene Miville, Vice Chairman (Present Remotely)
- Seat 3, Bob Walter, Commissioner (Not Present)
- Seat 4, Linda Laird, Secretary (Present)
- Seat 5, Richard Pyle, Treasurer (Present)

Secretary Laird motioned to vote to allow Vice Chairman Miville to appear remotely and Treasurer Pyle seconded the motion. Vote passed unanimously 4-0

CEPD Staff:

- Daniel Munt, Executive Director (Present Remotely)
- John Riegert, Deputy Director (Present)
- Ralf Brookes, CEPD Attorney (Present)

3. Approval of Minutes – See Video (00:01:32)

A. January 8th, 2024 Board Meeting

Treasurer Pyle made a motion to dispense with the reading and approve the minutes as written and Secretary Laird seconded the motion. The motion passed unanimously 4-0.

4. General Public Comments – See Video (00:02:12)

Sarah McClure inquirers about beach renourishment project and sense of urgency for completion, and conversation was held.

Jon Rosen requests the CEPD board to act with a sense of urgency regarding dune hot spots.

Sandy Stillwell Youngquist states concerns about the apportionment methodology's impact on businesses and concerns about flooding on streets.

Susie Henry requests consideration of her property by the Alison Hagerup Beach Park, in hotspot identification in beach renourishment project.

5. Changes to the Agenda – See Video (00:23:02)

Deputy Director Riegert requests to add discussion of legal document during line item **7A – Administrative Update**

6. Financial Reports – See Video (00:23:37)

Treasurer Pyle provided an update on the financials and status of CEPD grants.

Chairman Wade inquires regarding funds for beach renourishment project.

7. Administrative Update – See Video (00.30.56)

A. Legal Memo

Ralph Brookes shares refresher on Sunshine Law.

B. LDC Amendments and Enforcement

Executive Director Munt and Deputy Director Riegert share updates and outline LDC Amendments and Enforcement.

C. Beach Nourishment RFQ

Executive Director Munt and Nicole Sharp shares path forward for beach nourishment project.

8. Old Business – See Video (01.43.18)

A. APTIM Update

I. Village Resiliency Feasibility

Nicole Sharp shares update on information gathered on economics and permitting requirements on proposed feature to beach nourishment plan.

II. Bayside Adaptation

a. Bayside Resiliency Contract –

Chairman Wade motions to accept changes as written and allow permission for executive director and the chair to make any further changes and execute the contract. Treasurer Pyle seconded. Motion passed unanimously 4-0. (Vice Chairman Miville Exits meeting after this Vote).

B. Becker Update

I. HB – 7013

Verbiage affecting Special Districts has been removed from the bill.

9. New Business – See Video (02.08.48)

A. Bond Counsel Due Diligence

Deputy Director Riegert shares update. Vote on next meeting.

B. Accounting Engagement

Treasurer Pyle shares his recommendation.

Chairman Wade motions to approve recommendation for accounting contract, and Secretary Laird seconded the motion. Motion passed unanimously 3-0

C. Andy Rosse Kayak Launch

Deputy Director Riegert shares update on request for work on site.

Jon Rosen comments regarding topic.

10. Commissioner Comments – See Video (02:27:24)

Secretary Laird shares a comment.

Deputy Director Riegert reminds CEPD Board of required ethics training that needs to be completed by Commissioners.

11. Adjournment – See Video (02:31:13)

Secretary Laird motioned to adjourn the meeting and Treasurer Pyle seconded the motion. Motion passed unanimously 3-0.

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, may be 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
General Fund - Budget Performance Summary
For the Five Months Ended February 29, 2024

| | (A) | (B) | (C) | (D) | (E) | (F) | (G) | (H) | (I) |
|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------|---------------|----------------|---------------|-----------------|
| | Actual - February '24 | Budget - February '24 | Actual - February '23 | Budget - February '23 | Actual YTD | YTD Budget | YTD Variance | Annual Budget | Residual Budget |
| Ordinary Income/Expense | | | | | | | | | |
| Income | | | | | | | | | |
| Ad Valorem Tax | \$ 29,521.80 | \$ 30,000.00 | \$ 111,005.15 | \$ 54,245.83 | \$ 407,718.93 | \$ 430,000.00 | \$ (22,281.07) | \$ 578,066.00 | \$ 170,347.07 |
| Interest Income | 2,496.59 | 1,666.67 | 11.90 | 12.50 | 10,180.71 | 8,333.33 | 1,847.38 | 20,000.00 | 9,819.29 |
| Other Income | 259.92 | 416.67 | 219.23 | 416.67 | 5,806.41 | 2,083.33 | 3,723.08 | 5,000.00 | (806.41) |
| Total Income | 32,278.31 | 32,083.33 | 111,236.28 | 54,675.00 | 423,706.05 | 440,416.67 | (16,710.62) | 603,066.00 | 179,359.95 |
| Expense | | | | | | | | | |
| Administrative Expenses | 3,701.36 | 6,125.00 | 3,048.56 | 7,916.66 | 43,745.93 | 52,383.00 | 8,637.07 | 101,500.00 | 57,754.07 |
| Cost of Collecting Ad Valorem | 590.43 | 600.00 | 2,220.10 | 1,708.34 | 13,330.11 | 18,600.00 | 5,269.89 | 20,000.00 | 6,669.89 |
| Wages | 11,466.08 | 12,333.33 | 9,972.13 | 12,500.00 | 57,228.70 | 61,666.67 | 4,437.97 | 148,000.00 | 90,771.30 |
| Professional Fees | 1,700.00 | 2,916.67 | 0.00 | 2,916.67 | 8,050.00 | 14,583.33 | 6,533.33 | 35,000.00 | 26,950.00 |
| Reserves Transfer | 7,037.50 | 7,037.50 | 7,037.50 | 7,037.50 | 35,187.50 | 35,187.50 | 0.00 | 84,450.00 | 49,262.50 |
| Total Expense | 24,495.37 | 29,012.50 | 22,278.29 | 32,079.17 | 157,542.24 | 182,420.50 | 24,878.26 | 388,950.00 | 231,407.76 |
| Net Income | \$ 7,782.94 | \$ 3,070.83 | \$ 88,957.99 | \$ 22,595.83 | \$ 266,163.81 | \$ 257,996.17 | \$ 8,167.64 | \$ 214,116.00 | \$ (52,047.81) |

Captiva Erosion Prevention District
General Fund - Budget Performance Detail
For the Five Months Ended February 29, 2024

