WILDBLUE CDD UPDATE

March 2026-

General Information

A Community Development District (CDD) in Florida is an independent, special-purpose unit of local government created to plan, finance, construct, operate, and maintain community-wide infrastructure in master-planned developments. CDDs are funded by taxpayers within the district through non-ad valorem assessments added to annual property tax bills.

All WildBlue residents share the cost of repairing and replacing the retaining wall.
This applies regardless of:

- **Whether a home is on the lake**
- **When the home was purchased**

The CDD fee appears as a line item on your property tax bill issued in November.

The retaining wall was not insured, and insurance is not considered a practical or cost-effective option.

Grants and Loans

Following Hurricane Ian, Fort Myers received over $1 billion in storm recovery funding.

The WildBlue CDD:

- **Reviewed funding requirements**
- **Submitted applications totaling $30 million for retaining wall repairs**

Outcomes:

- **The project was placed in the last funding tier due to zoning classification**
- **Funds were exhausted before that tier became eligible**
- **A second funding opportunity prioritized public housing, not recreational lakes**
- **WildBlue's lake was classified as a recreational lake, negatively impacting eligibility**

Result:
No federal or state grant funding was awarded to the WildBlue CDD.

Engineering Reports

Four independent engineering reports were completed:

- **Hans Wilson & Associates – Investigative Summary**
  (Hired by WildBlue CDD)

- **Cummins Cederburg – Design Engineer for Wall Replacement**
  (Hired by WildBlue CDD)
- **Taylor Engineering – Investigative Summary**
  (Hired by Gurley Fant Attorneys)

- **MKA Engineering – Investigative Summary**
  (Hired by WB Residents Inc.)

  Key Conclusion from All Reports:
  The retaining wall failure resulted from:

- **Defective design**
- **Construction deficiencies**
- **Deviations from approved plans**

CDD Board Membership & Governance

October 2022

- **Two developer representatives resigned from the CDD Board**
- **The Lennar-controlled Board declined to appoint WildBlue residents**
- **Additional Lennar employees were seated**

Fall 2024

- **Lennar announced the resignation of two employees from the CDD Board**
- **Rick Bennington and John Buchholz ran unopposed for two open seats**
- **Election held November 5, 2024**
- **Both seated December 2024**

February 24, 2025

- **Lennar Board Member Aaron Milosevic resigned**
- **Lennar Board Member David Myers resigned**

March 6, 2025

- **John Buchholz appointed Chairperson**

2025 Additional Changes

- **Chris Hasty (Lennar CDD Chairperson) resigned – August 7**
- **Herbert Lanese (March 6), Denis Bourque (April 3), and Sima Baker (September 4) appointed as resident Board members**

Result:

- **Transition from developer control to a fully resident-led Board**
- **Significantly improved transparency, responsiveness, and progress**

- **Design and construction drawings moved forward. Bid documents created and project bid for General contractor award.**

Background & Sequence of Events

Under the Lennar-controlled Board (2022–2025), discussions began to rebuild the wall using the original design.

Residents requested identification of the root cause prior to rebuilding.
2023
Hans Wilson was hired to investigate the wall failure.
Hans Wilson also reviewed Vista Blue Lake, which shared:

- **The same contractor**
- **The same orientation**
- **The same design**

Findings:

- **Vista Blue Lake report identified design defects and installation failures**
- **WildBlue report placed less responsibility on design/construction and more on vegetation**

Actions Taken in Response to Report Inconsistencies

2023 – Formation of WB Residents Inc.

- **WB Residents Inc. was formed**
- **Donations were requested to support necessary actions**

2023 – Legal Counsel Retained by WB Residents Inc

- **Independent legal counsel retained for guidance and representation**

2023 – Independent Engineering Review hired by WB Residents Inc

- **MKA Engineering conducted an independent review**

MKA Engineering Findings:

- **Clear design flaws**
- **Construction errors**
- **Deviations from Lee County and SFWMD-approved plans**

Legal Preservation & Lennar Response

October 2023 CDD Meeting

Based on a statement by the CDD's Board Attorney, it was noted that a latent defect to an improvement to real property (retaining wall) is subject to a four-year statute of limitations.

