

**MINUTES OF MEETING
GRAND HAVEN
COMMUNITY DEVELOPMENT DISTRICT**

A Regular Meeting of the Grand Haven Community Development District's Board of Supervisors was held on **Thursday, July 20, 2017** in the **Grand Haven Room, Grand Haven Village Center, 2001 Waterside Parkway, Palm Coast, Florida 32137** at **10:00 a.m.**

Present at the meeting were:

| | |
|----------------------|---------------------|
| Dr. Stephen Davidson | Chair |
| Peter Chiodo | Vice Chair |
| Marie Gaeta | Assistant Secretary |
| Tom Lawrence | Assistant Secretary |
| Ray Smith | Assistant Secretary |

Also present were:

| | |
|-----------------------|------------------------------------|
| Howard McGaffney | District Manager |
| Craig Wrathell | Wrathell, Hunt and Associates, LLC |
| Scott Clark | District Counsel |
| Barry Kloptosky | Operations Manager |
| Ashley Higgins | Grand Haven CDD Office |
| Stacie Acrin | Grand Haven CDD Office |
| David R. Euler | U. S. Security Associates, Inc. |
| Rob Carlton | Resident and GHMA President |
| Dick Layng and family | Resident |
| Kathleen Fuss | Resident |
| Lionel Duckwitz | Resident |
| Kathy Merlo | Resident |
| Jim Gallo | Resident |
| Marti Garziglia | Resident |
| Vic Natiello | Resident |
| David Alfin | Grand Haven Realty |
| Don Plunkett | Resident |
| Mike Evans | Resident |
| Chip Howden | Resident |
| Frank Benham | Resident |
| Ronnie Lyons | Resident |
| Residents | |

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. McGaffney called the meeting to order at 10:03 a.m. All Supervisors were present, in person.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

MODIFICATIONS TO AGENDA

The Board agreed to the following modification to the agenda:

- **District Manager Presentation: Award to Layng Family for Former Supervisor Diane Layng's Service to the District**

Supervisor Gaeta spoke about former Supervisor Diane Layng's service to the District and introduced Supervisor Layng's family. The award stated:

"In loving memory of Supervisor Diane Layng, whose legacy will forever be remembered."

Mr. Wrathell presented the Layng family with an engraved award in remembrance of Supervisor Layng's service to the CDD.

Mr. Dick Layng thanked those in attendance and expressed the Layng family's appreciation.

The Board agreed to the following additional modifications to the agenda:

- Consideration of Proposals – Mr. Kloptosky (During Item 6C)
- Consideration: Termination of Webmaster

| |
|---|
| <p>On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, the modifications to the agenda, were approved.</p> |
|---|

FOURTH ORDER OF BUSINESS**CONSULTANTS, GUEST REPORTS & PRESENTATIONS**

- **U. S. Security Associates, Inc.: *David R. Euler, District Manager***

Mr. David R. Euler, U. S. Security Associates, Inc. (USSA), presented and discussed the USSA's company structure, background, qualifications, security services offered, other services available, hiring, training and certification procedures and requirements, low turnover rate, security technology options and security supervisor interactions with clients.

Mr. Kloptosky asked about the pricing tiers. Mr. Euler stated that the options were based on guard pay rates but the District could specify and require other criteria, such as experience and background. Supervisor Lawrence asked if USSA's guard salaries were competitive for the area. Mr. Euler replied affirmatively; \$9.50 to \$10 per hour was competitive salary but he recommended paying at least \$10 per hour. Supervisor Gaeta asked how many local CDDs Mr. Euler managed. Mr. Euler stated no actual CDDs but he manages many residential developments. Mr. Euler discussed typical training for a \$10 per hour guard. In response to a question, Mr. Euler stated that the Post Orders could be uploaded on the computers and a tablet.