| | (A) Actual - February 24 | (B) Budget - February 24 | (C) Actual - February 23 | (D) Budget - February 23 | (E) Actual YTD | (F) YTD Budget | (G) YTD Variance | (H) Annual Budget | (I) Residual Budget |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|----------------------|----------------------|---------------------|----------------------|------------------------|
| Ordinary Income/Expense | | | | | | | | | |
| Income | | | | | | | | | |
| Ad Valorem Tax | 29,521.80 | 30,000.00 | 111,005.15 | 54,245.83 | 407,718.93 | 430,000.00 | (22,281.07) | 578,066.00 | 170,347.07 |
| Interest Income | 2,496.59 | 1,666.67 | 11.90 | 12.50 | 10,180.71 | 8,333.33 | 1,847.38 | 20,000.00 | 9,819.29 |
| Other Income | 259.92 | 416.67 | 219.23 | 416.67 | 5,806.41 | 2,083.33 | 3,723.08 | 5,000.00 | (806.41) |
| Total Income | 32,278.31 | 32,083.33 | 111,236.28 | 54,675.00 | 423,706.05 | 440,416.67 | (16,710.62) | 603,066.00 | 179,359.95 |
| Expense | | | | | | | | | |
| Administrative Expenses | | | | | | | | | |
| Advertising | 0.00 | 1,250.00 | 0.00 | 1,250.00 | 1,666.45 | 6,250.00 | 4,583.55 | 15,000.00 | 13,333.55 |
| Service Charges | 268.24 | 416.67 | 276.21 | 250.00 | 1,463.54 | 2,083.33 | 619.79 | 5,000.00 | 3,536.46 |
| Board Meeting Expenses | 0.00 | 83.33 | 0.00 | 83.33 | 0.00 | 416.67 | 416.67 | 1,000.00 | 1,000.00 |
| Dues and Subscriptions | 0.00 | 0.00 | 0.00 | 625.00 | 7,515.00 | 8,000.00 | 485.00 | 11,000.00 | 3,485.00 |
| Insurance | 0.00 | 0.00 | 0.00 | 1,416.67 | 13,758.00 | 13,758.00 | 0.00 | 17,000.00 | 3,242.00 |
| Office Expense | 1,057.48 | 833.33 | 829.25 | 833.33 | 6,056.70 | 4,166.67 | (1,890.03) | 10,000.00 | 3,943.30 |
| Postage | 0.00 | 41.67 | 0.00 | 41.67 | 0.00 | 208.33 | 208.33 | 500.00 | 500.00 |
| Rent Expense | 1,252.40 | 1,416.67 | 0.00 | 1,250.00 | 6,060.31 | 7,083.33 | 1,023.02 | 17,000.00 | 10,939.69 |
| Repairs | 0.00 | 83.33 | 0.00 | 83.33 | 113.92 | 416.67 | 302.75 | 1,000.00 | 886.08 |
| Travel and Per Diem | 640.12 | 458.33 | 16.00 | 833.33 | 2,525.22 | 2,291.67 | (233.55) | 5,500.00 | 2,974.78 |
| Telephone | 334.97 | 458.33 | 239.52 | 250.00 | 1,904.44 | 2,291.67 | 387.23 | 5,500.00 | 3,595.56 |
| Utilities | 148.15 | 458.33 | 681.26 | 333.33 | 2,434.49 | 2,291.67 | (142.82) | 5,500.00 | 3,065.51 |
| Website & Computer Maintenance | 0.00 | 625.00 | 1,006.32 | 666.67 | 247.86 | 3,125.00 | 2,877.14 | 7,500.00 | 7,252.14 |
| Total Administrative expenses | 3,701.36 | 6,125.00 | 3,048.56 | 7,916.66 | 43,745.93 | 52,383.00 | 8,637.07 | 101,500.00 | 57,754.07 |
| Wages and Professional Fees | | | | | | | | | |
| Wages | 11,466.08 | 12,333.33 | 9,972.13 | 12,500.00 | 57,228.70 | 61,666.67 | 4,437.97 | 148,000.00 | 90,771.30 |
| Professional Fees | 1,700.00 | 2,916.67 | 0.00 | 2,916.67 | 8,050.00 | 14,583.33 | 6,533.33 | 35,000.00 | 26,950.00 |
| Total Legal and Professional Fees | 13,166.08 | 15,250.00 | 9,972.13 | 15,416.67 | 65,278.70 | 76,250.00 | 10,971.30 | 183,000.00 | 117,721.30 |
| Cost of Collecting Ad Valorem | | | | | | | | | |
| Property Tax Appraiser Fees | 0.00 | 0.00 | 0.00 | 416.67 | 4,605.21 | 5,000.00 | 394.79 | 5,000.00 | 394.79 |
| Tax Collector Commissions | 590.43 | 600.00 | 2,220.10 | 1,291.67 | 8,724.90 | 13,600.00 | 4,875.10 | 15,000.00 | 6,275.10 |
| Total Cost of Collecting Ad Valorem | 590.43 | 600.00 | 2,220.10 | 1,708.34 | 13,330.11 | 18,600.00 | 5,269.89 | 20,000.00 | 6,669.89 |
| Reserves | | | | | | | | | |
| Operating Reserves Transfers | 7,037.50 | 7,037.50 | 7,037.50 | 7,037.50 | 35,187.50 | 35,187.50 | 0.00 | 84,450.00 | 49,262.50 |
| Total Expense | 24,495.37 | 29,012.50 | 22,278.29 | 32,079.17 | 157,542.24 | 182,420.50 | 24,878.26 | 388,950.00 | 231,407.76 |
| Net Income | \$ 7,782.94 | \$ 3,070.83 | \$ 88,957.99 | \$ 22,595.83 | \$ 266,163.81 | \$ 257,996.17 | \$ 8,167.64 | \$ 214,116.00 | \$ (52,047.81) |

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

Captiva Erosion Prevention District
 Capital Projects Fund - Budget Performance Summary
 For the Five Months Ended February 29, 2024

7:44 AM
 3/8/2024
 Prepared: JS

| | (A) Actual - February, 24 | (B) Budget - February, 24 | (C) Actual - February, 23 | (D) Budget - February, 23 | (E) YTD Actual | (F) YTD Budget | (G) YTD Variance | (H) Annual Budget | (I) Residual Budget |
|--------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------|------------------------|----------------------|--------------------------|--------------------------|
| Ordinary Income/Expense | | | | | | | | | |
| Income | | | | | | | | | |
| Grant Income | \$ 1,000,000.00 | \$ 580,000.00 | \$ 898,444.03 | \$ 523,333.33 | \$ 1,324,724.79 | \$ 861,482.00 | \$ 463,242.79 | \$ 861,482.00 | \$ (463,242.79) |
| Interest Income | 17,867.81 | 15,000.00 | 123.45 | 83.33 | 150,154.67 | 115,000.00 | 35,154.67 | 325,000.00 | 174,845.33 |
| Other Miscellaneous Income | 0.00 | 166.67 | 1,744.56 | 83.33 | 1,364.50 | 833.33 | 531.17 | 2,000.00 | 635.50 |
| Parking Lot Revenue | 23,477.50 | 41,666.67 | 0.00 | 30,000.00 | 90,453.23 | 208,333.33 | (117,880.10) | 500,000.00 | 409,546.77 |
| Reserves - General | 7,037.50 | 7,037.50 | 7,037.50 | 7,037.50 | 35,187.50 | 35,187.50 | 0.00 | 84,450.00 | 49,262.50 |
| Special Assessments | 65,941.23 | 50,000.00 | 147,679.92 | 191,666.67 | 797,649.35 | 900,000.00 | (102,350.65) | 952,698.00 | 155,048.65 |
| Total Income | 1,114,324.04 | 693,870.83 | 1,055,029.46 | 752,204.16 | 2,399,534.04 | 2,120,836.17 | 278,697.87 | 2,725,630.00 | 326,095.96 |
| Expense | | | | | | | | | |
| General Expenses | 1,740.80 | 2,291.67 | 32.95 | 3,375.00 | 11,037.75 | 16,344.33 | 5,306.58 | 34,500.00 | 23,462.25 |
| Parking Lot | 2,565.17 | 11,791.67 | 0.00 | 9,625.00 | 60,995.06 | 58,958.33 | (2,036.73) | 141,500.00 | 80,504.94 |
| Wages | 16,345.30 | 21,666.67 | 11,142.39 | 16,666.67 | 80,404.12 | 108,333.33 | 27,929.21 | 260,000.00 | 179,595.88 |
| Professional Fees | 1,700.00 | 9,166.67 | 0.00 | 9,166.67 | 32,050.00 | 45,833.33 | 13,783.33 | 110,000.00 | 77,950.00 |
| Capital Projects | 34,407.45 | 72,083.33 | 75,000.00 | 59,583.33 | 139,674.88 | 360,416.67 | 220,741.79 | 865,000.00 | 725,325.12 |
| Debt Service | 0.00 | 0.00 | 0.00 | 0.00 | 165,190.41 | 165,190.41 | 0.00 | 2,794,059.00 | 2,628,868.59 |
| Total Expense | 56,758.72 | 117,000.00 | 86,175.34 | 98,416.67 | 489,352.22 | 755,076.41 | 265,724.19 | 4,205,059.00 | 3,715,706.78 |
| Net Income | \$ 1,057,565.32 | \$ 576,870.83 | \$ 968,854.12 | \$ 653,787.49 | \$ 1,910,181.82 | \$ 1,365,759.76 | \$ 544,422.06 | \$ (1,479,429.00) | \$ (3,389,610.82) |

