

**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, March 15, 2012 at 9:30 a.m.**, at the **Grand Haven Village Center, Grand Haven Room, 2001 Waterside Parkway, Palm Coast, Florida 32137.**

Present at the meeting were:

Dr. Stephen Davidson	Chair
Peter Chiodo	Vice Chair
Marie Gaeta	Assistant Secretary
Tom Lawrence	Assistant Secretary
John Pollinger	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Matt Kozak	Wrathell, Hunt & Associates, LLC
Scott Clark	District Counsel
Howard McGaffney	Amenity Management Group (AMG)
Roy Deary	Amenity Management Group (AMG)
Barry Kloptosky	Operations/Field Manager
Marti Garziglia	Resident
Al Lo Monaco	Resident
Bill Allen	Resident
Bob Perry	Resident
Chip Howden	Resident
Diane Layng	Resident
Bill Macri	Resident
Ron Merlo	Resident
Bob Hopkins	Resident
Frank Benham	Resident
Rob Carlton	Resident
Gary Noble	Resident
Craig Wilson	Resident
Gloria Schleith	Resident
Lisa Mrakovic	Resident
Ken _____	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Wrathell called the meeting to order at 9:31 a.m. He noted, for the record, that all Supervisors were present, in person.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

**AUDIENCE/RESIDENT RESPONSE,
REPORT & COMMENTS (3-Minute
Rule; Non-Agenda Items)**

Mr. William Macri, a resident, asked why the Pond 19 aerators are not working. He fears the pond quality will change during the summer season. Mr. Kloptosky stated the aerators for Ponds 19 and 20 were turned off due to electrical cost concerns. In response to Mr. Macri's question, Mr. Kloptosky estimated electrical costs were \$79 per month. Mr. Macri questioned the sense in spending money to install aerators but not operating them. Mr. Kloptosky indicated he turned them off at the Board's direction.

Supervisor Davidson discussed the study conducted on Pond 19 and indicated the aerators alone were not sufficient to control algae growth so the District reverted to using chemicals. He advised that the ponds were cleared of algae because of the chemicals, not the aerators; however, the matter of dead fish is another issue. Supervisor Davidson suggested the contractor monitor the ponds' oxygen levels, to determine if the aerators should be restarted.

Mr. Macri inquired about a future ban on chemicals. Supervisor Davidson indicated the contractor is working to use as little of the metal-based chemicals, as possible. Supervisor Lawrence noted the contractor has an alternative chemical that would be equally effective, should copper sulfate be banned; however, it is much more expensive.

Mr. Macri voiced his dissatisfaction with the appearance of the foreclosed home at 80 Southlake Drive. Supervisor Davidson directed him to contact Mr. Troy Railsback.

Ms. Gloria Schleith, a resident, voiced her opinion that the appearance of Waterside Parkway has gone downhill over the past year, with the elimination of color and flowers. She feels the groundcover looks like weeds. Ms. Schleith asked what happened to the flower and plant budget. She discussed the elimination of flowers in the circles. Ms. Schleith pointed out assessments increased but the landscaping changes are not an improvement; it looks worse. She suggested the District's landscaping is changing because the community is nearly sold out and it

is not needed to “sell” the community to prospective buyers. Ms. Schleith felt the beautiful landscaping was a major selling point for buyers.

In response to Supervisor Davidson’s question, Ms. Schleith confirmed she does not receive emails; therefore, she did not receive the email from the horticultural consultant. Supervisor Davidson indicated the email provided an explanation of landscape happenings, such as the installation of marigolds. Supervisor Davidson acknowledged that some groundcover did not work well and those areas are being reviewed. Ms. Schleith asked if the consultant could meet with residents. Supervisor Davidson replied affirmatively.

Mr. Craig Wilson, a resident, asked if it is possible to establish a single contractor to address the numerous elevated sidewalk sections, due to tree root growth, as opposed to individual homeowners hiring their own contractors. He felt this approach would enable the contractor to repair numerous sidewalks, at the same time, at a significant cost savings to residents. Mr. Kloptosky indicated sidewalks on private property are the individual homeowners’ responsibility. He can provide the names of contractors, upon request. In response to Mr. Wilson’s question, Mr. Kloptosky recommended contacting Mr. Railsback to coordinate homeowners working together. Supervisor Pollinger felt it is inappropriate for the District to recommend contractors to homeowners.

Mr. Bob Perry, a resident, questioned the rationale of scheduling the tennis court construction project at a time of maximum negative impact to the tennis players and asked the Board to consider moving the construction to another time, such as August.

Mr. Kloptosky indicated the scope of work was discussed extensively at numerous Board meetings, followed by the contractual process. The work was originally planned for the first week in March; however, the District was not prepared to begin at that time, which is why the work was moved back to March 19. Mr. Perry asked why the work cannot be completed in August. Mr. Kloptosky indicated they were not ready to do it in August. Supervisor Pollinger advised that August presents issues with rain and hurricanes; the drainage situation must be addressed now. Mr. Perry noted that the drainage issues have been a documented problem for over five (5) years and reiterated his question as to why the Board is proceeding with the work at a time of the year with the most people at Grand Haven. Supervisor Davidson confirmed the work cannot be rescheduled. Mr. Kloptosky clarified that rescheduling, at this point, is up to the Board but work is set to begin on Monday.

Mr. William Allen, a resident, asked permission to remove Brazilian peppers. He recalled a previous removal project and offered to treat those that need to be removed. Mr. Allen detailed his experience and knowledge of plants, along with problems posed by Brazilian peppers.

Supervisor Davidson asked if there is any danger to Mr. Allen. Mr. Allen advised that there is not. Trees with a single trunk will be sprayed, which will kill them. Trees with multiple trunks will be trimmed first, then treated, using more chemicals. Mr. Allen felt most trees will require less than four (4) tablespoons of chemical, which will be directly applied, and should pose no environmental dangers.

Mr. Kloptosky recalled that, previously, Mr. Allen only marked the trees; Austin Outdoor followed by removing them and spraying chemicals. Mr. Allen confirmed he has the necessary chemicals and is willing to treat the trees, at no cost to the District. Discussion ensued regarding tree removal by Austin, once they are dead.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, authorizing Mr. Bill Allen's request to chemically treat and mark Brazilian pepper trees, pending execution of a waiver indemnifying the District from any liability, was approved.

Ms. Diane Layng, a resident, requested that Grand Haven residents be respectful of the District's facilities.

Ms. Layng voiced her concern regarding the depth of the Board's research of different projects. She questioned whether this is the Board's role. Ms. Layng stated her understanding of the Board's role, as defined by Florida Statutes, and her feeling that the current Board is doing far more than expected, considering the District employs experts in various fields. Ms. Layng noted that two (2) seats are coming up for reelection and several residents approached her voicing their concern that they do not have the research background required to serve on the District's Board.

Ms. Layng recalled the growth of the community and the scope of work performed by Mr. Kloptosky. She speculated that the District will need two (2) Field Operations Managers, within the next couple of years. She asked the Board to consider this during the upcoming

budget discussions. Ms. Layng stated her opinion that there are times when some Board Members overstep their authority, when issues should first be addressed with Mr. Kloptosky.

Mr. Lawrence asked for a specific instance of the Board researching an item too much. Ms. Layng offered the ponds, as an example, noting the Board hired a consultant. She wondered why the Board does not rely on the consultant's expertise. Ms. Layng stated another example is the Board's propensity to micromanage, such as, when one (1) Board Member is given authority to pursue a project but other Supervisors interfere unnecessarily.

Speaking of the pond outfall project, Supervisor Gaeta advised that the District Engineer did not possess the in-depth experience required for that type of project, which necessitated the Board's involvement. Supervisor Gaeta indicated there are many "behind-the-scenes" contingencies and issues that arise of which the residents are not aware.

In response to Mr. Kloptosky's question, Ms. Layng confirmed she was not speaking of the pond outfall project referenced by Supervisor Gaeta; she was speaking of the pond project through the University of Florida. Supervisor Davidson discussed the project and community involvement in it.

Ms. Layng summarized her concern that, if the District wants others to be interested in becoming Board Members, the current Board should rely on the experts it has hired and make its decision based on the expert opinions. She sees the Board as having two (2) main roles, manage the finances and set policies.

FOURTH ORDER OF BUSINESS

STAFF REPORTS

A. Amenity Manager's Report

Mr. McGaffney reported on a recent incident at the fitness center. He recalled the Board's approval to allow 15 to 18 year-olds to use the facility, under the supervision of a parent or fitness trainer. Recently, a resident was using the fitness center with her daughter and an employee advised them of the policy, resulting in the employee being subjected to cursing. Mr. McGaffney stated the usage policy is strictly enforced and this situation reached a point where the resident was told if they did not leave the facility, the sheriff would be called to physically remove them.

Supervisor Davidson asked the age of the daughter. Mr. McGaffney stated that, at first, the daughter was not with her mother. The facilitator approached the daughter and told her the fitness center has an age limit and she must leave. The mother then entered the fitness center and

questioned the facilitator's discussion with the girl. Mr. McGaffney relayed the facilitator's statement that the girl said she was 13, while the mother said she was 18 and the father said she was 17. Mr. McGaffney indicated the girl told him she was 16. Mr. McGaffney conceded that he really does not know the girl's age and asked how to better enforce this policy.

Supervisor Gaeta asked if the policies are posted. Mr. McGaffney indicated the 18 and over policy is posted. Mr. McGaffney asked the Board if the District is posting, or making the public aware of the requirements for how those individuals under 18 can use the facilities. Mr. McGaffney indicated he foresees this as an issue and requested the Board's guidance regarding enforcement.

Supervisor Davidson stated the policy in question has a system requiring preregistration, verification of the child's age and signoff that a certified trainer, etc., will be with the child. Staff should first ask the users if they have completed the process and, if not, they must do so. Supervisor Davidson suggested developing a form to be completed, prior to use. Mr. Wrathell confirmed individual requests do not need Board approval; once they meet the criteria and the proper paperwork is completed, the child can use the facilities.

Mr. McGaffney indicated the tennis courts will close on Monday and residents were notified via email. Supervisor Chiodo referred to the communication, noting it was very well written but questioned why information was not sent a few weeks ago. Supervisor Davidson indicated information was not sent sooner because he wanted the hyperlink and slide show ready. Supervisor Davidson advised that the District did not want to announce the closure until close to the start date because he was working with the City of Palm Coast Tennis Center, so they could be ready, as well. Supervisor Chiodo noted word was out about the tennis court maintenance at least a month ago but when official information is not sent, inaccurate information circulates. Mr. McGaffney assured the Board his staff was not having inappropriate conversations about the project. Mr. Kloptosky indicated he discussed the project with numerous tennis players, in an attempt to quell misinformation. Supervisor Chiodo recommended that, with projects of this magnitude, the District should send advance information to alleviate concerns and misinformation.

Mr. Ken _____, a resident, indicated lack of communication is a continuing issue. Providing information to residents would alleviate many of the rumors.

Mr. McGaffney indicated his staff has spent a tremendous amount of time maintaining the pools, compared to previous years. He feels the problems are related to the warmer winter,

construction and the aging filters. He voiced his displeasure in the current chemical company. Mr. McGaffney indicated he is mentioning this, on the record, because residents are of the misconception that the amenity company will have nothing to do when the tennis courts are closed. He assured the Board that his staff will continue working and shift its efforts to other projects, during the closure.

Supervisor Gaeta asked Mr. McGaffney to elaborate on his issues with the chemical company. Mr. McGaffney indicated the problems relate to equipment failure.

Mr. Kloptosky indicated the District is currently in a payback situation with Pool Sure and recommended discussing this matter in the future, once the District has recouped its money. Mr. McGaffney indicated the equipment failures have caused more work for his employees.

Supervisor Davidson recalled previously asking about switching from chemicals to a salt-based system. He implored Mr. McGaffney and Mr. Deary to research this alternative.

Referring to the financial statements, Supervisor Davidson noted the tennis fees are at only 20% and room rental fees are at 15% and asked what is impacting those figures. Mr. McGaffney indicated he cannot answer the question without conducting research on the matter. Supervisor Davidson questioned if demand is down that much. Mr. McGaffney confirmed catering demand is down.

Supervisor Chiodo reported receiving input from tennis players alleging that many nonresidents are playing tennis and not paying the required fees.

B. Field/Operations Manager

Speaking of the pool chemical and equipment issues, Mr. Kloptosky stated these also present safety concerns. He discussed the equipment and chemical storage areas at both pools and reported numerous instances of children jumping the fence at Creekside and playing with the equipment. Mr. Kloptosky recommended installation of a six (6)-foot fence, in place of the current three (3)-foot fence. Additionally, he feels pool chemicals should not be stored outside. He suggested using a small storage shed to store and lock the chemicals. Mr. Kloptosky presented proposals for removal of the current fences, installation of new fences at both facilities and a shed for Creekside. In response to a question, Mr. Kloptosky confirmed this work would require a permit from the City of Palm Coast.

Supervisor Gaeta wondered about installing cameras in the areas, in addition to changing the fence. Supervisor Davidson indicated that is a different issue and will be discussed later in the meeting. Mr. Wrathell clarified the goal is to keep people out, not catch them in the area.

Given the previous difficulty in obtaining permits from the City of Palm Coast, Mr. Chip Howden, a resident, suggested including on the application that this is a safety concern. Supervisor Davidson indicated the District is now working with City of Palm Coast City Council members and District Counsel to put pressure on the permitting and zoning departments.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, authorizing the Field/Operations Manager to replace/install pool fences with higher fences, in a not-to-exceed amount of \$5,000, was approved.

Regarding the Seagate encroachment issue at Marlin Drive and Waterside Parkway, Mr. Kloptosky reported that he notified Seagate of the Board's options but has not heard back. Mr. Clark indicated he reviewed parcels that were requested by the CDD but were not conveyed by the developer, with this piece being one of those. Mr. Clark recommended the District contact the developer now regarding the issue. Supervisor Davidson directed Mr. Clark to contact the developer.

Mr. Kloptosky indicated The Village Center Pergola Project is moving forward. There was a six (6)-day delay because, upon inspection, Mr. Kloptosky did not accept the lumber that was delivered and it was returned. He felt the lumber was not up to the District's standards. New lumber was delivered a few days ago. Another delay occurred due to the columns not being properly sized.

Weather permitting, Mr. Kloptosky confirmed the tennis court drainage project is set to commence on Monday. He reminded the Board that the completion time frame is an estimate, as weather and other factors could impact the project.

Regarding aeration in Pond 4, Mr. Kloptosky indicated Aquatic Systems tested and the compressors are not working properly, likely due to them being shut off for a long period of time. In response to Supervisor Davidson's question, Mr. Kloptosky confirmed aeration was installed in the reuse pond and he has observed a significant difference.

Mr. Kloptosky indicated he has a meeting tomorrow and hopes to have the stalled permitting issues, related to ADA compliance requirements, resolved. He reported that staff completed projects, including filling in coquina and mulch on the playgrounds, moving benches, etc. Lloyds Fitness will arrange fitness equipment tomorrow, at both facilities. The city issued

permits for the croquet court walkway and the Wild Oaks Dog Park and gazebo paver work; those projects will move forward. Permits are pending for railings at both piers and concrete pads to be installed.

Supervisor Lawrence explained, for Mr. Macri's benefit, that the aerators are being run on Pond 4 because of its unique odor problem.

Mr. Gary Noble, a resident, asked Mr. Kloptosky to comment on activities completed by part-time maintenance personnel, over the last 30 days. Supervisor Davidson asked that this request be addressed later in the meeting.

Regarding the pergola project, a resident asked if the new wood will be treated so it is not impacted by carpenter bees, as was a problem with the old wood. Mr. Kloptosky indicated it will be stained and sealed; however, he cannot confirm if it will retard carpenter bees. Fiberglass columns will be installed around the wood columns, which should help. Mr. Kloptosky stated several contractors advised him there is no treatment to keep the bees away on a long-term basis.

Ms. Layng commended Mr. Kloptosky on the tennis court email and recommended providing it to Mr. McGaffney to post in The Village Center. Mr. Wrathell noted the volume of e-blasts and cautioned against inundating residents with them, at the risk of desensitizing them to the point where people no longer read them.

C. District Counsel

Mr. Clark indicated he received an email from the city attorney regarding his letter on the Marlin Drive permitting issue. The city attorney will look into it and follow up.

D. District Manager

- **Next Community Workshop/Regular Meeting**
 - **COMMUNITY WORKSHOP:**
 - **April 5, 2012 at 10:00 A.M.**
 - **BOARD OF SUPERVISORS MEETING**
 - **April 19, 2012 at 9:30 A.M**

Mr. Wrathell advised that the next workshop is scheduled for April 5, 2012 and the next meeting will be held April 19, 2012.

FIFTH ORDER OF BUSINESS

BUSINESS ITEMS

- A. Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2011, Prepared by Grau & Associates**

Mr. Wrathell presented the Fiscal Year 2011 audit. He reviewed the financial highlights on Page 2, stating the District's assets exceeded its liabilities; a negative change occurred in the District's total net assets, as a result of depreciation of physical assets and the District's ending fund balance decreased, compared to the previous year. Page 5 discusses revenues and expenditures higher than budgeted, which partially offset each other, leaving only a \$48,000 difference, mostly attributed to unanticipated expenditures such as the pond outfall project. Page 10 reflects assessment and other revenue collections, general operating expenses, the debt service fund. Page 15 contains the capital assets schedule and explains the usable life. Pages 17 and 18 discuss the District's investments. Note 6, on Page 19, lists the capital assets. Mr. Wrathell discussed the long-term liabilities section on Pages 19 and 20 and the developer's bankruptcy.

Mr. Wrathell referred to the report on internal control over financial reporting and the compliance and other matters sections, indicating that the auditor did not identify any deficiencies in internal control over financial reporting considered to be material weaknesses and there were no instances of noncompliance required to be reported. Mr. Wrathell stated there were no current or prior year findings.

Discussion ensued regarding Governor Scott's task force on special districts. Mr. Wrathell speculated that the governor's specific experience dealing with hospital districts caused him to lump all special districts into one, when CDDs are very different from other types of districts. Mr. Wrathell is hopeful the governor's opinion is softening, with regard to CDDs. The task force's focus is on completion of audits and dissemination and access of information to the public, such as placing budget and audit information on websites, etc.

Supervisor Davidson asked if setting the budget without consideration of the 4% discount, likely resulting in an overstatement of revenue, would cause a problem with the District's audits. Mr. Wrathell stated Management and the auditors feel it is appropriate to budget the actual revenues that are anticipated; taking the 4% discount into consideration.

B. Consideration of Resolution 2012-9, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2011

Mr. Wrathell presented Resolution 2012-9 for the Board's consideration.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, Resolution 2012-9, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2011, was adopted.

****The meeting recessed at 11:18 a.m.****

****The meeting reconvened at 11:29 a.m.****

C. Discussion: 2010 ADA Title II Inspection Review

Mr. Kozak presented the ADA Title II Inspection Review prepared by McCranie & Associates, Inc. He reported that the McCranie report eliminates many of the items and subsequent costs, previously identified by RGA. He noted McCranie's report recommends only two (2) pool lifts, as opposed to the four (4) previously recommended.

Supervisor Davidson questioned why the water fountains were not in McCranie's report. Supervisor Pollinger advised that it is not necessary to address the water fountains; they have the opinion and backing from the federal government that nothing must be done to bring the water fountains into compliance. Mr. Kloptosky stated that McCranie contacted the Justice Department and confirmed that the District does not need to make any changes to the shuffleboard and bocce ball courts.

Discussion ensued regarding the Board's dissatisfaction with RGA's recommendations. Regarding withholding payment to RGA, Supervisor Pollinger felt the problem will be that the District contracted with them to offer an opinion and they provided one. Supervisor Lawrence noted the difference is that RGA took the low or no risk approach in recommending changes; McCranie questioned items further and made recommendations based on their findings. Supervisor Chiodo felt McCranie's findings are defensible in court and suggested accepting their report because, even if the District is sued, the District should have a successful defense. Supervisor Lawrence questioned spending money to make changes, if McCranie says they are not necessary. Mr. Wrathell and Mr. Clark recommended the report be accepted, by motion.

Supervisor Pollinger asked that certification of the work be included in McCranie's costs.

Supervisor Gaeta voiced her desire to contest the balance due to RGA. Mr. Clark recalled previously explaining that when you contract with someone for an opinion and you receive it, you cannot generally refuse to pay because you are not happy with the opinion. Given the small amount of money involved, Mr. Clark felt the District would likely regret refusing to issue payment. Supervisor Gaeta felt it is worth writing a letter. Mr. Clark will write a letter.

Regarding McCranie’s report, Mr. Clark noted a major difference involved the number of pool and spa lifts. He indicated this issue finally hit the blogs and talk radio and everything he has heard indicates lifts are required for spas. For this reason, Mr. Clark wondered if McCranie discussed with the District the process they went through on that issue and whether he contacted the Department of Justice. Mr. Kloptosky believed the Justice Department was contacted and McCranie’s explanation was that the interpretation relates to program, rather than accessibility; meaning, if the pool offers programs, such as water aerobics, it needs lifts but spas do not because they do not have programs.

Mr. Clark asked that the record reflect that the District made a specific inquiry of McCranie regarding the matter of pool lifts and the response was as Mr. Kloptosky stated; furthermore, by adopting the report, the Board is relying on the information provided by McCranie.

Discussion ensued regarding whether the McCranie report states it the same as Mr. Kloptosky. Mr. Clark stated he raised the question because public discussions he has been privy to indicate differently from the McCranie opinion; he wanted to ensure this was not an omission by McCranie. Mr. Kloptosky confirmed that he had specific conversations regarding the pools and spas.

Mr. Wrathell advised that he has email correspondence from Mr. McCranie, related to this issue, in another district, confirming the same opinion.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, acceptance of the 2010 ADA Title II Inspection Review, prepared by McCranie & Associates, Inc., was approved.

On MOTION by Supervisor Gaeta and seconded by Supervisor Lawrence, with all in favor, authorizing District Counsel to prepare and send a letter to RGA Architects expressing the District’s dissatisfaction and belief that the District should not pay the balance owed, was approved.

Noting today is the deadline, Supervisor Gaeta asked Mr. Clark if the District has latitude, given it is in the process of completing the work. Mr. Clark advised that the regulation has no latitude; there is nothing to suggest that good faith works.

Discussion ensued regarding when the pool lifts will be installed and whether the pools should be closed. Mr. Kozak indicated the lifts should be installed by the end of March. Mr. Wrathell speculated that the only additional risk to the District is potential legal fees, should they be sued, because the work is already in progress. Mr. Clark specified that is what the lawsuits are all about. Mr. Wrathell questioned how much in legal fees would be generated in a few weeks, pending completion of the work. Mr. Clark stated the potential is the number of hours in a day. Mr. Clark felt the District could try arguing that the work was underway, making the lawsuit unnecessary and it was simply litigation designed to generate legal fees; some judges will listen to that argument but there is no guarantee. Mr. Wrathell felt closing the pools for two (2) weeks would be unacceptable to the community and, from a business perspective, would be far worse than any amount of money. Mr. Wrathell felt the lifts would be installed long before the case came before a judge. Mr. Wrathell recommended leaving the pools open, based on the limited exposure.

Supervisor Gaeta voiced her concern about the District's exposure. Supervisor Pollinger likened this situation to the District not closing the pool because someone might slip and fall.

Supervisor Lawrence indicated the children's playgrounds at Creekside and Wild Oaks do not comply. He felt both playgrounds should be closed until they can be brought into compliance. He noted focus should be on Creekside, as it is utilized the most. Supervisor Davidson mentioned the horseshoe pit is noncompliant.

Ms. Layng suggested communicating closures to the community.

Mr. Kloptosky stated The Village Center playground should also be closed, as it needs a transition ramp. Supervisor Lawrence felt the ramp will be installed sooner, rather than later, while the other playgrounds will take longer to bring into compliance, because equipment must be ordered. Mr. Wrathell recommended viewing The Village Center playground the same as the pools; the work will be completed prior to going to court. Supervisor Pollinger was in favor of closing all three (3) playgrounds. Mr. Kloptosky indicated he will monitor the mulch and keep it level until the transition piece is installed.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, closure of Creekside and Wild Oaks playgrounds and the horseshoe pit until those areas comply with the 2010 ADA standards, was approved.

D. Discussion: Objectives of CWRR (Community-Wide Re-Registration) (SD)

- **Implementation Process**
- **Beneficial User Rights Clause Implementation and Procedures**

Supervisor Davidson explained that the beneficial user rights clause entails there being one (1) set of user rights, per residential property address. Either the owner or tenant can use the rights but not both. If an owner transfers the user rights, the tenant becomes a Registered Renter and the owner can no longer use the facilities. Supervisor Davidson confirmed this clause is included in the new rules.

Supervisor Davidson reviewed the recommended milestones draft to implementation of the beneficial user rights clause and discussed steps that have been completed.

Supervisor Davidson presented the various resident and renter information forms, noting items in magenta are coded for possible removal, items in yellow are possible additions and green includes items for further discussion. Discussion ensued regarding removing most of the release of liability language. Supervisor Pollinger felt that the release is not useful, as people have a legal right to recourse. Mr. Clark stated that including a liability statement softens the District's liability much like a 'no lifeguard on duty' sign does at a pool. Mr. Clark cautioned that requiring people to sign the waiver, as a condition of usage, could weaken the District's position, as the person could claim they were coerced. The Board agreed to title the page "ACKNOWLEDGEMENT". A Board Member questioned what to do if someone refuses to sign it. Mr. Clark was unsure the District can require an owner to sign the acknowledgement, as a condition of usage; however, he felt renters can be required to sign, in order to fully establish their user rights. In order to alleviate confrontations, Mr. Clark recommended referring those that refuse to sign to Mr. Kloptosky, for further explanation. Supervisor Gaeta felt this is a nonissue, if the District installs signage at all amenity facilities. Mr. Kloptosky recalled instances where he has been called to the office to discuss similar matters and noted that people rarely change their decision.

The Board was in agreement with removal of the magenta highlighted sections and inclusion of the yellow highlighted items. Regarding gate access devices (GADs), Supervisor Lawrence recommended adding the words "either" and "or" so the statement reads, "Gate access devices are issued to either Grand Haven Property Owners or Registered Lessees....".

- **Community Information Directory**

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

Supervisor Gaeta presented a prototype directory and advised that they are currently being printed. In response to Supervisor Davidson's question, Supervisor Gaeta indicated she cannot provide an estimated delivery date, as the binders are on order and the directories must be assembled.

Supervisor Davidson discussed distribution policies and procedures. He advised that 1,000 directories were ordered and they will be distributed only at the Grand Haven CDD office.

Supervisor Gaeta described the directory structure and sections. Supervisor Davidson commended Supervisor Gaeta.

Supervisor Davidson indicated the CDD office staff's preferred distribution procedure includes requiring the recipient to initial a spreadsheet signifying receipt, in addition to completing a separate receipt form to acknowledge that they received the directory and the amenity rules. Staff wants the extra form to be included in the office file maintained for each property. Discussion ensued and Supervisor Davidson stressed the office staff's strong desire to have a separate signed form to maintain in the property file for those receiving the directory. The Board agreed to utilization of a spreadsheet and no second receipt for the files.

Supervisor Davidson questioned the distribution plan when an individual owns more than one (1) property; he asked if the plan consists of one (1) directory per property address or one (1) directory per owner, regardless of how many properties they own. Supervisor Gaeta and Supervisor Lawrence felt that it should be one (1) directory per owner. Supervisor Pollinger felt distributions should be one (1) per household. Supervisor Lawrence inquired regarding whether renters and vacant lot owners could receive the directory. Supervisor Lawrence proposed allowing one (1) directory per property owner, regardless of the number of properties owned.

In response to Supervisor Lawrence's question, Supervisor Gaeta advised that each directory costs approximately \$11. Supervisor Lawrence suggested charging renters \$15 for a directory. Mr. Clark confirmed that charging renters for the directory but not property owners is allowable discrimination. Ms. Layng questioned how renters will know the amenity rules/policies and procedures, should they choose to not buy a directory. Supervisor Davidson advised that, in those cases, a separate policies and procedures document must be distributed. It was suggested that property owners owning multiple properties must pay \$15 per copy, for each additional directory requested. Supervisor Pollinger pointed out that the property owner pays

assessments on all the properties owned; they should receive one (1) directory per property owned.

Supervisor Davidson summarized that separate receipts will not be required and every property owner is entitled to one (1) directory per property owned; renters must pay \$15.

Supervisor Davidson noted that the CDD defined family, which includes lineal descendants; however, many properties list parents of the property owners as residing at the home, who are technically lineal ascendants. He questioned if lineal ascendants should receive GADs and amenity ID cards, as the current policy does not include ascendants. Supervisor Pollinger stated those persons are “houseguests”. The Board agreed to change the CDD policy to entitle lineal ascendants, residing full-time in the home, to GADs and amenity ID cards.

Supervisor Davidson indicated some homes have horizontal relations residing in the same home, such as siblings, and questioned if they should receive GADs and amenity ID cards. Supervisor Pollinger suggested that if the home is the person’s legal residence, they should be entitled to a GAD and an amenity ID card; however, only up to the defined maximum occupancy of the home. The Board agreed. Supervisor Davidson asked if those already in residence should be grandfathered in and not be required to return GADs, amenity ID cards, etc. The Board agreed.

Regarding photo ID cards, Supervisor Davidson confirmed the policy wording must be changed to indicate a \$5 fee for all new replacement cards. Supervisor Gaeta noted the directory is already sent to the printer and asked if an amendment page will be inserted. Supervisor Davidson replied no; the document allows the Board to change fees, from time-to-time.

Discussion took place regarding rented properties, leases and implementation of the beneficial user rights policies.

Supervisor Davidson discussed the need to prepare handouts for property owners, renters, realtors and others to inform them of the rules, processes, beneficial user rights policy, etc. Supervisor Gaeta questioned when the handouts would be distributed. Supervisor Lawrence suggested emailing, posting and mailing a notification explaining the changes.

Supervisor Davidson advised that a script for office staff must be developed. He feels letters must be sent to the Flagler Board of Realtors, all realty companies and property managers, along with a presentation, in person, to the Flagler Board of Realtors. He suggested holding a special meeting for Grand Haven residents.

- **Database Management**

Supervisor Davidson presented the Dolphin Technical Solutions' data solution concept drawing. He noted a suggestion to move the Door King server computer to another workstation, enabling all staff to access it. He discussed workstations, the server, back-up drives, etc. Supervisor Davidson discussed the guardhouses eventual capability to access read-only data from the system, eliminating the need to print lists for them every two (2) weeks.

This item was continued to the next workshop agenda.

SIXTH ORDER OF BUSINESS**CONSENT AGENDA ITEMS**

****This item, previously the Eighth Order of Business, was presented out of order.****

Mr. Wrathell noted that Item C is no longer necessary and will not be considered.

A. Approval of Minutes

- **February 2, 2012 Community Workshop**
- **February 16, 2012 Regular Meeting**

B. Approval of Unaudited Financial Statements as of February 29, 2012

Mr. Wrathell noted that about \$40,000 of the miscellaneous income, listed on Page 2, is a credit from ATM related to the pond outfall work.

In response to Supervisor Lawrence's question, Mr. Wrathell indicated responses to the District Engineering RFP are due next Friday, March 23, 2012.

Supervisor Davidson referred to the \$650 Grand Haven Golf Club bill, on Page 16, and voiced his understanding that payments were being held during negotiations. He advised that the copy of the bill contains a notation to hold it; however, it was paid. Mr. Kloptosky indicated he has marked all of them "hold" because he was unsure of the status. Mr. Kloptosky felt discussion was held at the last meeting regarding the amount owed. Supervisor Davidson asked if the Board agreed to pay them. Mr. Clark voiced his feeling that the issue of pump house water was squared with the golf club. The Board directed Mr. Kloptosky to discontinue placing a hold on payments as long as the District is receiving payments.

Supervisor Davidson asked if the District will be reimbursed the \$5,000 up-front costs expended for the directory. Mr. Kozak replied affirmatively, stating it appears as a receivable on the balance sheet.

Supervisor Davidson referred to Check #3114, a \$341 payment to Green Performance Systems, for repair of a line cut by Austin Outdoor. He questioned why the District is paying it

or if Austin should pay. Mr. Kloptosky clarified the explanation is inappropriately worded. Mr. Kloptosky explained the work relates to trenching for power to the new shed; he inadvertently assumed a plumbing pipe was an irrigation pipe and authorized Austin to cut the pipe. Once the pipe was cut, it was discovered that it was a plumbing line containing wires, so it needed to be repaired.

C. Consideration of Memorandum of Understanding Agreement with Grand Haven Realty, LLC

This item was not considered.

D. Approval of Retaining Current Reservations System and TAG

This item was not discussed.

E. Approval of Proposal from Dolphin Technical Solutions for Firewall Setup

This item was not discussed.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, Consent Agenda Items A, D and E, as presented, Item B, on the condition of confirmation that Escalante is paying the District, and excluding Item C, were approved.

▪ **BUSINESS ITEMS**

****Discussion of the Business Items continued.****

E. Discussion/Consideration: Savings/Money Market Options to Replace PNC Bank (CW)

Mr. Wrathell reviewed the savings/money market account options. He discussed the District's current accounts and the money market account option offered by Old Florida National Bank.

Mr. Wrathell presented Resolution 2011-10 for the Board's consideration.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, Resolution 2012-10, Authorizing Wrathell, Hunt and Associates, LLC, To Open A Savings/Money Market Account with Old Florida National Bank, was adopted.

F. Distribution/Discussion: Business Plan (BOS)

Supervisor Gaeta advised that she submitted her business plan information.

This item was deferred to the next workshop.

G. Discussion: Candidate Form (PC)

This item was deferred to the next workshop.

H. Aquatic Systems, Inc., Triploid Grass Carp Stocking Record (BK) *(for informational purposes)*

This item will be removed from future agendas.

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

****This item, previously the Sixth Order of Business, was presented out of order.****

This item was not addressed.

EIGHTH ORDER OF BUSINESS

SUPERVISORS REQUESTS

****This item, previously the Seventh Order of Business, was presented out of order.****

Supervisor Davidson referred to a postcard regarding the upcoming Parade of Homes and asked if others received it. He wondered if any actions are required by the CDD. Mr. Kloptosky clarified this is related to a Tour of Homes. Mr. Kloptosky will follow up.

NINTH ORDER OF BUSINESS

ADJOURNMENT

There being no further business, the meeting adjourned.

<p>On MOTION by Supervisor Pollinger and seconded by Supervisor Chiodo, with all in favor, the meeting adjourned at 1:35 p.m.</p>
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Secretary/Assistant Secretary

Chair/Vice Chair