

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

A Regular Meeting of the Grand Haven Community Development District's Board of Supervisors was held on **Thursday, March 21, 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:

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

Also present were:

Craig Wrathell	District Manager
Bissi Di Censo	Wrathell, Hunt and Associates, LLC
Scott Clark	District Counsel
Allen Skinner	District Engineer
Howard McGaffney	Amenity Management Group (AMG)
Robert Ross	Amenity Management Group (AMG)
Roy Deary	Amenity Management Group (AMG)
Barry Kloptosky	Field Operations Manager
Al Lo Monaco	Resident
Sharon Downes	Resident
Ginger Richards	Resident
Vic Natiello	Resident
Rob Carlton	Resident
Joanna Salkovitz	Resident
David Alfin	Resident
Bob Hopkins	Resident
Pat Maloney	Resident
Ron Merlo	Resident
Frank Benham	Resident
Carl Franz	Resident
D.W. Ferguson	Resident
Janet Search	Resident
Linda Struble	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. Joanna Salkovitz, a resident, voiced her concern about the ongoing issues at 76 Southlake. She reported that there are many cars at the residence, with as many as three (3) parked in the street; the residents fix their cars on the street and are spilling oil, cars are parked on the lawn and visitors are there all hours of the day and night. Ms. Salkovitz stated that residents are becoming very upset and some are afraid to walk by 76 Southlake. She acknowledged that the District is working on the issues but hopes that something is done soon. Ms. Salkovitz noted that code enforcement is involved and visited the property yesterday.

Supervisor Davidson indicated that the District is working on 76 Southlake and noted that it will be under scrutiny, with the new rules going into place.

Ms. Sharon Downes, a resident, asked the Board to let residents know before anything is done regarding the issues on Chinier Street. She noted problems at the Main Gate. Ms. Downes indicated that, when a resident goes through the gate, the guard is letting visitors enter through the visitor gate, at the same time, which is hazardous. She feels that the visitor gate should be held until the resident has passed through the resident gate.

Mr. Kloptosky stated that he will address Chinier Street during his report. Regarding the Main Gate, Mr. Kloptosky indicated that he emailed the guardhouse manager, reminding them of the problem and that residents should be allowed to pass first. Supervisor Lawrence recommended reminding the current contractor that their contract is up for renewal and, if they refuse to abide by the District's request, the District will consider other options.

FOURTH ORDER OF BUSINESS

CONSENT AGENDA ITEMS

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

A. Approval of Minutes

- i. February 7, 2013 Community Workshop
- ii. February 21, 2013 Regular Meeting

B. Approval of Unaudited Financial Statements as of January 31, 2013

Mr. Wrathell indicated that the insured cash sweep (ICS) account was opened and he distributed a snapshot of the District's unreconciled cash balances, as of today. He advised that \$1.6 million is in the ICS account. Mr. Wrathell explained that, with an ICS account, as long as the main bank is a qualified public depository (QPD), the underlying banks are not required to be QPDs. In response to a question, Mr. Wrathell confirmed that the entire \$1.6 million is FDIC insured; FineMark Bank spread the funds across several different banks.

Supervisor Smith noted that these are the financial statements as of January 31, 2013 and asked if this is the normal lag time.

Mr. Wrathell indicated that, due to the District's large number of bank accounts, there is lag time in receiving the monthly bank statements. He stated that the January financials contain the reconciled balances; however, if the Board wants more current financials, Management could provide unreconciled balances. Mr. Wrathell noted that the issue is exacerbated by the fact that the District's meeting usually falls close to the middle of the month.

Supervisor Chiodo suggested that Management provide an unreconciled cash statement at the Regular Meeting and inform the Board of any changes, the following month, after the bank statements are reconciled.

The Board's preference was to receive the previous month's financials containing unreconciled cash balances.

Supervisor Smith referred to the engineering line item and asked the amount spent. Mr. Wrathell indicated that the January bills were received and were processed in February. Supervisor Lawrence asked Genesis to be more current on invoicing.

Supervisor Lawrence pointed out that assessment revenue is only 80% and asked Mr. Wrathell to comment. Mr. Wrathell stated that collections are currently 83%, meaning there was little activity in the past month. Management will contact the tax collector's office for the reason for the lag.

C. Approval of Requisition

- **Number 28, Payment of Access Control Expenses (Dolphin Technical Solutions, LLC, Invoice 13324) *Construction Account***

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, the Consent Agenda Items, as presented, were approved.

FIFTH ORDER OF BUSINESS

STAFF REPORTS

A. Amenity Manger

Mr. Ross indicated that the Easter Egg Hunt will be held at the end of the month. The Judy Macko Tennis Tournament will be held on April 13, 2013.

Supervisor Davidson indicated that there are proposed changes to the Amenity Rules, which will be discussed later. The first was a suggestion to remove the requirement to brush clay at the tennis courts, between games, as it is not being done and may create liability on the District. Mr. McGaffney agreed that this change is acceptable.

Supervisor Davidson stated that the second suggestion relates to 15 to 18-year-olds using the gyms. The current rules only allow 15 to 18-year-olds to use the gym facilities when accompanied by a licensed exercise professional, with a written note from their doctor, school and parent. Supervisor Davidson voiced his understanding that this procedure is not being followed and asked what procedure is being utilized and how the rule should be changed.

Mr. McGaffney indicated that he is not sure how the current policy was written in this way. His understanding was that a letter would be requested and provided to the Amenity Manager, who would obtain information from the doctor, parent or school regarding the need for access. Mr. McGaffney stated that, if it was brought to the Amenity Manger, in the form of a letter, it was within his realm of responsibility to authorize usage, as long as he notified the Board or Mr. Kloptosky.

In response to Supervisor Davidson's question, Mr. McGaffney voiced his understanding that the letter could come from the doctor or parent but it did not have to be from a doctor. Regarding the policy requiring supervision by a licensed exercise professional, Supervisor Davidson voiced his understanding that parents are being allowed to supervise. Mr. McGaffney felt that the policy should be with supervision by a parent, responsible adult or personal trainer.

Supervisor Gaeta voiced her desire to further discuss this matter, as she felt that the Board put regulations in place, otherwise, any parent could write a note and there could be liability issues.

Regarding how this matter is handled, Mr. Deary stated that, in his experience, as long as an adult takes responsibility, inappropriate behavior is curtailed. In other communities, from an operational standpoint only, a certified exercise professional is not required, only an adult who takes responsibility for the child. Mr. Deary noted that in other communities, it is not unusual for children 13 and over to utilize the facilities; however, those communities may be more “family-oriented” than Grand Haven.

- **AMG Resident Directory Budget (CW)**

****This item, previously Item 6B, was presented out of order.*

Mr. Wrathell recalled that the Board asked Management to research AMG’s contract regarding the Community Directory and, if contained in the contract, whether those funds could be pivoted towards paying for the facilitators needed to scan the new cards. He advised that it appears that this item was removed from AMG’s contract; therefore, it cannot be used.

Mr. Deary noted that, although there was a lag in producing the Directory, AMG fulfilled its \$7,500 obligation for printing the last Community Directory.

B. District Engineer

Mr. Skinner indicated that the District is considering taking ownership of the Escalante Pier and, before doing so, Genesis was asked for a recommendation of how to approach obtaining an engineer’s evaluation of the pier. He advised that, evaluation really requires two (2) consultants, as there is an underwater component, which should be inspected by a qualified dive company. As Genesis does not have in-house structural engineers for piers, a structural engineer, working in tandem with the dive consultant, was recommended. Mr. Skinner recommended Logan Diving, for the underwater inspection, and SK Engineering, who could be on site guiding the scuba diver, during the inspection, and prepare a structural analysis report of the findings. He voiced his opinion that both companies are qualified and their fees are reasonable, for this type of work. Mr. Skinner recommended approval of both Logan Diving and SK Engineering.

Supervisor Gaeta recalled that the Board originally budgeted \$2,500 for an evaluation. She pointed out that the combined total would be \$3,900.

Mr. Skinner suggested adding a little extra, in case cost estimating is needed.

Supervisor Gaeta questioned the District's right to inspect the pier, as ownership is still unclear. Mr. Clark felt that the District can conduct noninvasive inspections, as they are in discussions with the record owner of the parcel.

Supervisor Smith asked if the diver will only observe the pilings. Mr. Skinner explained that the dive company is very experienced in observing structures underwater and identifying areas of potential structural issues. Mr. Skinner indicated that the dive company can video everything he sees and the engineer can guide the diver. Mr. Smith advised that qualified divers, who have inspected underwater docks, reside in the community and would volunteer to evaluate the pier at no charge.

Mr. Wrathell expressed concern about liability if a resident volunteers to conduct the dive inspection and whether the District would be protected. He explained that, if the District hires a contractor, it has recourse if something happens, where it would not if someone volunteers.

Supervisor Lawrence questioned if a hold harmless agreement from the volunteer diver would suffice. Mr. Clark indicated that an agreement is an option; however, there are varying degrees of opinion regarding whether those types of agreements are as enforceable as a hold harmless agreement from someone that is being paid.

Mr. Skinner clarified that Logan Diving is trained to inspect piers and would provide a report of their observations; they have conducted these types of inspections for decades. He stressed the importance of verifying a volunteer diver's qualifications to ensure that they are equally qualified and could work in conjunction with the engineer.

Supervisor Smith discussed his conversations with the volunteer diver.

Supervisor Davidson noted that Logan Diving's proposal includes much more than just inspecting the underwater pilings. He suggested that, prior to proceeding with Logan Diving, the volunteer diver's background, experience and qualifications be reviewed and, if qualified, allow them to conduct an initial evaluation.

In response to Supervisor Davidson's question regarding ownership, Mr. Clark advised that there are a few more steps towards ownership. Mr. Clark is in discussions with the developer's attorney. Additionally, he received additional information that casts doubt on ownership; although the land appears to be owned by the developer, based on a title search, the property appraiser indicated that the land is in the Intracoastal Waterway and is taxing Escalante

for the pier, as they are the closest landowner to the pier. Mr. Clark indicated that he must research why that parcel is shown as part of the Intracoastal Waterway when, visually, it does not appear to be.

Mr. Kloptosky voiced his opinion that the pier could cost a lot to repair and, while he is in favor of saving money, he questioned the prudence of obtaining an opinion from a resident and moving forward on that opinion. He wondered if the individual has errors and omissions insurance, liability insurance and what kind of recourse the District would have.

Mr. Skinner pointed out that SK Engineering has worked in conjunction with Logan Diving on other projects. He must verify whether SK Engineering will work with the volunteer diver.

Mr. Lawrence asked how long it will take to determine ownership. Mr. Clark indicated that it could probably be accomplished in 30 days.

Supervisor Chiodo asked what risk the District is incurring if it asks the volunteer resident diver to perform an initial inspection and provide an opinion. Supervisor Lawrence voiced his opinion that allowing the volunteer to conduct an initial inspection is a good approach. In response to Supervisor Gaeta's inquiry, Supervisor Chiodo confirmed that the District would obtain a hold harmless agreement prior to the volunteer's initial inspection.

Supervisor Davidson reiterated the need to review the volunteer diver's qualifications and experience prior to them conducting an initial inspection. He recommended providing the volunteer with Logan Diving's list of things to be inspected and asking the volunteer if he is qualified to render an opinion on all of those items; if the volunteer's inspection is limited, the District should know in advance.

Mr. Carl Franz, a resident, asked if there were specifications when the pier was built, so that the inspection could validate whether it was constructed to those requirements.

Mr. Wrathell reiterated that the ownership is still in question and the District does not have any of the design specifications. The Board is reviewing this, as it has concerns about its safety; whoever owns it is not maintaining it. He explained that the District does not own the pier but is considering acquiring it as a community asset; however, it could cost a lot to repair it.

Mr. Franz pointed out that it might be more cost effective to destroy the current pier and build a new one. Mr. Wrathell agreed.

Regarding liability and the concern for the District's residents, Mr. Wrathell questioned if it becomes a concern of the Board, should adding steps cause the process to extend several months.

Mr. Frank Benham, a resident, asked what will be accomplished by the added step of a volunteer diver. He sees the possibility of the volunteer saying everything looks great and questioned if the District move forward with that opinion, or, the volunteer could say it is bad, which would require the District to hire professionals. Mr. Benham wondered if the added step is beneficial. He stated that Logan Diving will video the inspection and can share it with the engineer.

Supervisor Gaeta was in favor of proceeding with obtaining professional opinions from Logan Diving and SK Engineering. Mr. Wrathell felt that, while the District appreciates the volunteer diver's offer, using professionals offers a certain level of confidence.

Supervisor Smith asked whose boat would be used to conduct the inspection. Mr. Kloptosky will inspect the District's boat.

On MOTION by Supervisor Gaeta and seconded by Supervisor Davidson, with Supervisor Gaeta, Supervisor Davidson, Supervisor Lawrence and Supervisor Chiodo in favor and Supervisor Smith dissenting, the Logan Diving and SK Engineering proposals for \$2,400 and \$1,500, respectively, plus \$600 for incidental costs, for a total not-to-exceed amount of \$4,500, were approved. (Motion passed 4-1)

Discussion ensued regarding the Board's desire for a presentation of the findings. Supervisor Lawrence suggested asking SK Engineering if their \$1,500 proposal will include an in-person presentation to the Board.

Regarding the Wild Oaks manholes, Mr. Skinner recalled that six (6) manholes have settlement issues and, as a result, Ellis & Associates, Inc., (E&A) was hired to install borings and conduct testing around the problem manholes. E&A prepared a report, which provided an analysis of the six (6) manholes currently having issues. He noted that E&A found that the loose soils were relatively deep, meaning it would not be an easy fix. He stated that E&A's report provided three (3) recommendations for resolving the issues. Genesis was asked to obtain cost estimates for Options 2 and 3, the cement grout and polyurethane options, respectively.

Mr. Skinner requested estimates from two (2) qualified contractors. The first estimate received was very high, with the cement grout option being approximately \$74,000 for six (6) manholes, including construction oversight, and the polyurethane injection option being double the cost. Mr. Skinner reported that the estimate from the second contractor was significantly less or approximately half the cost.

Mr. Skinner noted that he and Mr. Kloptosky explored an alternate plan to simply recompact the soil and repaving. He recalled that Mr. Kloptosky was to obtain a quote from S.E. Cline Construction (Cline).

Mr. Kloptosky indicated that he obtained a \$5,767 quote from Cline to repair the three (3) worst manholes, to remove the surface asphalt, curb to curb, excavate and recompact, and reasphalt. He stated that Cline's proposal does not plan to recompact to the bottom, as E&A's report shows loose compaction; Cline will only compact that low at a time and materials cost above the proposed costs. Mr. Kloptosky provided Cline with the City's video and E&A's report and advised that Cline does not believe the issue is as bad as E&A's report makes it seem. Cline suggests that they can repair the issues as proposed but with extra compaction, deeper, at the additional time and materials cost.

Regarding trying to hold the City responsible for the issues with the pipes, Mr. Kloptosky voiced his opinion that the City should be responsible for repairing that part, leaving the District to only repair the road.

In response to Supervisor Gaeta's question, Mr. Kloptosky confirmed that Cline's \$5,767 proposal only includes repair at three (3) manhole locations, with additional costs for deeper digging, extra compaction and permitting.

Mr. Kloptosky reiterated his comments from the workshop clarifying that he is not saying E&A's recommendations are not the best, long-term, proper fix; he is suggesting that the District utilize the less expensive fix, with full knowledge that the problem may recur and require future repair.

Mr. Wrathell recommended proceeding with the temporary fix.

Mr. Kloptosky stated that Cline reviewed the City's video and noted miscellaneous debris in the pipes; however, they did not feel it was causing blockage. Cline is also willing to remove the debris at an additional time and materials cost. Mr. Clark recommended not taking the additional step to remove debris, as he feels it is the City's responsibility.

Supervisor Smith questioned if all six (6) manholes should be repaired. Mr. Kloptosky suggested only repairing the three (3) proposed and making a determination at a later time. Mr. Kloptosky asked if the Board wants the District Engineer to inspect the area once the hole is opened. Supervisor Davidson felt that Cline's opinion is sufficient. Mr. Wrathell noted that there may be value in having the District Engineer evaluate the conditions, in case the temporary fix does not last and it would assist them in developing a strategy, going forward.

On MOTION by Supervisor Lawrence and seconded by Supervisor Chiodo, with all in favor, the S.E. Cline proposal for a total cost of \$5,767 to repair three (3) manholes, on Wild Oaks, plus additional time and material costs, as needed, were approved.

Regarding The Village Center north parking lot, Mr. Skinner recalled the Board's direction to present the photographs to Genesis' experts and have an opinion rendered. Mr. Skinner indicated that an opinion was emailed this morning.

Mr. Skinner advised that Genesis finds the quality of work poor; however, he is not aware of any FDOT standards for a small project, which the District can use as a basis. This makes it difficult for the District Engineer to state that certain standards were not met. Mr. Skinner summarized that the work is poor quality, in terms of industry standards.

Noting the District's long history with Cline, Supervisor Lawrence suggested notifying Cline that the District Engineer found the quality of work poor; the District expects better from Cline and wants it repaved.

Supervisor Gaeta pointed out that Cline subcontracted the work to P&S Paving (P&S). She questioned whether Cline provided an opinion, as the standards of acceptability for commercial paving may be different from those of a community. She wondered if the District has recourse.

Mr. Skinner felt that no standards were defined in the District's contract with Cline; therefore, it is a comparison of workmanship.

Mr. Kloptosky noted issues with standing water; however, he has not mentioned those to Cline, pending the Board's decision about the workmanship aspect. He advised that he is hearing debate from Cline and P&S regarding FDOT, which is why it is being discussed. He

noted that Cline is already making the argument that the paving does not need to conform to FDOT standards and there are no drainage issues. Mr. Kloptosky wants to know the Board's final opinion on how to approach this matter, as he is sure there will be a battle if he informs Cline that the Board is unhappy and wants the entire area removed, remilled and repaved. He feels that Cline will only be willing to replace the areas that are bad; however, there are many bad areas and it will end up looking like a patch job.

Supervisor Chiodo recommended that Mr. Kloptosky speak to Cline and report to the Board. Mr. Kloptosky will provide a copy of Genesis' report to Cline and P&S.

Regarding Sailfish Drive, Supervisor Gaeta asked what assurance the Board can have that, once the road is regraded, the puddling will not be pushed to another area. Acknowledging the budget constraints, she questioned if it makes sense to redo the entire street, rather than only doing half.

Mr. Skinner indicated that the problem is being addressed in the area where the problem exists; Genesis is not aware of ponding problems in other areas of Sailfish Drive. Given the work to be completed, he felt it unlikely that the drainage problem would shift to another area.

Supervisor Chiodo concurred that the proposed work addresses the area of concern.

Mr. Skinner advised that the design and permitting are underway. Once the design and construction documents are prepared, the work will be put out for bid.

Mr. Bob Hopkins, a resident, questioned if Mr. Kloptosky will have a discussion with Cline regarding The Village Center parking lot prior to notifying them that their Wild Oaks proposal was approved to include time and materials, in addition to the proposed cost. Mr. Kloptosky stated that Cline will provide a rate sheet for the time and materials work and he will monitor the work to ensure the extra costs are valid.

In response to Supervisor Smith's question, Mr. Skinner confirmed that the Sailfish Drive documents will contain standards, so that issues, such as with the parking lot, can be avoided.

Supervisor Lawrence asked Mr. Skinner for the engineering oversight costs of the road resurfacing projects. Mr. Skinner indicated 10%.

Supervisor Gaeta asked if the Sailfish Drive scope of work includes removal of the large oak trees. Mr. Skinner indicated that, due to the close proximity, the trees will likely be damaged during excavation; those would be replaced. Mr. Kloptosky stated that Cline's proposal includes removal of two (2) trees and trimming four (4) others but no replanting or

replacement. In response to a question, Mr. Skinner confirmed that use of the product Silva Cell will help prevent root issues when planting trees. Supervisor Lawrence asked if any action is necessary, prior to removing trees. Mr. Clark advised that the trees are in the right-of-way but the property owners are responsible for maintenance; the District should give notice and replace the trees.

Regarding Marlin Drive, Mr. Kloptosky indicated that Cline completed the curb repair for the City and presented photographs of the completed work.

******The meeting recessed at 11:06 a.m.******

******The meeting reconvened at 11:19 a.m.******

Mr. Wrathell recalled Board questions regarding tax collections. He reported that the tax collector is not holding any funds; everything has been remitted to the District. Mr. Wrathell stated that collections, as of today, are 85%. Collections at this point in 2012 and 2011 were at 84% and 83% in 2010, meaning that this year's collection rate is currently slightly higher in comparison to recent years. He noted that collections usually exceed 100%, due to people not taking advantage of the 4% early pay discount.

C. Field/Operations Manager

Mr. Kloptosky reported that reregistration is 36% complete, with 668 of 1,866 homes completed. He noted that the response has not been as quick as anticipated and Staff has already contacted those that have not responded.

Regarding the pool lifts, Mr. Kloptosky indicated that he received the contract from District Counsel and forwarded it to Duda Pools; a response is pending.

Speaking of Chinier Street, Mr. Kloptosky stated that he was in contact with St. Johns River Water Management District (SJRWMD) and will meet with them soon in order to discuss the District's concerns and what the District can or cannot plant in the area. Supervisor Chiodo asked Mr. Kloptosky to inquire about what the District can do about cleanup of the area; stumps were left and residents want to know if those can be removed.

i. Pelican Court Mailbox Relocation/City of Palm Coast Permitting Issues

Mr. Kloptosky recalled that the District contracted with Skyway Homes (Skyway) to relocate the Pelican Court mailbox. Skyway spoke to the City and was told that permits were not necessary. Mr. Kloptosky recommended that Skyway obtain an approval letter from the City. When Skyway approached the City for the letter, the Building Division became involved and

informed them that a permit, architectural drawings, site plan or survey, engineering for columns, zoning approval of the new location and construction and demolition permits were all required. He noted that residents were previously advised of the relocation work so new letters were issued explaining the delay due to City permitting. Mr. Kloptosky expressed his displeasure to Mr. Ray Tyner, of the Planning & Zoning Division, who indicated that he has no control over the Building Division. He questioned Mr. Tyner as to why someone in his department originally said nothing was needed; he is frustrated with receiving incorrect information, which is now delaying the scheduled project.

Mr. Kloptosky stated that Mr. Tyner will help expedite the permit, once the information is submitted; however, the District does not have site plans or a survey. He plans to submit photographs from the property appraiser's website.

Supervisor Lawrence indicated that he will speak to City Council. In that regard, Supervisor Davidson directed Mr. Kloptosky to obtain the list of requirements from the Building Division, on their letterhead or via e-mail, so that he and Supervisor Lawrence have the information when meeting with their City contacts. Supervisor Davidson voiced his concern that the City will delay other projects such as the pool lift installations, etc.

Mr. Kloptosky informed the Board of illegal parking on Front Street and Chinier. He spoke to the residents but they continue to park in that location. Mr. Kloptosky spoke to the Sheriff who advised that they cannot issue tickets because the vehicles are parked on the District's property. The District's only recourse is to have the cars towed; in lieu of that, Mr. Kloptosky questioned if illegal parking could be tied into a loss of privileges.

Mr. Kloptosky advised of a problem with residents disposing of dog waste on common property, in trees and bushes. The problem continues to increase. He noted that this act violates City Code; however, the City requires pictures in order to enforce. Mr. Kloptosky reported extreme problems in The Crossings. He questioned if the District could suspend violator's privileges or if cameras could be installed in trees to catch violators. A resident pointed out that a resident with a great dane is one of the offenders. Discussion ensued regarding garbage receptacle locations.

Regarding rental registration with the City of Palm Coast, Mr. Kloptosky reported that two (2) realtors informed the office staff that they are not required to register with the City; in gated communities, they must only deal with the HOA. Mr. Kloptosky investigated the matter

and was told by Ms. Barbara Grossman, Code Enforcement Manager, that the information is not true; the only exemptions are for condominiums and hotels.

Mr. Kloptosky recalled issues with the The Village Center pergola and his 23-page letter to the contractor, VerdeGo, LLC. He noted that, to date, the contractor has done nothing, in spite of being put on notice of the problems. Mr. Kloptosky met with the contractor who is willing to restrain the pergola; however, the work has still not been completed. He noted that the caps on the columns are leaking water, as they were not properly sealed. The third problem is that the stone caps are discoloring. The final issue is that the caps are fracturing and cracking due to the weight of pergola. Mr. Kloptosky recommended obtaining the opinion of a structural engineer.

Mr. Kloptosky stated that he is receiving responses from the contractor stating that they will fix certain things but with exceptions listed and asking the District to sign off on the work. The contractor fears that the District will find issues and want the pergola restrained for free year-after-year; therefore, once the pergola is restrained, they want the District to relieve them of any further responsibility. Mr. Kloptosky indicated that he does not want to sign anything. Mr. Kloptosky stated that he informed the contractor that he does not expect them to restrain the pergola every year; however, he expected the stain to have lasted at least a year. He indicated that the District paid \$1,800 extra to have two (2) coats of stain applied during construction, as it was supposed to last two (2) years. Mr. Kloptosky requested a refund of the \$1,800.

Mr. Kloptosky reiterated that the contractor is not comfortable performing the requested work without assurance from the District that they will not have to do it again, to which he informed the contractor that he would not sign anything.

Discussion ensued regarding issues with the lumber that was used and that the appropriate stain was not used.

Supervisor Smith questioned what Mr. Kloptosky wants the Board to do about this. Mr. Kloptosky reiterated that he will not sign anything and his belief that the Board would not want him to.

Mr. Kloptosky felt that the choices are for the contractor to restrain and be done with it or the District can choose to fight the matter, which could be costly,

Supervisor Davidson felt that the issue is contract performance; the contractor did not perform as specified but was paid and, subsequently, put on notice.

Mr. Clark advised against signing off on the work and/or giving up any rights, in exchange for a coat of stain, as there may be other problems. He stated that, if the contractor does not perform the work, the District can have another contractor complete the work and seek those costs from the original contractor. Mr. Clark suggested that the District should get what it can from the contractor, without releasing any rights.

Mr. Kloptosky pointed out that the contractor now states that, upon advice of his counsel, he will not perform any work without the District confirming, in writing, that he will not be required to repay the \$1,800.

Discussion ensued regarding a response to the contractor.

Supervisor Lawrence suggested offering the contractor the option of staining once and returning the \$1,800 or staining, with the knowledge that another coat may be needed if it does not last two (2) years.

Discussion ensued regarding the other problems and Mr. Kloptosky described the planned repairs. The Board stressed that everything must be in writing, when dealing with this contractor.

Regarding reregistration, Mr. Vic Natiello, a resident, suggested that the District do something to increase response. Supervisor Davidson reminded Mr. Natiello that his topic will be discussed later in the meeting.

D. District Counsel

i. Marlin Drive Letter

Mr. Clark noted that the curb was repaired; however, he has not received a response from the City regarding payment for testing on Marlin Drive, as a result of the incident.

ii. Pier Adjacent to Golf Club

This item was discussed during Item 5B and Mr. Clark had nothing additional to report.

iii. Waterside Parkway Ownership

Mr. Clark indicated that a letter was sent to the City; however, to date, no response has been received.

Mr. Clark received correspondence from Mr. Cullis inquiring about the status of the easement for the Guard House parking. Mr. Cullis indicated that the additional parking space was installed. Mr. Kloptosky clarified that a single handicapped space was installed and base stone material was placed alongside that space, to create an additional space. Mr. Kloptosky

noted that the guards must park partially on the pavement and extend into the road. Mr. Kloptosky felt that two (2) paved spaces would be built and indicated that Mr. Cullis' plans were never revised to obtain permitting for two (2) spaces.

The Board directed District Counsel to notify Mr. Cullis that the second space is not acceptable; it must be paved and, once completed, the District will sign the agreement.

Mr. Clark advised that Mr. Cullis will submit his plat approval to the City for approval. He stated that the District will also need to give approval to the plat. Mr. Clark advised Mr. Cullis to tell the District what the City wants and the District will address it. He discussed the process.

Supervisor Lawrence recalled that the Master Association CC&Rs have no rental restrictions and asked what the District must do to ensure that Mr. Cullis' four (4) new units have rental restrictions. Mr. Rob Carlton, a resident, indicated that Mr. Cullis voiced his understanding and acceptance that those units will be part of the River Club CC&Rs and can only be rented twice per year for 60 days each.

Supervisor Chiodo asked about parking for the units. Mr. Clark indicated that he has not seen parking plans. Supervisor Chiodo suggested demanding the parking plans, prior to approving anything related to the project. Supervisor Davidson recommended requiring acceptance of the rental restrictions, in writing. Supervisor Lawrence suggested requiring an agreement, in writing, that those units will have their own parking with the given plat.

Mr. Clark recalled that the Board adopted the Supervisors Code of Conduct in 2011. As the code was signed by all Board Members, a Supervisor questioned when it must be resigned. He advised that the code was adopted as a Board action and is something that the Board agreed to live by. Mr. Clark noted that the individual Supervisors, at the time, agreed to sign it; however, adoption of the code, not the signatures, is what makes it effective. Mr. Clark voiced his opinion that new Supervisors do not need to sign the code but they must abide by it; the Board could consider ratifying the code.

Supervisor Chiodo recommended including the Supervisors Code of Conduct in the new supervisors' package.

E. District Manager

i. Upcoming Community Workshop/Regular Meeting

- **COMMUNITY WORKSHOP**

- **April 4, 2013, at 10:00 A.M.**

The next workshop is scheduled for April 4, 2013 at 10:00 a.m.

- **BOARD OF SUPERVISORS MEETING**

- **April 18, 2013 at 9:30 A.M.**

The next meeting is scheduled for April 18, 2013 at 9:30 a.m.

SIXTH ORDER OF BUSINESS**BUSINESS ITEMS****A. February 2013 Road Resurfacing Detail Plan [TL]**

Supervisor Lawrence presented his recommended road resurfacing detail plan through 2035 and discussed his proposed assessment increase amounts for each year, to accomplish the necessary work. He suggested assessment increases of \$85 per year from 2014 through 2019 and \$170 per year from 2020 through 2034. Supervisor Lawrence explained that the District will retire bonds in 2019; thereby, reducing assessments, which offsets the increase for roads.

Mr. Wrathell discussed the benefit of Supervisor Lawrence's plan, as opposed to the bond approach.

Supervisor Smith voiced his puzzlement that Supervisor Lawrence's plan contains no road costs in 2014, 2015 and 2016 and asked if the cul-de-sac work is included. Supervisor Lawrence stated that he assumed the Sailfish Drive work would be completed from the District's current reserves. Supervisor Smith recalled the District Engineer's cul-de-sac work commencing in 2014, with total costs of approximately \$300,000. Supervisor Lawrence will research this and update his plan.

Discussion ensued regarding ways to ensure that future Boards adhere to the plan. Mr. Clark suggested adopting this as an assessment program, over the specified period of time, and earmarking the assessment for the specific purpose. Mr. Clark acknowledged that a future Board could backtrack; however, this Board's formal adoption would make it more difficult to change the assessment.

In response to a question, Mr. Wrathell explained the fund balance categories that were established and noted that committed funds are strongly tied to the identified purpose. Assigned fund balance categories allow more flexibility. He stated that the Board could create a roads category under committed reserves. Mr. Wrathell stated that it is important to specify fund balances, if the District is building fund balance for a purpose; otherwise, the public sees it as

being over assessed. In response to Supervisor Smith's question, Mr. Wrathell stated that committed fund balance is restricted to its assigned purpose; it would take specific Board action to change the purpose.

As the current discussion revolves around resurfacing, Mr. David Alfin, a resident, asked if the costs presented in Supervisor Lawrence's plan include contingency for the improperly compacted soil issue in Wild Oaks and/or other construction costs. Supervisor Lawrence stated that his figures contain a 10% contingency.

B. AMG Resident Directory Budget (CW)

This item was previously discussed.

C. Escalante Pier (CW)

Mr. Wrathell presented the questions posed to Mr. Clark regarding Escalante Pier and his responses.

D. Keeping Grand Haven Grand (SD)

Regarding reregistration, Supervisor Davidson read a letter:

"This is just a note to express how impressed I was with the organization and efficiency with the issuing of the new resident access cards. When making our appointment, several time slots were available to us. Then, in keeping our scheduled appointment, even though we were early, there was no waiting. We immediately saw the intake people then were taken to Victoria's office where a file with all our pertinent information was accurate and waiting for us. The process ran smoothly and pain free. It was very well done. I was impressed. Thank you.

Sincerely,

Betty Beverage"

i. Response to Requests for Exception to Gate Access Device Policy

- **Suggested Nonresident Emergency Support Procedures (to be provided under separate cover)**

Supervisor Davidson indicated that this issue relates to the Board allowing a resident, with a medical excuse, to have a GAD, which has resulted in multiple residents of the original requestor's village coming forth with similar requests. He noted that the original requestor is allegedly bragging to other residents how they played the system and that the District will issue extra GADs to anyone who writes a letter stating they have a medical issue.

To address this growing problem, Supervisor Davidson drafted and explained the following proposed procedures:

“Protocol for Non-Resident (N.R.) Emergency Medical Response for Friends, Loved Ones Residing in Grand Haven

1. Call **911** (if N.R. currently in Flagler County, FL), request ambulance for medical emergency

Call **386-313-4911** (if N.R. currently out of Flagler County, FL)
2. For person having medical problem: Confirm with Dispatch Operator, person's:
 - Address
 - Age
 - Chief Complaint (medical Problem)
 - Prior Medical History
3. Call **386-445-2376** (Grand Haven Main Guard Gate)

Request **Expedited Medical Emergency Entrance** to Grand Haven Gate by:

- Informing guard of which Grand Haven Gate (Wild Oaks, Crossings, North, Main, South) you wish **Expedited Entry** and at how long/approximately when you will arrive at that gate.
4. When you arrive at gate, go to Call Box, select Main Guard number, press button. When guard answers, identify yourself and that: (1) you are responding to (X) resident's medical emergency; (2) you have already called for an ambulance, and (3) you wish **Expedited Entry**.

If you followed step 3 above, the guard will have already confirmed you are on the resident's pre-approved visitor list, and the guard will immediately raise the gate arm

Alternately, if you have been in cell phone contact with the resident, and they are capable, you may select the resident's phone number from the Call Box, and the resident can press 9 from their home phone to raise the gate arm.

In order to provide for the most successful, quickest Expedited Medical Emergency Entry into the Grand Haven Community, please take the following steps:

- Please verify that the resident has included your name on their Pre-approved Visitor List

- *Please practice your use of the Call Boxes to call the Main Guard Gate*
- *Please practice your use of the Call Boxes to call the resident's home and the resident's response by pressing 9 on the resident's home phone to raise the gate arm*

If any of these procedures do not function properly or if you have any questions, please call the Grand Haven Community Development District Field/Operations Office at 386-447-1888.

Supervisor Gaeta recommended posting this information on the website.

Supervisor Davidson asked the Board to provide their comments and suggestions.

Mr. Natiello indicated that calls to the guard gate are not always answered. He suspected that there will be abuse of this system.

The Board agreed that, once this protocol is adopted, the previously allowed GAD issued for emergency purposes will be deactivated.

Supervisor Davidson referred to a letter received from Ms. Frances Kozer, a resident, requesting an additional GAD for ease of access purposes and recommended not approving the request. He suggested explaining to Ms. Kozer the call box process.

<p>On MOTION by Supervisor Smith and seconded by Supervisor Gaeta, with all in favor, the Protocol for Non-Resident (N.R.) Emergency Medical Response for Friends, Loved Ones Residing in Grand Haven, in conceptual form, was approved.</p>

ii. Possible Amenity Rule Amendments and/or New Rule *(to be provided under separate cover)*

Regarding reregistration, Supervisor Davidson noted the need to develop a strategy to encourage increased participation.

Supervisor Lawrence speculated that many residents do not understand that, if they fail to reregister, their GADs will be deactivated.

Supervisor Davidson reviewed the possible amenity rule changes.

Regarding allowing 15 to 18-year-olds to utilize the gym facilities, the Board agreed to use, under the supervision by parent or other responsible adult, 21 years or older, with written consent of the parent, who is continuously present.

Regarding the tennis courts, the Board agreed to remove the requirement to brush clay between games.

Discussion ensued regarding issues at the entrance gates and how to prevent unacceptable entry.

Regarding a policy involving loss or suspension of amenity privileges, GADs and removal of names from call box directory for below market value leases, Mr. Clark noted that the Board already established that assignment of beneficial user rights (BURs) to a tenant would not be permitted for below market value leases; therefore, he saw no reason to restate that position.

Discussion ensued regarding loss or suspension of amenity privileges and deactivation of GADs and SAACs for noncompliance with the reregistration program. Mr. Clark recalled that loss of privileges is currently behavior based, including receiving a warning. He suggested issuing warnings to residents stating that they have not reregistered and failure to do so within a specified time frame will result in loss of their SAACs and GADs. Mr. Clark recommended making registration a condition of use of the amenity facilities and issuance of SAACs and GADs; use will not be permitted until the party registers.

Supervisor Davidson indicated that the initial letters regarding below market value leases were sent to the tenants, not the owners, and most tenants refused delivery of the certified letters. New letters are being mailed to the property owners. Noting that the District has done what it can to notify property owners and tenants of this matter, Supervisor Davidson asked if the District can move forward with deactivation of the GADs and SAACs, if no response is received. Mr. Clark replied affirmatively. Supervisor Lawrence recommended mailing letters via regular mail so that property owners and tenants are informed, even if they refused delivery of the Certified Mail.

Supervisor Davidson questioned if the Board wants illegal parking and improper disposal of dog waste to result in loss of amenities or privileges.

Mr. Clark stated that his comfort wanes when loss of amenity privileges, etc., relates to things that have little to do with the amenities; meaning, using the amenities to punish other, unrelated behavior. He feels that the parking matter calls for installation of signs and towing, as a solution. Mr. Clark explained that the signs enable the District to tow; it erases the liability and questions because, if signs are in place, the vehicle can be towed without further notice. He confirmed that the statute has a provision regarding direct notification and explained the process.

Supervisor Smith voiced his feeling that signs are unsightly and his preference for direct notification.

Supervisor Davidson advised of a complaint regarding an episode in the gym. He stated that, going forward, there will be audio/visual surveillance in the gyms so that any complaints can be verified. He noted that there is a certain amount of time to retrieve the information; therefore, the District should consider establishment of a statute of limitations for verification of incident reports.

In response to Mr. Clark's question, Supervisor Davidson indicated that, after a certain amount of time, the audio/visual cannot be verified, once it leaves the system. Mr. Clark suggested that the policy could state that incident reports may be rejected if not submitted within 30 days.

Supervisor Davidson noted that a liability waiver is not included on the reregistration forms; however, a general liability waiver is included on the forms for nonresident day guests. He questioned if the District should continue this requirement. Mr. Clark felt that guests are different than residents and recommended continuing the requirement of a general liability waiver for nonresident day guests.

Supervisor Davidson indicated that Escalante Golf proposed issuing their nonresident, full golf members ID cards, which they could show at the main gate to obtain access. As an alternative, Supervisor Davidson suggested establishing a partial amenity membership category whereby these nonresident, full time golf club members could pay a certain amount and receive a GAD; this method allows the District to have control over entry by those persons.

Supervisor Lawrence was against Supervisor Davidson's proposal; he feels it would allow too much access, as the nonresident golf population grows and if those with GADs let others use them.

Mr. Wrathell indicated that it rarely takes him more than a few minutes to gain entry through the guard gate and questioned why such a short wait is an incredible inconvenience to the golfers. He feels that the safety and security of the entire community far outweighs the minor inconvenience to golfers.

Supervisors Smith, Chiodo and Gaeta agreed with Mr. Wrathell.

The Board did not support Escalante's proposed ID card concept.

Regarding 76 Southlake Drive, Supervisor Gaeta pointed out that all of the rules and regulations are being violated and asked what the District can do about it. Supervisor Davidson explained that the new letters were sent and, as of March 29, the GADs will be deactivated and the names removed from the call boxes. Supervisor Gaeta recommended notifying the guards that this will take place.

Supervisor Davidson recalled that reregistration is 36% completed. Full implementation was planned for July 1; however, due to the July 4 holiday, the Sheriff prefers a different date. Supervisor Lawrence reiterated that residents do not realize that their GADs will be disabled and recommended addressing this during a workshop to develop a plan for informing residents.

E. Determination and Order of Agenda Items (RS)

This item was deferred to the next workshop.

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

This item was not addressed.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

Supervisor Lawrence voiced his opinion that microphones are needed. Supervisor Davidson indicated that an estimate was obtained; however, it was expensive. Mr. Kloptosky is researching local vendors.

Ms. Pat Maloney, a resident, stated that, at the upcoming Town Hall meeting, she will suggest that each Village Captain remind residents of reregistration.

NINTH ORDER OF BUSINESS

ADJOURNMENT

There being nothing further to discuss, the meeting adjourned.

On MOTION by Supervisor Chiodo and seconded by Supervisor Lawrence, with all in favor, the meeting adjourned at 1:35 p.m.

Secretary/Assistant Secretary

Chair/Vice Chair