

**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, January 17, 2013 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:

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| Dr. Stephen Davidson | Chair |
| Peter Chiodo | Vice Chair |
| Marie Gaeta | Assistant Secretary |
| Tom Lawrence | Assistant Secretary |
| Raymond Smith | Assistant Secretary |

Also present were:

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| Craig Wrathell | District Manager |
| Scott Clark | District Counsel |
| Allen Skinner | District Engineer |
| Howard McGaffney | Amenity Management Group (AMG) |
| Roy Deary | Amenity Management Group (AMG) |
| Barry Kloptosky | Field Operations Manager |
| Rob Carlton | GHMA President |
| Al Lo Monaco | Resident |
| Chip Howden | Resident |
| Murray Salkovitz | Resident |
| Joanna Salkovitz | Resident |
| Gary Toomb | Resident |
| Jan Struble | Resident |
| Suzanne Delman | Resident |
| D.W. Ferguson | Resident |
| Carole Magee | Resident |
| Nancy Wilson | Resident |
| Ann Klebacha | Resident |
| William Marci | Resident |
| Don Plunkett | Resident |
| Raymond Wright | Resident |
| Carla Wright | Resident |
| David Alfin | Resident |
| Marti Garziglia | Resident |
| Catherine Brown | Resident |
| Joel Penny | Resident |

Ginger Richards
Bob Hopkins
Ron Merlo
Vic Natiello

Resident
Resident
Resident
Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Wrathell called the meeting to order at 9:38 a.m., and 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)**

Ms. Carole Magee, a resident, voiced her concern regarding several homes in the community, particularly, 76 Southlake Drive. She noted five (5) to six (6) cars parked in the driveway and a lot of noise at the residence.

Mr. Raymond Wright, a resident, indicated his concern regarding 76 Southlake Drive.

Mr. Don Plunkett, a resident, spoke of the conditions at 80 Southlake Drive, which has been vacant for approximately five (5) years. He noted that the property is in horrible condition and asked what the CDD can do about the mess. He asked the same about 76 Southlake Drive. In response to Supervisor Davidson's question, Mr. Plunkett confirmed that 80 Southlake Drive is vacant.

Mr. William Macri, a resident, indicated that he lives across the street from 80 Southlake Drive and is tired of the conditions at that residence, including a dirty driveway, all the cars parked there, debris everywhere and dead landscaping; the property is a horrible sight. He noted that he spent a lot of money to live in Grand Haven and nothing is being done. Mr. Macri stated that 76 Southlake Drive is like a nightclub every night with loud music, screaming and yelling and five (5) to six (6) cars in the street; something must be done, as it is dragging down the neighborhood. He noted that the conditions, at those properties, have lowered the property values so much that he could not refinance his home.

Noting that 80 Southlake is vacant, Supervisor Lawrence questioned who parks in the driveway. Mr. Macri did not know. Supervisor Gaeta asked Mr. Macri if he notified the Grand Haven Master Association (GHMA). Mr. Macri replied affirmatively, adding that he notified the GHMA and Mr. Kloptosky many times, as well as documenting the issues; however, nothing is ever done about it. Mr. Macri noted the irony that he receives letters for minor things like weeds in the driveway but nothing is ever done about the problem across the street from his home.

For the public's information, Supervisor Davidson indicated that the CDD is responsible for roadways, entrances, exits, GADs and use of the amenities; however, abandoned properties and the physical condition of those are the purview of the GHMA. He stated that the District can try to spur the GHMA to do something but the District cannot do anything. Supervisor Davidson introduced Mr. Rob Carlton, GHMA President.

Mrs. Mary Wilson, a resident, stated that she is very upset about 76 Southlake Drive; she lives across the street and is subjected to it day and night. She stated that different cars constantly come and go. Ms. Wilson indicated that she contacted the Guard House and was told that those people were allowed to enter through the South Gate and bring as many people as they want. She noted that when she has company, she is required to notify the Guard House and the visitors are given a paper to put in their cars. The Guard House indicated that she is doing what she should do but what the others are doing is also fine, as long as someone lets them in.

Ms. Wilson advised that there is constant activity at night, with cars coming in and out. Last night, the driveway was filled with cars, in addition to cars parked in the grass and more in the street. She finds the activities suspicious. Ms. Wilson stated that when the residents of 76 Southlake Drive walk their dogs, they do not clean up after the dogs. She noted that residents of Grand Haven pay to live in a gated community; however, they are subjected to these conditions. Ms. Wilson advised that her neighbors moved because of this problem. She voiced her opinion that the renters at 76 Southlake Drive are ruining the street such that, eventually, the street will be nothing but renters. Ms. Wilson stated that the people residing at 76 Southlake Drive do not have a lease. She spoke of activity in back of the house and suggested that those residents are using the road in the back to get people in and out.

Supervisor Davidson noted that the new Flagler County Sheriff is a Grand Haven resident and that many of the issues brought to the Board's attention are police matters. He suggested

that the District now has a receptive ear and recommended that all suspicious activity be reported to the Sheriff's Office.

Ms. Suzanne Delman, a resident, stated that she moved onto Southlake Drive in late August. She has complained to the police and Southern States Management Group. She noted that she received a letter regarding a tree branch on her property; however, a dead tree has been allowed to remain at 76 Southlake Drive, for a long time. Ms. Delman noted that 76 Southlake Drive is a nightmare and she is horrified, considering that they paid a lot of money to live in Grand Haven; the conditions are despicable. She questioned why the buck continues to be passed; nobody wants to address the issues. Ms. Delman stated that residents signed a petition, which the GHMA tabled. She concluded that no one came to Grand Haven to live in a slum. Ms. Delman pointed out that 80 Southlake Drive is disgusting, 77 Southlake is running a landscaping business out of their garage and blasts music; a house on Hidden Lake is in disrepair.

Ms. Joanna Salkovitz, a resident, stated that she is concerned about 76 Southlake Drive. At times, there are as many as ten (10) cars at that residence, parked in the driveway, yard, street and at 80 Southlake Drive. She noted that the cars come and go at all hours of the day and night. Ms. Salkovitz recalled a night when she was attempting to enter through the South Gate. She reported that a driver sat in front of them, on the resident side of the gate, but did not enter. After a time, another car approached and the sitting driver used his GAD to allow the other vehicle entry while blocking the Salkovitz's vehicle from entering. Ms. Salkovitz stated that they followed the vehicle to East Lake. The driver of the car is the son of a renter on East Lake. She stated that piggybacking is a problem at all of the gates. Ms. Salkovitz advised that 71 Southlake Drive looks like a pigpen, 80 Southlake Drive is vacant so everyone parks their cars there, 77 Southlake Drive runs a business and 76 Southlake has many families living in the house. She noted that 76 Southlake pulled out the water meters and illegally tapped into the water supply.

Mr. Murray Salkovitz, a resident, indicated that he was surprised to discover that the CDD does not have a policy regarding piggybacking through a gate. He recommended removing the names of any unqualified renters from the call boxes, leaving the Main Gate as their only access point.

Ms. Catherine Brown, a resident, stated that she moved onto Southlake Drive in July and voiced her concurrence with her neighbors' comments regarding 76 and 80 Southlake Drive.

She pointed out that she would have rethought the decision to buy a home on Southlake, had she noticed the issues. Ms. Brown indicated that she advised a realtor to avoid certain areas when showing homes, as potential buyers may be turned off, if they see those properties. She noted that everyone pays a lot to live in Grand Haven and properties such as these decrease the property values.

Mr. Joel Penny, a resident, stated that he would not have moved to Grand Haven, had he observed the problems on Southlake Drive, prior to purchasing his home. He questioned the possibility of a meth lab at 76 Southlake Drive and whether there is insurance. Mr. Penny pointed out the danger to other homes, should there be an explosion. He added that he would hate to be trying to sell a home on Southlake Drive right now.

- **Email from Chip Howden**

Mr. Chip Howden, a resident, referred to his email regarding the Intracoastal Waterway and the removal of the bench. He indicated that the bank is eroding where the bench previously was and suggested moving the bench. He noted that foot traffic is heaviest along the Esplanade and voiced his opinion that, if the bench is moved back, erosion will still eventually take away the walking path. Mr. Howden contacted Mr. Mark Bowlus, who advised that they do not believe it is their area to maintain. Mr. Howden noted that the District does not think it is responsible, either, and suggested that the Board determine the responsible party. He discussed issues along the walkways. Mr. Howden asked the Board to consider replacing the bench that was removed.

Regarding the GAD policy being considered, Mr. Howden pointed out that, as currently written, CDD employees, such as Mr. Kloptosky, would not be allowed to have a GAD; the policy does not state that CDD employees can be issued GADs. He voiced his opinion that CDD employees and nonresident long-term golf membership holders should receive GADs. Mr. Howden stated that he is concerned about the gates being clogged by these types of people entering.

A resident asked about installing more streetlights along Southlake Drive. Supervisor Davidson directed Mr. Kloptosky to research the matter.

Mr. Rob Carlton, GHMA President, assured the previous speakers that the GHMA shares their concern regarding the properties on Southlake Drive. He agreed that their questions should be answered. Mr. Carlton stated that the GHMA is limited in what it can do. He confirmed that

each property previously mentioned was addressed, has been fined, refined, had liens filed against them or were foreclosed upon, including 76 Southlake Drive. He noted that the GHMA tried to work with those properties; nearly every one of those properties is involved in some form of litigation. Mr. Carlton stated that, beyond those actions, there is little more that the GHMA can do. He encouraged residents to attend the GHMA meetings to discuss the problems.

Mr. Carlton voiced his concern that people think the GHMA does nothing, which is not true. He stated that the GHMA is doing what it can and, if others have new ideas, he will do that. In response to a question of how 76 Southlake Drive can be rented, if it is in foreclosure, Mr. Carlton clarified that the property is in litigation; it was turned over to the attorney for foreclosure. Mr. Carlton noted that foreclosure is a long process.

Regarding whether the GHMA can maintain properties, Mr. Carlton stated that it can but the other residents would absorb the cost. Mr. Carlton explained that, currently, many banks are not pursuing foreclosures because, once they do, the bank becomes responsible for maintaining the property, which they do not want to do.

Supervisor Lawrence suggested that homeowners contact the new Sheriff, Jim Manfre, directly, and ask him to meet with them regarding the issues.

Supervisor Davidson reiterated that the CDD can only control GADs, who can use the amenities and set policies for issues at the gates.

Regarding 76 Southlake Drive, Supervisor Davidson indicated that the property has a zero dollar lease. He advised that the Board will address many issues related to zero dollar leases, such as whether non-relative residents, with those types of leases, will be allowed GADs and amenity usage. Supervisor Davidson stated that the property has husband and wife renters with three (3) adult children and two (2) younger children, for a total of seven (7) residing in the home. The home has three (3) registered vehicles, three (3) GADs and two (2) Smart Amenity Access Devices (SAACs). The lease is valid through December 12, 2013. The company, Prompt Tax, is listed as the leasing agent.

Supervisor Davidson stated that the District can set a policy stating that zero dollar leases to unrelated individuals does not authorize the renters to receive GADs or SAACs.

Supervisor Davidson urged residents to call the Sheriff, if they witness any threatening, potentially criminal or illegal activity.

In response to a question, Supervisor Davidson confirmed that he supports removal of the names of those with zero dollar leases from the call boxes.

FOURTH ORDER OF BUSINESS**CONSENT AGENDA ITEMS**

- A. Approval of December 6, 2012 Regular Meeting Minutes**
- B. Approval of Unaudited Financial Statements as of November 30, 2012**
- C. Approval of Proposal from S.E. Cline Construction, Inc. for Grand Haven Amenity Center Milling and Paving**

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

Mr. Wrathell referred to Page 5 of the Unaudited Financial Statements as of November 30, 2012 and noted that the "Use of fund balance: budgeted shortfall" line should not appear; it will be deleted.

Supervisor Davidson referred to Page 8 of the Unaudited Financial statements as of November 30, 2012 and commented that the \$5,064 amount should be credited towards the IT Capital Project. Mr. Wrathell explained that expenses must first be put into that category; he cannot simply move the money. Mr. Wrathell stated that Mr. Kloptosky must submit an invoice coded for that category.

Regarding Item C, Supervisor Lawrence asked if striping for motorcycles will be included. Mr. Kloptosky indicated that was already taken care of. Mr. Kloptosky stated that the proposal provided does not contain a contingency; if anything unforeseen is discovered, once work commences, the District will incur additional costs.

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| <p>On MOTION by Supervisor Chiodo and seconded by Supervisor Davidson, with all in favor, the Consent Agenda Items, as amended, were approved.</p> |
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FIFTH ORDER OF BUSINESS**STAFF REPORTS**

- A. District Engineer**
 - i. Prioritization of "Poor" Roads *(to be provided under separate cover)***

The Board noted that they did not receive the report. Mr. Kloptosky stated that he received it and forwarded it on to be emailed to the Board.

ii. Marlin Drive – Water Main Break Pavement Repair

Mr. Skinner presented the memorandum of Genesis' findings regarding the water main break pavement repairs on Marlin Drive. He stated that the asphalt patch appears fine; it joins with the existing pavement. He noted two (2) small spots where a car parked on it while the asphalt was warm, which is more of an aesthetic issue than one of integrity. He observed that the curb replacement on the median is substandard, in Genesis' opinion; the standards of a mirror image curb could have been matched, during the repair. Mr. Skinner stated that the curb should be repaired to match the current curb. Mr. Skinner could not comment regarding the possibility of future settlement issues in the road, as those do not appear for a period of time.

Supervisor Davidson asked if Mr. Skinner reviewed Mr. Kloptosky's pictures of the wash away and how much sand and fill was moved. Mr. Skinner replied affirmatively, stating that it was significant. Supervisor Davidson voiced his opinion that the road will eventually give and asked how to document the situation, should the road cave in. Supervisor Davidson questioned if there is a statute of limitations on construction issues such as this. Mr. Skinner indicated that typical warranties are for one (1) year. Supervisor Davidson asked Mr. Skinner to write a letter to the City regarding his findings of an inordinate amount of under-pavement erosion, as a result of the water main break.

Supervisor Lawrence questioned if borings would reveal whether the dirt was compacted properly and whether there will be a future problem. In anticipation of this question, Mr. Skinner stated that he contacted Ellis & Associates, Inc., (E&A) for an answer. Mr. Skinner advised that E&A can install simple borings in six (6) spots to determine the level of compaction, down two (2) to three (3) feet; anything deeper would require more advanced drilling, possibly involving a drill rig. Mr. Skinner estimated the cost to be less than \$2,000. It was suggested that work be coordinated with the previously approved drilling in Wild Oaks, in order to reduce the costs.

Supervisor Lawrence felt that completing the testing now is a good idea, as it will give the District evidence. Mr. Clark suggested writing a letter to the City and Bright House addressing the curb issue and the District's concern regarding whether the repairs were adequate. Mr. Clark offered to write the letter and recommended that the District demand reimbursement for geotechnical testing, as well. Supervisor Davidson felt that Mr. Kloptosky's pictures should be included with the letter.

Mr. Skinner will obtain a proposal from Ellis & Associates, Inc.

Regarding the procedure, Mr. Clark recommended that Mr. Skinner write a letter to the Board outlining his opinion. Mr. Clark will include Mr. Skinner's opinion in his letter to the City and Bright House.

******Discussion returned to Item i.******

Mr. Skinner distributed and reviewed the table, on Pages 2 and 3, of the Road Resurfacing Prioritization Plan. Supervisor Lawrence pointed out that Genesis was to also provide an estimate of the costs. Mr. Skinner indicated that he obtained unit costs from two (2) of four (4) paving contractors that he contacted. Mr. Skinner stated that both contractors agree; however, as a result of today's meeting, he can prepare more detailed estimates for each road. Mr. Skinner noted that some work should be budgeted for next year, with additional resurfacing taking place over the next few years. Supervisor Lawrence asked Mr. Skinner to identify which roads should be completed in which year, as part of the District's ten (10)-year plan. Mr. Skinner noted that grouping work together could yield cost savings. Mr. Skinner asked the Board for a yearly dollar amount, which might assist in splitting the work, over the years. Mr. Wrathell suggested that the Board prioritize, once a cost estimate is determined for each road. Supervisor Lawrence stated that Mr. Skinner must also indicate the potential savings by grouping work. Mr. Skinner admitted that estimating the potential savings, through grouping work, could be tricky.

Supervisors Smith and Gaeta asked that Mr. Skinner also provide a timeline of deadlines for when the work should be completed, based on each road's priority level.

Supervisor Gaeta asked the customary lifespan for a road. Mr. Skinner indicated that the lifespan of a properly paved road is 15 to 20 years. The lifespan of parking areas and cul de sacs is approximately 12 years.

Mr. Skinner noted that the Board referenced its ten (10)-year plan and indicated that additional roads could be added to the resurfacing list. He stated that roads that are fine now might need attention in the future.

iii. Estimate: Drainage Work on Sailfish Drive

Mr. Kloptosky indicated that S.E. Cline is preparing a proposal for repairs, drainage and asphalt, as discussed by the Board; separate pricing will be given for continuing the asphalt from Marlin Drive to the end of Waterside Parkway. He indicated that the District might receive

better pricing if Marlin Drive and the remaining portion of Sailfish Drive are completed simultaneously with the Sailfish Drive drainage project. Mr. Kloptosky hopes to have the estimates by the next workshop.

iv. Estimate: Resurface of Sailfish Drive

This item was discussed under Item iii.

In response to Supervisor Lawrence's question, Mr. Skinner indicated that the revised road resurfacing priority list will be prepared in time for presentation at the workshop.

Mr. Skinner recalled that the Board requested a quote from E&A for testing around the manholes on Wild Oaks. In response to Supervisor Davidson's question, Mr. Skinner stated that the quote is reasonable, considering the scope of work and the report that will be provided. Supervisor Davidson pointed out that the cost is approximately \$480 per boring. Supervisor Lawrence questioned if this scope of work will evaluate all of the problem manholes. Mr. Kloptosky stated that six (6) were in worst shape but all are starting to show signs of the same issue. Supervisor Lawrence asked if a single boring, at each of the problem manholes, is sufficient. Mr. Skinner felt that one (1) at each location is sufficient.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, the Ellis & Associates, Inc., (E&A) proposal for six (6) borings, in a not-to-exceed amount of \$2,875, was approved.

Supervisor Smith asked Mr. Skinner to explain the possible options, once he receives the report. Mr. Skinner stated that the compaction will determine what needs to be done.

B. Amenity Manager

Mr. McGaffney reported that training of the Café Managers continues, providing additional coverage, over all shifts, rather than a single manager working 40 hours per week. He indicated that resident feedback has been good.

Mr. McGaffney stated that a Grand Haven Winter Olympics event is planned for February.

Supervisor Davidson asked about breakfast.

Mr. McGaffney indicated that a brunch was held and it was great, with approximately \$400 in business. He confirmed that cooked-to-order breakfasts will be offered on Wednesday and Sunday.

Mr. McGaffney noted it is quite busy during the spring break season and indicated that another chef was hired, along with two (2) servers. He advised that other items, such as a DJ at the pool on the weekends, are being considered.

C. Field/Operations Manager

i. Marlin Drive Water Main Break

This item was discussed during the Engineer's Report.

ii. Gate/Amenity Access Issues

Mr. Kloptosky indicated that, while completing the reregistration and beneficial user rights (BUR) forms, residents had issues that do not fall into the District's current policy. He spoke of an owner who bought the home as a vacation home for him and his extended family. The owner does not rent the home. The owner wants his children, their spouses, grandchildren and their guests to be allowed to use the amenities, at will. Mr. Kloptosky noted that the current policy restricts that and the owner will not be present to register his guests and is requesting an exception for his family and their guest to use the facilities, free of difficulty, if he is not present.

Mr. Kloptosky noted that another owner, who does not live on the property, wants to keep the BURs but allow his tenants to keep the GADs; however, the form ties both items together. The owner does not understand why the items cannot be split.

Mr. Kloptosky advised that Grand Haven Realty inquired about retaining their GADs. He noted that he spoke to Mr. Cullis about the matter. Grand Haven Realty owns a property but the question is whether the Board wants to allow them to retain GADs, since their office is located within Grand Haven.

Mr. Kloptosky indicated that residents are already complaining about the reregistration process, stating that they do not wish to take time off from work in order to reregister during business hours. Residents insist that special arrangements be made to reregister during their off hours. Mr. Kloptosky stated that his staff is willing to stay late or work Saturday morning to accommodate those residents but he feels they should be paid overtime to do so and that swapping hours is not fair to the employees.

Mr. Kloptosky stated that the District has no policy regarding inappropriate gate access; there is no recourse.

Mr. Kloptosky referred to a request he received from the Audubon Society to install a camera at the eagle's nest in Wild Oaks. He noted that the project takes a lot of work; therefore, the Audubon Society does not want to move forward until the Board is at least willing to consider it. He indicated that funding would come from a private source, costing the District nothing.

Supervisor Lawrence voiced his support for the project.

Supervisor Davidson noted his concern that the webcam would publicly advertise the eagle's nest, considering that the area has very limited parking, etc. He suggested that the website contain a disclaimer stating that no local parking is available for viewing the nest.

Supervisor Smith was in favor of the project.

Mr. Clark recommended that approval be subject to the Audubon Society obtaining all necessary permits.

Mr. Kloptosky reminded the Board that the project is exploratory, at this point.

On MOTION by Supervisor Smith and seconded by Supervisor Lawrence, with all in favor, authorization for the Audubon Society to install a webcam at the eagle's nest, subject to a disclaimer on the website regarding no local parking and that all necessary permits are obtained, was approved.

Mr. Kloptosky noted that audio and video cameras were added in various locations around the community. He recommended installing video and audio cameras at the fitness center, due to recent incidents.

Supervisor Davidson noted a recent situation where audio and video recording devices would have been beneficial. He felt that the devices could also aid in documenting actions in medical emergency situations. Supervisor Davidson reported that he consulted with Dolphin Technical Solutions, LLC, who informed him that a camera can be installed and both DVRs are capable of audio and video hookup.

Supervisor Lawrence questioned the District's liability if someone is hurt and it is captured on camera but the District takes no action. Mr. Clark stated that, if the District uses the

audio and video as a record of what it did, it could also be used as a record of what it did not do; regardless of the cameras, the District is still probably liable.

Supervisor Smith asked the cost. Mr. Kloptosky did not know the cost but advised that the cameras installed in the Café were relatively inexpensive, approximately \$600 or \$650. Supervisor Smith asked if capital or maintenance funds would be used. Mr. Kloptosky indicated that maintenance funds were used for the Café's cameras.

On MOTION by Supervisor Smith and seconded by Supervisor Lawrence, with all in favor, authorization to install audio and video cameras at the fitness center, was approved.

Regarding water usage and the irrigation water analysis, Mr. Kloptosky reported that he received an email from the City stating that their final position is that the District's high bills are from over usage, the meters are properly calibrated and the matter is closed. He asked what further action the Board wishes to take.

Mr. Wrathell suggested that Mr. Kloptosky and his staff do their best to track their water usage. He felt that the District has little recourse. Mr. Kloptosky stated that Management's assistance in reviewing bills is necessary, as he does not see the bills until they appear on the check run.

A resident suggested appealing to the mayor, who is not made aware of many of the issues in the community, unless people contact him.

Mr. Kloptosky recalled that there are ongoing safety issues at the mailboxes on Pelican Court. He obtained a proposal for \$3,500 to relocate the mailboxes to the end of the cul de sac, not including permit costs and architectural drawings, if required. Mr. Kloptosky indicated that the contractor contacted the City and was told that a permit would not be necessary. The cost includes demolition of the two (2) brick columns, removal of the mailboxes and concrete slab, rebuilding the columns, installing a slab and placing the mailboxes in a the new location. The costs do not include sodding the area.

Supervisor Chiodo asked how long the project would take. Mr. Kloptosky believed that it would take a week. Supervisor Chiodo asked if any of the existing mailboxes would be used. Mr. Kloptosky replied affirmatively, stating that the existing structure would remain intact while the new structure was being built. Once completed, he would notify the Post Office, who would

transfer the boxes in one (1) day. He indicated that the Post Office is aware of the proposed move and supports it.

Supervisor Davidson questioned if the residents are in favor of the move. Mr. Kloptosky indicated that he did not take a survey but a few people complained about the issue. Supervisor Davidson asked that the office staff contact the residents, by email, notifying them of the change and asking them to reply with any immediate concerns.

Supervisor Lawrence suggested that the email inform residents of the plan but not invite feedback.

On MOTION by Supervisor Smith and seconded by Supervisor Gaeta, with all in favor, authorizing the Field Operations Manager to proceed with relocation of the mailboxes, in a not-to-exceed amount of \$4,000, from the General Fund Renewal and Replacement funds, and notify residents of the project, was approved.

Mr. Kloptosky indicated that he received complaints regarding the bench that was removed from along the Esplanade Walkway. He asked for the Board's consideration.

Supervisor Smith felt that the Board made a decision at the last meeting and there is no reason to revisit the matter.

Supervisor Davidson asked if there is another place to locate the bench. Mr. Kloptosky stated that the other areas contain heavy vegetation that would need to be removed and there are still issues of erosion.

Supervisor Chiodo recommended adding erosion repair to the District's ten (10)-year Capital Improvement Plan.

Supervisor Davidson suggested the District hold discussion with Escalante regarding their position that they do not need to maintain the pier and gazebo. Mr. Clark confirmed that the District previously researched this matter and found that Escalante is responsible. Discussion ensued regarding what Hampton Golf transferred to Escalante. Mr. Clark will provide the information to Management and Mr. Wrathell will write a letter to Escalante reminding them of their obligation.

Regarding the easement agreement at 37 Jasmine, Mr. Kloptosky reported that the resident informed him that they have no intention of signing the agreement; however, they want to know what the District plans to do next.

Supervisor Smith asked the plan if the resident refuses to sign the easement agreement. Supervisor Davidson recalled that the Field Operations Manager and the District would monitor the condition of the wall and, when it was determined that it was a danger or would fall, the wall would be removed.

Mr. Kloptosky indicated that the resident questioned Mr. Clark's use of the term berm, rather than retaining wall, in the easement agreement. Mr. Clark feels that the terminology issue does not matter, if the resident is not going to sign the agreement.

Mr. Kloptosky received a request from the resident in the last house on River Trail Drive who reported that inappropriate activity is taking place in the vacant lot at the end of the street. The police have been there numerous times but the resident has concerns. The resident asked if a streetlight could be added at the end of the street, in addition to installing a sign indicating that it is a dead end street.

Supervisor Lawrence pointed out that the new Sheriff lives on that street and suggested that the resident call him regarding the inappropriate activity.

In response to a question, Mr. Kloptosky indicated that the streetlight lamppost costs approximately \$2,500 and installation depends on the location and wiring requirements; the total cost could be as much as \$5,000.

Supervisor Lawrence recalled that streetlights were installed based on a formula; therefore, he feels that the District should not be obligated to install more. Supervisor Davidson stressed that this location is unique.

Regarding outfall repairs on Outfall #7, Mr. Kloptosky reported that the repair was completed.

Mr. Kloptosky indicated that the Guard House Manager asked if they must allow news crews through the gates, if there is a newsworthy event taking place in Grand Haven. The Board confirmed that they must grant access. Mr. Wrathell noted that the guards should take the person's information, as usual. Supervisor Davidson pointed out that the guards should know that they cannot keep the public out of Grand Haven.

Mr. Bob Hopkins, a resident, recalled the registration forms that will be completed and voiced his opinion that there is no reason for the form to ask how many bedrooms his home has. He feels it is a waste of time to ask that question; if the District needs the information, it can obtain it from the Tax Collector.

Supervisor Davidson explained that the number of bedrooms is necessary information because it is defined in the Amenity Rules, especially in rental situations, in determining the maximum number of allowable amenity users in a house. He noted an episode in the community where 17 people were residing in one (1) house. In response to Mr. Hopkins' question, Supervisor Davidson stated that square footage is not a factor.

Mr. Hopkins questioned if a person who does not complete the form will not receive GADs. Supervisor Davidson indicated that staff and volunteers will assist residents in completing their registration forms. Mr. Hopkins noted that he volunteered but has not heard anything. Supervisor Davidson stated that the email was sent a few days ago. Mr. Hopkins stated that he did not receive it.

****The meeting recessed at 11:37 a.m.****

****The meeting reconvened at 11:47 a.m.****

D. District Counsel

i. District Contraction

Mr. Clark indicated that the Contraction Petition was presented to the City on December 6, 2012 and the matter is moving forward; the public hearings will take place on February 5 and 19, 2013. In response to Mr. Clark's question regarding whether the Board wants him to attend the hearings, Supervisor Davidson stated that he would attend, on behalf of the District.

ii. Guardhouse Parking

Mr. Clark indicated that the proposed easement agreement remains pending.

iii. ADA Update

Mr. Clark reported that he found no updated information on the ADA pool lift issue since the deadline was extended to January 31, 2013.

The Board asked Mr. Clark how to proceed.

Mr. Clark asked the status of the pool lifts.

Mr. Kloptosky felt that the District had not committed to a vendor, as the matter was on hold; pool lifts have not been ordered.

Supervisor Davidson suggested that the District could limit the lift requirement to a single pool by moving all programs to The Village Center Pool, or vice versa.

Mr. Clark explained that, prior to the May 24, 2012 Guidance, there were conflicting opinions regarding whether this could be done; however, the May 24, 2012 document suggested that this is acceptable, if the District provides accessibility to all of its programs at the location with the pool lift. He agreed with Supervisor Davidson's thoughts about moving all classes or programs to a single location, which has a pool lift.

Supervisor Gaeta questioned whether a class could be moved to the pool without a pool lift, if there was a problem with the pool lift or if the pool must be closed, in this situation. Mr. Clark felt that the question is whether the District is taking reasonable steps to repair the problem. For example, Mr. Clark stated that he would not close the pool for such a reason, anymore than he would close an entire restroom just because the toilet in the handicapped stall was broken.

Supervisor Gaeta asked if January 31, 2013 is the final deadline. Mr. Clark voiced his opinion that the deadline was extended until January, because people were not prepared; however, he does not anticipate a further extension. In response to Supervisor Gaeta's question, Mr. Clark indicated that the District can elect to install a lift at one (1) pool and move the activities to that pool; however, he warned the Board to be prepared to hear input, at their subsequent meeting. Mr. Clark recalled that, prior to the May 24, 2012 Guidance document, the Board chose to install a pool lift at each pool.

Mr. Wrathell recommended delaying the matter to the next workshop, in case there is an update or extension. He felt that Mr. Kloptosky could proceed at that time, if necessary, as the funds are already in the budget.

Supervisor Lawrence voiced his opinion that it will be impossible to hold all swimming pool programs at a single location. He questioned if the District would be violating the law if it had even one (1) class at the other pool.

Supervisor Davidson clarified that this option is a suggestion, although it might be impractical to implement and unacceptable to residents.

Mr. Kloptosky recalled that the Board approved installation of permanent lifts but asked if the District would be in violation of the ADA requirements, if it bought portable lifts. He questioned the reason to use permanent lifts, when they would almost never be used.

Mr. Wrathell recalled that the final interpretation of the requirements was that portable lifts were insufficient.

Supervisor Davidson indicated that the May 24, 2012 Guidance document states that, in general, portable lifts are not allowable and that they want permanent lifts. He noted that the document further states that the lift must be available every hour that the pool is open for use; wheeling it in and out, on an as-needed basis, is not allowed. Furthermore, the lift must be able to be used by the special needs person. Supervisor Davidson noted that the hotel industry is fighting these requirements. He recommended revisiting the data collected and obtaining quotes from contractors.

Mr. Clark concurred with Supervisor Davidson's suggestion to begin the process and obtain quotes.

In response to Supervisor Smith's question, Mr. Clark stated that, in his opinion, the lift must be permanent. He explained that the legislation was introduced to allow portable lifts but it is sitting in committee and he does not anticipate action.

E. District Manager

i. Upcoming Community Workshop/Regular Meeting

- **COMMUNITY WORKSHOP**
 - **February 7, 2013, at 10:00 A.M.**

The next workshop is scheduled for February 7, 2013.

- **BOARD OF SUPERVISORS MEETING**
 - **February 21, 2013 at 9:30 A.M.**

The next meeting is scheduled for February 21, 2013 at 9:30 a.m.

SIXTH ORDER OF BUSINESS

BUSINESS ITEMS

A. Smart Amenity Access Card (SAAC) Policies/Decision Tree (SD) *(SJD Draft to be provided under separate cover)*

Supervisor Davidson recalled Mr. Kloptosky's question regarding the BURs and GADs and noted that the Board previously determined that a GAD is a convenience feature of the amenity package; therefore, as currently written, GADs are part of the BURs.

Supervisor Davidson indicated that the Board must determine who should be allowed to use the amenities and how far into the various family/household relationships usage rights should

extend. The system will now allow for distinguishing those residents who are allowed to bring guests into the amenities and those who cannot.

Supervisor Davidson suggested that a property owner and their immediate family, living in the home, including the mother, father, immediate children, grandchildren and adopted children receive full access and authorization to invite guests. He questioned if extended family, such as aunts, uncles, cousins, significant others, friends, etc., living in the homes, should be allowed to bring guests.

Supervisor Gaeta questioned if extended family, etc., should even be given SAACs, as it seems to defeat the purpose of the policy. Supervisor Davidson stated that they could receive SAACs if they live in the home. Supervisor Gaeta reiterated her question of why should extended family be allowed to receive a SAAC. Supervisor Lawrence used the example of his nephew who lives in his home, has a car registered to the address and questioned why his nephew should not be allowed to use the amenities. Regarding the question of whether extended resident family members should be allowed to bring a guest, Supervisor Lawrence noted that the only difference would be that he would bring in the guest, although it would really be his nephew's guest. Mr. Wrathell surmised that Supervisor Lawrence would then be sponsoring his nephew's guest, which makes him aware. Mr. Wrathell brought up the scenario of an extended family member bringing in undesirables, without the owner's knowledge.

Mr. Clark indicated that, under the Rules, Supervisor Lawrence's nephew is technically a house guest. Supervisor Lawrence questioned why his nephew is not considered extended family. Mr. Clark advised that the District defines family as lineal descendants and adopted children; however, there is the ability to have others listed as a house guest, whether they are an overnight or long-term guest. Under the Rules, a house guest can have access to the amenities but, since the nephew would not be family, as defined by the District, he cannot invite guests into the community. Supervisor Davidson clarified that the nephew can obtain a SAAC. Supervisor Gaeta questioned why the nephew would not be issued a guest pass, rather than a SAAC. Supervisor Davidson responded that the nephew lives at the residence, full-time; furthermore, a SAAC allows the District to track the nephew's usage. Guest passes are not tracked in the database.

Supervisor Chiodo asked if authorized children will be allowed to bring guests into the amenities. He feels that a child would not take responsibility for the guest but the parent might,

in which case, the parent should be the person to bring the guest. Supervisor Chiodo questioned at what age children of an owner should be issued primary SAACs, as opposed to non primary. The Board agreed that a primary SAAC can be issued to the property owner and immediate family members over 18; immediate family members under 18, extended family and guests could receive a non primary SAAC.

Regarding definitions, Supervisor Lawrence referred to usage of the phrase property owner resides in district and voiced his opinion that “full-time permanent resident” should be removed from the line. He feels that if someone owns a house but only comes four (4) times per year, the owner expects to have access. It was noted that a separate category is needed for snowbirds.

Supervisor Davidson advised that owners who have transferred their BURs and unregistered renters shall have no amenity privileges, cannot receive a SAAC and will not be listed on the call boxes.

Supervisor Davidson proposed that lot owners, owners renting their property but retaining their BURs and registered renters can receive partial amenity privileges, including issuance of primary SAACs, with guest privileges, to the property owner and immediate family members, over 18; however, SAACs cannot be issued to anyone that would fall in the non primary category.

Discussion ensued regarding whether immediate family members of a lot owner, such as children under 18, should be issued a non primary SAAC. Mr. Clark pointed out that, the District’s definition of family, for a lot owner, does not require issuance of SAACs to any children of the lot owner. Mr. Clark stated that the District defined family as those occupying a domicile with the property owner. A lot owner is entitled to a SAAC because they are the owner; however, immediate and/or extended family are not the owners and do not fit the definition.

Supervisors Lawrence and Davidson were in favor of issuing SAACs, both primary and non primary, to a lot owner’s immediate family members.

Regarding the definition of family, Supervisor Davidson noted that, in addition to lineal descendants, a lot or property owner’s parents are included in the term “immediate family”.

Supervisor Gaeta discussed the inclusion of legally adopted children in the definition of family and pointed out that some homes have foster children. The Board asked if the term

legally adopted children can be included. Mr. Clark advised that the term adopted means legally adopted and does not include foster children. The Board agreed that foster children would not be considered a family member, under the District's definition.

Regarding an owner who rents their home but has retained their BURs, the Board agreed to the same policy discussed for lot owners.

Regarding Registered Renters, with the BURs assigned to them, the Board agreed to the same policy as discussed for lot owners and owners who retained their BURs. Supervisor Smith pointed out that the term Registered Renter, by definition, has the BURs.

A resident questioned if an unregistered renter is allowed to move in to a home, in situations where there is no lease or the lease is rejected by the CDD because it is a zero dollar lease, etc. He asked what will happen to those that already reside within the District. Mr. Clark advised that the District cannot regulate occupancy; the most that it can do is not allow access to the amenities, etc. Mr. Clark explained that, in the case of an unregistered renter, the property owner would retain their BURs. Unregistered renters do not have BURs and cannot be listed on the call boxes.

Supervisor Lawrence voiced his opinion that an owner should be able to retain the BURs but assign the GADs to their renters.

Supervisor Davidson opened discussion regarding whether the SAACs and GADs can be separated, considering they are currently integrated interrelated items under the BURs package.

Supervisor Smith stated that he favors splitting them, provided the District can define the conditions in which this would apply. He feels that this situation is limited.

Supervisor Chiodo was in favor, pending further discussion.

Supervisor Gaeta was in favor, given that the database can track activity. She believes that a renter who does not have a GAD will eventually convince the guards to issue blue passes, which would allow the renters access but are not tracked.

Supervisor Davidson pointed out that the GAD Policies provide for unregistered renters to be listed on the pre-approved visitor gate access lists; the unregistered renter would enter through the gate but does not need a pass.

Supervisor Davidson stated that he is not in favor of allowing the SAACs and GADs to be split because it is contrary to the current Amenity Rules; the BURs, as designed, include use of the amenities. He noted that GADs are defined as part of the amenity package. Once the

components are broken apart, it creates tracking issues and fractionates the property address, in terms of the amenity package and BURs. Historically, the BURs have always been a single unit, not a split package with a portion to one (1) person and another portion to someone else. Supervisor Davidson questioned a scenario where a person wants to maintain their BURs to use the pool but wants to transfer their other BURs to the tenant. Several Board Members stated that would not be allowed. In response, Supervisor Davidson questioned how the Board could deny other or different requests to divide the BURs; once the District allows the BURs to be split, it sets precedence for requests to split in different ways. He summarized that allowing the BURs to be split creates tracking issues, breaks apart the BURs package, which was intended to be a single package assigned to a single property and opens the door to requests to split it in different ways.

Supervisor Lawrence voiced his feeling that Supervisor Davidson is lumping apples and oranges. Supervisor Lawrence feels that the pool, gym, etc., are the amenities and the GADs are a convenience device to allow entry. Supervisor Davidson reminded the Board that they defined GADs to be part of the BURs/amenity package. Supervisor Lawrence reiterated that he has no problem separating the BURs.

Mr. Clark noted that the District already outlined certain situations under which a GAD could be issued, which is not connected with use of the amenities, such as employees, medical caregivers, etc. He felt that amenities and GADs are similar topics but not the same. Mr. Clark voiced his opinion that GADs are not an amenity; part of the reason to not consider it an amenity is to allow the District to disable the GAD of a resident for improper use.

Mr. Murray Salkovitz, a resident, felt that Supervisor Lawrence's scenario of an owner renting but not giving their tenant the BURs is unlikely.

Discussion ensued regarding the previously discussed nonresident owner's request for a partial transfer of his BURs, with him keeping the amenity usage portion and giving the GADs to his tenant.

Supervisor Chiodo questioned why the nonresident owner wants to keep the amenity usage portion. Mr. Kloptosky indicated that the owner visits the community to use the amenities, several times each month. The owner feels that it is unfair for his tenants to be required to enter through the gate or use the call box.

Mr. Natiello acknowledged that this situation will be rare but questioned how the District will handle the subsequent requests to split and/or requests for GADs. He suggested that this, and other situations, be considered by request for a special exemption, not made a part of the District's policy. Mr. Natiello questioned what renter would not want use of the amenities. He noted that residents want the highest value renter possible in the community, which would be someone who wants use of the amenities. Mr. Natiello further suggested that, in the case of exceptions for GADs, the GAD should only be enabled for the gate at the neighborhood where the tenant lives.

Supervisors Davidson and Gaeta voiced their support of allowing the GAD privilege to be transferred on special exemption, with the GAD programmed to work only at the gate for the neighborhood where the tenant lives.

A resident suggested that the lease specify that the tenants are not entitled to use the amenities.

Mr. Wrathell felt that when people are given options, they are more apt to explore them; therefore, it makes better sense to not give this option but consider special exemptions, on the rare occasions that come up.

Mr. Kloptosky relayed that his process regarding special requests is to temporarily grant the request, until the matter can be decided by the Board.

Regarding the registration process, Supervisor Davidson indicated that the trainees start on January 22, 2013; training will take place for five (5) days, with ten (10) to 12 trainees per day. The first village will begin registering near the end of January.

It was suggested that the registration process begin with Southlake Village, given the issues previously discussed. Mr. Natiello recommended that those properties with zero dollar or below market leases be the first to register.

Regarding the BURs and splitting the amenity privileges from GADs, the Board agreed to approach special requests on a case-by-case basis, rather than establishing a policy.

Supervisor Davidson recalled the vacation home that is only occupied when the owner visits and/or when his adult children vacation there. He noted that, under normal circumstances and per District policy, there are many things that the owner would be required to do. He suggested that this be considered a special exception involving only the immediate family.

Supervisor Davidson suggested giving the owners GADs and primary SAACs, with their children being issued non primary SAACs.

Mr. Kloptosky pointed out that issuing the children non primary SAACs could be a problem in the instance where the grandchild brought a friend on vacation but, since the non primary SAACs do not allow guest privileges, the grandchild's friend could not be admitted.

It was suggested that the owner's adult children be issued primary SAAC, with guest privileges.

Supervisor Davidson summarized that the mother and father owners would receive primary SAACs and GADs and the adult children will not be issued GADs but can be placed on the pre-approved visitor gate access list. The adult children will receive primary SAACs.

B. Additional Gate Access Device (GAD) Policies

Supervisor Davidson recalled the discussion of GADs for Grand Haven Realty employees and the District's previous decision to not issue GADs to nonresident realtors. He noted that a few realtors who work for Mr. Cullis, at his office within Grand Haven, have requested GADs. Supervisor Davidson felt that exceptions could be made for those few.

Supervisor Gaeta stressed the importance of Mr. Cullis providing reports, etc., and noted that Supervisor Davidson also included AMG and Escalante employees. Supervisor Gaeta recalled the Board's previous decision that no golf course or invitational members could receive a GAD. Mr. Wrathell confirmed Supervisor Gaeta's recollection. Supervisor Davidson clarified that the matter was discussed at the workshop.

Mr. Wrathell acknowledged a resident's need for a GAD but questioned a realtor's need.

Supervisor Davidson stated that the situation would only exist for two (2) years.

Mr. Wrathell suggested that issuance of GADs to Grand Haven Realty realtors is justified because the company owns property within Grand Haven.

Regarding registration times during non-working hours, Supervisor Davidson stated that he discussed the possibility with the CDD office staff. Staff asked that the off-hours registration option not be publicized because many will choose to make appointments then, rather than during business hours. Supervisor Davidson was in favor of paying the office staff overtime wages for working those off hours, in lieu of altering their regular work schedules. Mr. Wrathell suggested that the District should pay the overtime wage, even if they adjusted their regular work hours. Mr. Kloptosky preferred that the regular work week hours remain the same and that the

employees be compensated for the overtime work. Mr. Kloptosky assured that the number of off-hour registrations would be limited and not a recurring schedule.

Supervisor Davidson recalled the Board's decision to not issue GADs to nonresident full-time golf members. The Board reaffirmed that its decision remains no.

Supervisor Davidson advised that the District needs a policy governing inappropriate gate access methods. He noted that this extends beyond simple piggybacking; it includes motorcycles bypassing the gate, physically lifting the gate, etc.

Mr. Wrathell noted that those types of actions create safety issues, as well as possible liability issues for the District. He suggested suspension of the violator's GAD privileges.

Supervisor Smith supported cancellation of GAD privileges.

In response to a question, Mr. Clark explained that the District's current rules apply to suspension of privileges, with regard to the amenities; however, roads are not considered an amenity. He noted that the roads are public but the District is not required to give GADs. The District could define the offending behaviors with the consequence of the violator's GAD being deactivated.

Supervisor Lawrence pointed out that unknown people could piggyback on regular residents, who are entering properly, and questioned the District punishing the resident, who likely does not even know the person who piggybacked. He noted the difficulty in enforcing a piggybacking offense.

Mr. Natiello noted that a nonresident who piggybacks is really a trespasser, as they entered improperly. He suggested that the police could be called on the trespassers.

Supervisor Davidson questioned if the District could also suspend the violator's BURs and/or use of the other amenities. Mr. Clark stated that it cannot, unless the Amenity Rules are amended to include that violation.

In response to a question, Mr. Clark advised that the District can control GADs without a public hearing, as they are not part of the Amenity Rules.

Supervisor Davison suggested a process including a warning letter and deactivation of the GAD for a subsequent offence.

Discussion ensued regarding how the District can monitor offences. Supervisor Chiodo suggested that residents be encouraged to report incidents. Mr. Wrathell stressed the importance

of the person reporting the matter to also provide the time, license plate number and a description of the vehicle, when possible, which will assist in locating the incident on video.

C. Determination of Annual Fair Market Value Floor for Rental Property

Supervisor Davidson indicated that he is working on this.

▪ **Wild Oaks Manhole Issue Update**

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

Recalling previous discussions regarding the manhole issues at Wild Oaks, Mr. Wrathell reported that the District just received notification of a manhole that has broken up even more and requires immediate attention. Mr. Kloptosky stated that the sewer box broke loose and, if you stand on it, it rocks in the street. Mr. Kloptosky was unsure that the issue could wait and noted that he had S.E. Cline evaluate the area.

The Board agreed that the problem should be fixed, immediately, as it is a safety issue. Mr. Clark recommended placing cones around the manhole, along with advance signage.

Returning to amenity privileges, District Counsel was asked if language could be added giving the Board broad discretion on cancelling amenity privileges because of any behavior or action that is detrimental to the overall Grand Haven community. Mr. Clark stated that the amenity package is a property right; the Board cannot have a lot of discretion. The District can allow a hearing on an issue. In response to Supervisor Smith's question, Mr. Clark stated his opinion that the District cannot simply decide that troublemakers are not wanted; the rules must be defined and the process followed.

D. CDD Communications (RS)

Supervisor Smith discussed his communications vision, which includes publishing an unofficial document describing, in summary, the important matters discussed during the meeting, making the information available to residents. He also plans to publish the topics to be discussed at the subsequent meeting. Supervisor Smith plans to post and e-blast both items.

Noting that information is not received immediately, Supervisor Lawrence questioned where Supervisor Smith will obtain information regarding topics for the next meeting. Supervisor Smith indicated that he would prepare the information once the agenda is received. Supervisor Davidson pointed out that each agenda is published on the website a few days before the meetings and workshops. Supervisor Smith voiced his opinion that the agenda is boilerplate and does not really address the topics; it talks to functions. Supervisor Smith noted that residents

would not know that the District Engineer provided a prioritized list of road repairs today and that the Board asked him to provide costs and timing, to be reviewed at the next meeting.

Supervisor Chiodo recommended allowing Supervisor Smith to proceed, as planned.

Supervisor Davidson recalled Supervisor Chiodo's prior efforts, in this regard, and noted that it was found to have little readership.

Supervisor Davidson voiced his concerns about publishing "unofficial" information; he would rather all Board Members be allowed to review the proposed document, prior to releasing it.

Supervisor Gaeta agreed and added that she previously requested that agendas be posted at The Village Center and Creekside, along with extra hard copies being placed in those locations so that residents could see them, prior to the meetings and workshops.

Supervisor Smith indicated that he does not want the information reviewed because it would become quasi-official and create problems.

Mr. Wrathell indicated that meeting minutes and the agendas are posted on the website. He did not want Management's staff to be tasked with coordinating Board Member comments and suggested that it would be better to have a single Board Member prepare it.

In response to a question, Supervisor Smith indicated that he plans to produce this information for every meeting and workshop.

Supervisor Davidson reiterated his opinion that the information should be reviewed by at least one (1) party, which could be the District Manager, prior to posting or e-blasting it to the entire community.

Supervisor Chiodo recommended that Supervisor Smith prepare a sample summary of today's meeting for presentation at the workshop, so the Board can view and discuss it.

E. FY2013 Capital Plan (TL)

This item was not discussed.

F. City of Palm Coast Public Hearing on Rate Adjustments for Water and Wastewater Service Charges

○ **February 19, 2013 at 9:00 AM, *Community Center***

Supervisor Lawrence noted the hearing on February 5, 2013 at 6:00 p.m., and the February 19, 2013 meeting, at which the City Council vote will take place. Based on discussion with Management, Supervisor Lawrence indicated that he spoke with two (2) Council Members advising that 150% debt coverage is too high; it should be 120%. Supervisor Lawrence stated

that he was advised that nothing less than 150% would be acceptable because bond counsel said no. He recommended mailing a letter regarding the matter and noted that the District will be charged a 12% increase for wastewater.

Mr. Wrathell stated that, in his experience, bond counsel is usually focused on the structure, legality and tax exemption. He stated that it would be way out of the norm for bond counsel to say no to lowering coverage from 150% to 120%; that sounds more like the bond underwriter.

Supervisor Lawrence explained that bond counsel is in Mr. Jim Landon's pocket; Landon wants this and is trying to control counsel.

Mr. Wrathell suggested utilizing an online petition, e-blasting it to everyone and obtaining public comment.

Supervisor Lawrence will prepare an email informing residents of the hearing, as well as a letter to the Council Members. It was noted that Mr. Clark should review the letter.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, appointing Supervisor Lawrence liaison to express the District's opposition to the proposed increase, was approved.

G. Optional Savings Program for District Operating Funds: Insured Cash Sweep (ICS)

Mr. Wrathell indicated that Management discovered the Insured Cash Sweep (ICS) Program, offered by FineMark Bank, which is similar to the CDARS Program. He explained that money is invested at FineMark Bank, which is a Qualified Public Depository (QPD), who, in turn, parks the funds in other participating banks, keeping all funds fully FDIC insured. This works because the main bank is a QPD. When investing funds, the District can identify which banks it does not want FineMark to place its funds, for instance, those banks in which the District already has accounts.

H. Keeping Grand Haven Grand (SD)

Supervisor Davidson reiterated that the volunteer training program will commence on January 22, 2013. Registrations will commence around January 30, 2013.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, immediate deactivation of GADs and SAACs associated with all known zero dollar lease properties, was approved.

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

This item was not addressed.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

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

NINTH ORDER OF BUSINESS

ADJOURNMENT

There being nothing further to discuss, the meeting adjourned.

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

Secretary/Assistant Secretary

Chair/Vice Chair