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 Five Months Ended February 29, 2024

3/8/2024
 7:44 AM
 Prepared: JS

| | (A) | (B) | (D) | (E) | (F) | (G) | (H) | (I) |
|------------------------------------|----------------------|----------------------|----------------------|-----------------|---------------|-----------------|----------------|-----------------|
| | Actual - February 24 | Budget - February 24 | Actual - February 23 | YTD Actual | YTD Budget | YTD Variance | Annual Budget | Residual Budget |
| Ordinary Income/Expense | | | | | | | | |
| Income | | | | | | | | |
| Grant Income - Local | \$ 1,000,000.00 | \$ - | \$ 898,444.03 | \$ 1,211,171.94 | \$ 261,482.00 | \$ (147,929.15) | \$ 261,482.00 | \$ 147,929.15 |
| Grant Income - State | 0.00 | 580,000.00 | 0.00 | 0.00 | 600,000.00 | 611,171.94 | 0.00 | (611,171.94) |
| Grant Income - Federal (FEMA) | 17,867.81 | 15,000.00 | 123.45 | 150,154.67 | 115,000.00 | 35,154.67 | 325,000.00 | 174,845.33 |
| Interest Income | 0.00 | 166.67 | 1,744.56 | 1,364.50 | 833.33 | 531.17 | 2,000.00 | 635.50 |
| Other Miscellaneous Revenues | 23,477.50 | 41,666.67 | 0.00 | 90,453.23 | 208,333.33 | (117,880.10) | 500,000.00 | 409,546.77 |
| Parking Lot Revenue | 7,037.50 | 7,037.50 | 7,037.50 | 35,187.50 | 35,187.50 | 0.00 | 84,450.00 | 49,262.50 |
| General Reserves | 65,941.23 | 50,000.00 | 147,679.92 | 797,649.35 | 900,000.00 | (102,350.65) | 952,698.00 | 155,048.65 |
| Special Assessments | 1,114,324.04 | 693,870.83 | 1,055,029.46 | 2,399,534.04 | 2,120,836.17 | 278,697.87 | 2,725,630.00 | 326,095.96 |
| Expense | | | | | | | | |
| Service Charges | 66.09 | 41.67 | 32.95 | 307.54 | 208.33 | (99.21) | 500.00 | 192.46 |
| Cost of Assessment Collections | 0.00 | 0.00 | 0.00 | 1,361.60 | 2,000.00 | 638.40 | 2,000.00 | 638.40 |
| Insurance | 0.00 | 0.00 | 0.00 | 2,886.00 | 2,886.00 | 0.00 | 5,000.00 | 2,114.00 |
| Rent | 1,252.39 | 1,416.67 | 0.00 | 6,060.29 | 7,083.33 | 1,023.04 | 17,000.00 | 10,939.71 |
| Beach Vehicle | 422.32 | 833.33 | 0.00 | 422.32 | 4,166.67 | 3,744.35 | 10,000.00 | 9,577.68 |
| Total General Expense | 1,740.80 | 2,291.67 | 32.95 | 11,037.75 | 16,344.33 | 5,306.58 | 34,500.00 | 23,462.25 |
| Parking Lot Expenses | | | | | | | | |
| Parking Collection Fees | 1,162.27 | 1,500.00 | 0.00 | 3,507.04 | 7,500.00 | 3,992.96 | 18,000.00 | 14,492.96 |
| Parking Maintenance | 0.00 | 2,083.33 | 0.00 | 23,410.57 | 10,416.67 | (12,993.90) | 25,000.00 | 1,589.43 |
| Portable Toilets | 0.00 | 6,250.00 | 0.00 | 27,014.40 | 31,250.00 | 4,235.60 | 75,000.00 | 47,985.60 |
| Signage | 1,402.90 | 83.33 | 0.00 | 0.00 | 416.67 | 416.67 | 1,000.00 | 1,000.00 |
| Sales Tax Expense | 0.00 | 1,875.00 | 0.00 | 7,063.05 | 9,375.00 | 2,311.95 | 22,500.00 | 15,436.95 |
| Total Parking Lot Expenses | 2,565.17 | 11,791.67 | 0.00 | 60,995.06 | 58,958.33 | (2,036.73) | 141,500.00 | 80,504.94 |
| Wages and Professional Fees | | | | | | | | |
| Wages | 16,345.30 | 21,666.67 | 11,142.39 | 80,404.12 | 108,333.33 | 27,929.21 | 260,000.00 | 179,595.88 |
| Professional Fees | 1,700.00 | 9,166.67 | 0.00 | 32,050.00 | 45,833.33 | 13,783.33 | 110,000.00 | 77,950.00 |
| Total Wages and Professional Fees | 18,045.30 | 30,833.33 | 11,142.39 | 112,454.12 | 154,166.67 | 41,712.55 | 370,000.00 | 257,545.88 |
| Capital Projects | | | | | | | | |
| Project Expenses | 34,407.45 | 65,833.33 | 0.00 | 139,674.88 | 329,166.67 | 189,491.79 | 790,000.00 | 650,325.12 |
| Grants to other agencies | 0.00 | 6,250.00 | 75,000.00 | 0.00 | 31,250.00 | 31,250.00 | 75,000.00 | 75,000.00 |
| Total Capital Projects | 34,407.45 | 72,083.33 | 75,000.00 | 139,674.88 | 360,416.67 | 220,741.79 | 865,000.00 | 725,325.12 |
| Debt Service | | | | | | | | |
| Interest | 0.00 | 0.00 | 0.00 | 165,190.41 | 165,190.41 | 0.00 | 330,456.00 | 165,265.59 |
| Principal | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2,463,603.00 | 2,463,603.00 |
| Total Debt Service | 0.00 | 0.00 | 0.00 | 165,190.41 | 165,190.41 | 0.00 | 2,794,059.00 | 2,628,868.59 |
| Total Expense | 56,758.72 | 117,000.00 | 86,175.34 | 489,352.22 | 755,076.41 | 265,724.19 | 4,205,059.00 | 3,715,706.78 |
| Net Income | 1,057,565.32 | 576,870.83 | 968,854.12 | 1,910,181.82 | 1,365,759.76 | 544,422.06 | (1,479,429.00) | (3,389,610.80) |

