

**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, August 19, 2010 at 9:30 a.m.**, in the **Grand Haven Room, Grand Haven Village Center, 2001 Waterside Parkway, Palm Coast, Florida 32137.**

Present at the meeting and constituting a quorum were:

Peter Chiodo	Chairman
Charles Trautwein	Vice Chairman
Dennis Cross	Assistant Secretary
Dr. Stephen Davidson	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Matt Kozak	Wrathell, Hunt & Associates, LLC
Scott Clark	District Counsel
Barry Kloptosky	Operations Manager
Howard (Mac) McGaffney	Amenities Manager
Grant Misterly	District Engineer
Louise Leister	Horticulturist
Al LoMonaco	Resident
Vic Natiello	Resident
Tom Lawrence	Resident
Maria & Tony Gaeta	Resident
Gary Noble	Resident
Frank Sockman	Resident
Chip Howden	Resident
Robert Hopkins	Resident
Lisa & Frank Mrakovic	Resident
David Cottrell	Aquatic Systems

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 9:30 a.m., and noted, for the record, that Supervisors Chiodo, Trautwein, Cross and Davidson were present, in person. Supervisor Halley was not present.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

Audience/Resident Response, Report & Comments

Mr. Chip Howden recommended that the Board allow the Chairman to recognize an individual, before the person speaks and the speaker should present only new information, with no repeat materials being presented. He stated reports from Supervisors and others should be short and concise and not deal with the details of how something was completed, unless clarification is requested. He stated the residents care about results and attempts to use meetings to repeat things are a waste of time and District funds. He expressed that the Chairman should stop such attempts and that the District Staff was hired for their particular expertise. He voiced his concerns about attempts to prolong hearings and meetings should be considered a breach of the duties to govern efficient and effectively and should not be allowed.

Mr. Vic Natiello, a resident, noted that many residents are calling Mr. Kloptosky when there are issues with their property. He requested that residents be directed to the Neighborhood Watch Association so that accurate information can be provided to the sheriff's office.

Ms. Marie Gaeta questioned if AMG could send an eblast notifying residents that the new liaison to the sheriff's office is Ms. Lisa Mrakovic.

FOURTH ORDER OF BUSINESS

Consent Agenda Items

Mr. Wrathell provided the Consent Agenda Items for the Board's consideration.

Supervisor Cross referred to the July 15, 2010 Regular Meeting Minutes, Page 14, and questioned if any Board Members responded to Ms. Diane Layng's comment regarding a violation of the Sunshine Law and her belief that a Board Member is doing more work than necessary. Supervisors Davidson and Chiodo noted that her comment was generalized and not directed to a specific Supervisor. Supervisor Cross stated that, if a supervisor is being accused of violating a Sunshine Law, he would like to know who is being accused and believed that the comment was directed to him. Supervisor Cross questioned District Counsel on the statement. Mr. Clark noted that the meeting minutes are a reflection of the events of the meeting and that

the Board never agreed or disagreed with comments; rather, there was no reaction. Supervisor Cross stated that he felt the statement was not an accurate statement. Mr. Clark stated the meeting minutes will reflect such position. Mr. Wrathell noted that Supervisor Cross' concern will be on the record and the expression of disagreement with the comment is sufficient for rebutting. Supervisor Cross stated, if need be, he will point out, in previous meeting minutes, where the Board appointed Supervisor Cross as liaison to different functions. Mr. Wrathell confirmed Supervisor Cross was designated as stormwater liaison with the City of Palm Coast. He asked for approval of the Consent Agenda Items.

a. Approval of Minutes

- July 1, 2010 Community Workshop
- July 15, 2010 Regular Meeting

b. Approval of Requisitions

- Number 186, Clark & Albaugh, LLP - \$188.00 (2004B Construction Account)

c. Check Detail, July 2010

d. Unaudited Financial Statements as of July 31, 2010

e. Approval of Operations and Maintenance Expenditures

<p>On MOTION by Supervisor Davidson and seconded by Supervisor Trautwein, with all in favor, the Consent Agenda Items, as presented, were approved.</p>
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FIFTH ORDER OF BUSINESS

District Engineer's Report (*no report*)

Mr. Wrathell stated there is no District Engineer's Report for the meeting.