Mr. McGaffney asked if USSA's system could be integrated into the existing access control system. Mr. Euler stated that USSA's P3 System was a proprietary "value-added" system; there would be no extra charge unless the District wanted to add hand-held tablets. Supervisor Lawrence asked how often Mr. Euler would visit the community. Mr. Euler stated that, typically, a local account manager would visit weekly, for site inspections and client meetings, and he would meet with the client every 30 to 45 days, if requested. Discussion ensued regarding residents' approved visitor lists, possibly limiting the number of people on the lists, whether a resident could place someone on a "banned" list, etc. Mr. Clark confirmed that the District could not ban people from entering the community. If there was an injunction against a person, it could be noted on the list and the guard alerted to call law enforcement of the potential situation.

Mr. Kloptosky discussed the current high guard turnover rate and asked if increasing the pay rate would alleviate turnover and mistakes. Mr. Euler stated that increasing the pay rate and annual increases, as an incentive, along with proper training, could solve some of the current issues. Discussion ensued regarding an appropriate minimum pay rate for guards and supervisors.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with Supervisors Davidson, Gaeta, Chiodo and Smith in favor and Supervisor Lawrence dissenting, transmittal of termination letter to AlliedUniversal Security Services, termination effective August 31, 2017; acceptance of the U.S. Security Associates, Inc., proposal, in the first year amount of \$152,557, effective September 1, 2017; authorizing District Counsel to draft a one year continuing services contract and negotiate the terms and authorizing the Chair to execute, were approved. (Motion passed 4-1)

*****The meeting recessed at 11:17 a.m.*****

*****The meeting reconvened at 11:25 a.m.*****

FIFTH ORDER OF BUSINESS

PUBLIC COMMENTS (3-Minute Rule; Non-Agenda Items)

Mr. David Alfin, Grand Haven Realty representative, asked the Board to consider urging the Flagler County Board of Commissioners to deny the permit related to the planned RV Park on a parcel of land, on Colbert Lane, next to the south end of the CDD. He felt that the RV Park would lower property values. Mr. Clark stated that he discourages the CDD from taking land use positions on projects unless there is a direct, legitimate effect on the CDD; it would not be in the District's jurisdiction to influence how an owner uses their property. Mr. Clark stated that multiple Board Members could attend the hearing, as private citizens.

Supervisor Davidson stated that the upcoming Oak Tree would contain a lot of information about happenings along Colbert Lane.

Mr. Don Plunkett, a resident, voiced his understanding that the RV Park was approved. He felt that this matter was worth reconsideration, due to the domino effect of anything involving Colbert Lane. Supervisor Davidson confirmed that the RV Park was not approved, yet.

SIXTH ORDER OF BUSINESS

STAFF REPORTS

A. District Engineer

There being no report, the next item followed.

B. Amenity Manager

There being no report, the next item followed.

C. Operations Manager

- **Update: RFP for 2017/2018 Road Resurfacing Project**

****This item, previously Item 8B, was presented out of order.****

Mr. Kloptosky stated responses to the Request for Proposal (RFP) were due next week and requested continuing this meeting to August 3, to consider the bids.

Mr. Kloptosky discussed the following:

- **Lakeview Lane Project Permit**

Mr. Kloptosky stated that the permit from the City, for the Lakeview Lane repair project, remained pending. It would be best to complete the Lakeview Lane project prior to starting the resurfacing project.

- **Consideration of Proposals**

****These items were additions to the agenda.****

- **S.E. Cline Construction, Inc., Proposal - Creekside Drive Storm Drain Repairs**

Mr. Kloptosky presented a \$20,499.10 proposal from S.E. Cline Construction, Inc. (Cline), for storm drain repairs on Creekside Drive. The initial \$14,360 Cline proposal was approved but due to issues that required a redesign of the storm box, an increase was warranted.

This item would be added to the CIP list.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, the S.E. Cline Construction, Inc., proposal for storm drain repairs on Creekside Drive, in a not-to-exceed amount of \$20,499.10, and authorizing District Counsel to draft an agreement, were approved.

- **S.E. Cline Construction, Inc., a change order - Road Curb and Gutter Repairs**

Mr. Kloptosky presented a \$26,315.60 Change Order from Cline, for curb and gutter repairs on Deerfield Court, Shinnecock Drive, Doral Court and Glen Eagle Place. This work must be completed prior to the resurfacing project.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, the S.E. Cline Construction, Inc., Change Order for curb and gutter repairs on Deerfield Court, Shinnecock Drive, Doral Court and Glen Eagle Place, in a not-to-exceed amount of \$26,315.60, was approved.

➤ NexStar Electrical Contractors, LLC Proposal - Color LED Flood Lights

Mr. Kloptosky presented a \$30,771 proposal from NexStar Electrical Contractors, LLC (NexStar) for color LED floodlights at the Main Gate, South Gate, The Crossings, North Gate and Wild Oaks. This proposal was only for palm trees. Landscape and shrub lighting at the entrances must be replaced but could be completed separately from this project, as the District Horticulturalist was preparing conceptual plans for the entrances.

Mr. Kloptosky would research the pricing, warranty, etc.

This item would be included on the Continued Meeting agenda.

➤ Pool Reopened at The Village Center

Mr. Kloptosky stated that The Village Center pool reopened on July 7, at noon.

➤ Lightning Strike Equipment Damage - Insurance Claim Filed

Mr. Kloptosky stated that multiple items were damaged by lightning strikes, including the gates, circuit boards, guardhouse telephone service, irrigation time clocks, etc. There was criticism about the lack of surge protectors; however, Mr. Kloptosky remained steadfast in his opinion that surge protectors are not cost-effective. A claim would be filed with the District's insurance company. Residents were concerned about the North Gate visitor side being left open. It remained open so that emergency services could access the community because the SOS box at that location was damaged. In response to Supervisor Davidson's question, Mr. Kloptosky stated that an extra SOS box was not available because another was recently replaced; two extra boxes were ordered. The Village Center security system was damaged by a lightning strike. Mr. Kloptosky was not satisfied with the current vendor's price and contract; therefore, the current vendor was given a 30-day termination notice and Alarmpro would be hired to install a new system.

➤ Wild Oaks Gate Damage

Mr. Kloptosky stated that, when the gates were not functional, a delivery driver hit and damaged the exit gate arm and equipment. The gate damage and estimated cost for an evening security guard at the gate was over \$10,000. The vendor was amenable to paying the related costs.

➤ North Front Street - Resident Request for "No Thru Traffic" Signage

Mr. Kloptosky stated that a North Front Street resident requested installation of a "No Thru Traffic" sign to deter traffic on the dead-end street. The Board had no objections.

D. District Counsel

Mr. Clark spoke with a Federal Emergency Management Agency (FEMA) representative, who advised that the debris removal portion of the District's FEMA claim was ready to be submitted. At the FEMA representative's urging, employee labor hours were submitted; however, the FEMA representative stated that only the debris portion of the claim would be considered and nothing else could be added because the District had 60 days to submit claims. After all paperwork and transmittal emails for the District's claims were provided, the FEMA representative accepted them, since the District had originally submitted the information to the former subcontracted state consultant in a timely manner. Reimbursement should not be expected in fiscal or calendar year 2017.

Supervisor Davidson stated that local representatives planned to visit Washington D.C., to meet with FEMA to discuss claim reimbursement issues.

E. District Manager**i. Upcoming Meeting/Workshop Dates****○ COMMUNITY WORKSHOP****▪ August 3, 2017 at 10:00 A.M.**

Today's meeting would be continued to August 3, 2017 at 10:00 a.m., at this location. The workshop would commence immediately following the Continued Meeting.

○ BOARD OF SUPERVISORS MEETING**▪ August 17, 2017 at 10:00 A.M.**

The next meeting will be held on August 17, 2017 at 10:00 a.m.