- **The four-year warranty period was nearing expiration in 2024**
- **Certification date of the first wall section: March 1, 2020**

February 29, 2024 – Preservation of Legal Rights

- **An Intent to Sue was filed (led by resident Terry Kurth)**
- **Lennar was notified the filing was solely to preserve claims**

Shortly thereafter:

- **Lennar offered a contribution toward rebuilding**
- **The amount was kept confidential by the Lennar CDD Board**
- **Offer could not be accepted by the Lennar CDD Board due to unknown scope and cost**

The Lennar-controlled Board:

- **Retained Gurley Fant Attorneys (litigation counsel)**
- **Engaged Taylor Engineering to review all reports**

Conclusions:

- **Significant design and construction defects**
- **Original design was under-designed**
- **Litigation strongly recommended**

Two Lennar Board members resigned shortly after litigation counsel was retained.

Project History

Circa 2015

Lennar received site plan approval from:
Lee County
Southwest Florida Water Management District (SFWMD)

2017-2018

- **Lennar submitted two design deviations**
  - **Subsequent engineering reviews found the wall's intended level of service was significantly insufficient**

September 28, 2022

Hurricane Ian made landfall

Field Inspections Revealed:

- **Construction shortcuts**
- **Deviations from approved plans**
- **Multiple installation errors contributing to failure**

Ownership of the wall discussions followed. Legal counsel stated the CDD had taken over maintenance and operations making CDD responsible for repairs. Many questions and discussions ensued. The root cause of the wall failure was asked.

Progress in 2025 – Resident-Led CDD Board

The Resident Board continued shade sessions with litigation counsel to evaluate:

- **Legal options and progress**
- **Wall replacement options and costs**
- **Timelines and schedules**

(Details remain confidential due to ongoing mediation.)

A shade session is a legally required closed-door meeting in Florida where a public board meets with its attorney to discuss active or pending litigation, exempt from Sunshine Law requirements. It is a specialized, confidential attorney-client session designed to protect litigation strategy.

Engineering & Documentation

- **Construction repair documents completed within six months by Cummins Cederburg**
- **Meeting schedule increased to:**
  - **Two meetings per month**
  - **Monthly shade sessions**

- **Bid documents prepared, including contractor scoring matrix by Baracco Engineering**
- **Coordination meetings held with Lee County Engineering and SFWMD for Phase 1 permit approvals**

Key Dates

- **October 9, 2025: Seven contractors attended pre-bid meeting**
- **December 2, 2025: Three bids received and reviewed**
- **December 4, 2025: Mediation meeting with developers for introduction and file exchanges**
- **December 18, 2025: Kelly Construction selected via weighted evaluation**

Moving Forward

Contractor Final Award: Expected by end of January 2026

Ongoing Coordination With:

- **Kelly Brothers Construction Company (repair contractor) – biweekly project meetings**
- **Cummins Cederburg (Design Engineer) – review product submissions**
- **Barraco & Associates Engineering (CDD Engineer) – survey work and review submitted**

Topics Include:

- **Detailed project schedule**
- **Workflow and staging plans**
- **Debris removal and shoreline preparation (expected within 30 days)**

Permits

- **SFWMD ERP (Environmental Resource Permit): Issued**
- **County ADD (Administrative Developments/Amendments): Verbally approved; documentation in progress**
- **LDO (Limited Review Development Order): Under county review**

Docks – Phase One

Engineering requires consistent shoreline reinforcement, uninterrupted.

All Phase One docks (north and northeast of the Amenity Center) must be temporarily relocated.

Docks are:

- **Owned by residents**
- **Located on CDD land easements with granted permission**

The CDD cannot use public funds to repair or relocate private property.

Residents will receive communication from Kelly Brothers Construction with schedules and removal requirements.

Summary

- **All five WildBlue CDD Board seats are resident-held (2025)**
- **Engineering, legal, and construction plans are aligned**
- **Permitting nearing completion**
- **Construction expected to begin February 2026 and completed a year later (Phase one)**

Reports, summary minutes, engineering documents, and additional information are available at:

www.wildbluecdd.net

Additional information to clarity statements online:

Lennar made an offer of five million dollars to the Lennar run CDD Board in 2024. It was at this time the CDD Board hired litigation attorneys to investigate if the offer was adequate and investigate the issues. These attorneys in turn hired a large Marine Engineering company to do a thorough review and analysis of the design drawings and installation of the wall. After months of investigation and research this engineering firm discovered the original wall design was modified twice by the developers. They found deficient issues in the design and installation. The litigation attorneys, when finished with their task, along with a lengthy engineering report, strongly advised the CDD Board to file suit against the developers.