SIXTH ORDER OF BUSINESS

Amenity Center Manager's Report

• Consideration of 3-Year Proposal

Mr. Wrathell stated the provided agreement is for two (2) years.

• Consideration of Resolution 2010-13, Declaring Certain Tangible Personal Property Surplus Equipment and Authorizing the District Manager to Sell or Dispose of Said Equipment

Mr. Roy Deary presented Resolution 2010-13 for the Board's consideration and stated the items include: three (3) computers that have been stored in a bench, a TV with a mark in the screen, five (5) chandeliers and various bar stools and chairs and tables. He recommended an auction. Mr. Clark provided a procedure as to how to get rid of surplus property, including an ad and solicitation of bids for the property. Mr. Wrathell explained the items can be bid separately or together and awarded to the highest bidder. He recommended providing a list at the next Board Meeting.

Mr. Deary stated about 100 kids are coming to the kids event on Saturday and thanked the resident volunteers. He stated a helicopter is coming and asked for approval by the Board to allow the helicopter to fly in and land. Supervisor Davidson voiced his concern regarding the safety issues in having the helicopter land, stopping traffic and the surrounding environment. Supervisor Trautwein voiced that he likes the idea but does not think the District has the appropriate area. Mr. Deary stated a hover-over can be performed.

Mr. McGaffney stated the Grand Haven directory was lost on the hard drive; however, there was a backup. He discussed a request for residents to provide their updated contact information. Discussion was held on the residents' reactions to the request. Mr. Kloptosky stated he provided Mr. McGaffney with his resident information; however, there was discrepancy in the information. Discussion ensued on the publish date.

On MOTION by Supervisor Davidson and seconded by Supervisor Trautwein, with all in favor, authorization for AMG to go outside of the contract and have the Grand Haven Directory update published, with new data collection allowed up until December 1, 2010, was approved.

- **Consideration of Public Viewing License to Show Movies in Community**

Mr. McGaffney discussed the need to obtain a license to show movies in the community media center. He explained the laws state that you must have a public viewing license to air a movie in public. He stated the blanket coverage for the District would cost \$2,545, per year, for unlimited movies and noted the high level of requests by the residents for movie nights. Mr. McGaffney confirmed the owner of the license would be the District. Discussion ensued on how to pay for the license. Supervisor Davidson recommended including a line item in the budget.

Supervisor Chiodo noted that the license covers up to 1,900 homes; however, only a certain number of people can fit in the room. Mr. McGaffney noted the increase of exposure with the size of the District. Supervisor Trautwein voiced concern regarding the cost and whether the District can actually afford the license. Discussion ensued on the demand of the community for the movies. Mr. Deary stated he will contribute \$1,000 towards the cost. An audience member suggested donations. Mr. Natiello noted possible issues with taking donations. Discussion ensued on the budget and where this would fit. Supervisor Cross recommended including this cost as part of the \$6,000 appropriated for special events. This item was tabled to the workshop.

Mr. McGaffney asked for direction on the “Come Meet the Candidates” night. Supervisor Davidson recommended each candidate speak for about 15 minutes, provide a biography and platform and did not recommend a direct question and answer session. He stated questions and answers should be completed on a one-to-one basis. Supervisor Chiodo noted that the District must be separated from the event. Supervisor Davidson recommended that AMG find someone to run the program. Discussion ensued on events held at previous candidate nights. Mr. Wrathell stated he will advertise that supervisors will be present at the Candidate Night.

Mr. Wrathell asked for the Board’s approval of the provided two (2)-year contract with AMG.

On MOTION by Supervisor Davidson and seconded by Supervisor Cross, with all in favor, AMG’s proposal for the two (2)-year contract extension was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Landscape Maintenance Services Agreement and Specifications

A handout of the agreement was provided. Mr. Kloptosky provided exhibits for the contract. Discussion was held on the appropriate language and rules. Mr. Clarke recommended a bid package with instructions and stated the Board needed to decide if a scoring mechanism will be used. Mr. Wrathell stated he and Mr. Clarke will prepare a bid package for consideration at the next meeting. Discussion was held on the details in the contract and possible firms that would respond to the advertisement.

EIGHTH ORDER OF BUSINESS**Discussion: Schedule Executive Session
in October Agenda**

- **R. A. Scott Litigation**
- **Wild Oaks Implication of CDD Short-Term and Long-Term Planning as a Result of LandMar/Crescent Resources Bankruptcy**

Mr. Clark requested an Executive Session regarding the existing R. A. Scott litigation and the implication of the LandMar/Crescent Resources bankruptcy on Wild Oaks.