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

| | <u>February 29, 2024</u> | <u>February 28, 2023</u> |
|---------------------------------|--------------------------|--------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| BOTI Checking | \$ 59,581.10 | \$ 832,964.11 |
| Fifth Third Checking | 164,459.39 | - |
| Fifth Third Savings | 797,011.97 | - |
| Total Checking/Savings | <u>1,021,052.46</u> | <u>832,964.11</u> |
| Total Current Assets | <u>1,021,052.46</u> | <u>832,964.11</u> |
| TOTAL ASSETS | <u>\$ 1,021,052.46</u> | <u>\$ 832,964.11</u> |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Other Current Liabilities | | |
| Accrued Liabilities | 5,856.93 | - |
| Due to Capital Projects Fund | 105,877.16 | 112,748.75 |
| Total Other Current Liabilities | <u>111,734.09</u> | <u>112,748.75</u> |
| Total Current Liabilities | <u>111,734.09</u> | <u>112,748.75</u> |
| Total Liabilities | 111,734.09 | 112,748.75 |
| Equity | | |
| Fund Balance | 643,154.56 | 314,953.53 |
| Net Income | 266,163.81 | 405,261.83 |
| Total Equity | <u>909,318.37</u> | <u>720,215.36</u> |
| TOTAL LIABILITIES & EQUITY | <u>\$ 1,021,052.46</u> | <u>\$ 832,964.11</u> |

| | <u>February 29, 2024</u> | <u>February 28, 2023</u> |
|--|--------------------------------|-----------------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking/Savings | | |
| BOTI Checking | \$ - | \$ 8,744,182.74 |
| Fifth Third Checking | 1,460.24 | 2,876,104.18 |
| Fifth Third Savings | 6,011,639.63 | - |
| Fifth Third Investments Money Market Account | 162,050.36 | - |
| Fifth Third Treasury Bill- Maturity Date 4/15/24 | 2,929,166.44 | - |
| Fifth Third Treasury Bill- Maturity Date 4/15/25 | 2,497,953.86 | - |
| Fifth Third Treasury Bill- Maturity Date 4/30/26 | 2,499,925.86 | - |
| Fifth Third Treasury Bill- Maturity Date 3/15/26 | 758,687.95 | - |
| Total Current Assets | <u>14,860,884.34</u> | <u>11,620,286.92</u> |
| Other Current Assets | | |
| Utility Deposit | 300.00 | 300.00 |
| Due From General Fund | 105,877.16 | 112,748.75 |
| Total Other Current Assets | <u>106,177.16</u> | <u>113,048.75</u> |
| Total Current Assets | <u>14,967,061.50</u> | <u>11,733,335.67</u> |
| TOTAL ASSETS | <u><u>\$ 14,967,061.50</u></u> | <u><u>\$ 11,733,335.67</u></u> |
| LIABILITIES & EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Due to General Fund | <u>\$ -</u> | <u>\$ -</u> |
| Equity | | |
| Accumulated Reserves | 1,324,036.00 | 950,116.00 |
| Fund Balance | 11,732,843.68 | 2,352,498.17 |
| Net Income | 1,910,181.82 | 8,430,721.50 |
| Total Equity | <u>14,967,061.50</u> | <u>11,733,335.67</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>\$ 14,967,061.50</u></u> | <u><u>\$ 11,733,335.67</u></u> |
| Loan Balance: | | |
| Principal and Interest Payment Due May 1st 2024 | \$ 15,587,541.47 | |
| Interest Payment Due November 1st 2024 | 2,628,830.59 | |
| | 139,113.75 | |
| Treasury Bills: | | |
| | <u>Purchase Price</u> | <u>Value at Maturity</u> |
| 4/15/2024- | \$2,929,166.44 | 3,075,000.00 |
| 4/15/2025- | \$2,497,953.86 | 2,542,000.00 |
| 4/30/2026- | \$2,499,925.86 | 2,588,000.00 |
| 3/15/2026- | \$758,687.95 | 733,000.00 |
| | | <u>Interest paid twice a year</u> |
| | | <u>Total Gain</u> |
| | | 5,765.53 |
| | | 163,130.15 |
| | | 33,363.75 |
| | | 210,864.89 |
| | | 30,732.50 |
| | | 303,201.64 |
| | | 16,950.63 |
| | | <u>76,015.83</u> |
| | | 753,212.51 |

| CAPTIVA EROSION PREVENTION DISTRICT RESERVE ACCUMULATIONS FISCAL YEAR ENDING 9/30/2024 | | | | | | | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 |
| Beginning Balance | \$ 1,173,187 | \$ 1,205,432 | \$ 1,237,247 | \$ 1,266,701 | \$ 1,293,521 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 |
| Reserves Transferred In | | | | | | | | | | | | |
| Parking Revenue | 25,208 | 24,777 | 22,417 | 19,782 | 23,478 | - | - | - | - | - | - | - |
| Operating Reserves | 7,037 | 7,038 | 7,037 | 7,038 | 7,037 | - | - | - | - | - | - | - |
| Increase (Decrease) in Reserves | 32,245 | 31,815 | 29,454 | 26,820 | 30,515 | - | - | - | - | - | - | - |
| Total Accumulated Reserves | \$ 1,205,432 | \$ 1,237,247 | \$ 1,266,701 | \$ 1,293,521 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 | \$ 1,324,036 |