- Lennar's settlement offer was wholly inadequate in light of the costs necessary to remediate the defects and deficiencies in the wall. Further, Lennar's settlement offer required the CDD to release Lennar from any and all claims regarding the community and provide a defense to Lennar at the CDD's cost should any homeowner or other party make a claim against Lennar.

- The marine mattress is required in addition to riprap as riprap alone would not protect the littoral shelf from further erosion. If the mattress were not installed, the riprap would simply roll down the slope of the littoral shelf into the lake due to erosion from future seasonal storms.

- The National Weather Service reporting station at Southwest Florida International Airport recorded the maximum sustained winds on 9/28/22 at 78 mph. The airport is approximately 4.2 miles from WildBlue Lake North. NWS report for KRSW for 9.28.22 is attached.

- The purpose of the bulkhead retaining wall is not simply to “RETAIN SOIL”. According to Lennar’s filing with the Lee County Building Department, the purpose of the retaining wall was to “maintain the integrity of the existing stable lake bank”, “mitigate the anticipated potential wave action on the large existing lakes”, and “protect the health, safety, and welfare of future residents along the existing lakes”.

- Hurricane Ian did not cause the wall to fail; the hurricane did accelerate the visual signs of the failure of the wall. The engineering analysis of the retaining wall concluded the wall would fail absent a hurricane as a result of wave action from seasonal storms.

- The CDD settled with Kurth to streamline and focus the litigation which will ultimately save the CDD money. The CDD’s resources should be devoted entirely to pursuing those responsible for the defects and deficiencies in the retaining wall.

The following response is from Jordon Cheifet -(CummingsCederberg)Design Engineer, about the marine mattress in the riprap revetment design:

The shoreline fronting the lake is comprised of erodible soil. This is supported by the erosion observed after Hurricane Ian and the geotechnical study completed to support the original development. The project site is also a lake with a drop off created by the original mining operation. Unlike a beach along the ocean/gulf, eroded sand will not be replenished by the normal cross-shore and long-shore movement of sand. Any eroded sand that moves over the shelf into deeper water will not be transported back onto the shelf as the water depth is too great to move the sand from the small waves generated on the lake. This is supported by the fact that the shelf has not recovered to the original elevation since Hurricane Ian. As such, while there may be enough sand on the shelf to protect from another 50-year storm, it will only further erode and move closer to the upland development.

As such, the marine mattress was incorporated into the design to protect what is left of the bank and retain the smaller rocks, which serve as the foundation. Should the bank erode from another storm, the marine mattress will simply flex down to protect the underlying soils. The depth of erosion for the site was calculated and ranged from approximately 2-3 feet for a 50-year storm. The length of marine mattress that extends beyond the footprint of the revetment was calculated to protect against this depth of erosion. Should future storms occur, the mattress will already be in place and provide erosion protect below that is caused by a future storm. The use of the marine mattress was also recommended by other third-party coastal engineering firms for this site. It is noted that while a traditional retaining wall could also be designed for future erosion, the proposed solution is more cost-effective, which was the driving criteria for the CDD.

0 250 500 1,000 Feet

Map Scale: 1:10,200

1 inch = 850 feet

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Project:
WildBlue Shoreline Stabilization

