

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

The Board of Supervisors of the Grand Haven Community Development District held a Regular Meeting on Thursday, June 17, 2021 at 9:00 a.m., in the Grand Haven Room, at the Grand Haven Village Center, located at 2001 Waterside Parkway, Palm Coast, Florida 32137.

Present were:

Chip Howden	Chair
Kevin Foley	Vice Chair
Dr. Merrill Stass-Isern	Assistant Secretary
Michael Flanagan	Assistant Secretary
John Polizzi	Assistant Secretary

Also present, were:

Howard McGaffney	District Manager
Scott Clark	District Counsel
David Sowell	District Engineer
Barry Kloptosky	Operations Manager
Vanessa Stepniak	Office Manager
Roy Deary	Vesta/AMG
Jay King	Vesta/AMG
John Lucansky	Vesta/AMG
Robert Ross	Vesta/AMG
Bob Koncar	Inframark
Janice Davis	Inframark
Paula Davis	Inframark
Sandra DeMarco	Inframark
Darrin Mossing	GMS
Jim Perry	GMS
David Surface	Vesta Property Services
Patricia Tebow	Vesta/AMG
Bobby Canton	Vesta/AMG
Jackie Chow	Vesta/AMG

Residents present, were:

Denise Gallo	Dan Wiggin	Lisa Mrakovic	Kathleen Fuss
--------------	------------	---------------	---------------

***Disclaimer:** These summary minutes are intended to highlight the topics discussed, items being considered and actions taken.*

FIRST ORDER OF BUSINESS**CALL TO ORDER/ROLL CALL**

Mr. McGaffney called the meeting to order at 9:02 a.m. All Supervisors were present.

SECOND ORDER OF BUSINESS**PLEDGE OF ALLEGIANCE**

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS**PUBLIC COMMENTS (3-Minute Rule)**

Resident Lisa Mrakovcic voiced her opinion that the temperature in The Grand Haven Room has been too warm during Move to Music. She felt that the optimal temperature should be 65 to 68 degrees and asked for the temperature to be adjusted accordingly.

- **Discussion: Vinny Thompson Memorial Plaque**

This item, previously Item 4E, was presented out of order.

Resident Dan Wiggins and other residents presented a proposal for placement of a plaque honoring Mr. Vinny Thompson for his contributions to the CDD tennis facilities. Testimonies and memories submitted by Mr. Jim Cullis and Mr. Rich Walker were read. Photographs of the proposed plaque, reading "In memory of Vinnie Thompson, who loved tennis and whose efforts were instrumental in the development of this facility. - 2021", were distributed. A photograph and specifications for the aluminum plaque were submitted. Mr. Wiggins presented a photo of the proposed location and placement on a rock near the entrance to the tennis courts. Mr. Kloptosky discussed two methods by which the plaque could be installed and stated he would work with Mr. Wiggins. Mr. Wiggins stated the project, if approved, would be funded by the residents submitting the proposal.

<p>On MOTION by Supervisor Foley and seconded by Supervisor Flanagan, with all in favor, the donation of the plaque to the CDD and authorizing Staff to install the plaque, was approved.</p>
--

FOURTH ORDER OF BUSINESS**BUSINESS ITEMS**

A. Presentation of Proposals for District Manager Services

Supervisor Howden asked Resident Denise Gallo to draw the names of the three respondents to determine the order in which the presentations would be conducted.

- **Q & A**

Mr. David Surface, CEO of Vesta Property Services, introduced himself and thanked the Board for the long-term relationship Vesta has enjoyed with Grand Haven. Mr. Roy Deary, President of Vesta's District Services Division, introduced the following employees:

- Ms. Patricia Tebow, Controller
- Mr. Howard McGaffney, Vice President, District Management Services
- Mr. Bobby Canton, Director of I.T. Services
- Ms. Jackie Chow, H.R. Business Partner, Northeast Florida

Mr. McGaffney discussed his qualifications, experience and dedication to Grand Haven and stated that he is operationally minded and there would be no disruption in service, given his 13 years of lessons learned working with Grand Haven.

Ms. Patricia Tebow discussed her qualifications and expertise in accounting, district management and financial management for large and small governments.

Mr. Deary and other staff members presented the Vesta proposal and responded to questions regarding specific solutions and the logistics of Mr. McGaffney continuing to serve as District Manager, along with his new role, for the foreseeable future. Weekly accounts payable, Federal Emergency Management Agency (FEMA) reimbursements, avoiding conflicts of interest between Vesta holding both the District Manager and Amenity Management contracts and organizational structure, were discussed. Vesta personnel discussed accounting functionality, website management, providing iPads to the Supervisors to use at meetings, access to historical District documents, document storage, data security and backups. Vesta personnel responded to questions regarding Vesta's pursuit of growth in the District Management field, website development and enhancements, unique role of the Operations Manager and potential conflicts of interest between The Café and Vesta, as the District Manager. Leveraging of combined amenity and District management, check processing, agenda distribution, unique

reporting relationship of the Operations Manager to the District Manager, role and responsibilities of the District Manager following a disaster and fees and costs were discussed.