Lee County Shore Protection Project, Captiva Island Segment

Jeff Fallin

Project Manager

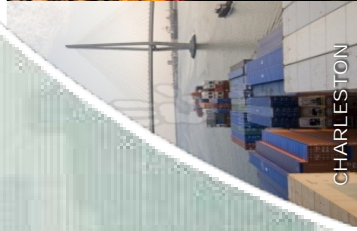
Jacksonville District

09NOV16

*Trusted Partners Delivering Value,
Today and Tomorrow*



US Army Corps of Engineers
BUILDING STRONG®





Project History

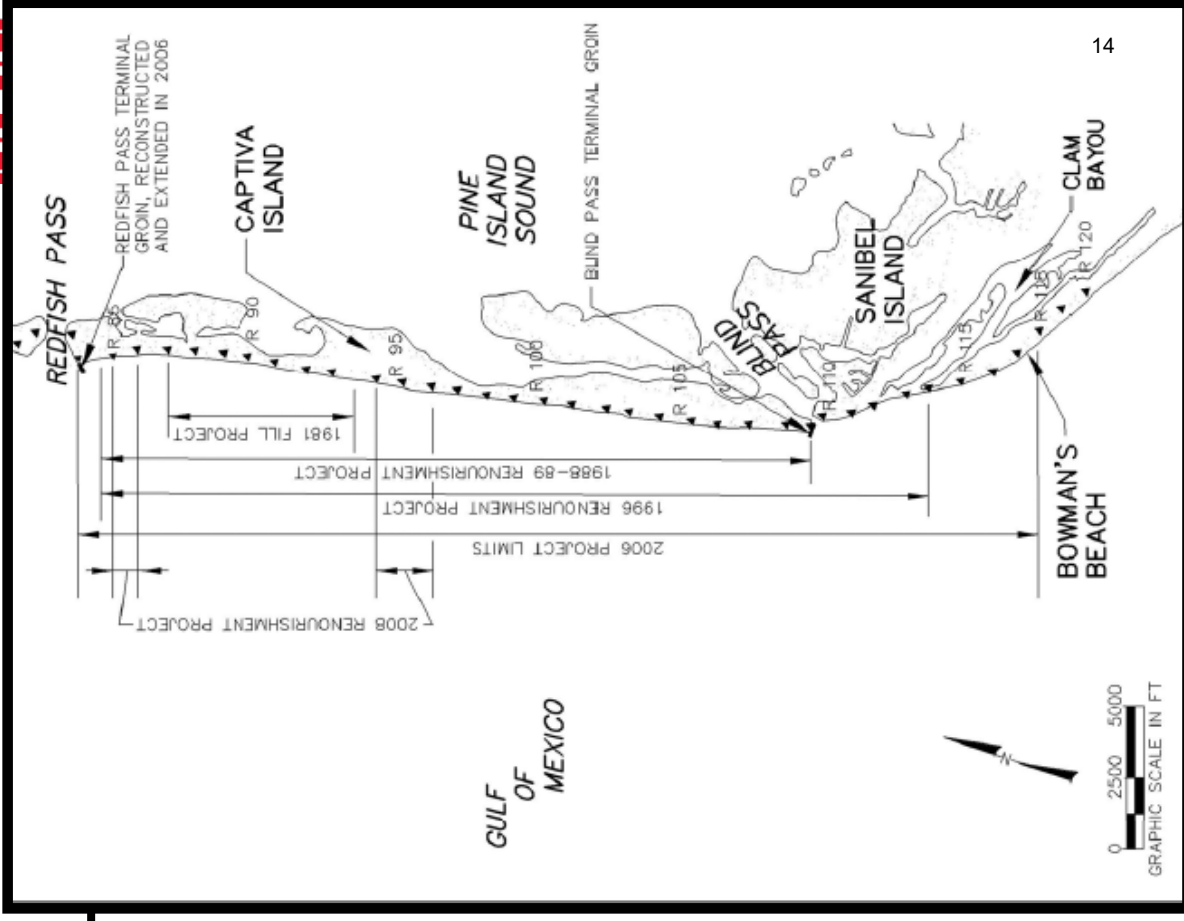


Construction History

- Initial construction of Federal project in 1988.
- 1st renourishment: 1996
- 2nd renourishment: 2006
- FCCE only event: 2008
- 3rd renourishment (non-Fed): 2013
- Note: Authorized until 2038

Authorization

- Initial and 1st renourishment performed pursuant to section 201 of the Flood Control Act of 1965 and section 215 of the Flood Control Act of 1968.
- Section 506(b)(3)(A) of WRDA 1996 yielded the completion of a design memorandum for this project, also approved in 1996, establishing 50 years Federal participation in the restoration and nourishment of 4.6 miles of shoreline on Captiva Island.
- Section 312(b) of WRDA 1999, specified the 1996 design memorandum "shall be the decision document supporting continued Federal participation in cost sharing of the Project".
- PCA Signed in 2005, lays out agreement for all future renourishments





Issues



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Concern of Proper Federal Cost Share: The Captiva Project has a total of 24,388 ft of shoreline.

1. The 1996 Design Memorandum outlined two parking access locations which provided for a total of 3,960 ft (or 0.75miles) to be eligible for Federal cost share. In addition, the 1996 DM outlined that 0.95 miles of Captiva Drive was eligible for Federal cost share, resulting in a total of 6,671.1 ft for Federal cost share = 27.72% of project costs. This document was subsequently authorized by Congress in 1999, and a PCA approved by ASA in 2005. An SAD Memorandum in the PCA stated that “future renourishments would require appropriate parking, public use, and access, and proper easements, or appropriate adjustments to the Federal and non-Federal cost sharing.”
2. In 2013, of the 6,671.1 ft previously found eligible Federal cost share, those parcels currently lacking “open to public” easements for the portion of the private uplands between the ECL and the landward limit of initial construction were ruled to no longer qualify for Federal cost share, regardless of the vegetation line. This resulted in a decrease of Federal cost share down to 3,435.4ft or 14%.
3. The Captiva Drive segment was also brought into question, further decreasing the Federal cost share down to 0.72%.

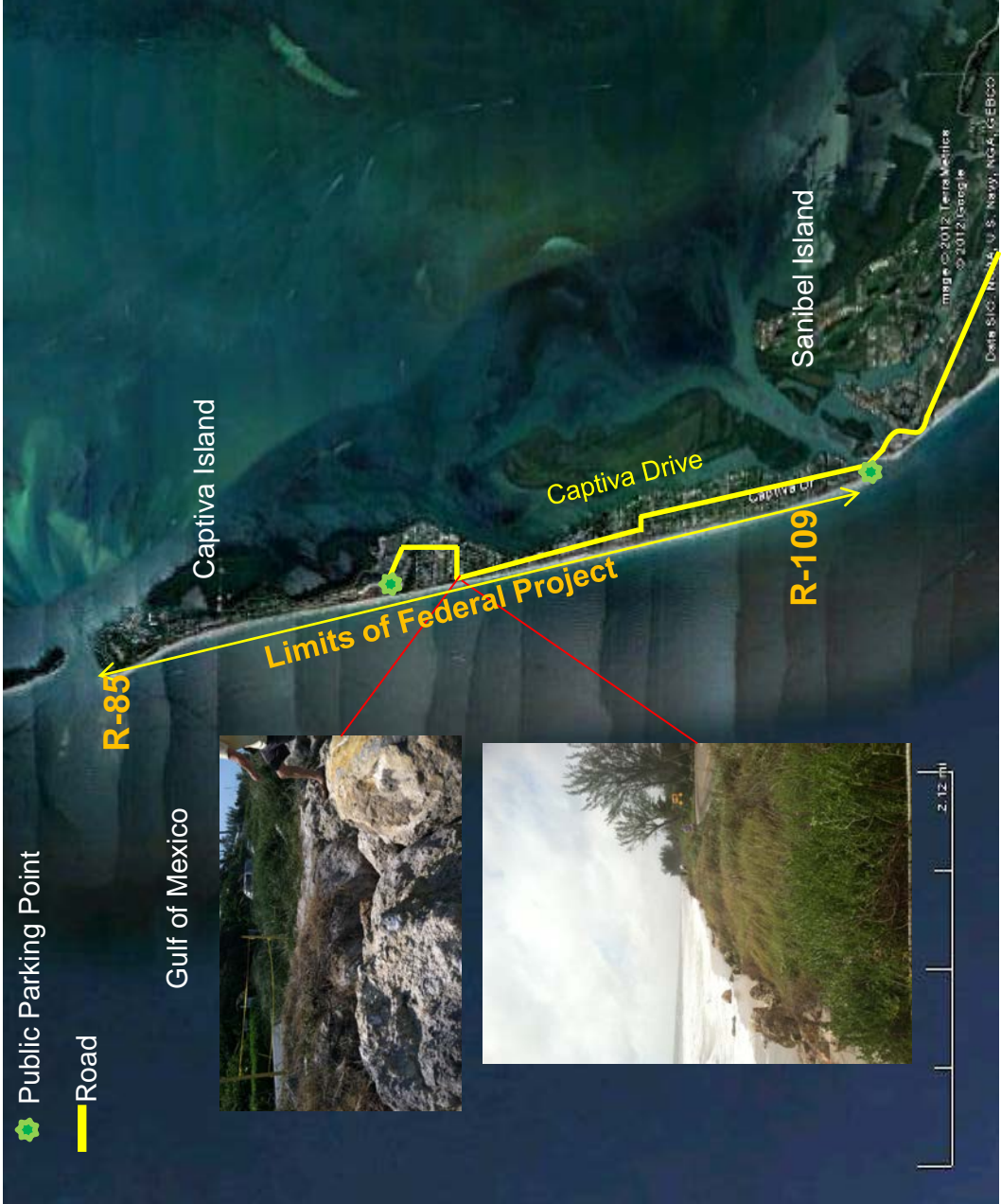
Concern of Proper Easements: The sponsor acquired all lands required in the authorizing document, however they have not been updated to the “PERPETUAL STORM DAMAGE REDUCTION EASEMENT” for private uplands landward of the ECL line. The majority of these lands, however, are vegetated dunes outside⁵ of the current required project fill footprint.



Captiva Island - Map

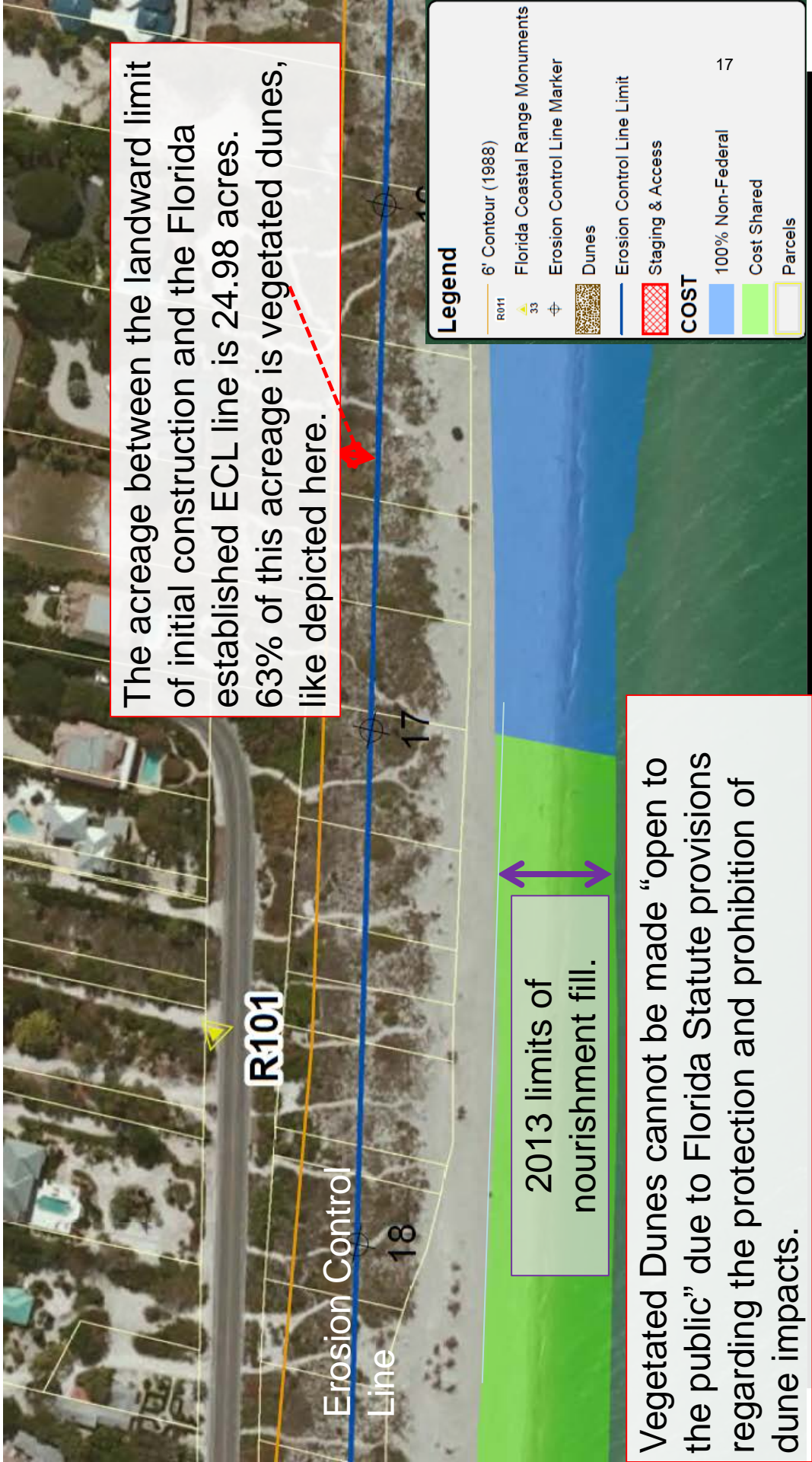


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The acreage between the landward limit of initial construction and the Florida established ECL line is 24.98 acres. 63% of this acreage is vegetated dunes, like depicted here.

2013 limits of nourishment fill.

Vegetated Dunes cannot be made “open to the public” due to Florida Statute provisions regarding the protection and prohibition of dune impacts.

Legend

- R011 6' Contour (1988)
- 33 Florida Coastal Range Monuments
- Erosion Control Line Marker
- Dunes
- Erosion Control Line Limit
- Staging & Access
- COST**
- 100% Non-Federal 17
- Cost Shared
- Parcels



Way Ahead



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- CEPD:
 - ▶ Acquire Easements up to initial construction line along Captiva Drive
 - ▶ Provide any updated Real Estate information
 - ▶ Submit Letter of Interest to SAJ with new information requesting new Land Use and Access Report
- SAJ:
 - ▶ Update Land Use and Access report
 - Likely possible within the first half of next year
 - ▶ Update EA for any new construction (20 years since last report)
 - LRR study funds would be cost shared 50/50 - Fed / CEPD
 - ▶ Submit updated reports for review by Vertical Team
 - ▶ Pursue Work Plan funding when future renourishments are deemed necessary
 - Note: SAJ will continue to support future congressional budgeting for Lee County Shore Protection Projects

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Questions?



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Backup Slides



22JUL13 Gen. Jackson Memo



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- “We reviewed the Project Cooperation Agreement (PCA), executed July 1, 2005. Article 11, paragraph C of the PCA, specifically states that the non-federal cost share of the 2005 nourishment would be 72.28 percent. The paragraph further states that for each nourishment thereafter, 100 percent of the total costs of such nourishment assigned by the Government to privately owned shores (where the use of such shores is limited to private interests) would be a non-federal responsibility. Based on the current review of public use and access, it has been determined that the project is not eligible for federal funding from the Corps at this time. If you choose to acquire adequate parking and access points along with the standard storm reduction easement (which makes privately owned lands within the project design template open to the public), you may request re-submittal of the PIR, at which time it would be reconsidered.”

21



2005 PCA Approval Memo



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- “1. d. The 1996 design memorandum indicated one mile of this project is eligible for Federal participation in cost sharing. However, it does not meet policy guidelines regarding adequate parking, public use, and access. Thus, the only portions of the project eligible for Federal participation in cost sharing are one-quarter mile at each end of the project, or a total of one half mile or 10.65% of the entire 4.7 miles of the project. Applying the Federal cost share of 65% to this one-half mile would result in the Federal share being 6.5% of the cost of the entire project. It is also noted that the sponsor did not obtain, for the private uplands, the standard storm damage reduction easement, which would make those lands open to the public along the areas claimed for Federal participation. Future renourishments will require appropriate parking, public use, and access, and proper easements, or appropriate adjustments to the Federal and non-Federal cost sharing.”

22



Public Use



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- “... beaches receiving public aid should not provide exclusively private benefits, and therefore, whenever a hurricane and storm damage reduction project involves beach improvements, real estate interest to insure public use of the Federal project is required.”
- “Lack of sufficient parking facilities for the general public (including nonresident users) located reasonably near and accessible to the project beaches may constitute a restriction on public access and use, thereby precluding eligibility for Corps participation.”
- “Reasonable access is access approximately every one-half mile or less.”
- Source: ER 1105-2-100

23



Corps Participation



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- “The Corps participates only in those projects formulated exclusively for hurricane and storm damage reduction, and justified (BCR \geq 1.0) based solely on damage reduction benefits, or a combination of damage reduction benefits plus (at most) a like amount of incidental recreation benefits.”
- “Costs incurred for other than the damage reduction purpose, i.e. to satisfy recreation demand, are a 100% non-federal responsibility.”
- Source: ER 1105-2-100

24



DEPARTMENT OF THE ARMY
CORPS OF ENGINEERS, JACKSONVILLE DISTRICT
701 SAN MARCO BOULEVARD
JACKSONVILLE, FLORIDA 32207-8175

Programs and Project Management Division
Water Resources Branch

Mr. Daniel Munt
Executive Director
Captiva Erosion Prevention District
11513 Andy Rosse Lane, 3rd Floor Unit 4
Captiva, Florida 33924

Dear Mr. Munt:

Thank you for your letter dated, October 28, 2022, in which the Captiva Erosion Prevention District (CEPD) requested rehabilitation assistance for the Lee County, Florida Shore Protection Project, Captiva Island Segment due to project impacts caused by Hurricane Ian.