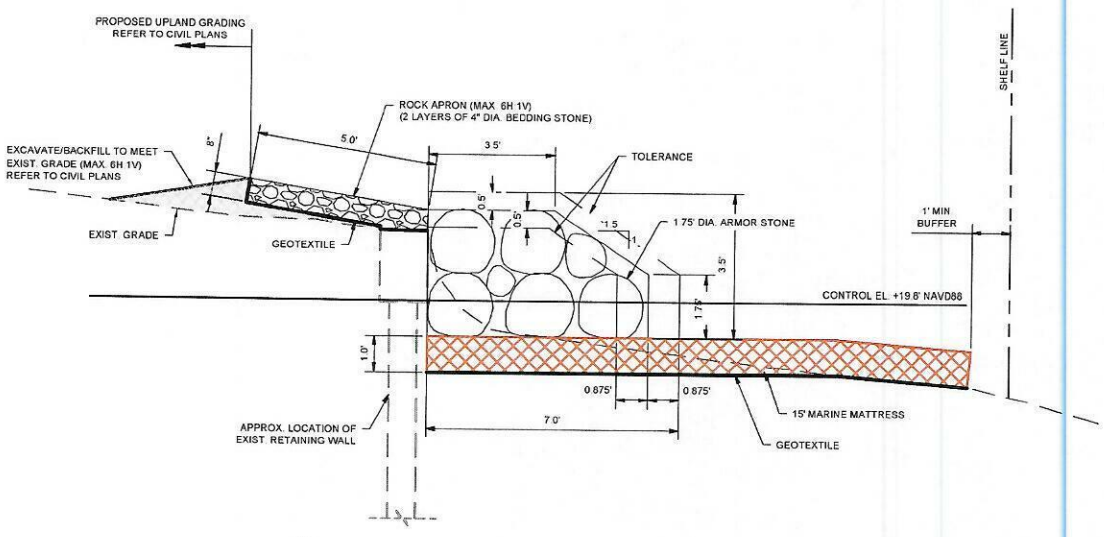
Client:
WildBlue Community Development District

Sheet Title:
Shoreline Stabilization Phasing Plan

Legend

- Staging Areas
- Phase 1A (3,444.20 ft)
- Phase 1B (10,299.62 ft)
- Phase 2 (14,518.61 ft)
- Phase 3 (5,775.80 ft)

Notes:
1. Background Imagery Date (Source): 1/1/2025 (Lee County, FL)



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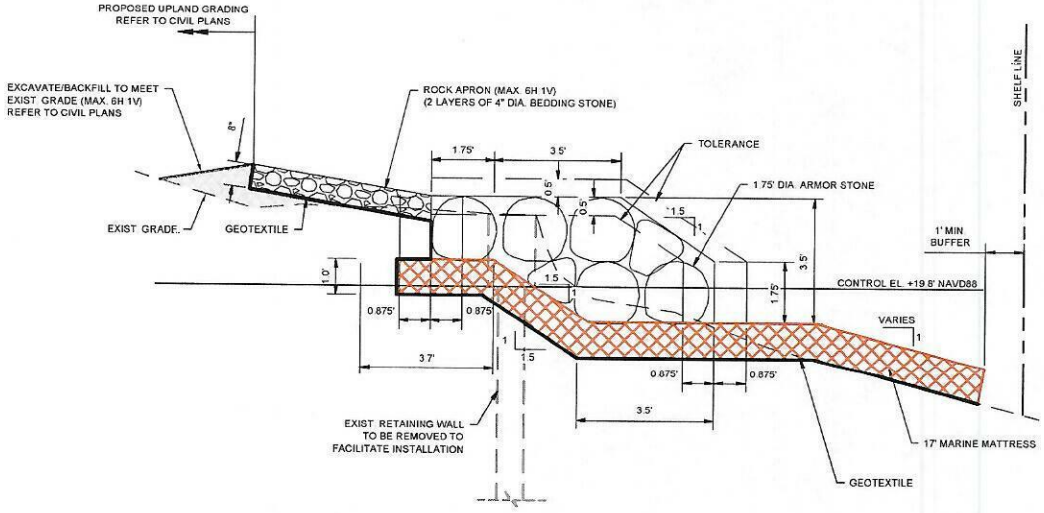
TYPICAL ROCK REVETMENT A

N.T.S.



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TYPICAL ROCK REVETMENT B

N.T.S.

CUMMINS | CEDERBERG Coastal & Marine Engineering SARASOTA | ST. PETERSBURG | GAINESVILLE TALLAHASSEE | JACKSONVILLE TEL: +1 305-741-6155 FAX: 305-974-1969 WWW.CUMMINSCEDERBERG.COM	WILDBLUE SHORELINE STABILIZATION WILDBLUE COMMUNITY DEVELOPMENT DISTRICT 2300 GLADES ROAD, SUITE 410W BOCA RATON, FL 33431	ROCK REVETMENT TYPICAL SECTIONS	JOB NO: 126601 DATE: 02/17/26 DRN BY: GK CHK BY: JPC CM-2.15