

**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, October 18, 2012 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 were:

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

Also present were:

Doug Paton	Wrathell, Hunt and Associates, LLC
Matt Adika	Wrathell, Hunt and Associates, LLC
Scott Clark	District Counsel
Howard McGaffney	Amenity Management Group (AMG)
Barry Kloptosky	Field Operations Manager
Louise Leister	Horticulturalist
Tony Gaeta (via telephone)	Dolphin Technical Solutions
Al Lo Monaco	Resident
Ginger Richards	Resident
David Alfin	Resident
Rob Carlton	Resident and Master Association President
Marti Garziglia	Resident
D.W. Ferguson	Resident
Frank Benham	Resident
Gloria Schleith	Resident
Linda Struble	Resident
Ray Smith	Resident
Rudy Gallero	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Paton called the meeting to order at 9:32 a.m., and noted, for the record, that Supervisors Davidson, Gaeta, Pollinger and Lawrence were present, in person. Supervisor Chiodo was not present at roll call.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

▪ **Award Presentation to Louise Leister, Horticulturalist**

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

Supervisor Davidson commended Ms. Louise Leister for her work in the community and presented her with an award of appreciation. He noted that, as a result of Ms. Leister’s exemplary work and contributions, the CDD received an international award for environmentally friendly community landscaping.

Ms. Leister thanked the community for their recognition.

THIRD ORDER OF BUSINESS

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

Ms. Gloria Schleith, a resident, thanked Supervisor Pollinger for his contributions to the community.

Mr. Rudy Gallero, a resident, asked if there is or was ever a rule prohibiting residents from working in the CDD. He stated that Mr. McGaffney told him the rule was no longer in effect. Mr. Kloptosky clarified that the Board made a decision to allow subcontractors to be residents. Mr. Kloptosky stated that residents cannot work directly for the CDD but the CDD can subcontract work to a resident. Supervisor Pollinger stated that the Amenity Facility employee is not a CDD employee. Mr. Gallero asked the purpose of the rule. Supervisor Gaeta indicated that the reasons are nepotism issues and that the CDD holds confidential information about the residents. Mr. Gallero asked if residents working as subcontractors have access to confidential information. Supervisor Gaeta indicated that they do not have access to the CDD’s records.

****Supervisor Chiodo arrived at the meeting.****

FOURTH ORDER OF BUSINESS

**CONSULTANT, GUEST REPORTS &
PRESENTATIONS**

This item was not addressed.

FIFTH ORDER OF BUSINESS**CONSENT AGENDA ITEMS****A. Approval of Minutes**

- **September 6, 2012 Public Hearing and Regular Meeting**
- **September 20, 2012 Continued Meeting**
- **September 20, 2012 Community Workshop**

Mr. Paton presented the September 6, 2012 Public Hearing and Regular Meeting and the September 20, 2012 Continued Meeting and Workshop Minutes and asked if there were any additions, deletions or corrections.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, the Approval of Minutes Consent Agenda Item, as presented, was approved.

B. Approval of Unaudited Financial Statements as of August 31, 2012

Mr. Paton presented the Unaudited Financial Statements as of August 31, 2012 for the Board's consideration.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, the Approval of Unaudited Financial Statements as of August 31, 2012 Consent Agenda Item, as presented, was approved.

SIXTH ORDER OF BUSINESS**STAFF REPORTS****A. District Engineer**

Supervisor Davidson noted that the current District Engineer submitted a letter of resignation. The District is negotiating with the second ranked firm. Mr. Paton advised that this matter will be addressed in further detail under the Seventh Order of Business.

B. Amenity Manager

Mr. McGaffney referred to an email to the Board from Management regarding a two (2)-year-old no trespass matter. He stated that he maintained communication with the then, minor individual and his parents. Mr. McGaffney reported that the individual is remorseful for his

actions from two (2) years ago. He noted that, over the past two (2) years, the young man has complied with the terms of the no trespass order, including not being able to attend a major family function being held at a CDD facility. Mr. McGaffney asked the Board to consider reinstating the individual's privileges.

Mr. Clark advised that the CDD policy does not address the length of trespass warrants; however, the maximum suspension that could have been placed on him, had it been done at the time, was one (1) year. He stated that, unless there is evidence of ongoing problems, under the District's rules, it seems inappropriate to have this continue two (2) years after the fact.

Supervisor Gaeta asked what recourse the District has, should there be another problem with this individual. Mr. Clark stated that the District would follow its rules, as written.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, vacating the no trespass order, was approved.

Mr. McGaffney will notify the individual and the Sheriff of the Board's decision, as well completing all necessary paperwork with the Sheriff's office.

Supervisor Gaeta asked how the garage sale went. Mr. McGaffney asked if she was referring to the Oktoberfest. Supervisor Gaeta replied affirmatively. Mr. McGaffney stated that it was not as successful as last year. Supervisor Gaeta recommended holding the event in the spring, when more residents are there.

C. Field/Operations Manager

Mr. Kloptosky indicated that the AquaCal work on The Village Center pool was completed and the pool reopened. While the pool was closed, Mr. Kloptosky indicated that he opened the pool deck and had two (2) engineers inspect the pool beam structure, to determine why the wall is bulging and the tile was cracking. Mr. Kloptosky stated that CPH's engineer inspected the pool but he felt the inspection was not thorough so he contacted a structural engineer that he knew, who specializes in pools. Reports are pending from both engineers.

Regarding ADA compliance, Mr. Kloptosky noted an ongoing issue with locating a contractor to replace the stairs at the Creekside Playground; however, the work was finally completed. This added \$2,370 to the total ADA compliance costs. Mr. Kloptosky stated that

McCranie is prepared to write the certification letter, except the two (2) pool lifts remain pending.

Mr. McGaffney indicated that his company manages many pools and he heard that the presumption is that the ADA compliance matters are delayed until after the November elections; however, it is felt that the rules, as currently written, will be in place January 1, 2013. In response to Supervisor Gaeta's question, Mr. McGaffney confirmed the industry belief that parties must be compliant as of January 1.

- **Water/Irrigation Analysis (to be provided under separate cover)**

Mr. Kloptosky indicated that Ms. Leister reviewed the data provided by Management to determine why water costs increased. The City was made aware of meters that may have a problem based on large fluctuations in the monthly bills, such as \$200 one month, then \$1,000 the next month, for the same meter. The City is researching the matter and a meeting with the Utility Department is scheduled for Monday.

Mr. Kloptosky reported that he received a call from the resident at 37 Jasmine Drive regarding the retaining wall. He recalled bringing the issue to the Board in 2009. At that time, the resident wanted the CDD to repair a retaining wall but, although the wall is on CDD property, it was determined that it was built without CDD permission or a permit. The Board tabled the matter in 2009. Mr. Kloptosky advised that the issue resurfaced because there is a new owner who wants it repaired. A meeting with the current owner is scheduled. Mr. Kloptosky indicated that the wall was built by ICI.

Mr. Clark recalled that the Board previously refused to accept responsibility for the retaining wall, as the District did not build it and to avoid setting precedent. Mr. Kloptosky read from District Counsel's 2009 comments, which recommended requiring removal of the retaining wall; however, the Board did not require removal and the matter was tabled.

Supervisor Pollinger asked if the District would lose its ability to object to something built on its property if it delayed making an objection. Mr. Clark advised that the time is 20 years and, if the District will allow it to remain, he recommended entering into an agreement with the property owner whereby the owner acknowledges that it is their responsibility to maintain the wall.

D. District Counsel

- **R.A. Scott Litigation Update**

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

- **Audio-Video Surveillance Warning**

Mr. Clark noted his memorandum regarding wording for the audio-video surveillance signs in the CDD office.

- **District Contraction**

Mr. Clark recalled that the Board adopted a resolution, at its September 16, 2012 meeting, related to the petition to the City allowing contraction. He noted that the District must provide details of the estimated cost to the City if this action is taken.

- **Board Members' Assumption of Office after General Election**

Mr. Clark advised that the statute provides that a newly elected Supervisor takes office on the second Tuesday after the general election. In the District's case, it means that Supervisor Pollinger will serve through the November meeting. Mr. Clark advised that the oath of office can be administered to the new Supervisor any time after November 20 and he may begin participating at the December workshop or meeting. Mr. Clark confirmed that Mr. Wrathell normally administers the oath of office. In response to a question, Mr. Clark stated that any Notary can administer the oath. Supervisor Davidson suggested that it be administered on November 21, 2012 by a Notary in the CDD office.

Supervisor Lawrence asked if the audio-video surveillance notices are posted at all CDD facilities. Mr. Kloptosky replied affirmatively. Mr. Clark confirmed that the recommended wording is "NOTICE: The premises within are under 24-hour audio and video surveillance and recording". Mr. Clark confirmed that, if audio recording will occur, the notice must state that, in order for it to be enforceable. Mr. Kloptosky asked if notice must be posted on each exterior entrance door to the facility or if it must only be posted on the door into the CDD office area, as that is the area with audio and video surveillance. Mr. Clark stated that there must be an obvious warning posted in any area where audio will be recorded.