SEVENTH ORDER OF BUSINESS**CONSENT AGENDA ITEMS**

Mr. McGaffney presented the Consent Agenda Items for the Board's consideration.

A. APPROVAL OF UNAUDITED FINANCIAL STATEMENTS**i. Unaudited Financial Statements as of June 30, 2017**

Mr. McGaffney stated that assessment revenue collections were at 100%.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, Consent Agenda Item A was approved.

Per Supervisor Gaeta's request, Ms. Higgins would forward an analysis of the energy cost savings resulting from switching to LED streetlights.

B. APPROVAL OF MINUTES

i. **June 1, 2017 Community Workshop**

ii. **June 15, 2017 Regular Meeting**

This item was deferred to the Continued Meeting.

C. RATIFICATION OF APPROVAL OF HURRICANE RECOVERY INVOICES

There were no hurricane recovery invoices to ratify.

This item would be removed from future agendas.

EIGHTH ORDER OF BUSINESS

BUSINESS ITEMS

A. Consideration of/Discussion on: Responses to RFP No. 2017-01 for Emergency-Debris Removal

i. **4C's Trucking & Excavation, Inc.**

ii. **DRC Emergency Services, LLC**

iii. **S.E. Cline Construction, Inc.**

Mr. Clark stated that the number 1 ranked contractor should be the one that best meets the District's needs, even if it did not include everything requested. The Board had flexibility to accept portions of the proposals, rather than the entire proposal, and could contract with the number 1 ranked contractor and approve another contractor as a backup. Discussion ensued regarding the proposal services, pricing, equipment, aggregate liability insurance coverage, etc.

The Board Members reviewed the proposals and completed the selection criteria ranking sheet. Mr. McGaffney presented the following ranking:

| | | |
|----------|----------------------------------|------------|
| Number 1 | 4C's Trucking & Excavation, Inc. | 148 points |
| Number 2 | S.E. Cline Construction, Inc. | 83 points |
| Number 3 | DRC Emergency Services, LLC | 82 points |

On MOTION by Supervisor Davidson and seconded by Supervisor Chiodo, with all in favor, authorizing Staff to engage 4C's Trucking & Excavation, Inc., the number 1 ranked contractor, and negotiate an agreement, were approved.

On MOTION by Supervisor Gaeta and seconded by Supervisor Chiodo, with all in favor, authorizing Staff to engage S.E. Cline Construction, Inc., the number 2 ranked contractor, and negotiate an agreement, on an as-needed basis, were approved.

Supervisor Smith recalled previous discussions about generators, emergency energy sources, etc., and stated that he was not in favor of spending now for something that would be used at an indeterminate time. He suggested contracting with a vendor to supply a generator and fuel source only when necessary.

Mr. Kloptosky would research the costs associated with equipping the facility for a stand-alone generator, contractors that could provide a generator, when needed, etc.

B. Update: RFP for 2017/2018 Road Resurfacing Project

This item was presented during Item 6C.

This item would be included for consideration at the Continued Meeting.

C. Continued Discussion: Fiscal Year 2017/2018 Proposed Budget

This item was presented following Item 8D.

D. Discussion: Fiscal Year 2017 CIP

The following items were discussed:

- Creekside Drive Storm Drain Repairs - \$20,499.10 (previously approved)
- Color LED Lights at Entrances - \$30,771 (pending)
- Tankless Water Heater for Café - \$6,500

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, authorizing the purchase of a tankless water heater for the Café, in a not-to-exceed amount of \$6,500, was approved.

- Additional 2017 CIP Project changes:
 - Expand Storage Space at The Village Center - \$75,000
 - Roof Leak Repair at The Village Center - \$24,000
 - Replace Basketball Backboards and Hoops - \$3,275
 - Resurface Creekside Basketball Court - \$8,500

On MOTION by Supervisor Lawrence and seconded by Supervisor Smith, with all in favor, authorizing Staff to proceed with the additional 2017 CIP projects, as discussed, was approved.

▪ **Continued Discussion: Fiscal Year 2017/2018 Proposed Budget**

******This item, previously Item 8C, was presented out of order.******

Mr. McGaffney stated that the changes, previously discussed, were incorporated into the proposed Fiscal Year 2018 budget. There were no changes.

E. Update: Federal Grant/Flagler County

Mr. McGaffney spoke to a County representative regarding the County's failure to notify the CDD of the federal grant opportunities and the District's request to receive a share of the County's funds. Per the representative, the District was not on the County's distribution list. Mr. McGaffney asked the County to add himself, Mr. Clark, Mr. Kloptosky and Supervisor Davidson to the distribution list.

Supervisor Davidson discussed the District's participation in the state grant for wildfire mitigation. Regarding the federal disaster mitigation grant funds that the County failed to notify the District of, Supervisor Davidson and Commissioner Sullivan would meet with a County representative to emphasize that the CDD is a public governmental entity, not a private entity, and that the CDD must be included and wants to be aware of future mitigation activities.

Discussion ensued regarding staff changes at the Emergency Operations Center (EOC).

******Supervisor Chiodo left the meeting.******

F. Continued Discussion: Bike Policy

Mr. Clark presented the proposed Bike Policy, which incorporated previously discussed changes and additional language regarding penalties for violating the policy.

G. Continued Discussion: Sign Policy

Mr. Clark presented the proposed Sign Policy, which incorporated previously discussed changes and additional language related to the Declarant, which stated "The District shall have the right, under this provision, as it deems necessary, to require the Declarant's reasonable cooperation as to the number and placement of signs so as to further the goals of this Rule."

Mr. Jim Gallo, a resident, felt that the Bike Policy was satisfactory. In response to Supervisor Gaeta's question, Mr. Gallo was unsure if the GHMA's Sign Policy addressed

magnetic signs, specifically. The GHMA policy prohibits signage on vehicles parked in driveways; vehicles with signage must be in the garage, with the garage door closed.

Regarding Bike Policy violations, Mr. Clark stated that the District could impose a reasonable storage fee or send a warning letter, with consideration of suspending amenity privileges for future violations.

On MOTION by Supervisor Gaeta and seconded by Supervisor Lawrence, with all in favor, setting the Public Hearing for the Bicycle and Sign Policies for September 7, 2017, after commencement of the Regular Meeting, at 3:00 p.m., was approved.

▪ **Consideration: Termination of Webmaster**

******This item was an addition to the agenda.******

Mr. McGaffney discussed issues with the District's current webmaster. Supervisor Davidson stated that the change was necessary because of the delays in posting information to the website.

Supervisor Davidson recalled prior discussion about holding an active shooter informational session for staff.

Regarding the cell phone tower, Supervisor Davidson stated that the tower was not yet active.

Supervisor Davidson obtained the elevations and schematics for the development project planned for the intersection of Colbert Lane and Waterfront Park Road. Five or six small office/commercial buildings would be constructed.

NINTH ORDER OF BUSINESS

OPEN ITEMS

Item C was removed.

TENTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

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

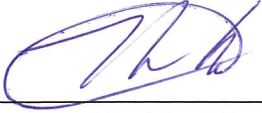
ELEVENTH ORDER OF BUSINESS

ADJOURNMENT

There being no further business to discuss, the meeting recessed at 1:22 p.m., and was continued to August 3, 2017 at 10:00 a.m., at this location.

| |
|---|
| <p>On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, the meeting recessed at 1:22 p.m., and was continued to August 3, 2017 at 10:00 a.m., at this location.</p> |
|---|

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

A handwritten signature in blue ink, consisting of a large loop followed by a series of smaller, connected strokes.

Secretary/Assistant Secretary

A handwritten signature in blue ink, featuring a large, stylized 'S' or 'C' shape with a long, horizontal line extending to the right.

Chair/Vice Chair