On MOTION by Supervisor Cross and seconded by Supervisor Davidson, with all in favor, the request for an Executive Session, scheduled on October 21, 2010 from 8:30 a.m. to 10:00 a.m., was approved.

****The meeting recessed at 10:44 a.m.****

****The meeting reconvened at 10:53 a.m.****

NINTH ORDER OF BUSINESS**Continued Discussion: Proposed Budget
for Fiscal Year 2011**

- **Letter from Mr. & Mrs. Donald Newman Supporting Planning Recommendations**
- **Memorandum - Prevent Using Fund Balance**

Mr. Wrathell discussed ways to build the District's fund balance. He noted that the memo, included in the Agenda package, outlines the necessary amount to maintain a balanced budget, which includes an increase of \$8.43 in the general fund O&M assessment and an increase of \$5.98 for infrastructure reinvestment. The final assessment would be \$1,850.41 to \$1,947.41. Mr. Wrathell noted the amounts necessary to build excess infrastructure reinvestment funds, with a total assessment ranging from \$1,871 to \$1,968. He stated the draft assessment letter is prepared, pending the final amount. He stated that the notice must include a number and the actual assessed amount can not exceed the amount on the notice.

Mr. Kozak presented a comparison of other communities' assessments, having similar amenities. He noted that a complete comparison between communities is difficult, as the acreage, units and amenities vary by District. Discussion ensued on the District's assessment and comparable developments. Supervisor Cross stated he does not agree with creating a budget

that uses the reserves. The Board agreed. Discussion ensued on not using the reserves. Mr. Wrathell stated the assessment will include a \$150 increase and will be discussed at the workshop.

Mr. David Cottrell discussed the maintenance of the canals and lakes through Wild Oaks. He noted the city will maintain the canal for functional purposes. He discussed a lake in which half of it will be maintained by the city and the other half, with homes, can be maintained by Aquatic Systems. Mr. Cottrell discussed prices to maintain the canals and lakes, noting that the City of Palm Coast is completing some maintenance. Discussion ensued on the needed maintenance and Mr. Cottrell noted that the city will do a follow-up inspection 45 days after a treatment and, if further treatment is needed, the city will complete it. Discussion was held on the proposed prices. Supervisor Davidson noted that the FY2011 budget had \$9,864 for the year, not including Tract H and Ditch 10; now, including Tract H and Ditch 10, the price is \$8,700. Mr. Kloptosky stated the city is willing to maintain Tract H and the two (2) control structures but an easement agreement is needed. Supervisor Cross stated it was included in the agreement the city approved in July. Mr. Clark requested to review the agreement. Supervisor Cross discussed the need for the city to excavate ditches, as the banks collapsed. Supervisor Davidson stated that the city stated they were delaying repair of the weir because they did not want construction during hurricane season. Mr. Wrathell stated the \$8,700 includes the maintenance of Ponds 38 thru 47; of which Ponds 33 thru 46 are in Ditch 10 and Pond 47 is in Tract H. Mr. Cottrell confirmed.

Mr. Wrathell stated he will include Mr. and Mrs. Donald Newman's letter in the District's records. He stated Mr. Kloptosky is going to work with Mr. Misterly on the requisition related to the pump house work, to reimburse the general fund.

Mr. Kloptosky stated that the Ditch 10 and Tract H are included in the maintenance agreement with the city; however, he needs to confirm the permitting that was completed through St. Johns Water Management. He stated he will discuss the item with John from the City of Palm Coast.

TENTH ORDER OF BUSINESS

**Update: Wild Oaks Construction Series
2004 B Bonds (MK)**

Mr. Kozak reported that he is still researching the road infrastructure requisitions on the 2004B bonds and will provide the documentation to Supervisor Halley upon completion.

ELEVENTH ORDER OF BUSINESS**Consideration of Ad Hoc Fact Finding Group for Security Issues**

- **Richard Burns, *North Park***
- **Lisa Mrakovcic, *The Reserve***
- **Murray Salkovitz, *Southlake***
- **Charles Steele, *The Crossings***

Mr. Wrathell stated the listed individuals requested an ad hoc fact finding group for security issues. Supervisor Davidson recommended creating an ad hoc fact finding group for security issues. He stated Mr. Bob Hopkins, Mr. Wes Priest and Mr. Ron Donklin are to be added.

Mr. Bob Hopkins requested that they be grandfathered in for their previous work. The Board agreed. Supervisor Davidson requested that they complete an application and stated he will complete a charter for consideration.

This item was deferred for the workshop agenda.

TWELFTH ORDER OF BUSINESS**Continued Discussion: Field/Operations Manager Salary Range**

- **Email Regarding Dunes CDD Supervisor of Field Operations – Health Benefit Package Information**

Mr. Kozak provided information regarding the health insurance benefits for other community's field/operations manager positions. The response from the Dune Community included health insurance, for the employee only, dental insurance, long-term and short-term disability and life insurance. Mr. Wrathell noted that this item is not in the budget for Fiscal Year 2011. Supervisor Davidson requested rates from Florida League of Cities for Barry, Dave and Steve.

Supervisor Chiodo noted that Jessica is no longer in the office and the new employee is not full-time, yet. Discussion ensued on how many employees will be full-time.

THIRTEENTH ORDER OF BUSINESS

Continued Discussion: Full Time vs. Part Time Employee Status

- **Input from Scott Clark**

Mr. Clark stated he was asked if there is a legal standard of what constitutes part-time. He stated that the best measure that he has found is about 34 hours; however, there are various thresholds that can be used. Supervisor Cross stated 37 hours is the current average. Mr. Clark asked what the Board was trying to accomplish with the measurement of the hours. Mr. Wrathell stated that Mr. Steve Theodos asked to go full-time and the decision was to increase the hours but not to full-time hours. Supervisor Cross stated, in accordance with Mr. Kozak's presentation, having another full-time employee, with vacation and personal days, resulted in less productive hours. Mr. Kloptosky stated the employee would like to receive the same benefits as everyone else. Discussion ensued on the benefits of having another full-time employee. Supervisor Trautwein recommended going along with what Mr. Kloptosky needs right now. Supervisor Chiodo agreed. Mr. Wrathell stated a second full-time employee is already in the Fiscal Year 2011 budget.

On MOTION by Supervisor Davidson and seconded by Supervisor Trautwein, with Supervisor Chiodo in favor and Supervisor Cross dissenting, authorization for Mr. Steve Theodos to become a full-time employee, beginning October 1, 2010, and receive a \$2,000 vehicle allowance was approved. (Motion passed 3-1)

Mr. Wrathell discussed the proposed price to bill Hampton Golf on the tax bill and recommended leaving the assessment off of the tax bill, due to the wording in the agreement. Mr. Clark stated the assessment would be for maintenance costs that are the obligation of the District, for the golf course property. He stated, when an agreement is entered, that gives Hampton Golf the maintenance responsibility, then the payment can be questioned. He stated that the pump house, under the agreement, is not our obligation. Supervisor Chiodo questioned how it was handled in the past. Mr. Wrathell stated there was an \$18,999 amount that was removed, which is 75% of the actual cost. The budget number was revised down to a realistic number. Discussion ensued on the actual cost, including electrical and maintenance expenses.

Mr. Wrathell stated he reduced the number to \$15,000. Supervisor Cross questioned the actual costs. Supervisor Trautwein recommended reducing the amount to \$10,000. The Board agreed.

FOURTEENTH ORDER OF BUSINESS Staff Reports

a. Operations/Field Manager

i. Project Tracking Form

- **Marlin Drive Expansion Project**
- **Security Camera System Installation**
- **Streetlight Painting/Refurbishment**
- **42 Eastlake Sinkhole Repair**
- **Esplanade Easement Sidewalk Erosion**

Mr. Kloptosky reported that he met with the sheriff's office regarding community issues. He stated they asked that the ideas for solution will not be discussed in detail; however, law enforcement needs to be called immediately when something is wrong. Discussion followed on the appropriate steps to take when a resident sees suspicious activity.

Mr. Kloptosky reported the security camera upgrades are almost complete; the camera at the south entrance was knocked down and is pending repair. He requested the Board's input on the guards continuing to log the make/model/vehicle. He stated the sheriff recommended continuing logging in the information.

Mr. Kloptosky discussed the fish kill in Pond 42 in Wild Oaks and noted an aerator was moved from Pond 20 to 42 and Aquatic Systems installed an aerator, at no charge. He reported that the croquet court was closed a week longer due to pending repairs; only half will be reopened. He stated Austin has not been paid anything on the renovation. Mr. Kloptosky reported Ponds 19 and 47 will be stocked with carp, by Florida Fish Farms. He stated the budget for sidewalk repairs has been reached and there are 134 slabs of concrete with a 3/8' plus deflection, with 1/3 having a severe deflection. Supervisor Cross stated the severe slabs should be completed. Supervisor Chiodo agreed. Discussion ensued on the options to correct the slabs. Mr. Kloptosky discussed the condition of the trellis and noted the need for a plan to replace. He stated he is getting prices for removal. The Board requested the removal of the trellis at the pool. Mr. Kloptosky stated the costs will include electrical work and demo work. Supervisor Davidson discussed the condition of the wrought iron fence in front of the office and Mr.

Kloptosky stated he discussed this with the Board about two (2) years ago. He stated he has some quotes and options for the project and it can be completed in phases. Discussion ensued on the cost of repairs.

b. District Counsel

- i. Report Lists (7/15/10 & 8/19/10)**
- ii. Supervisor Election Participation**
- iii. Status of Letter to Hampton Golf Regarding 30-Day Notice to Repair Sidewalk**
- iv. Agreement for Security and Loss Prevention**
- v. Defendant's Answer, Affirmative Defenses and Counterclaim**

Mr. Clark provided a response to the R. A. Scott litigation and a copy of the security agreement. He stated the agreement was approved and is ready to be executed. Supervisor Davidson questioned if a response was received from Hampton Golf. Mr. Clark stated the 30 days passed and no response was received. Mr. Kloptosky stated he received a quote from a contractor and discussed the issue with Mr. Lyons and Mr. Bowlus and that the attitude was that they were not going to complete the repairs. Mr. Clark recommended the Board take action, as previously discussed. Discussion ensued on the existing easement.

*****Supervisor Davidson stepped out of the meeting.*****

On MOTION by Supervisor Chiodo and seconded by Supervisor Trautwein, with all in favor, authorization for Mr. Kloptosky to move forward with sidewalk repairs, assuming Mr. Misterly, Mr. Kloptosky and the contractor agree on the method of repair, was approved.

Supervisor Cross read the Palm Coast City Council report that read "the city was accepting a parcel from Creekside Village, at Grand Haven, for a stormwater pond for North Park Road". He discussed various past issues.

c. District Manager

- i. Update: Reuse Revenue Analysis**
This item was deferred until the end of budget season.
- ii. Update: Summary of Proposed Insurance for Easements**

Mr. Wrathell discussed quotes that were received for easements. Supervisor Cross requested the liability cost for the parking lot. Mr. Wrathell stated he will provide a report at the next workshop.

iii. Florida Municipal Insurance Trust Program

- **Cigna Summary Sheet**

Mr. Wrathell stated he will get a quote for insurance for the next workshop.

iv. NEXT WORKSHOP/MEETING:

- **September 2, 2010 at 10:00 a.m. - WORKSHOP**
- **September 14, 2010 at 3:00 p.m. - REGULAR MEETING (*Public Hearing to begin at 5:00 p.m.*)**

FIFTEENTH ORDER OF BUSINESS

Supervisors' Requests

- **Consideration of AMG Sponsored “Meet Your CDD BOS Candidates” Evening (SD)**
This item was discussed earlier in the meeting.
- **Consideration of Extending AMG Contractual Time Limit for GHCCD Directory Revision (SD)**
This item was discussed earlier in the meeting.
- **Consider Establishing AD HOC Fact Finding Groups (SD)**
 - **List Current and Possible Alternative Security Procedures**
 - **Develop Flower/Shrub Count Post Annuals Changeover**

Supervisor Davidson recommended a count of the flowers and shrubs during the next scheduled plant change.

Discussion was held on the upcoming landscaping schedule.

SIXTEENTH ORDER OF BUSINESS

Adjournment

There being no further business, all were in agreement with adjourning.

On MOTION by Supervisor Trautwein and seconded by Supervisor Davidson, with all in favor, the meeting adjourned at 1:05 p.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman