

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

A Community Workshop of the Grand Haven Community Development District's Board of Supervisors was held on **Thursday, November 4, 2010, at 10:00 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
Samuel Halley	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Matt Kozak	Wrathell, Hunt & Associates, LLC
Doug Paton	Wrathell, Hunt & Associates, LLC
Barry Kloptosky	Operations Manager
Howard McGaffney	Amenity Center Manager
Diane Layng	Resident
Marie Gaeta	Resident
Frank & Lisa Mrakovic	Residents
Tom Lawrence	Resident
John F. Pollinger	Resident
John Rybacki	Resident
Joan _____	Resident
Jim Harter	Resident
Mary Alice Brandt	Resident
Frank Benham	Resident
Sue & Chip Howden	Residents

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Wrathell called the meeting to order at 10:02 a.m., and announced, for the record, that all Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

All present recited the Pledge of Allegiance.

Mr. Wrathell congratulated the newly elected Board Members and notified them, for the record, that, although they have not yet been sworn in, they are now required to comply with the Sunshine Law. He recommended they restrict communication with the current sitting Board or any other candidates. Mr. Wrathell indicated the new Board Members will be sworn in at the next Board of Supervisors meeting.

THIRD ORDER OF BUSINESS

Discussion of Financial Items

a. Check Detail, September 2010

b. Unaudited Financial Statements as of September 30, 2010

Mr. Wrathell explained the monthly process of compiling the unaudited financial statements with corresponding check detail and invoices. He noted the invoices included each month are for checks cut in the specific month and does not necessarily tie exactly to the financial statements.

Supervisor Cross questioned expenditures without invoices or checks appearing as expenditures on the financials. He felt amounts cannot be listed in accounts payable while also showing the item as an expenditure. Mr. Wrathell explained this issue arose on the financials because Staff inadvertently used another method of accounting for the expenditures. Mr. Wrathell assured the Board the matter will be corrected.

Mr. Wrathell advised that expenditures will likely exceed the budget requiring a budget amendment in the near future.

Supervisor Cross requested an explanation of the detail of the \$32,262 engineering expense and questioned whether the amount is excessive, in comparison to the previous 11 months of engineering invoices. Discussion ensued regarding the possibility of a coding issue.

Mr. Wrathell confirmed the Board's desire to have the invoices match the expenditures and financials, going forward.

FOURTH ORDER OF BUSINESS

Discussion/Review: Revised Landscape Maintenance Services Bid Package (MK)

Mr. Wrathell noted he received some corrections from Supervisor Davidson.

Mr. Kozak indicated the major change to the bid package was in its organization. He referred to spelling changes on Page 66, which were already completed on the main document.

Mr. Wrathell indicated advertisement of the bid package was previously approved but stated the Board could choose to address it at the next Board of Supervisors meeting, so the new Board Members can review it. The Board agreed to go forward, at this time, rather than holding it for the next Board meeting.

Supervisor Cross referred to the tree trimming to 13 feet and asked if that would be included in an addendum. Mr. Kozak indicated there is a section for an addendum. Mr. Wrathell clarified, according to Ms. Leister, it will be a stand-alone contract. Supervisor Cross asked why it would not be included in the bid specs of this contract. Mr. Kozak explained this item requires a certified arborist and Ms. Leister felt a separate contract is needed, because it is a different type of contractor. Mr. Wrathell stated the horticultural consultant did not recommend including it and the Board previously indicated it was agreeable to it being a separate contract. Mr. Wrathell explained by including it in this contract there is a risk of excluding some very qualified landscape companies that do not happen to have their own arborist.

Mr. Wrathell confirmed Management will proceed with advertisement, as directed at the last Board of Supervisors meeting.

FIFTH ORDER OF BUSINESS

BOS Role in Performance Evaluations of Personnel Reporting to Operations Manager (*deferred from October 21, 2010 Regular Meeting*)

Mr. Chiodo noted the need for the Board to discuss its role in the performance evaluations of employees who report to the Operations Manager, meaning the administrative assistant and the two (2) maintenance employees.

Mr. Chiodo suggested that the Board does not set performance objectives for those employees, does not have knowledge of whether they are meeting their performance objectives and time sheets are not a good method of evaluating personnel. Mr. Chiodo felt, therefore, that the Operations Manager should be the one to evaluate the personnel that report to him and determine the amount of any compensation increases within the budgeted amounts. Mr. Chiodo felt the Board should evaluate the Operations Manager before he evaluates his own personnel.

Supervisor Trautwein agreed, stating he feels they established a chain of command but have not followed it. Supervisor Davidson acknowledged this is not a change in policy; rather, it is a reaffirmation of the District's organizational chart. A Board Member asked if the employees have been apprised of the objectives on which they would be evaluated.

Mr. Wrathell confirmed this item will be included as a consent item on the next Board of Supervisors meeting agenda.

SIXTH ORDER OF BUSINESS

Consideration of Changing Sign at Gym (SH) (deferred from October 21, 2010 Regular Meeting)

Supervisor Halley indicated the sign at the gym is not correct and needs to be changed. Mr. Wrathell indicated the rules of the District are established and the Board has now made a specific policy decision regarding one (1)- particular individual; he stated he feels the sign is consistent with the rules of the District. Supervisor Halley referred to a memo written by Mr. Clark further defining the policy and suggested the information be available in Staff offices for reference.