Supervisor Lawrence noted that both facilities have cameras that record video outside of the facility and asked if signs are required. Mr. Clark stated that cameras are not subject to the statute and same requirements as audio recording; if someone is doing something in the open, they have no right to expect privacy. It is different when cameras or audio recording is done inside. Regarding size, Mr. Clark stated that there is no size requirement for signs but recommended using common sense. Mr. Kloptosky asked if the current audio recording devices

should be disabled until the new signs are posted. Mr. Clark replied no; however, the signs should be changed as soon as possible.

E. District Manager

- **Next Community Workshop/Regular Meeting**
 - **COMMUNITY WORKSHOP**
 - **November 1, 2012, at 10:00 A.M.**

Mr. Paton indicated that the next workshop is scheduled for November 1, 2012 and asked the Board to consider moving the meeting time to 9:00 a.m., at Mr. Wrathell's request. Mr. Paton confirmed that Management will absorb the advertising cost.

On MOTION by Supervisor Gaeta and seconded by Supervisor Lawrence, with all in favor, rescheduling the November 1, 2012 Community Workshop to begin at 9:00 a.m., was approved.

- **BOARD OF SUPERVISORS MEETING**
 - **November 15, 2012 at 9:30 A.M.**

The next meeting is scheduled for November 15, 2012.

Regarding the Unaudited Financial Statements as of August 31, 2012, Mr. Paton indicated that assessment collections were at 98%; however, as of yesterday, they stand at 101%.

SEVENTH ORDER OF BUSINESS

BUSINESS ITEMS

A. CPH Engineers, Inc.

- **Letter of Resignation**

Mr. Paton presented the letter of resignation from CPH Engineers, Inc., for the Board's consideration. He noted that work halted on October 4, 2012.

Supervisor Davidson stated that the reason for the resignation was a lack of harmony between the District and the District Engineer. He stated that the Board felt that the District was not receiving the services it is entitled to. Supervisor Davidson recalled the previous RFQ process and noted that the District is now in a position to consider the second ranked firm, Genesis Group. He noted the sensitivity of this matter, as the District is currently without a District Engineer.

- **Invoice Review**

The Board reviewed invoices from CPH Engineers, Inc.

Supervisor Gaeta declared that Mr. Markovitz is not an engineer and questioned his billing rate. Supervisor Davidson provided a handout of the detailed billing and challenged that much of the work listed was work performed based upon information provided to CPH by Mr. Kloptosky and questioned whether CPH should be paid for those services. Mr. Kloptosky referred to an invoice and voiced his belief that Mr. Blaney's billed hours do not match the amount of work performed, based on the information CPH provided to the District and the information Mr. Kloptosky gave CPH. Mr. Kloptosky felt that CPH's information was not correct and questioned paying for erroneous information.

Supervisor Chiodo felt that Mr. Kloptosky's concerns are valid. He asked if other CPH bills contained the \$145 rate for Mr. Markovitz. Supervisor Chiodo voiced his opinion that, if the District has not honored any bills with that rate, the District can question the rate, as Mr. Markovitz is not listed on the fee schedule and is not an engineer; his non-engineer rate is not included in the fee schedule at all.

Supervisor Davidson noted that the current invoices total approximately \$20,000. Referring to the \$5,571.80 invoice, Supervisor Davidson argued that \$3,400 is questionable because Mr. Kloptosky actually provided the services. He asked District Counsel to advise regarding what action the District can take with regard to paying the CPH bills.

Supervisor Lawrence stated that CPH's rate of billing, over a three (3)-month period, is nearly half the District's engineering budget and asked if this gives validity to the District arguing the costs.

Mr. Clark noted that the District's budget is not part of the CPH contract; the District agreed to engage them at particular rates and then directed them to perform work. Regarding the Board's arguments about the number of hours billed, Mr. Clark stressed that hours is never something to litigate because the District does not have the means to disprove it. He stated that the District could base nonpayment on its opinion that the work performed was wrong or unnecessary because the information was provided by Mr. Kloptosky. Mr. Clark advised that negotiation of a payment figure is best in this type of situation.

Supervisor Gaeta questioned billing for attendance by more than one (1) CPH employee at the District's meetings. Mr. Kloptosky confirmed that he informed CPH that only one (1) person should attend a meeting and recommended nonpayment of costs for multiple attendees.

Supervisor Chiodo directed Mr. Kloptosky to compile a list of his work for which CPH claims they performed and the related hours appearing on CHP's invoices. He asked for a breakdown of inappropriate billing related to more than one (1) CPH employee attending a meeting or workshop.

The Board discussed compiling a list of guidelines for its future District Engineers.

Supervisor Gaeta questioned paying the District Engineer anything because she feels they provided no solutions to the District's engineering related problems. Supervisor Chiodo pointed out that the Board's expectations may not have been clearly spelled out to CPH. Supervisor Gaeta stated that she personally informed Mr. Markovitz that the District "does not do paper" and that the Board wants the reports turned in for inclusion in the agendas, etc. Supervisor Chiodo noted that there is a difference between an individual Supervisor taking someone aside and the District providing them with specific written instructions of the Board's expectations and requirements.

Supervisor Lawrence felt that CPH will be willing to negotiate in order to avoid having their reputation sullied by the District. Supervisor Chiodo recommended not paying any bills until all matters are resolved.

Supervisor Davidson summarized that the plan is for Mr. Kloptosky to evaluate all bills and identify the billed work that he performed or provided, cross-check to determine if silent attendees billed for attending the meeting and verify the allowable billable rate for Mr. Markovitz.

Mr. Kloptosky indicated that an independent person was contracted for \$400. The contractor completed an evaluation of the pool but his report is pending. Mr. Kloptosky questioned if the contractor should be paid for his work. Supervisor Lawrence stated that all work halted on October 4 so a report will probably not be received; therefore, paying him is not the District's problem. The Board urged Mr. Kloptosky to avoid further requests for the report, as the \$400 contract called for an evaluation and a report.

B. "Keeping Grand Haven Grand" Implementation

****This item, previously Item 7F., was presented out of order.****

- **IT Progress Report**

Mr. Tony Gaeta, of Dolphin Technical Solutions, provided an IT progress update. He stated that he is working with CDD staff on the property information form to ensure it is comprehensive and includes all required information. Mr. Gaeta advised that he posed questions to the Board and the answers to those questions will guide him as to how the final data solution should function. He stated that the data cleanup process commenced with implementation of an Access system to collect information that will be imported into the CRM final solution. The hardware has been ordered.

Mr. Gaeta reviewed the Grand Haven Property Information Form and explained the various sections and information to be collected. He stated that a single form will be used for owners and renters, rather than two (2) different forms. Mr. Gaeta discussed the various items in each section.

Discussion ensued regarding the question about access to amenities and how to determine if the owner or renter has the right to access. Supervisor Davidson indicated that the form will contain more information regarding the beneficial user rights (BUR) and transfer of them, which will answer who has the BURs.

Regarding call box information, Supervisor Gaeta noted that people without a landline cannot be listed in the call box. Supervisor Lawrence pointed out that the Crossings and Wild Oaks call boxes are limited to people in those neighborhoods and asked how that is handled if someone selects to be listed in "All" call boxes. Mr. Gaeta stated that "All" could be taken out of the option list.

Discussion ensued regarding the number of pre-approved visitors to allow per property. The Board agreed to limit the number to six (6), while allowing for additional names, on a case-by-case basis. The database will still be designed to allow for a two (2) digit number. Supervisor Davidson discussed the process for putting people on the preapproved visitor gate access list. It was determined that the list will be completed during reregistration. A new form will be completed for changes or additions. The phone number column will be removed from this portion of the list.

A question was raised regarding the meaning of the Active yes or no sections on the form. Mr. Gaeta stated that the database will only provide the guard gate with information for

active people or vehicles, etc. This option will also allow for “deactivating” people from using the facilities, for instance, due to problems or if they do not have BURs.

In response to questions about leaving inactive people in the database, Mr. Gaeta suggested purging inactive people from the database after two (2) or three (3) years.

Supervisor Gaeta suggested that the form contain a date line.

Mr. Gaeta asked the time frame for implementing the new form. Supervisor Davidson confirmed that the new form will be implemented at a later time.

Mr. Smith questioned why the vehicle registration expiration date was necessary information. Mr. Gaeta stated that the CDD office staff asked that it be included. The Board agreed that the registration expiration date is not necessary. Supervisor Chiodo stressed the importance of informing people that they must update their information, if their vehicle changes. Mr. Kloptosky voiced his feeling that if the vehicle registration expiration information is not obtained, the District will have no way to monitor which vehicles are active in the community, especially if people do not notify the office. Supervisor Lawrence suggested that residents must take responsibility for updating their information.

Regarding keeping information up-to-date, Mr. Gaeta suggested sending the completed form to each contact annually and asking them to acknowledge that the information is correct or mark any changes and return it to the CDD office. Mr. Gaeta noted that some communities give a time frame for returning the form and, if not returned, the person’s GAD is deactivated, etc. Supervisor Gaeta asked if the District had any recourse if a person fails to return their form. Mr. Clark stated that the only effective recourse is deactivating the GAD or SMAACs related to the property; the District can impose what it chooses but must consider the practicality of the choice.

Mr. Gaeta referred to a list of Dolphin Technical Solutions’ questions and the answers, as he understands them. The first question asks if renters were included in the Community Directory and the answer was yes. Regarding whether properties without homes were listed, the answer was yes. The answer was yes regarding whether the CDD wanted the ability to track who received the Community Directory. Dolphin questioned what information the Board wants included and proposed changes to the information layout. Mr. Gaeta voiced his understanding that the Board agreed to his format suggestions for future directories.

Dolphin questioned how many vehicles each property can have. Mr. Gaeta confirmed the Board’s decision that the allowable number of vehicles will be the number of garage spaces

times two (2). Regarding how the CDD would verify that a vehicle with a GAD was registered to the property for which it was requested, Mr. Gaeta acknowledged the Board's decision that the vehicle is not required to be registered to a Grand Haven property, as long as it has a valid registration. Dolphin questioned the age at which a resident is eligible to receive an amenity card and what information the Board wanted to include on amenity cards. Mr. Gaeta voiced his understanding that the age is 13 and over and that the amenity card will contain the person's picture, full name, address, type of resident and bar code. The Board agreed that a signature is not necessary.

Supervisor Davidson stated that the amenity card should include the resident's picture, full name, address, village, date of birth and type of resident. Several Supervisors felt that the date of birth should not be included. Date of birth will not be included. Supervisor Davidson suggested including the lease term. Supervisor Gaeta felt that an inception date should be included. Supervisor Pollinger pointed out that the lease term is not necessary, as the card can be deactivated; however, including the lease term would require issuance of a new card, once a new lease term commences. Supervisor Davidson agreed that inclusion of the lease term is not necessary. The Board agreed that the village is not necessary.

Regarding a limit to the number of people that a resident can have on their pre-approved visitor gate access list, the Board indicated that the limit will be six (6), with the Field Operations Manager authorized to override the number.

Mr. Gaeta indicated that a list of out-of-state, absentee landlords will be generated for the guards to allow access those property owners.

Mr. Gaeta addressed Dolphin's questions regarding renters. The Board agreed that GADs and amenity access cards will be automatically deactivated upon lease termination for all renters, regardless of whether they are a family member of the landlord. No grace period will be granted. Mr. Gaeta noted Dolphin's question about situations where no lease is in place but the property owner is allowing a family member to live in the home with or without paying rent, or other zero-dollar leases. These questions are addressed in Supervisor Davidson's Grand Haven CDD GAD Decision Tree.

******The meeting recessed at 11:50 a.m.******

******The meeting reconvened.******

C. Manual of Policies and Procedures for Property Owner, Lessee, Auto and Gate Access Device [GAD] Registrations

******This item, previously Item 7D., was presented out of order.******

Supervisor Davidson presented his draft Grand Haven CDD GAD Decision Tree for the Board's consideration and discussion. He stated the general principle that the maximum number of GADs will be equal to the number of garage bays times two (2), with the Field Operations Manager authorized to establish interim policies for cases not covered.

Policies regarding property owners include:

- ✓ Owners of unimproved lots will be eligible for only one (1) GAD assigned to a vehicle registered to the property owner or to a business entity employing the property owner, regardless of where the vehicle is registered.
- ✓ Owners of improved lots who reside on property will be eligible for GADs assigned to each vehicle registered to the property owner and spouse or a business entity employing the property owner, regardless of where the vehicle is registered, up to the maximum number of vehicles allowed.
- ✓ Owners of improved lots who reside on property with immediate family members defined as mother, father, son and daughter will follow the same policy as above plus the immediate family members must reside in Grand Haven and provide proof through vehicle registration or drivers license. All other relatives with no proof of Grand Haven residency must be placed on the resident's pre-approved visitor gate access list.

Discussion ensued regarding the City of Palm Coast rental forms.

Mr. Rob Carlton, a resident and the Master Association President, explained that Grand Haven currently has 140 to 150 known rental properties, with at least the same amount, which are unknown. He noted that rental properties often carry many issues and problems. Mr. Carlton indicated that, in 2011, the Florida Legislature gave HOAs the right to demand rent from renters when there are unpaid assessments on a property they are renting. For this reason, if the lease is on file and the amount can be identified, the HOA can require that the lease/rent payments be made to the HOA for payment of unpaid fines and assessments. Once those costs are paid off, they can resume making payments to the owner. Mr. Carlton pointed out that, in order to avoid

this, property owners and renters are now entering into zero dollar leases so there is no way to collect, although money is still changing hands, in another way.

Supervisor Davidson reported of an incident where the owner is not paying their financial obligations but a realtor has rented the property to seven (7) individuals with five (5) vehicles. This property has \$2,000 worth of unpaid City of Palm Coast utility bills and the water was disconnected. He stressed that this is an example of why it is important to work with the City to determine if the proper paperwork to rent the home was filed with the City. Supervisor Davidson asked District Counsel's opinion on zero dollar leases and what the District can do.

Mr. Clark stated that, generally, the CDD cannot regulate and police occupancy but it can regulate amenity access. He advised that the District could require a certain type of lease with standards that would effectively eliminate zero dollar type leases. The District could also prohibit BUR assignments and issuance of GADs to renters. Mr. Clark felt that the District can work with other agencies and the HOA, who may be more able to enforce other types of things.

Mr. Kloptosky confirmed that the CDD office has a zero dollar lease on file for the property in question. Discussion ensued regarding the status of the property owner and whether BURs were transferred.

When the time comes, Mr. Clark recommended adopting a GAD policy, by resolution, not as a rule change, then deactivating GADs, as appropriate.

Supervisor Lawrence questioned whether the CDD should inform the City of Palm Coast of this rental property.

Supervisor Gaeta indicated that the subject property has cars coming and going at all hours of the day or night and there are up to ten (10) cars there at a time.

Mr. Carlton pointed out that, at this particular home, the tenants do not care about GADs or use of the amenities.

The Board directed Mr. Clark to investigate zero dollar leases and what action the District can take.

Regarding the City of Palm Coast registration form, Supervisor Davidson noted that if the property owner does not complete the form for the rental property, it is a code violation, which is how code enforcement can begin to investigate. In response to a question, Mr. Clark felt that the District can notify the City of its renters for the purpose of finding out if the property owner completed the City's form.

Returning to the Grand Haven CDD GAD Decision Tree, policies regarding property owners include:

- ✓ Owners of improved lots who do not reside on property and the property is rented must have a lease on file with the CDD office and a copy of the forms filed with the City of Palm Coast and the Master Association. The owner must complete a BUR election/transfer form in writing. If the owner retains the BUR, they are eligible for one (1) GAD assigned to a vehicle registered to the property owner or to a business entity employing the property owner, regardless of where the vehicle is registered. If the BURs are transferred to the tenant, the property owner is not eligible for a GAD and the tenant becomes a Registered Renter and is eligible for the GADs.

The Grand Haven CDD GAD Decision Tree, policies regarding tenants, registered and unregistered renters include:

- ✓ The CDD office must be provided with a properly executed lease showing lease date, term, names, contact information and a copy of the forms filed with the City of Palm Coast and the Master Association.
- ✓ Zero dollar leases must be provided with a properly executed lease, showing lease date, term, names, contact information and a copy of the forms filed with the City of Palm Coast and the Master Association with a maximum one (1)-year term.

Discussion ensued regarding the zero dollar lease situation and Mr. Clark will research what terms can be required in order to avoid zero or \$5 type leases. Mr. Clark indicated that the District will need to eliminate the term zero dollar lease and develop a definition for what it finds to be a bona fide lease.

- ✓ Zero dollar leases to immediate family members are eligible for GADs.
- ✓ Zero dollar leases to all others are not eligible for GADs.
- ✓ Rental property must be registered with the Master Association on their approved forms.
- ✓ The rental property must be registered with the City of Palm Coast on their approved forms.
- ✓ The property owner must complete a BUR election/transfer form in writing.

- ✓ If the property owner retains their BURs, the tenant becomes an “Unregistered Renter” and is ineligible for GADs but can be placed on a tenancy pre-approved gate access list.
- ✓ If the property owner transfers their BURs, the tenant becomes a “Registered Renter” and is eligible for GADs, up to the maximum number of vehicles allowed.
- ✓ Tenants with immediate family members (mother, father, son, daughter) will follow the same policy as above plus the immediate family members must reside in Grand Haven and provide proof through vehicle registration or drivers license. All other relatives with no proof of Grand Haven residency must be placed on the resident’s pre-approved visitor gate access list.

Supervisor Davidson summarized that GADs are provided for the use of authorized property owners, residing immediate family members, Registered Renters and others as approved by the CDD. The device is issued based on qualifying vehicles and garage bays but is not tied to the vehicle, per se. If a GAD device is used in a rental, friend’s vehicle, etc., a qualifying authorized person must be in that vehicle. The GADs are not to be lent or given to unauthorized individuals while the property owner, residing immediate family member or Registered Renter is out of town, on vacation, etc. Supervisor Davidson noted that enforcement is difficult; however, if the situation is discovered, the District has its position in writing and can then enforce it.

Supervisor Davidson discussed the proposed pre-approved visitor gate access lists where a call to the home is not required. There being a limit of six (6) per property address with the Field Operations Manager authorized to override the maximum number. The proposed lists include:

- ✓ Residents’ (Property Owners and Tenants) Lists: Visitors, Guests, Relatives not living in Grand Haven
- ✓ Residents’ (Property Owners and Tenants) Lists: Commercial Vendors
- ✓ Property Owners of Unimproved Lots
- ✓ Property Owners who have transferred their BUR to tenants (“Absentee Landlords”)
- ✓ Tenancy (“Un-registered Renters”)

✓ Commercial Vendors

The Board discussed setting time limits for persons on the access lists.

Regarding the zero dollar type leases, Supervisor Gaeta recommended contacting the City to determine how they have handled these or if they have any solutions. Supervisor Davidson noted that the Master Association is addressing this and he will know more tomorrow.

Supervisor Lawrence noted that some commercial vendors have GADs and asked how those will be handled. Mr. Kloptosky recalled that many vendors were gaining access using call box default access codes; however, those codes were subsequently purged and the emergency access code was changed. Mr. Kloptosky noted that GADs were authorized and issued to certain Austin Outdoor employees, etc., which is managed by the office.

Supervisor Lawrence voiced his opinion that the new form should be tested on a focus group.

Discussion ensued regarding golf course and other workers who have GADs. Supervisor Gaeta will coordinate the worker GADs to compile information and reissue, as needed.

Regarding the property previously discussed, Mr. Kloptosky reported that the owner does not live in Grand Haven. The BURs were transferred to the tenant that signed the document. The documents show seven (7) people living in the house, a man, woman and five (5) children. The two (2) GADs were issued to two (2) registered vehicles and two (2) SMAACs were issued. Mr. Kloptosky indicated that a son wanted a GAD but could not prove he resided in Grand Haven so the real estate agent added him to the lease and provided the office with an updated lease. He indicated that the woman living at the residence was issued a GAD and SMAAC but did not have the \$10 fee and was to bring the money back to the office but did not. As a result of the nonpayment, Mr. Kloptosky directed staff to deactivate the GAD. Mr. Kloptosky confirmed that he directed staff to no longer issue SMAACs without payment.

The Board discussed its intention to implement the operational guidelines immediately and formally adopt them, once District Counsel finalizes the details.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, implementation of the operational guidelines policy, immediately, as discussed, was approved.

- **Transmission of Letters to Realtors and FCAR**

- **Presentation to FCAR**
- **Transmission of Letters to Known Property Owners/Lessors *(to be provided under separate cover)***

These items were discussed later in the meeting.

D. Board Authorization to Proceed with Negotiation of Fee Schedule with #2 Ranked Firm, Genesis Group

******This item, previously Item 7B., was presented out of order.******

Supervisor Davidson indicated that he spoke to Genesis Group and they are willing to serve as District Engineer.

On MOTION by Supervisor Davidson and seconded by Supervisor Chiodo, with all in favor, Authorization to Proceed with Negotiation of Fee Schedule with #2 Ranked Firm, Genesis Group, was approved.

E. Consideration of Capital Improvement Program

******This item, previously Item 7C., was presented out of order.******

Supervisor Lawrence indicated that he identified those projects that the Board preauthorized for completion, on an as needed basis. He questioned the Wi-Fi expenditure for The Village Center Café. Supervisor Davidson recalled that the Board agreed to have Dolphin evaluate the problem while on site, as the costs seem high. Supervisor Davidson felt that the Board agreed to have Wi-Fi but wishes to negotiate a more favorable rate.

Supervisor Lawrence recalled that the Board did not agree to repave or repair The Village Center parking lot but it must be completed. Mr. Kloptosky confirmed that he has bids for the project so it can proceed, if the Board approves it. The lowest bid was \$42,577, not including removal of a tree. The Board approved the addition of The Village Center parking lot repave and repair project to the approved Capital Improvement Program.

Supervisor Gaeta questioned the cost to remarcite the pool. Regarding pool repairs, Mr. Kloptosky voiced his opinion that the repairs are necessary.

Mr. Kloptosky indicated that the pickle ball court at Creekside needs to be resurfaced, as it has become a safety hazard. Supervisor Davidson reminded the Board to expect questions from the croquet players, if this is approved and nothing is approved for the croquet courts. Supervisor Pollinger speculated that someone just inserted the word safety issue and suggested

that the conditions be investigated to determine if there really is a safety issue. Mr. Kloptosky stated that a player fell on the court due to mold. Supervisor Lawrence recommended power washing the court. Mr. Kloptosky indicated that the mold issues are related to standing water. Supervisor Pollinger agreed that the mold should be cleaned to eliminate the problem and the safety issue. The Board agreed to power cleaning the pickleball court but did not approve the \$5,000 expenditure to resurface it.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, authorizing the Field Operations Manager to proceed with the Board approved Capital Improvement Program Fiscal Year 2013 items, as identified with an “x” on the provided list, including The Village Center parking lot repave and repair project, on an as needed basis, were approved.

Supervisor Lawrence noted that the District must have the new District Engineer give a pro forma on when the roads should be resurfaced; the District needs to update its ten (10)-year plan and roads will be the largest expense.

Regarding road repairs and Sailfish Drive, a resident asked if the District will pay the new District Engineer for a report. It was noted that the District will not pay for a new report; however the new District Engineer will need to do additional work. The resident asked if Sailfish Drive can be completed in the current fiscal year.

F. Appointment of Security Liaison

****This item, previously Item 7E., was presented out of order.****

This item was deferred.

▪ **Keeping Grand Haven Grand**

Discussion resumed regarding Keeping Grand Haven Grand.

- **Transmission of Letters to Realtors and FCAR**
- **Presentation to FCAR**
- **Transmission of Letters to Known Property Owners/Lessors *(to be provided under separate cover)***

Supervisor Davidson stated that the letters to realtors and FCAR are prepared and ready to be mailed. The Board must still determine when to deactivate the non BUR transferred unregistered renters GADs. The Board selected November 30, 2012.

EIGHTH ORDER OF BUSINESS

OPEN ITEMS

This item was not discussed.

NINTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

Supervisor Gaeta referred to the Unaudited Financials as of August 31, 2012 and asked about the due from developer line items listed on Page 1. Mr. Clark recalled that the Board previously decided to eliminate those items. Supervisor Davidson confirmed that those line items should be removed from all financial statements, going forward.

Supervisor Gaeta referred to the TV in bar (32" tube) line item on Page 4 and asked that the word "tube" be removed.

Supervisor Gaeta stated that she was not impressed with the information she received from another printer for the Community Directory. She indicated that Dolphin spoke to one of their clients regarding printing the directory. Supervisor Gaeta stated that the printer asked for a sample of the Community Directory and asked if one could be given to Mr. Gaeta to show to the printer. The Board agreed.

Supervisor Davidson indicated that a company plans to install two (2) cell towers within Grand Haven, which will give the community better coverage. There is the possibility of the District renting property for the towers, which would generate revenue for the District.

Supervisor Lawrence indicated that several residents requested installation of a one-way sign at either end of Front Street, by the circles. Traffic is cutting in the wrong direction. Supervisor Lawrence advised that a resident requested a trash receptacle next to their bench in The Crossings. Mr. Kloptosky noted that he received many requests for benches and receptacles; it is approximately \$1,100 to install a bench and receptacle, not including the cost to pour the concrete pad. Mr. Kloptosky recommended gradually installing receptacles beside the existing benches.

TENTH ORDER OF BUSINESS

ADJOURNMENT

There being nothing further to discuss, the meeting adjourned.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, the meeting adjourned at 1:40 p.m.

Secretary/Assistant Secretary

Chair/Vice Chair