The Project Information Report (PIR) found that, per Engineering Regulation (ER) 500-1-1, an extraordinary storm event impacted the project area, significant damage occurred to the project, and nourishment would be needed to ensure continued coastal storm risk management for the property, structures, and infrastructure that this project is designed to protect. However, the U.S. Army Corps of Engineers (Corps) is unable to pursue Flood Control and Coastal Emergencies (FCCE) funding for the same reasons previously identified in 2013 – the project was not eligible for Federal funding from the Corps due to the beach being limited to private interests. The public access situation in the project area has not changed since 2013. CEPD will need to acquire adequate parking and access points along with perpetual beach storm damage reduction easements before the Corps can participate in any future nourishments or provide rehabilitation assistance.

The Corps recognizes that, despite not qualifying for rehabilitation assistance, Hurricane Ian did cause erosion to the project and will continue to work with CEPD on future actions with this project. I thank you for your partnership.

If you have any questions regarding this matter or need additional information, please contact the Project Manager, Chris McNees, at (904) 412-4752 or by email at michael.c.mcnees@usace.army.mil.

Sincerely,

James L. Booth
Colonel, U.S. Army
District Commander

TAMPA
2502 Rocky Point Drive
Suite 1060
Tampa, Florida 33607
(813) 281-2222 Tel
(813) 281-0129 Fax



TALLAHASSEE
1500 Mahan Drive
Suite 200
Tallahassee, Florida 32308
(850) 224-4070 Tel
(850) 224-4073 Fax

PLANTATION
8201 Peters Road
Suite 1000
Plantation, Florida 33324
(954) 315-0268 Tel

BOND COUNSEL ENGAGEMENT LETTER

January 24, 2024

Board of Commissioners
Captiva Erosion Prevention District
11513 Andy Rosse Lane, Unit 4
Captiva, Florida 33924

Re: Bond Counsel Services

Dear Board Members:

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the issuance of any future series of bonds (the "Bonds") by the Captiva Erosion Prevention District (the "District"). Nabors, Giblin & Nickerson, P.A. ("NGN") is a Florida based firm with offices in Tampa, Plantation and Tallahassee. Established in August 1984, NGN was formed so that its principals could focus their practice upon the representation of local government on a statewide basis, specializing in public finance and general governmental and administrative law. NGN still operates on this premise and currently has 26 attorneys with extensive experience and primary dedication to representing governmental clients in the areas of bond finance practice, capital finance practice, public utilities practice, litigation practice, governance structures, financial transactions practice and public/private partnerships. Over the last five years, NGN has served as bond counsel in approximately 594 financings with an approximate aggregate principal amount of \$22.4 billion. During such period of time, NGN has also served as disclosure counsel in approximately 161 transactions with an approximate aggregate principal amount of \$18.2 billion and as underwriters' counsel in approximately 160 transactions with an approximate aggregate principal amount of \$5.1 billion.

Specifically, NGN has been on the forefront of representation of special districts since the early 1990s, representing over 200 Florida special districts, the majority of which are community development districts, as bond counsel and/or disclosure counsel. NGN has also been involved in numerous other special district financings as underwriter's counsel, trustee's counsel and bank counsel.

Chris Traber will be the attorney primarily responsible to the District. Currently a shareholder with NGN, Mr. Traber is located in the Tampa office and has over 24 years of public finance experience. Mr. Traber will be assisted by L. Thomas Giblin, who has over 46 years of experience in municipal finance law, and Kendal Lewis, who is an associate in our Tampa office. All of the public finance lawyers at NGN are knowledgeable with respect to the types of tax issues that may arise in a typical bond transaction. For more information on NGN, please visit our website at www.ngnlaw.com.

Bond Counsel Services

In general, bond counsel is engaged as recognized counsel specially experienced in Florida law and federal tax and securities laws relating to governmental obligations, whose primary responsibility will be to render an objective legal opinion with respect to the authorization and validity of the Bonds and the tax treatment of interest payable on such Bonds under federal income tax laws. As bond counsel, we will examine applicable laws, prepare and/or review various documents required for the successful closing of the transaction, and undertake such additional duties as we deem necessary to render our opinion. The above-described services specifically include, but are not limited, to the following:

- (a) consulting with representatives of the District (including the District's general counsel and the District's financial advisor) concerning all legal questions relating to the Bonds and the security for the payment of debt service on the Bonds, including review of referenda related documents;
- (b) attending meetings of the District by video conference during which the proposed financing will be considered;
- (c) drafting competitive sale documents or assistance with the review of negotiated bank proposals;
- (d) drafting the required trust indentures, including supplemental trust indentures, certain resolutions of the District authorizing the issuance of the Bonds, and the Arbitrage and Tax Certificate and other related documents, certificates and legal opinions required for closing;
- (e) analyzing and resolving tax problems associated with the financing;
- (f) conducting the preclosing and the closing in connection with the financing;
- (g) reviewing documents drafted by disclosure counsel, if any;
- (h) reviewing documents drafted by the District's financial advisor, if any, or

general counsel to the District;

(i) reviewing various reports prepared in connection with the financing, including but not limited to assessment methodology reports; and

(j) providing the District such other legal services and advice with respect to the financing as are traditionally provided by bond counsel, including, but not limited to, drafting and negotiating required consents or waivers for any proposed amendments to existing bond documents.

Subject to the completion of proceedings to our satisfaction, we will render our opinion for the Bonds addressed to the District substantially to the effect that the Bonds are valid, binding and enforceable Bonds of the District and, if the Bonds are tax-exempt, that the interest thereon is excludable from gross income of the owners under the income tax laws of the United States of America in effect on the date such Bonds are delivered to the underwriter. The opinion will also opine as to such other matters, if any, that are at the date of closing normally included in the opinions of bond counsel for similar transactions.

In rendering the opinions, we will rely upon the certified proceedings and other certifications of public officials, the District representatives and other persons furnished to us without undertaking to verify the same by independent investigation. We do not review the financial condition of the District, the project to be financed with proceeds of the Bonds, or the adequacy of the security provided therefor, and we will express no opinion relating thereto.

We represent that we are currently insured (lawyers professional liability insurance in the amount of \$8,000,000 (total and aggregate)) and will continue such insurance or its equivalent or better until the financing has closed or our engagement as bond counsel for the financing is terminated.

Compensation

We typically provide continuing legal advice to our clients at no charge (not to exceed five (5) hours of time) concerning legal questions that may arise with respect to any Bonds we have provided an opinion, including without limitation, questions concerning compliance with the financing documents and any actions necessary to assure that interest on the Bonds will continue to be excluded from gross income for federal income tax purposes. Any hours in excess of that time are billed at our hourly rates (currently \$325.00 per hour for shareholders and \$275.00 per hour for associates).

Based upon (a) our current understanding of the terms, structure, size, method of sale and schedule of the financing (private placement, with no disclosure documents and an estimated par amount of \$25,000,000), (b) the duties we will undertake pursuant to this letter,

(c) the time we anticipate devoting to the financing, and (d) the responsibilities we assume, we agree that our fee hereunder for bond counsel services only will be equal to \$35,000. Such fee typically would be subject to adjustment, but only by mutual agreement, if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility (such as litigation or involvement in credit rating or enhancement negotiations). **Please note that in the event a bond issue is not successfully concluded, we would charge no fee.** However, we would charge for our actual out-of-pocket expenses regardless of whether the bonds are issued if such expenses were not de minimis.

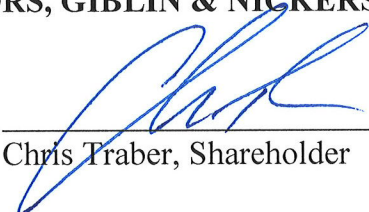
Our practice is to render one statement for professional services at the Closing of the issue and to receive payment in full at that time.

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning the enclosed copy of this letter signed by an appropriate officer, retaining the original for your files.

We appreciate the opportunity to be of service to you.

NABORS, GIBLIN & NICKERSON, P.A.

By: _____


Chris Traber, Shareholder

Accepted and Approved:

CAPTIVA EROSION PREVENTION DISTRICT

By: _____

Name: _____

Title: _____



JAMIE A. COLE
MEMBER
Broward Managing director
JCOLE@WSH-LAW.COM

March 1, 2024

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

Re: Proposal for Bond Counsel Services for the Captiva Erosion Prevention District for \$25,000,000 Special Assessment Bonds or Certificates of Indebtedness for the 2024-2025 Emergency Beach Maintenance Renourishment Project

Dear Daniel:

Thank you for the opportunity for our firm to present its qualifications and to propose our representation of the Captiva Erosion Prevention District (the "District") as bond counsel for the anticipated financing for the 2024-2025 Emergency Beach Maintenance Renourishment Project. This Proposal will set forth our understanding as to the nature and scope of the legal services needed to accomplish the \$25,000,000 in certificates of indebtedness as a bank loan (the "Debt") and the way our fees shall be determined and the terms upon which payment will be made. It is contemplated that Lori Smith-Lalla will have primary responsibility for this matter. She may be assisted in this matter by other partners, associates and/or paralegals.

1. Nature of Legal Services. We understand that the District will be seeking privately placed Debt with a bank or banks for approximately \$25,000,000 in Special Assessment Notes (the "Notes"). Such Notes are to be issued by the District after approval of the Debt by qualified electors of the District to be held on May 21, 2024. The Notes will be secured by special assessments to be imposed upon benefitted properties within the District. It is expected that the Notes will be issued for a term not to exceed 20 years. The execution and delivery of the loan documents and Notes with the selected bank or banks and the funding of the loans will be referred to herein as the Closing. We also understand that the District has currently outstanding a loan with Synovus Bank in the original principal amount of \$18,000,0000 (the "Prior Debt").

As Bond counsel, we will:

a) After voter approval of the Debt, review the Prior Debt to determine any requirements or conditions for the issuance of the additional Debt; Prepare or review in connection with the Bank Loan and issuance of Note (i) resolutions authorizing the issuance of the Notes and setting forth the terms of the Note and resolutions imposing the special assessments that will serve as a source of repayment of the Note (collectively, the "Resolutions"), (ii) the Term sheets of the banks setting forth the terms of the proposed loan, (iii) such other documents as may be required by the financing or which we deem necessary for rendering our opinion, and (iv) the forms of such closing documents, certificates and opinions of counsel, including tax documents, as may be required by the terms of the financing and applicable federal and state laws;

b) Participate in conference calls and meetings with the parties to discuss the loan documents;

c) Attend District meetings via video conference at which the Loans are discussed, if requested;

d) Represent the District at the Closing via video conference unless in-person attendance is necessary;

e) Undertake such additional duties as are necessary in order to accomplish the execution of the Note and other financing documents and the delivery of our opinion provided below; and

f) Subject to the completion of proceedings to our satisfaction, we will render our approving opinion that, among other things, will provide that:

1. The District is duly created and validly existing as an independent special district under the laws of the State of Florida, with authority to adopt the Resolutions, impose the special assessments and incur the Debt;

2. The Resolutions, the Notes and related documents have been duly authorized by the District and constitute valid and binding obligations of the District;

3. The Notes constitute valid and binding limited obligations of the District, and that the District has the authority to impose the special assessments for the payment of the Notes;

4. If applicable, the interest paid on the Notes is excluded from gross income for federal income tax purposes and is exempt from Florida taxes (subject to certain limitations which may be expressed in the opinion), and

5. if applicable, the Debt has been duly designated by the District as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code (the "Code").

2. Fees for Services. Based on our understanding of the transaction as set forth above, and except for the circumstances set forth in paragraph 3 below, our fees as Bond Counsel for the issuance of the Note will be a flat fee of \$25,000.00, plus any out-of-pocket expenses, which will be invoiced at Closing.

If the transaction does not close, invoices will be sent as provided in paragraph 3 below.

3. Payment of Fees and Costs. The fees for the Bond Counsel services outlined in this letter are usually payable at Closing and can be paid with the proceeds of the loan, and we customarily do not submit any statement until the Closing. If, after approval of the Debt by the electorate, we have begun substantial work on the financing and (i) the financing is not consummated, or (ii) there is a substantial delay in completing the financing (more than six months from May 21, 2024, the date of the referendum), you will be charged and agree to pay for our services based on our reasonable estimate of the percentage of work completed through the date that the transaction is abandoned or more than 6 months has passed since voter approval of the transaction without significant activity, together with applicable taxes, if any, plus out-of-pocket expenses. In the event that either of the circumstances in the preceding sentence occurs, we will invoice you the percentage of the agreed fee for time actually spent. For the purposes of this paragraph 3, we will assume that the total project would have taken 75 hours.

If, after we bill you for the partial fee as provided above, the transaction is consummated as contemplated herein, we will credit any amounts already paid against the \$25,000.00 fee set forth in paragraph 2. In no event will the total amount payable to us exceed the amounts set forth in paragraph 2.

You must understand that if any invoice remains unpaid for more than 30 days after it is rendered, we reserve the right, in our discretion (subject to court approval, if necessary), to cease to provide further legal services to you. You will, however, be liable to us for the payment of any fees earned and any costs incurred by us to that time, together with any applicable taxes as well as attorney fees should we need to initiate any legal proceedings to collect our fees.

4. Withdrawal from Representation. We reserve the right to withdraw from representing you if you have misrepresented or failed to disclose material facts to us, or if we disagree about the course of action which should be pursued.

Daniel Munt, Executive Director
March 1, 2024
Page 4 of 4

5. Representation of Other Clients/Conflict. We are bound by rules of legal ethics not to represent any client if the representation of that client will be directly adverse to the interests of another client unless each such client consents to such representation after consultation.

6. Fees for Other Services. In the event you ask us to render legal services with respect to other matters, in the absence of a written agreement specifically addressing that representation, the other matters will be handled on an hourly basis, and fees and costs will be payable as invoiced monthly under the same terms and conditions as provided for in paragraph 3 of this letter.

7. Commencement of Representation. If the foregoing is agreeable to you, please acknowledge your understanding and agreement by signing this letter and delivering it to us.

We appreciate your confidence in our Firm and we assure you that we will make every effort to perform our services in a prompt and efficient manner.

Sincerely,

WEISS SEROTA HELFMAN COLE & BIERMAN, P. L.



Jamie A. Cole

CAPTIVA EROSION PREVENTION DISTRICT

By: _____

Date: _____