SEVENTH ORDER OF BUSINESS

Discussion: Status of Ponds and Canals (deferred from October 21, 2010 Regular Meeting)

Supervisor Davidson indicated Items 7 and 8 are intertwined.

Supervisor Davidson distributed a Grand Haven lakes update and reviewed the status of the ponds, treatments, and completed and pending maintenance. Discussion ensued regarding areas for which the city is now responsible for maintenance, rather than the District. It was noted that the city's definition of maintenance may not be the same as the CDD's. Supervisor Chiodo questioned if taking over the maintenance implies ownership. Supervisor Davidson replied it does not; adding, if the level of service does not meet the aesthetics of the community, the CDD will do what is necessary to maintain it to the District's standards.

Mr. Kloptosky discussed the August agreement with Aquatic Systems, Inc., to commence the remainder of the maintenance services. It was noted that the agreement needs to be signed. Supervisor Davidson continued reviewing the lakes update.

Mr. Wrathell indicated the scope of the Aquatic Systems, Inc., agreement was approved as part of the budget adoption process, although it had not gone through a formal approval process. As the Board is supportive of proceeding with the work and, given that it was budgeted, Mr. Wrathell suggested the Chairman execute the agreement and place it on the next Board of Supervisors meeting agenda as a consent item, with retroactive approval.

Supervisor Davidson reviewed pictures of Pond 7 and littoral plantings explaining the appearance, growth and removal of the plants by some residents, resulting in a failed littoral shelf. Supervisor Davidson requested a consent agenda item to return the pond to the normal maintenance of the other ponds, spray and kill anything that will sink and have Austin cut what can be reached from the shoreline. Supervisor Chiodo asked that Mr. Kloptosky obtain a quote from Austin Outdoor for removal of vegetation on Pond 7.

Supervisor Davidson discussed, in detail, various chemicals in the ponds and fertilization alternatives. The District's plan was discussed and the necessity of a coordinated effort Master Homeowner's Association was noted.

EIGHTH ORDER OF BUSINESS

Discussion: Petition from Residents of Linkside East Regarding Pond #7 (deferred from October 21, 2010 Regular Meeting)

This item was discussed during the Seventh Order of Business.

NINTH ORDER OF BUSINESS

Discussion: Why Contractor Won't Bid on Jobs in Grand Haven (SH)

Supervisor Halley questioned why the District has difficulty getting more contractors to bid on available work. Mr. Wrathell indicated Management made an effort to reach out to various contractors; however, contractors have either not responded or delayed their response. Mr. Wrathell indicated Management will follow up with contractors in an attempt to find out why they are not responding to bid requests. Mr. Kloptosky indicated the problem is that the District needs to build relationships with the contractors. Mr. Kloptosky attempts to obtain multiple bids, but many contractors are not responsive.

TENTH ORDER OF BUSINESS

Discussion: Setting Priorities for Starting Community Project (SH)

Mr. Wrathell indicated Management uses the budget as the mechanism to define projects that are addressed during the course of the fiscal year.

Supervisor Halley discussed various projects that were of concern to the Board or were approved by the Board and which have not been initiated. Supervisor Chiodo felt there are separate issues; the first relates to setting priorities, which is a Board issue, and what action should occur to make that happen. The second issue is specifically related to Item #12. Supervisor Chiodo suggested the Board needs an action plan to set priorities. Supervisor Chiodo voiced his opinion that, for instance, the Board should not direct the Operations Manager to obtain bids for a project, if the Board has not decided, for sure, that it will move ahead with the project. Mr. Wrathell agreed with Supervisor Chiodo stating the Board tends to readdress projects numerous times, at workshops or meetings, and/or questions the project's priority status or scope, resulting in lengthy delays.

Supervisor Chiodo suggested the list of potential projects be brought to the next Workshop, when the Board will establish the priority list. Furthermore, Mr. Kloptosky should not cease work on anything related to those projects, until after the Board has established the priority list and provides him with the appropriate direction for each of those projects. Supervisor Cross added that there should be a faster way to approve something that involves public safety. Mr. Wrathell indicated if Mr. Kloptosky brings forth a safety issue, Staff generally takes care of it without delay.

ELEVENTH ORDER OF BUSINESS

Discussion: Why Hasn't a Date Been Set for Trellis Removal at the Village Center (SH)

Mr. Kloptosky thanked the Board for recognizing the need to review projects, establish priorities and provide him with appropriate direction. He voiced his concerns that the title of this Agenda item implies that he is not moving forward on the project and/or does not see it as a priority. He proposed it could be better read as a status update on the trellises at the Village Center.