The meeting recessed at 10:37 a.m., and reconvened at 10:42 a.m.

Mr. Bob Koncar, Regional Manager of Inframark, presented the Inframark proposal and introduced the following team members who would be assigned to the District:

- Ms. Paula Davis, Accounts Payable
- Ms. Janice Davis, Primary District Manager
- Ms. Sandra DeMarco, Reporting Department
- Mr. Bob Koncar, secondary District Manager

Mr. Koncar stated that twelve senior individuals would be assigned to provide services to the District and the team would be backed up by additional personnel. He discussed the 24-hour I.T. help desk, computer security and backups.

Ms. Janice Davis discussed her qualifications and experience in real estate and construction accounting, government consulting accounting, management and district management. She currently manages 11 districts and discussed districts comparable to Grand Haven, including amenities, expansion, improvements, recreational events, local amenity partnerships, staffing and employee leasing, operations and maintenance (O&M) and budgets.

Mr. Koncar discussed Inframark's customized accounting system, which provides for financial and accounting reports and formats. Ms. Paula Davis discussed Inframark's integrated accounting system for invoice approvals, Board access to documents and reporting. Ms. Sandra DeMarco discussed Inframark's electronic document management systems. Mr. Koncar discussed recommendations for expediting meetings, pricing and scope of service.

Mr. Koncar and other Inframark personnel responded to questions regarding human resources, ongoing employee training and background checks, working relationships between District Managers and Property Managers and management of onsite O&M, vendors and emergencies. Transition, operations, financials, recordkeeping, project management, disaster recovery, FEMA processes, financing capital projects, availability of the district management team, long-term planning, development of goals and objectives and processes for financial and operational needs were discussed.

Ms. Janice Davis discussed her experience managing events, communicating and enforcing policies and procedures and dealing with unruly guests. Inframark personnel responded to questions related to communications and preparation in advance of Board meetings, management of critical issues and Board liaisons. Check processing turnaround time, staff management, leadership style, operations and payment processing and storm preparation and communications to residents, were discussed.

The meeting recessed at 11:56 a.m., and reconvened at 12:04 p.m.

Mr. Darrin Mossing, President and Founder of GMS, introduced the following team members:

- Mr. Jim Perry, Managing Partner
- Mr. Daniel Loughlin, District Manager Designee

Mr. Mossing presented the GMS proposal. He discussed GMS's growth, experience, focus on client and employee retention, its clients comparable to Grand Haven, public records management, audit material management, transition systems and pricing.

Mr. Loughlin discussed his district management, accounting and industry experience and responded to questions related to the transition plans, comparable districts currently managed GMS, disaster management, communications and the district manager's role in long-term planning and budgeting. He responded to questions regarding working with the Operations Manager, website considerations and requirements, communicating and enforcing rules and suspensions, planning process for meetings, agenda preparation, letters, informational communications to residents and oversight and management of service level organizations. Mr. Loughlin stated he would work closely with CDD Staff to ensure a smooth transition and transfer of knowledge for long-term planning and to run efficient meetings. Mr. Mossing noted that the fee includes all 24 scheduled meetings/workshops, based on an average of them lasting five hours. Typical communications with residents and the Board, Board access to document systems, timely payment processing and disaster recovery, were discussed.

- **Board Discussion**

Mr. Clark discussed the deliberation and discussion process the Board may follow in order to reach consensus. He discussed the strengths and weaknesses of each respondent. He

noted that the conflict of interest in hiring Vesta must be navigated and addressed and voiced his opinion that Mr. McGaffney has a great breadth of experience and knowledge of the District. Each Supervisor shared their initial impressions and recommendations and discussed their reasons. The strengths and weaknesses of each firm and district manager candidate, system capabilities, integration, logistics in navigating potential conflicts of interest, back-office capabilities and costs were discussed. References, strengths and qualifications of the firms and district managers, each firm's responses to questions, the District's goals and needs and transition issues were discussed at length.

- **Award of Contract**

On MOTION by Supervisor Polizzi and seconded by Supervisor Stass-Isern, with all in favor, awarding the District Management contract to Vesta, authorizing District Staff negotiate a contract and authorizing the Chair to execute, was approved.

Discussion ensued regarding the transition timing and clauses to include in the contract. Mr. Clark asked each Supervisor to email suggestions and requests directly to him. He invited the group back so that the decision could be announced. Supervisor Howden thanked all in attendance for their presentations and announced that the contract was awarded to Vesta.

Representatives from Inframark and GFS left the meeting at 1:45 p.m.

- **Transition**

Mr. Clark stated that Mr. Wrathell indicated he would accommodate the District's requested transition timing. Discussion ensued regarding the suggested August 1, 2021 transition date, banking, auditing, accounting and transition considerations.

On MOTION by Supervisor Foley and seconded by Supervisor Flanagan, with all in favor, authorizing the Chair, Vice Chair and Staff to take the actions necessary to accomplish the transition, was approved.

Mr. McGaffney thanked the Board for the opportunity to serve as District Manager. Transition issues and the Board's desire for better access to electronic reporting and historical data, were discussed.

- **Consideration of Resolution 2021-07, Adopting the Flagler County Local Mitigation Strategy in Order to Mitigate the Vulnerabilities of the District to the Impacts of Future Disasters; and Providing for an Effective Date**

This item, previously Item 4D, was presented out of order.

Mr. Clark presented Resolution 2021-07.

On MOTION by Supervisor Howden and seconded by Supervisor Foley, with all in favor, Resolution 2021-07, Adopting the Flagler County Local Mitigation Strategy in Order to Mitigate the Vulnerabilities of the District to the Impacts of Future Disasters; and Providing for an Effective Date, was adopted.

Supervisor Howden asked for a document that the Amenity Employees could show deputies in the event of a trespass incident between CDD Board meetings. Mr. Clark stated that he was working on rule changes to allow Staff to impose a suspension in between meetings.

Mr. Clark left the meeting at 1:56 p.m.

The meeting recessed at 1:56 p.m., and reconvened at 2:07 p.m.

- B. Consideration of Change in Medical Cost Sharing and Addition of Dental and Vision**

Mr. McGaffney presented information pertaining to the addition of dental and vision coverage for CDD employees. He recalled the Board's consensus at the workshop was to keep the current Florida Blue plan, increase the employer-funded percentage of dependent coverage from 30% to 50% and to add dental and vision coverage. Discussion ensued regarding the possibility of bundling group insurance with other CDDs and participation in the state retirement plan. Mr. McGaffney stated he would request additional information for future discussion. Ms. Stepniak stated the employees' response to the addition of dental and vision coverage was very positive.

On MOTION by Supervisor Foley and seconded by Supervisor Flanagan, with all in favor, increasing the employer-funded portion of the spouse/dependent Florida Blue premium from 30% to 50% and adding dental and vision coverage, was approved.

Mr. McGaffney stated the insurance agent would attend the July meeting to discuss Cafeteria and HSA plan options and the payroll ramifications.

C. Update: North Parking Lot

Mr. McGaffney stated, per Mr. Sowell, good progress was made with the St. Johns River Water Management District (SJRWMD) regarding the expansion and using regular asphalt pavement would help to keep costs low. A bid would be requested to proceed with the project in the upcoming fiscal year. Discussion ensued regarding allowing the District Engineer to participate in meetings via Zoom and engineering fees.

D. Consideration of Resolution 2021-07, Adopting the Flagler County Local Mitigation Strategy in Order to Mitigate the Vulnerabilities of the District to the Impacts of Future Disasters; and Providing for an Effective Date

This item was presented following Item 4A.

E. Discussion: Vinny Thompson Memorial Plaque

This item was presented following the Third Order of Business.

FIFTH ORDER OF BUSINESS

CONSENT AGENDA ITEMS

A. ACCEPTANCE OF UNAUDITED FINANCIAL STATEMENTS

- **Unaudited Financial Statements as of April 30, 2021**

B. APPROVAL OF MINUTES

- I. May 6, 2021 Virtual Community Workshop**
- II. May 20, 2021 Regular Meeting**

The following change was made:

Lines 293 through 294: Change "services of the special events contractor" to "special events budget"

On MOTION by Supervisor Foley and seconded by Supervisor Howden, with all in favor, the Consent Agenda Items, as amended to include the revisions to the May 20, 2021 Regular Meeting Minutes, were accepted and approved.

SIXTH ORDER OF BUSINESS**STAFF REPORTS****A. District Engineer: *DRMP, Inc.* [David Sowell]**

There was nothing further to report.

B. Amenity Manager: *Amenity Management Group, Inc.* [Robert Ross]

There was no report.

C. Operations Manager: [Barry Kloptosky]**I. CIP****II. Monthly Report**

Mr. Kloptosky presented the CIP Project Tracker and the Monthly Report. He discussed the following:

- Sidewalk Deflection Repairs: Village View Way and North Park Circle were completed.

Mr. Kloptosky stated all funds budgeted for curb and gutter repairs were exhausted. He presented a \$31,949 proposal from S.E. Cline Construction, Inc. (Cline) for 10 additional locations that need curb and gutter repairs. Discussion ensued regarding criteria for repairs, locking in pricing, responding to contractors in a timely manner and a contingency amount.

On MOTION by Supervisor Howden and seconded by Supervisor Foley, with all in favor, the S.E. Cline Construction, Inc., proposal for curb and gutter repairs, in a not-to-exceed amount of \$35,000, was approved.

Discussion ensued regarding determining how much was historically spent on curb and gutter repairs and the District's existing codes and subaccounts. Mr. McGaffney stated that the District's coding needs have grown, over time. He noted the Supervisors' requests for data and stated that, during the transition, he would implement new codes, as needed.

- The Village Center: Outdoor speaker equipment was operational.

- Pickleball Courts: Construction would likely begin in early July; it was hoped that the project would be completed by September 31, 2021.
- Croquet Courts: The sod was installed and irrigation was now operational; the courts required time to grow and might be useable in July.
- Audio/Visual Upgrades in Grand Haven Meeting Room: Issues were still being addressed. Microphones were calibrated and, for the best results, need to be 4" to 5" away from the person speaking. Additional and/or new microphones may be needed.
- Pond Bank Erosion - Osprey Circle: Site visit observations and recommendations were presented in the agenda. The Board directed Mr. Kloptosky to obtain pricing to address the safety issues identified.

Supervisor Flanagan asked Staff to recommend an average annual budget amount for these types of repairs. Mr. McGaffney stated this would be included in the long-term plan.

Mr. Kloptosky stated he contacted 4Cs, the debris removal company that was very responsive, to ask if the 2017 Rate Sheet was still in effect. Mr. McGaffney stated a cost increase was not unheard of and is typically managed via an addendum to the agreement.

Mr. Kloptosky discussed an issue related to a well and pumping equipment on Old Kings Road. Discussion ensued regarding ownership of the equipment, the City's request for permission to cap the well at the District's expense, the purpose of the equipment and whether an easement exists. Staff would work with the Grand Haven Golf Club and review available records. Updates would be provided at the July meeting.

Mr. McGaffney stated Mr. Sowell received a \$21,000 proposal for a boundary survey to determine ownership of Colbert Lane; the proposal would be presented at the July meeting.

D. District Counsel: *Clark & Albaugh, LLP* [Scott Clark]

There being nothing further to report, the next item followed.

SEVENTH ORDER OF BUSINESS

UPCOMING WORKSHOP AGENDA ITEMS

This item was not addressed. The July workshop would be cancelled.

EIGHTH ORDER OF BUSINESS**SUPERVISORS' REQUESTS**

Supervisor Polizzi asked about a gate that was knocked down. Mr. Kloptosky stated the Field Supervisor was evaluating several necessary fence repairs due to tree damage. It was unclear whether the trees were on CDD or County property. The CDD was maintaining the area but an agreement may be in effect; the survey would be consulted to make a determination.

Supervisor Polizzi requested that proactive communications be sent to keep residents apprised about openings and closures of The Grand Haven Room. Discussion ensued regarding the need to have contractors perform work as soon as possible.

Supervisor Stass-Isern discussed an email regarding gate malfunctions. Mr. Kloptosky assured that issues are fixed promptly. Discussion ensued regarding the resident's request. Mr. McGaffney asked for the email to be forwarded so that the claims process could be initiated.

Supervisor Stass-Isern asked for an update on golf course liability issues. Mr. McGaffney stated he would follow up with Mr. Clark.

Supervisor Foley asked if Ms. Mrakovcic's request to lower the temperature in the Grand Haven Room could be accommodated. Discussion ensued regarding accommodating requests, equipment concerns and procedures.

NINTH ORDER OF BUSINESS

NEXT COMMUNITY WORKSHOP DATE: July 1, 2021 at 9:00 A.M.

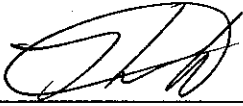
- **QUORUM CHECK**

The July 1, 2021 workshop would be cancelled.

Supervisors Polizzi, Foley, Flanagan and Howden confirmed their in-person attendance at the July 15, 2021 meeting. Supervisor Stass-Isern confirmed that she would phone in for part of the meeting.

TENTH ORDER OF BUSINESS**ADJOURNMENT**

<p>On MOTION by Supervisor Foley and seconded by Supervisor Stass-Isern, with all in favor, the meeting adjourned at 3:00 p.m.</p>



Secretary/Assistant Secretary



Chair/Vice Chair