Mr. Kloptosky reviewed the timeline of events related to this project. He indicated he started with the District in August, 2008. In September, he presented the Board with photographs of gates and trellis and it is now November, 2010. Mr. Kloptosky indicated he presented this matter at least three (3) times over the past two (2) years. He reported the actual Board approval/directive for the trellis removal was not until September 16, 2010. Mr. Kloptosky indicated he contacted several contractors for pricing, awarded the project to two (2) contractors for various phases of the work. He noted permitting requirements by the City of Palm Coast but the contractor hopes to start a week from today, if the permits and notice of commencement are received. Mr. Kloptosky assured the Board the initial phases of work are in progress and there should be no implication that the project is stalled, delayed or that the Operations Manager is not doing his job; the project is well underway.

Supervisor Trautwein voiced his understanding of the process and confirmed that, if a Supervisor has questions about the status of a project, the Supervisor should call Mr. Kloptosky or Management. Supervisor Chiodo stated any projects the Board identifies should include, on the project tracking form, a Board statement regarding the work to be done.

Mr. Kloptosky reminded the Board that, assuming everything goes as planned, the trellises should be down within a week or week and a half and there is no plan to install anything else.

Mr. Kloptosky indicated during previous workshops or Board meetings, where time did not permit him to give his report and, had he been afforded the time, many of these items would have been addressed and questions answered then, rather than it needing to be discussed now.

******The Workshop recessed at 11:36 a.m.******

******The Workshop reconvened at 11:49 a.m.******

Supervisor Chiodo acknowledged the Board approved removal of the trellises and the work is underway but questioned if the Board really wants the trellises removed, without having a plan for what will be done to replace them. He wondered if more residents will be upset by the hole or by the yellow tape. Mr. Wrathell and Mr. Kloptosky confirmed the trellises need to come down as they are a safety issue.

TWELFTH ORDER OF BUSINESS

Discussion: Village Center Gates and Fence (SD)

Supervisor Davidson noted this project requires major capital outlay and questioned whether this is necessary, if the gates could possibly just be cleaned with a wire brush. He reviewed photographs and discussed the safety function and necessity of the gates and fence. He explained the danger of tetanus due to the rust. He felt this is more a matter of safety and security than simply an aesthetics issue. Supervisor Davidson recommended investigating the possibility of installing hurricane impact windows in the Village Center.

Supervisor Davidson discussed vinyl and aluminum alternatives to metal for the gates and fence and asked Mr. Kloptosky to review his findings. Mr. Kloptosky indicated he discussed the options and pricing with manufacturers and they can match the price of aluminum with vinyl with the choices being a stockade or picketed look. Mr. Kloptosky felt, with vinyl, the District would not get the ornamentation look the community deserves. Mr. Kloptosky indicated both contractors agreed that vinyl will not match the security of aluminum.

Supervisor Davidson asked that this item be included on the next Board of Supervisors' agenda. Discussion ensued regarding fence heights.

THIRTEENTH ORDER OF BUSINESS

**Discussion: Scope of the Duties of the
GHCDD BOS Liaison to the City of Palm
Coast Stormwater Ordinance Revision
Process (PC)**

Supervisor Cross presented his transition items for the Board's information. He discussed the as-built drawings for Phase II, Wild Oaks and the question of what is the real construction cost to complete Phase II. He turned over the as-built drawings indicating someone will need to continue working on this with the District Engineer.

Supervisor Cross' second transition item was the RA Scott litigation case. He recalled the details of the change orders and Requisition #107. He indicated \$461,075 is a duplicate of the \$650,000 paid. Someone will need to work with District Counsel regarding this matter.

Supervisor Cross' third transition item was the discussions with the City of Palm Coast regarding the stormwater ordinance and the ongoing negotiations with them for a stormwater reimbursement. He recalled the Board authorized him to negotiate with the City of Palm Coast regarding two (2) years' of retroactivity. He turned over the invoices and other information related to this item.

Mr. Wrathell and Supervisor Davidson thanked Supervisor Cross and commended him for his work on these projects.

Supervisor Davidson spoke about the stormwater ordinance negotiations, what the city might be able to pay, as a reimbursement, and a future plan of action. Supervisor Cross voiced his opinion that the District should not settle for \$9,000 or \$12,000 per year for two (2) years, as he feels the District is entitled to nearly \$200,000, retroactive from 2008.

FOURTEENTH ORDER OF BUSINESS

Discussion: Signage for Front Street Circles (DC)

Supervisor Cross discussed an email he sent to Mr. Wrathell and Mr. Kloptosky regarding residents' concerns about turn signs for Front Street circles and read the email. He stressed the need for one (1)-way signs in those circles. Supervisor Chiodo reviewed his findings from touring the community. The Board discussed various areas and signage needs, safety and liability concerns. Mr. Wrathell confirmed the Board's desire to have this item placed on its priority list.

FIFTEENTH ORDER OF BUSINESS

Discussion: Prosperity Bank (CW)

Mr. Wrathell indicated Prosperity Bank contacted Management expressing interest in providing banking services to the District; however, they are in the midst of reorganization. Supervisor Davidson voiced his opinion that it is not a good idea to work with them, given the circumstances.

SIXTEENTH ORDER OF BUSINESS

Supervisors' Requests

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

SEVENTEENTH ORDER OF BUSINESS


Adjournment

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

On MOTION by Supervisor Trautwein and seconded by Supervisor Cross, with all in favor, the Workshop adjourned at 12:30 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair