

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

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

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

Also present were:

Doug Paton	Wrathell, Hunt and Associates, LLC
Howard McGaffney	Wrathell, Hunt and Associates, LLC
Scott Clark	District Counsel
Liam O'Reilly	District Engineer
Robert Ross	Vesta/AMG
Roy Deary	Vesta/AMG
Barry Kloptosky	Field Operations Manager
Gary Noble	Resident
Chip Howden	Resident
Janet Search	Resident
Evelyn (Scotty) Musto	Resident
Olga and Nikolai Lagunchik	Resident
Rob Carlton	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Paton called the meeting to order at 9:34 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

**PUBLIC COMMENTS (3-Minute Rule;
Non-Agenda Items)**

Mr. Gary Noble, a resident, referred to the CDD assessment, on the Flagler County tax bills, over the past few years. He stated that approximately 20% of the property owners do not pay their tax bills in November; therefore, they do not realize the benefit of the 4% early pay discount. Mr. Noble asked that, during budget discussions, the Board be more concerned about those 300, or so, property owners who are unable to pay their taxes early.

Mr. Chip Howden, a resident, thanked the Board for allowing residents an opportunity to speak at the beginning of the meeting and allowing residents to comment on subjects during the Board's discussion.

Mr. Howden referred to the July 24, 2013 meeting, which contained, late in the agenda, an item regarding Best Management Practices (BMPs) for lake banks. He noted that this was a topic of interest to many residents. At the meeting, the Board moved the discussion to earlier in the meeting and discussed prior to the interested residents arriving, to coincide with Ms. Louise Leister's attendance at the meeting. Mr. Howden stated that he reviewed the minutes and found very few comments by Ms. Leister. He stressed that many residents missed an opportunity to speak on the matter. Mr. Howden pointed out that this item appears late on today's agenda and asked if the Board plans to leave it or move it up.

Supervisor Davidson acknowledged that the item was moved up at the July meeting. He advised that the item will remain where it is in today's agenda and, unfortunately, residents must stay through everything else, until the Board reaches that item, as it is a lesser priority, compared to the other items.

Regarding vines, Ms. Janet Search, a resident, indicated that Chinier is back to the natural area that it was when residents moved in. She recalled that the District plans to create a park in that area, at a cost of \$20,000; the District will then have to pay for tree pruning and weeding in a park that was never scheduled to be in that location. Ms. Search voiced her opinion that the District hires a contractor that will have a plan.

Regarding Sailfish Drive, Ms. Search asked if residents can submit similar problems, in other areas of the community, for the Board's consideration, to cure the water problems that other residents have, such as in Fairways Edge. Ms. Search stressed that many areas in Grand

Haven have the exact same problem; if the District will address Sailfish Drive, she hopes it will address all of the areas.

Ms. Pam Grey, a resident, read the following letter from Ms. Pat Tomnay, a resident, into the record:

“Good Morning,

This email concerns the 10% service fee you are proposing to charge the Grand Haven Tai Chi Club. I pay monthly dues in the amount of \$20 for each month I attend.”

Ms. Grey indicated that, students can also pay \$5 per class, if they do not attend the entire month. Ms. Grey continued reading Ms. Tomnay’s letter:

“If I’m gone for an extended period, I do not pay dues. The dues are pooling of resources from the member to enable us to grow in our wellness search. The dollars are used for books, attendance at outside classes, which can be quite costly, insurance required by the CDD, also costly, and even for such mundane things as paper and printer ink. None of the dues is intended to or does in fact, inure to the benefit of a specific party or parties. They are collected to defray the cost of educating all the club members. I recently discovered that you are considering two (2) things that could potentially affect the health benefits I receive from practicing tai chi by disrupting the operations of the Grand Haven Tai Chi Club. Number 1, you are planning to take 10% of our monthly pooling of dues for the benefit of an outside contractor you hired, Amenity Management Group (AMG), because you believe that the club generates \$40,000 net income. The idea that any net income, even \$1, is ludicrous. As I stated above, the club dues do not inure to anyone’s particular benefit but help all club members in their wellness journey. Dues are collected to defray costs only. Since the club is comprised solely of Grand Haven residents, it is a mystery to me why you are even considering this assessment. I’ve taken advantage of various other activities, pilates, ballet, exercise, move to music, water aerobics and I have not paid dues; however, I have reached into my wallet more than once for a payment of cash to people who lead these groups, when Christmas, birthdays or other special events are getting near. You the Board Members of the CDD receive

\$200 for each meeting or workshop you attend. According to the October, 2013, schedule of activities provided by AMG, you have two (2) meetings in October for a total payout of \$400 per person. Do you intend to give back 10% or \$40 each? Second point. You are reviewing the use of the community room at The Village Center and Creekside to determine if they are being put to their best use. I can only assume that you are considering not allowing some of the current activities to continue. Wednesday, the day of the week that the club meets at The Village Center, is certainly a busy one, according to the October, 2013, schedule of activities provided by AMG but there appears to be room for all current activities. The other days of the week we have a lot of empty space for additional activities so you should look there before closing anything down. Monday, the day of the week that the club meets at Creekside, is particularly empty, according to the October, 2013 schedule of activities. Aside from the club meeting in the a.m., there is only a maj jong gathering in the evening. Unless there is a lot of people waiting to be allocated a timeslot for an activity, it appears that this is a waste of your time and effort and my \$200 per meeting to review the schedules since AMG should be handling this part of their own contract. A club is an organization or association dedicated to a particular interest or activity. There are lots of clubs in Grand Haven; the Michigan Club, Fishing Club, Chess Club and, of course, the Croquet Club. Many of the neighbors in Grand Haven have unofficial clubs because they meet once a month to enjoy one another's company. Presumably, the Michigan Club talks about Michigan, the Fishing Club practices fishing, the Chess Club practices chess and, of course, the Croquet Club practices croquet. The Grand Haven Tai Chi club practices the ancient Chinese art of tai chi; we are not any different from any other club and don't expect to be treated any differently. I do understand that the 10% service fee that is paid to AMG is part of the contract you signed with them; however, I hope you will realize that this was a mistake and exempt all activities, including Grand Haven Tai Chi Club, from the automatic 10% service fee until you can rectify this when a resigning occurs. As a Board Member of the CDD, you need to focus on what is good for all of the residents, including the members of the Grand Haven Tai Chi Club. In

your vision statement published in the Grand Haven Community Information Booklet, you state that the CDD Board aspires to “Make Grand Haven the most desirous community for residents to reside, within Central Florida”. Clubs, gatherings of friends and people with like interests, enjoying new activities and interests, is what makes life worthwhile. If you disrupt the Grand Haven Tai Chi Club, Grand Haven will definitely be a less inviting place for me.”

Ms. Grey thanked the Board for their attention.

Supervisor Davidson indicated that the Board was in the process of reviewing the request for proposal (RFP) documents for amenity management services and security services. He advised that the issue of whether contractors, residents or others, who charge a fee to participants of classes, should be subject to the 10% pass-through, will be discussed later in the meeting.

Supervisor Lawrence noted that the Board is not trying to “shut down” any activities. Supervisor Davidson indicated that the attempt was to ask an activity that was not following the District’s rules to do so. Supervisor Davidson explained that the District did not stop the activity from taking place; rather, it was his understanding that the instructor, who was asked to comply with the established rules, might choose to stop teaching the class. Supervisor Davidson stressed that this would be the instructor’s decision to discontinue the class, not the Board’s decision.

Supervisor Gaeta referred to the comment, in the second paragraph of the read statement, indicating that the Board is reviewing the use of all community rooms and clarified that the statement is incorrect; the Board is not doing that. She further clarified that the CDD does not receive the 10%; the terms are in the amenity services contract. Supervisor Gaeta explained that the 10% portion goes to the amenity manager for their work related to situations when someone is using the District’s facilities and charging a fee; once the class or instructions are finished, the amenity manager must clean up or maintain the facilities for the other community residents.

Supervisor Smith recalled that he volunteered to meet with the tai chi instructor and AMG to discuss a reasonable position and potential alternatives. He reviewed the alternatives with the tai chi instructor. Supervisor Smith noted that he also met with the Croquet Club and other clubs, some of which collect money but some that do not, along with reviewing “for fee” instructions within the District. He concluded that the Tai Chi Club is a similar business model to the Croquet Club. Supervisor Smith suggested that the Tai Chi Club does not fall within the

provisions of the District's amenity contract terms and should be allowed to continue operating as it was.

Supervisor Davidson advised that the discussion will continue during the RFP discussions.

Ms. Evelyn (Scotty) Musto, a resident, discussed her personal benefits from participating in tai chi. She voiced her concern about losing the class. Ms. Musto read the following:

"My husband and I were both amazed and appalled when we learned that the amenity management company requires a cut in the action for fees or dues collected by coordinator instructors of anything at The Village Center or Creekside. The Grand Haven documents state all the Creekside facilities are available to its residents for the use and enjoyment. How can a contract be signed by the CDD which allows fees to be collected by the amenity management company, a direct conflict with the Grand Haven documents? The Board of Supervisors, not the amenity management, established the usage and rental fees for non amenity management sponsored activities. Most activities or classes have been initiated by the residents, not the amenity management or CDD, so no fee should be required. If the CDD decides to change their policy for various groups, they should be amended immediately and, looking at the CDD website, under Rules, Policies and Fees for all amenity facilities, amended June 20, 2013, General Facility provision, Paragraph 25 says that now you are the people who determine what happens."

Supervisor Davidson advised Ms. Musto that her three (3) minutes expired and that all Board Members received a copy of the email from which she was reading.

Ms. Musto asked the Board to understand that Mr. Wil Hessert and Mr. Lee Willman, the tai chi instructors, receive none of the \$20 per participant, per month, money that is collected. Supervisor Davidson asked where the money goes, if Mr. Hessert and Mr. Willman do not receive it. Ms. Musto indicated that the money is used for supplies, Mr. Hessert and Mr. Willman's training and certifications in tai chi, liability insurance, etc.

Supervisor Davidson asked how many students participate in tai chi. Ms. Musto estimated that the group has 20 to 30 members. Supervisor Davidson asked who is holding the Tai Chi Club's money. Ms. Musto indicated that the club has someone who handles the money

and disburses it so that the activities and items used in class, can be available. Supervisor Davidson asked if the club has an organizational structure with positions, such as a secretary. Supervisor Smith indicated that he collected all of the pertinent information regarding the various clubs. Ms. Musto stated that she does not have the requested information.

Mrs. Olga Lagunchik, a resident, indicated that this is her second request to the Board to consider reviewing and dropping the “No Trespass” order against her son, which has been in effect for three (3) years. She stated that her son is “on the right track”. He is a full-time student. Mrs. Lagunchik indicated that she is willing to provide the Board with any information that they need and questioned why she did not receive any response from her previous request for consideration.

Supervisor Davidson indicated that Mrs. Lagunchik’s request is on today’s agenda, for the Board’s consideration.

FOURTH ORDER OF BUSINESS

CONSENT AGENDA ITEMS

A. MINUTES

- i. Approval of September 5, 2013 Regular Meeting and Public Hearings Minutes**
- ii. Approval of September 19, 2013 Community Workshop Minutes**

B. UNAUDITED FINANCIAL STATEMENTS

- i. Approval of Unaudited Financial Statements as of September 30, 2013**
- ii. Infrastructure Reinvestment**

C. MISCELLANEOUS

- i. Approval of Resident Database Maintenance Policies**

Mr. Paton presented the Consent Agenda Items for the Board’s consideration.

Supervisor Lawrence noted that the Unaudited Financial Statements are from September 30, 2013; however, expenses will be incurred during the next 30 to 60 days. He asked how many days it will take to have complete knowledge of the Fiscal Year 2013 expenses, so that the Board knows how much money it has.

Mr. Paton advised that any invoices that are received will be processed immediately to get them in to the financial statements. In response to Supervisor Chiodo’s comment, Mr. Paton confirmed that most expenses should be in by November 1, 2013.

Supervisor Smith asked if this implies that a restatement of the Unaudited Financial Statements as of September 30, 2013, will be presented at the next workshop. Mr. Paton replied affirmatively.

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

FIFTH ORDER OF BUSINESS

STAFF REPORTS

A. District Engineer

i. Sailfish Drive Drainage Improvements Update

Mr. O'Reilly indicated that Mr. Kloptosky was to send the bid package to both S.E. Cline (Cline) and Besch and Smith Civil Group, Inc. (Besch and Smith). Mr. Kloptosky confirmed that both contractors received the bid package, with a one (1)-week turnaround time to return their bids. Mr. O'Reilly advised that, once the District selects the contractor, Genesis can submit the project to the City of Palm Coast.

Regarding the tree removal permit, Mr. O'Reilly indicated that trees were tagged and inspected by the City; the District will be required to replace 41" of trees. He explained that the District has the option to replace the trees, in the same location, replace them elsewhere on the lot or pay tree mitigation. Mr. O'Reilly stated that he asked the City to consider an alternative option, based on correspondence with Ms. Leister, which is to replace the trees with smaller trees and install additional trees elsewhere in Grand Haven, where trees are needed, to make up the difference. He indicated that the City's response was no; the District is not allowed to do so, under Grand Haven's own requirements. Mr. O'Reilly was unsure if the City was speaking of requirements of the CDD or the Grand Haven Master Association (GHMA). The City is willing to allow the additional trees to be planted elsewhere in Grand Haven if they receive a letter from the CDD and/or the GHMA allowing it.

Mr. Kloptosky indicated that Ms. Leister believes relocating trees to other locations in Grand Haven is the best option.

Supervisor Lawrence asked Mr. Rob Carlton, GHMA President, if the GHMA has restrictions regarding this. Mr. Carlton replied affirmatively. Supervisor Lawrence questioned if

the District can do what Ms. Leister suggests and give the City what it wants. Mr. Carlton stated that, if the District provides him with the information, he will take it to the GHMA Board; he feels that it seems to be a reasonable solution. Supervisor Chiodo believed that the reason the GHMA is involved is because the trees are on private property; not CDD property.

Regarding the cost for replacement trees, Mr. Kloptosky indicated he does not know the cost, as the original specifications did not include the replacement trees; however, replacement trees were included in the bid package so the cost will be known when the itemized bids are received.

B. Amenity Manger

i. Parking Problems During Creekside Special Events

Mr. Ross suggested adding the following language regarding parking:

“Car parking is limited at the Creekside facility. Additional parking is available at The Village Center, two (2) lots, and/or at the Clubhouse. Residents who rent the Creekside facility should make arrangements with the guests to utilize the additional parking areas mentioned above and transport them to and from the Creekside facility. No double parking or blocking of parked vehicles is allowed in any of our parking areas.”

Supervisor Chiodo asked if the District will require all parties at Creekside to shuttle their guests. Mr. Ross indicated that it depends on the number of guests. Supervisor Chiodo suggested including the maximum number allowed, prior to requiring shuttle service. Mr. Ross estimated that parties exceeding 20 to 25 guests should be required to shuttle guests. Supervisor Lawrence suggested setting the number at 25 and noted that establishing this policy is creating unevenness, as there are no set numbers for the Grand Haven Room. Supervisor Gaeta suggested adding “at their expense” so that the party hosts know that they must provide it at their own expense.

Supervisor Davidson recalled his previous suggestion that the party host must provide a list of all attending guests, along with a brief description of the vehicle, in advance of the event. Supervisor Lawrence questioned how many parties with 100 or more guests are typically held. Mr. Ross indicated that not many are held; this event was unique for either facility. Supervisor Lawrence voiced his support for immediately towing all vehicles that are illegally parked with no efforts made to contact the person. In response to Supervisor Smith’s question, Supervisor

Davidson clarified that the suggestion of providing a list of party attendees relates to parties held at the CDD facilities; it does not relate to parties at someone's home.

Mr. Clark discussed signage required in order for the District to have vehicles towed for noncompliance. He explained that, once a vehicle is towed, the tow company must notify the police. Mr. Clark noted that signage must define who is allowed to park in the location, along with the towing stipulations.

Discussion ensued regarding vehicles parking long-term in certain areas.

Supervisor Davidson polled the Board for their opinions regarding asking party hosts to submit a list of guests.

Supervisor Lawrence recalled that the Board said any number over 25 guests. He supports asking for a list of guests but not their vehicle descriptions.

Supervisor Chiodo does not support a list requirement but suggested that the rental contract stipulate that the party host will be responsible for towing fees for any vehicles that are towed.

Mr. McGaffney discussed the parking limitations at the various facilities and suggested that the Board consider having office staff simply inform Creekside renters that parking is limited and asking them to consider renting The Village Center; if they do not, inform the renter that they are responsible for providing transportation from the alternate parking areas.

Mr. Ross was directed to add language to the parking policy stating that the facility renter will be responsible for reimbursing the District for any costs related to having vehicles towed.

ii. Retail/Commercial promotions at CDD Community Sponsored Events

Supervisor Davidson indicated that a real estate company asked to serve alcoholic beverages at a party to promote homes for sale in Grand Haven. He recalled that the Amenity Rules currently prohibit commercial business activities, in the common areas, without prior consent of the Amenity Manager or Field Operations Manager. Supervisor Davidson voiced his opinion that this is a commercial business activity.

Mr. Clark read the following from the Amenity Rules:

“The amenity facilities shall not be used for commercial purposes without written permission from the Amenity Manager and the District Manager. The term commercial purposes shall mean those activities which involve, in any way, the provision of goods or services for compensation.”

Supervisor Davidson asked the Board's opinion of whether the policy should be left as is or if the Board should set a policy on this matter.

Supervisor Lawrence noted that he attended events at District facilities where residents were selling things such as art and jewelry and questioned if those are commercial in nature.

Supervisor Gaeta voiced her opinion that those activities are advertised "arts and crafts" or "yard sale" events; not commercial entities. Referring to the title of this agenda item, Supervisor Gaeta questioned if it means anybody from the outside can hold a promotion at the District's facilities. She noted that the Amenity Rules already contain a provision. Supervisor Gaeta asked the capacity of the pool area. Mr. Ross indicated that people who rent the facilities give AMG an estimate of the number of people attending. He advised that Mr. Jim Cullis, of Grand Haven Realty, has two (2) events planned.

Supervisor Gaeta asked why Mr. Cullis is being given special treatment. Mr. Ross indicated that Mr. Cullis owns property in Grand Haven; therefore, he is allowed to rent the facilities, just as any other owner. Supervisor Gaeta voiced her understanding.

Supervisor Davidson stated that they are confusing things. The matter in question deals with community sponsored special events, not Mr. Cullis renting a room. The Board must decide if it will leave the policy as it is, with the decision up to the Amenity or Field Operations Managers, or will the District say no, with no exceptions.

As it relates to CDD sponsored events, Supervisor Chiodo favored saying no to retail/commercial promotions.

Supervisor Davidson summarized that the Board's stance is no retail/commercial promotions at CDD community sponsored events.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, directing the Amenity Manager and Field Operations Manager to say no to any special requests for retail/commercial promotions at CDD community sponsored events, was approved.

Mr. Ross indicated that, since the last meeting, the facilitators are keeping logs at Creekside and The Village Center, of any items or matters that occur.

Mr. Ross advised that, with the return of the snowbirds, 16 people were refused entrance because they did not reregister and did not have the new SAACs. He confirmed that they were all genuine residents.

In response to Supervisor Davidson's question, Mr. Ross indicated that all of the scanners are working properly, with no problems.

C. Field/Operations Manager

Mr. Kloptosky indicated that the District entered into a contract for the pergola repairs with Custom Home Improvements, for \$1,700 to repair the caps, clean the mold on the columns, install and seal the caps and paint the columns.

Mr. Kloptosky recalled an issue last weekend with a very bad odor coming from the reuse pond on Marlin Drive. There were many resident complaints. Mr. Kloptosky read the following letter from Mr. David Cottrell, of Aquatic Systems, into the record:

"In follow up to your calls on Thursday and Friday of last week, I asked our technician, James, to visit the site Friday afternoon and report on what the source of the odor might be. Prior to actually visiting the site, we thought the odor described could be caused by a specific form of planktonic algae or bad reclaimed water. Upon witnessing the site, James determined that the source was decaying vegetation, primarily azolla, a floating fern similar in habit to duckweed. He noted that the application performed on Monday of last week worked very well and had killed a significant amount of this plant. The odor was a byproduct of the decay of this soggy environment. Duckweed does not produce a similar odor, upon decay, as it is a much less substantial plant and sinks in the water column, more readily, so the odor would not have been noticed in the past, following treatments. James reported, after his visit on Monday, of this week, that the azolla and odor were gone and the duckweed is much more reduced. We will continue to treat the site aggressively over the next several weeks to regain complete control. Thank you for alerting me to this matter."

Mr. Kloptosky confirmed that the problem resolved itself quickly; this was a plant material that was never in the pond before.

Supervisor Davidson thanked Mr. Kloptosky for handling what was a "hysterical" reaction by certain residents of the area who called everyone from Mr. Kloptosky to himself to

the health department and police. He indicated that those residents advised the District that they could not live with the smell, were moving to a hotel and expected the CDD to pay their expenses. Supervisor Davidson stressed that the smell dissipated within a couple of days; however, it was a very unpleasant situation, in the meantime.

Mr. Kloptosky indicated that reregistration is at 89%.

Supervisor Lawrence noted that the Marlin Drive pump house repairs will be in the Fiscal Year 2014 budget, not Fiscal Year 2013.

Mr. Kloptosky provided the Board with an update of completed and current projects. He indicated The Village Center \$43,213 air conditioning (A/C) repair and \$4,800 pool deck drain repairs were moved from the "Approve Projects" category to "In Progress". Mr. Kloptosky recalled that The Village Center Café air conditioning (A/C) project was delayed due to contract negotiations between the contractor and the District. Mr. Kloptosky felt that the negotiations were not productive and the problem would not be solved so he hired a different contractor, who was willing to sign the District's contract, as is. The new contractor's price was lower than the original contractor. The new contractor is installing a second dehumidifier and will charge a flat fee for permitting, which will bring the total project costs to \$43,213. Mr. Kloptosky indicated that the new contractor is Mike Morello.

Supervisor Lawrence referred to the pool drain repairs and asked if the repairs are related to only the north/south drain. Mr. Kloptosky replied affirmatively; the other two (2) drains are starting to experience the same issue but he did not contract for those because the contractor asked to complete one (1) drain first. In response to Supervisor Gaeta's question, Mr. Kloptosky estimated that the pool must be closed for five (5) days, to complete the project.

Mr. Kloptosky advised that the "In Progress" projects total is now \$146,077. He voiced his understanding that the \$146,077 will be charged back to Fiscal Year 2013 because the money was in that budget and he has up to 45 days, following the end of Fiscal Year 2013, to start the projects and submit the invoices. Mr. Kloptosky stated that the invoices are being obtained from the contractors and will be submitted to the District Manager so that the costs can be applied against the Fiscal Year 2013 budget.

Regarding the Marlin Drive Pump House repair project, Mr. Kloptosky recalled providing the \$57,000 estimate for the interior repairs. He obtained a proposal for the exterior

repairs, including permitting costs. Mr. Kloptosky noted an issue with a pump, which was reported to the golf club; however, it has not been repaired.

Mr. Kloptosky advised that he does not anticipate the \$68,000 Clubhouse repair project to commence in Fiscal Year 2014. A decision from the Board is necessary before the Marlin Drive Pump House repair project can commence. Regarding the Creekside Road drainage repair project, Mr. Kloptosky indicated that a second bid is pending; he is waiting for the second bid, as he believes that the S.E. Cline (Cline) estimate of \$12,000 is high.

Mr. Kloptosky summarized that, seven (7) of the ten (10) projects, on the Capital Improvement Projects (CIP) list, are underway and will be charged to the Fiscal Year 2013 budget.

Supervisor Gaeta asked how much of the Marlin Drive Pump House repair costs will be charged to Escalante. Mr. Kloptosky indicated that District Counsel will discuss that. He stated that the District has the agreement for the golf course to pay 75% and the District to pay 25%; District Counsel is changing the agreement to include Escalante's name and give them notice. Supervisor Gaeta asked if anyone from Escalante was invited to inspect the pump house. Mr. Kloptosky replied no and explained that he spoke to Escalante about the situation and their field supervisor visited the pump house several times. In response to Supervisor Lawrence's question, Mr. Kloptosky confirmed that Escalante is aware of the contract and their 75% share.

Supervisor Davison indicated that he does not see the Sailfish Drive project on Mr. Kloptosky's recap and asked where it goes. Mr. Kloptosky stated that his list is for the CIP work; he believes that the Sailfish Drive project is under a separate line item that was in the Fiscal Year 2013 budget but was moved to Fiscal Year 2014. Supervisor Lawrence stated that \$195,000 is budgeted this year for "Road repairs", from which the Sailfish Drive project would be paid.

Supervisor Smith asked if the Board has a copy of Supervisor Lawrence's CIP figures for Fiscal Year 2014. Supervisor Lawrence suggested that the Board readdress capital at its next workshop, when they will know better how much money will be left from Fiscal Year 2014 and whether Escalante will pay their 75% share.

Supervisor Gaeta asked if the presumption is that Escalante will pay 75% of the estimated \$57,000 cost to repair the Marlin Drive Pump House. Supervisor Lawrence replied affirmatively

and stated that, adding \$15,000 to the \$57,000, for a total cost of \$72,000, the District will receive approximately \$53,000 back from Escalante.

Supervisor Davidson noted an incident related to the emergency gate code. Mr. Kloptosky read the following email received from Ms. Cindy Gartzke, of ABM Security:

“Good evening, I wanted to let you know, the emergency code is being given out to unauthorized users.

At 5:20 p.m., we had someone pull up to the resident gate and she asked guard where the keypad was because a real estate agent gave her a pass code to get into the community to view a house. Guard asked her to pull around to visitor lane. He asked her what the pass code was and she said it was 5119#. He asked her for her real estate agents name and phone number and then called him to confirm entry. When he spoke to real estate agent, whose name is (name redacted) from Remax (phone number redacted), he asked him where he got the code from, to which (name redacted) responded “a friend of mine is a Deputy in Flagler County and gave it to me”.”

Mr. Kloptosky indicated that, as a result of this, the emergency gate code must be changed, which is not a simple process, as numerous entities must be notified. He noted that the Board could also decide to discontinue use of a code, as all emergency vehicles have a “squench” feature on the SOS box.

Supervisor Davidson stated that he plans to speak to the sheriff regarding the ramifications of discontinuing the security code. He asked everyone to let the District know if they hear of people giving out gate codes.

Supervisor Smith suggested authorizing Mr. Kloptosky to contact the sheriff and, if it is okay, he can deactivate the security code. Supervisor Lawrence recalled a time when a fire truck was damaged upon entry and suggested notifying emergency vehicles of the time lag for the gate to open. Supervisor Gaeta recalled that a real estate agent included the gate code in her advertisement. All Board Members were in agreement with eliminating the emergency gate code, once the sheriff verifies that it is okay to do so.

D. District Counsel

i. Pier Adjacent to Golf Club

Mr. Clark indicated that the District received a \$3,500 quote to survey the pier; however, it was specifically not what the District wanted. He asked developer's counsel to drop his request for a surveyor's legal description and use the legal description that the District has, or for the developer to pay for the survey themselves, if they really want it.

ii. Waterside Parkway Ownership

Mr. Clark indicated that the surveyor's legal description was received for the Waterside Parkway parcel that the District is obtaining from the City.

iii. Pump House Agreement

Mr. Clark stated that the District has an agreement with Hampton Golf, who no longer owns the golf course; however, an agreement with Escalante is in the advanced stages of development. Mr. Clark anticipates providing the draft agreement, for the Board's review, at the next meeting. He noted that the District could ask Escalante to pay 75% for the pump house repairs; however, Escalante does not have an agreement that says they must, so although, Escalante seems to have operated on that basis, since they took over. Mr. Clark felt that, because Escalante benefits from the pump house, even if Escalante balks at the agreement and paying their share of the pump house repairs, the District would be within its rights to add the costs to Escalante's assessment.

Regarding the District's 25% portion, Mr. Clark indicated that the agreement with Hampton Golf stated that Hampton Golf would provide maintenance and, if they did not, they would be responsible for the total cost. He believes that it would be difficult to hold Escalante responsible for the full cost; Escalante inherited the history of maintenance that Hampton Golf did not perform. Mr. Clark believes that Escalante should be notified of the situation; he is prepared to send notice tomorrow, if the Board wishes. He suggested also noticing Hampton Golf and Crescent Resources. Mr. Clark feels that the best action is for the District to accept that it will pay 25% and proceed with Escalante paying 75%.

Recalling Mr. Kloptosky mentioning that Escalante's people have viewed the pump house, Mr. Clark stated that he wants to ensure that the District properly documents the conditions, prior to starting the repairs.

Mr. Kloptosky indicated that he and the maintenance staff reviewed the pump house, as well as Escalante's maintenance person. He stated that numerous photographs were taken and reviewed by the District Engineer. The District Engineer provided the photographs to another

engineer, in order to obtain a full report. Mr. Kloptosky recalled that the cost was \$8,000 for the report and testing was another \$2,000. A second proposal for approximately \$1,500 was obtained to test three (3) areas and provide a simple report. Mr. Kloptosky concluded that this is all that was done, other than the letter from the City voicing their observations and safety concerns; the District does not have a formal report from an engineer.

Mr. Clark recommended that his letter explain the situation and provide a short window of about seven (7) days for Escalante to investigate.

Mr. McGaffney asked if Escalante assumes all contractual obligations of Hampton Golf. Mr. Clark replied not necessarily; the agreement does not run with the land so the obligation is not automatically transferred. Regarding simply turning off water to the golf course, Mr. Clark recommended against making the threat, as he believes a preceding agreement mentioned an independent right of the golf course to receive water and impacting the golf course could be destructive to the CDD's interests.

Mr. Kloptosky indicated that the \$57,000 repair proposal is all inclusive for pipe replacement; however, the contractor will disassemble the pipes and, if the pipes can still be used, he will clean, epoxy and paint the pipes, at a lower price.

Supervisor Davidson asked if Hampton Golf still exists. Mr. Clark was unsure. Discussion ensued regarding Hampton Golf's status.

Supervisor Smith asked if a successor clause could be included in the new agreement. Mr. Clark replied affirmatively.

Supervisor Davidson asked if conducting the non-destructive testing in at least three (3) locations would help build the District's case. Mr. Clark advised against the testing.

Regarding future maintenance, Mr. Clark recalled that the Board wants to assume future maintenance of the pump house and suggested that the agreement provide for it, with the costs being included in Escalante's annual assessment. Supervisor Lawrence pointed out that the District pays the monthly electric bill for the pump house and asked how that cost should be handled. Mr. Clark advised that the billing process can remain the same.

Mr. McGaffney suggested that the Board consider the additional work that will be required of CDD staff to maintain the pump house, when discussing cost divisions, as he believes it is a significant change in job description. Mr. Clark advised that Mr. Kloptosky will determine the impact.

iv. Marlin Drive Pump House Repairs**• Requirements to Put Golf Course on Notice**

This item was discussed during Item 5.D.iii.

v. Response to Request for Vacating a Trespass Order

Regarding Mrs. Lagunchik's request, earlier in the meeting, Mr. Clark voiced his opinion that, since Mrs. Lagunchik's son is 18 years old, it is not appropriate for the Board take any action based on a request made by someone other than the person who has the trespass order against him. Mr. Clark indicated that, if the Board wants to hear him, it can hold a public hearing. He believes that it would be incumbent upon the Board to ask questions, fact find and determine if this is something that it wants to do. Mr. Clark could not recall the original episode that necessitated the trespass order but stated that the Board must be confident that the occurrence would not be repeated. He suggested that, if the person requests a public hearing, Staff should conduct an investigation, prior to the public hearing, to determine whether there were any other episodes, if the person has honored the trespass order and whether any other information that would lead the Board to believe that it should not lift the trespass order. In Mr. Clark's opinion, Mrs. Lagunchik's request and the information that she provided is not sufficient to lift the trespass order.

Supervisor Gaeta indicated that she was one (1) of the people that initially reported the person.

Mr. Clark noted that the person is now 18 and the incident occurred when he was 15; he believes that he might have done some things at 15 that were not the best choices and suggested that the Board needs to consider the time and whether maintaining the trespass order remains an appropriate action, if the person has stayed out of trouble for the past three (3) years and he demonstrates that those were frivolous actions of youth.

Mr. Kloptosky voiced his opinion that the person has not stayed out of trouble for the past three (3) years and alleged that the person was at Creekside on four (4) different occasions. Mr. Kloptosky stated that, while he has not seen the person on the property in several years, he was approached by residents who reported seeing him.

Mr. Clark cautioned further discussion, such as this, indicating that, if the Board and Staff are going to discuss it, the person should be invited to attend and speak and/or defend himself against the allegations.

Supervisor Davidson noted that, while he requested that residents report violations, most are reluctant to complete an incident form; therefore, all that the District has is hearsay. He stated that the Board just heard a recommendation from Mr. Kloptosky to not vacate the trespass order. Supervisor Davidson advised that he heard comments from the sheriff, regarding this matter, which the sheriff does not want discussed publicly. Supervisor Davidson asked if the Board can discuss the confidential information at a public hearing.

Mr. Clark advised that, if Supervisor Davidson has confidential information, he is probably not obligated to discuss it during the public hearing. The Board must make a decision based on what they discuss at the hearing; however, the Board can be swayed in their decision based on Staff's opinions and recommendations. In response to Supervisor Lawrence's suggestion that the sheriff attend the formal hearing to share his comments, Supervisor Davidson stressed that the sheriff cannot do so.

Supervisor Davidson asked if the Board cannot make a final determination until after holding a public hearing with the person present. Mr. Clark stated that the situation remains status quo; the trespass order is in place and the person must request a formal hearing to seek a change. Mr. Clark pointed out that the request has been made twice, by Mrs. Lagunchik; therefore, he believes that the Board should advise the person that he has the right to request a formal hearing and he must attend and speak for himself. Supervisor Davidson recalled that the person attended a prior workshop and personally requested reconsideration.

Supervisor Davidson directed the District Manager to send a letter to the person advising him that, if he wishes to proceed, he must request a formal hearing on the matter and appear in person.

Supervisor Lawrence asked if the hearing will be in a workshop or a meeting. Supervisor Davidson felt that the formal hearing should take place at the November meeting, when the Board can make a decision. Mr. Clark clarified that Management's letter to the person should then state that the Board will consider a request for a formal hearing, to be held at its November meeting. Mr. Clark advised that the person does not need to physically attend a meeting to request the formal hearing; he can request it in writing, which is the normal process. Mr. Clark reiterated that a request for consideration has been made twice; he does not find it productive for the Board to require the person to appear, in person, to request the hearing. Mr. Clark stated that the District should mail a letter to the person advising him of the process and that the Board is

willing to consider the matter on the specified date, at a specified time and further advising him that he should request the formal hearing for that date and be prepared to attend and provide evidence supporting his request. Mr. Clark stressed that he should assist the District Manager in preparing this letter.

Supervisor Lawrence suggested doing this at the December 19, 2013 meeting. Brief discussion ensued regarding whether the young man will be out of school on that date.

Supervisor Chiodo recalled that a workshop is not scheduled for December and recommended moving the meeting to December 5, 2013. Supervisor Smith pointed out that it will be difficult to do anything with only two (2) weeks between the November and December meetings. Mr. Paton stated that there should be no problem; as there is no workshop planned, Management will prepare for a meeting. Mr. Paton confirmed that the date change must be advertised.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, rescheduling the December Regular Meeting from December 19, 2013 to December 5, 2013, at the same location and time, and directing Staff to advertise, accordingly, was approved.

vi. 19 Osprey Circle, GAD & SAAC

Mr. Clark indicated that a renter of a below market value lease approached him regarding obtaining a GAD and SAAC, which were denied by Mr. Kloptosky. He reviewed the situation and found no reason for the District to make an exception from its current policy. Mr. Clark stated that the renter advised him that he was completing repairs on the house in exchange for reduced rent; however, Mr. Kloptosky conducted an investigation and discovered issues at the community where those renters previously resided. He advised that, if the Board believes there are issues, they are not compelled to make an exception; furthermore, an exception could set a precedent that would be very difficult to monitor.

Supervisor Davidson stated that the GHMA instituted a demand for payment of \$300 per month for the fines, penalties and assessments owed on the property; however, nothing has been paid. The GHMA is now beginning the eviction process. Supervisor Davidson reviewed the

requirements in order for renters to obtain GADs and SAACs; this property has not complied with any of the requirements.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, deactivation of the GADs and SAACs at 19 Osprey Circle, effective immediately, with no possibility to appeal the Board's decision, was approved.

As a matter of courtesy, Supervisor Lawrence asked if the District will notify the residents. Supervisor Davidson indicated that the District can notify them via telephone and email. Mr. Kloptosky asked what the Board wants included in the notification. Supervisor Davidson indicated that it should state that "the Board reviewed the case and the unauthorized devices will be shut off". Supervisor Lawrence suggested only sending an email, not calling, and Supervisors Gaeta and Chiodo and Mr. Paton concurred.

vii. Signage for Tow Away Zone

Supervisor Davidson indicated that this subject arose because of several abandoned vehicles and a resident who is parking a vehicle in The Village Center parking lot, overnight.

Discussion ensued regarding the required signage locations and wording. Mr. Clark advised that the signs must state "No overnight parking allowed" and include the statutory compliant information. Mr. Clark indicated that tow companies have signs; if the District enters into a contract with a towing company, the company will provide the tow information sign. Mr. Kloptosky added that the sign size requirement is determined by the number of parking spaces in the lot. Supervisor Lawrence noted instances of overnight parking and illegal parking and suggested that the signage prohibit both.

Mr. Clark advised that the District's Rule states that "Vehicles must be parked in designated areas. Vehicles should not be parked on grass, lawns or in any way which blocks the normal flow of traffic". He noted that, for signage purposes, the language can be shortened to "Park in designated areas. No parking on grass. No blocking. No overnight parking." Regarding the additional information required, Mr. Clark indicated that the tow sign must contain the name of the tow company and contact number so that the person knows who to call.

Mr. Kloptosky indicated that he will contact the towing company to determine what signs are available and will forward the information to Mr. Clark, for his review.

Supervisor Lawrence recalled issues with parking in the grassy area on Chinier and asked if towing signs will be installed in that location. Supervisor Davidson stated that the plan was to install coquina boulders, in lieu of signage. Supervisor Lawrence voiced his disagreement with “rewarding” people for bad behavior with a nice landscaping project; he favors installation of a sign. Discussion ensued regarding the cost of signs versus landscaping. Mr. Kloptosky estimated the cost to be about \$500 per sign pole and backing, if the Board wants to maintain consistency with other signs within the community. Based on the cost for signage, Supervisor Lawrence agreed that landscaping the Chinier area is the more reasonable option.

Mr. Kloptosky noted that signage is necessary at the golf club parking lot, as well. Mr. Clark indicated that he wants to review the easement with the golf course prior to advising on signage at the golf club, as there may be limits to the District’s control of it. Regarding the number of signs necessary, Mr. Clark voiced his belief that a sign at each parking lot entrance is sufficient.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, installation of parking signs, at the four (4) parking lots at Creekside and The Village Center, and directing Mr. Clark and Mr. Kloptosky to design the appropriate language for the signs and present to the Board for final approval, was approved.

viii. Pathway Insurance Coverage (Wild Oaks, Lot 53, Scarlet Oak Circle)

Mr. Clark indicated that the Lot 54 property owner is in the process of building a home and discovered a concrete pathway along the lot line between Lot 53 and Lot 54. The property owner is demanding that the CDD remove the concrete path or provide a certificate of insurance and indemnity. He reviewed the plat for Wild Oaks, Phase 2, and found an easement for drainage and access; however, he found nothing to define “access” on the plat or deed restrictions. Mr. Clark confirmed that a concrete pathway was installed between the lots.

Mr. Kloptosky clarified that it is a coquina pathway with concrete curbs lining the sides.

Mr. Clark voiced his opinion that the pathway is in an access easement, which includes people walking; he cannot say that the path is illegal. He suggested that the pathway was on the title search and the property owner should have known what they were buying. Mr. Clark stated that part of the request was that the District assume liability; he does not agree with that demand,

although, the District may indeed have liability for it. In Mr. Clark's experience, personal injury claimants will sue everyone, anyway, including the property owners on both sides, the District and GHMA. Mr. Clark noted similar situations on other properties and questioned why the District would consider doing anything special for this property owner. He suggested advising the property owner that the Board reviewed the situation and found a legitimate easement, for access purposes, which allows the pathway to remain and that the Board does not intend to take any further action on the request.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, directing District Counsel to advise the property owner that the Board reviewed the situation and found a legitimate easement, for access purposes, which allows the pathway to remain and that the Board does not intend to take any further action on the request, was approved.

Mr. Clark recalled that, at the workshop, the Board discussed the Post Orders. The Board expressed concerns regarding people who want to enter to view the community and whether the District can adopt a policy limiting that type of entry to daylight hours, etc. He presented proposed language, using the term "daylight hours" or setting specific times. Regarding the matter of public access, Mr. Clark advised that he can support this type of policy because he believes that a government can make reasonable time, place and manner restrictions; public buildings close at specified times, etc. He stressed that the District would not be denying access; it would simply be specifying when access can occur. Mr. Clark indicated that he included language whereby the owner of a "for sale" property could give permission for a prospective buyer to enter after the designated hours.

Mr. Clark recalled that the Board's second concern was regarding what to do if a person becomes belligerent. He stated that he included language that has been held up by courts, basically identifying things that constitute a crime, misdemeanor, breach of peace, fighting words, threat of violence or criminal activity. Mr. Clark felt that the security company's management must train their guards on these policies, as the District does not want an "over reaction"; calling the guard a name is not sufficient but threatening to break down the gate is. In

those types of situations, the guards should be directed to deny access and inform the person that they are calling the sheriff, which will likely cause the person to leave.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, with all in favor, adopting E2 and F1, as presented and discussed by Mr. Clark, into the final version of the Post Orders, to be included in the Security Services RFP, was approved.

E. District Manager

i. Upcoming Regular Meeting/Community Workshop

- **COMMUNITY WORKSHOP**
 - **November 7, 2013 at 10:00 A.M.**
- **BOARD OF SUPERVISORS MEETING**
 - **November 21, 2013, at 9:30 A.M.**

Mr. Paton indicated that the next workshop is scheduled for November 7, 2013 at 10:00 a.m.; the CIP update will be included, per Supervisor Lawrence’s request. The next meeting will be November 21, 2013 at 9:30 a.m. He noted that the December 19, 2013 meeting was changed to December 5, 2013 and Management will advertise, accordingly.

Supervisor Chiodo advised that he will attend the November 7, 2013 workshop; however, he must leave early.

*****The meeting recessed at 12:01 p.m.*****

*****The meeting reconvened at 12:11*****

Supervisor Davidson distributed information that will probably be included in The Oak Tree, which is database upkeep information. Supervisor Lawrence suggested presenting the information in “bullet” format in the eblast.

SIXTH ORDER OF BUSINESS

BUSINESS ITEMS

A. Continued Discussion: Requests for Proposals

- i. Amenity Management Services**
 - **Guest Passes Policy Draft**

Supervisor Davidson pointed out that the draft policy does not differentiate between “day guests” and “overnight guests”. He noted that the draft speaks mostly about paying guests.

Supervisor Gaeta suggested the following change:

First sentence: Change “All guests” to “All registered guests of authorized users”

Line 4: Change “driver’s license” to “picture ID”

The Board agreed to limit the number of guests per authorized user to six (6), rather than eight (8).

Supervisor Gaeta voiced her opinion that the sentence “In the case of special events held at the amenity center, the \$10.00 daily guest fee will be required to be paid at the time of entry into the events or at the time of the sale of event tickets.” is confusing and should be changed to “The \$10.00 daily guest fee will be required to be paid at the time of entry, in addition to the ticket price, if any, for the event.” Discussion ensued regarding whether the daily guest fee has been collected in addition to the event ticket prices or if it was included. Supervisor Davidson suggested waiving the daily guest fee for paid special events. The Board agreed.

Supervisor Gaeta referred to the second to the last sentence, “In any event where a resident has guests that will stay for more than 14 days in a calendar year, the Amenity Manager must seek approval from the CDD Field Operations Manager”. Mr. Deary asked why the onus is on the Amenity Manager. Supervisor Gaeta felt that, if the CDD is monitoring everything, the Amenity Manager should not be involved.

Regarding long-term guests and the 14-day limitation, Supervisor Gaeta indicated that she contacted the CDD office to find out what would happen if she had a guest staying for three (3) months. Supervisor Gaeta was told by the CDD office that the guest must register at the CDD office but it would be best if the guest had her mail forwarded to Supervisor Gaeta’s address to serve as proof that she is staying with her. Supervisor Lawrence felt that step is not necessary. Supervisor Gaeta voiced her agreement but stressed that this is what the CDD office recommended.

Discussion ensued regarding how long-term guests, such as grandchildren spending the summer or friends visiting for several months should be handled. Supervisor Lawrence supported not setting a maximum number of day limitation on guests. Mr. McGaffney advised that the 14-day figure was used as a point at which the Field Operations Manager and the Amenity Manager must discuss the situation; he stressed that the District should know who is

within the gates “visiting” beyond a reasonable visit length. The Board can define what it considers to be a reasonable length of time. Mr. McGaffney explained that the main purpose of including a set number of days is to give Mr. Kloptosky the authority to consider exceptions.

Supervisor Chiodo mentioned the term “per calendar year” and voiced his feeling that the Board is mixing up “duration of pass” and the number of times a guest can visit during a calendar year; each situation should be defined separately. Supervisor Lawrence questioned if the District limits the number of times a guest can go anywhere else. Supervisor Davidson indicated that is one (1) of the questions.

The following change was made:

Fifth line from bottom: Change “per calendar year for any individual.” To “per stay.”

Third line from bottom: Change “In any event where a resident has guests that will stay more than 14 days in a calendar year, the Amenity Manager must seek approval from the CDD Field Operations Manager.” to “Stays for periods of longer than 14 days require approval by the Amenity Director with compliance authorization by the Field Operations Manager’s office.”

Seventh line from bottom: Change “Driver’s license” to “ID”

Last line: Change “Guest passes are non-transferrable and may not be sold.” To “Guest passes are non-transferrable, may not be copied and may not be sold.”

- **Annual Maximum Number of Guest Passes**
- **Validity Period of Passes**
- **Daily Maximum Number of Guest Passes**

Discussion ensued regarding the maximum number of guest passes allowed per guest per year. Supervisor Lawrence presented a scenario where his son might have a local friend visit several times per week and use the amenity facilities, which could equate to one (1) hundred or more visits per year; he questioned if that is a “bad” situation. Supervisor Davidson voiced his opinion that it is bad because it destroys the District’s attempt to control use of the facilities.

Regarding how to track guest passes, Mr. Deary suggested a punch card system for the guest passes. It was noted that the Board is confusing “daily guests”, those who pay \$10 per visit, with “houseguests”, those who are overnight guests and do not pay \$10 per visit. Supervisor Lawrence noted that the Board is introducing a new concept that a “daily guest” can only visit Grand Haven 14 times per year. Supervisor Chiodo questioned why the District would want to limit entrance to a person, who is paying the \$10 per day fee, to 14 times per year. The

Board agreed that “daily guests” should not be limited to a certain number of times per year, since they are paying to use the amenity facilities. Supervisor Chiodo supported limiting the number of days a “house guest” (overnight guest) can stay because they do not pay to use the amenities.

Supervisor Lawrence suggested the following addition:

“House guest passes will be valid for the period of time indicated on the pass, up to a maximum of 14 days, for any individual.”

It was noted that a “house guest” could spend 14 days in a certain month and return a few months later and stay another 14 days and so on. Supervisor Gaeta questioned if the “house guest” rules apply to a resident’s visiting family members.

Regarding local people who are obtaining “guest passes”, Supervisor Lawrence recalled that the Board decided that a person must reside outside of Flagler County in order to be issued a “guest pass”. Supervisor Chiodo suggested that someone living “in the area” should never be able to obtain a “guest pass” for any period of time. It was pointed out that Supervisor Chiodo’s suggestion could create problems if a local relative comes to stay with a resident who is ill or to stay with a resident’s children while the resident is on vacation. Mr. Paton and Supervisors Gaeta and Chiodo stated that those are exceptions to the rule. Supervisor Chiodo felt that Mr. Kloptosky should be authorized to handle those exceptions.

Supervisor Davidson suggested that Management separate the “Guest Policies and Passes” document into two (2) sections; “House Guest” and “Daily Guest”. Each section should list the operating parameters.

Discussion ensued regarding people “gaming the system”, regardless of the rules in place. A situation regarding an owner of multiple properties, who lives in another country but wants GADs for his vehicles, was discussed. Supervisor Lawrence supports not allowing GADs for owners whose vehicles are registered out of the country or only issuing GADs to property owners if their vehicle is registered in Flagler County or Florida, possibly the US. Mr. Kloptosky noted that some part-time residents who live in other countries rent vehicles when they reside in Florida and they want a GAD, as a property owner. Supervisor Lawrence suggested that those owners be given an extended gate pass, not a GAD.

Supervisor Lawrence asked that a discussion item be added to the next workshop agenda regarding “out of country” owner registrations.

- **CDD Policy Examples**
 - **Village CDDs Guest ID Card Program Policy**
 - **Arlington Ridge CDD Recreational Facilities Use Policy**
- **Suggested Additions/Recommendations from BOS/Staff**

These items were not discussed.

Discussion of the Amenity Management Services RFP and contract commenced.

The following changes were made by Staff and the Board:

Page 1, Section 1, third paragraph, second line: Replace "September 25, 2013" with new date, once known

Page 2, Section 3.1: Change "through September 30, 2014" to "from ____ to ____"

Page 2, Section 3.2: Replace "on Wednesday, September 25, 2013" with new date, once known

Page 5, Section 5.2d.: Change Section to "The Amenity Manager, on behalf of the District, shall securely operate and pay for a Constant Contact e-blast account, as owned by the District, for community-wide communications and e-blasts, using it to promote all amenity activities, as well as District information as directed by the District Manager or District Field Operations Manager."

Page 7, Section 5.3b.: Change to "Tennis Court/Bocce Court/Basketball Court/Croquet Court (turf excluded)"

Page 13, Section 6: Change "Experience" to "Amenity Management Experience"

Page 10, Section 5.5a.4.: Change "clerical" to "administrative/computer skills"

Page 11, Section 5.5a.5.: Change "clerical" to "administrative/computer skills"

Page 22, Section 3.: Replace "(October 1, 2013 through September 30, 2014)" with new dates, once known

Page 22, Section 1.: Replace "September 30, 2014" with new date, once known

Page 22, First paragraph: Replace "October 1, 2013" with new date, once known

Page 35, Section A.2.c.: Insert "SAAC" after "Check"

Page 35, Section A.3.b.: Change "patron" to "SAAC photo"

Page 9, Section 5.3e.: Insert "6. I.T. Equipment maintenance and repair. These are required to be under the strict permission and supervision of the F.O.M and I.T. professionals."

Discussion ensued regarding fee-based classes taught at the District's facilities and the requirement for payments to pass through the Amenity Manager, with the Amenity Manager reserving the right to withhold a 10% administrative fee. Supervisor Davidson recalled that the administrative fee came about when a subcontracted tennis instructor was giving lessons but AMG was still required to maintain the courts in preparation for the instructions and following lessons; the instructor was essentially receiving free usage of the courts to conduct his lessons.

Regarding the 10% administrative fee, Mr. Deary explained that AMG has liability exposure and administrative time, along with operating time and resources, when the facilities are used by an instructor; the primary factors being the liability exposure and administrative time. In response to Supervisor Gaeta's question, Mr. Deary recalled that this procedure was used for fee-based instruction, by a subcontracted instructor, such as the tennis, yoga and fitness instructors; the situation was different if the instructor was an actual AMG employee. Supervisor Gaeta acknowledged that the 10% administrative fee might be necessary to cover costs when maintenance is needed after an activity; however, she believes that no maintenance is necessary following activities at the pool or in a room at the facility. Mr. Deary reiterated that the primary concerns are liability and administrative related. Supervisor Gaeta voiced her belief that the instructors are required to carry liability insurance and asked why AMG should be remunerated. Mr. Deary indicated that the subcontracted instructors were given a choice to be an additional insured on AMG's policy; if the instructor carried their own insurance, AMG's administrative fee would be less than 10%. Mr. Deary stressed that AMG is flexible, rather than having a one (1) size fits all approach; however, the 10% administrative fee is justified when AMG has the liability exposure.

Supervisor Smith discussed non-fee based activities clubs, such as the Croquet Club or water aerobics. He noted that the Croquet Club collects money, as a club, and what they do with their money is of no consideration to the Board. Supervisor Smith voiced his opinion that the Tai Chi Club appears to function more like a club-type activity, rather than an activity that is hiring an outside instructor for a fee-based activity. Based on his opinion, Supervisor Smith concluded that the tai chi group is a club and should be able to use their money however they want and should not fall under the terms of the Amenity Services contract. Supervisor Smith stated that the yoga group hires instructors, collects money, which goes through the amenity process; he feels that yoga should be held to the terms of the contract. Supervisor Smith

recommended designating the tai chi group as a club so that it does not fall under the requirements of this portion of the contract.

Supervisor Gaeta asked Supervisor Smith if the tai chi instructor is being paid, personally, from the people who attend the classes. A resident indicated that the instructor is not being paid "directly"; the tai chi students contribute money so that they can be supplied with booklets and information. Supervisor Gaeta asked if the students are receiving something in return. The resident replied affirmatively. The resident contended that the tai chi instructor has never collected the monthly \$20 fee from more than 15 people in any month, which equates to collecting only \$300 per month or \$3,600 per year. Supervisor Gaeta asked if the money is used to buy instructional materials. The resident replied affirmatively; the students are given pamphlets and booklets about tai chi.

Supervisor Davidson noted that the Croquet Club collects annual dues, once per year. He asked how the Tai Chi Club, or its instructor, collects the fees. Supervisor Smith voiced his understanding that the fees are collected monthly. Supervisor Davidson pointed out that the Croquet Club conforms to the club structure, having a president, vice president, secretary, treasurer, along with having a bank account and accounting for the money collected. Supervisor Davidson asked Supervisor Smith if the Tai Chi Club follows the club structure, with the fees collected put into the club's treasury (bank account) and whether he spoke to the instructor about the club treasury. It was noted that the Tai Chi Club does not have a treasurer. Supervisor Davison questioned where the money collected is placed. Supervisor Smith replied, "I don't care". Supervisor Lawrence advised that he does not care either; the District is not "playing Mommy and Daddy"; if residents belong to a club and are happy with the structure for collecting and disbursing money, he is happy with it, too. Supervisor Gaeta stressed that the Board is only seeking accountability. Supervisor Smith questioned why the District should be accountable for a club's money. A resident stated that she pays a "donation" to participate in the tai chi classes.

Supervisor Davidson asked if the tai chi instructor has liability insurance that names the CDD as an additional insured and if it is on file at the CDD office. He indicated that the tai chi instructor must provide Mr. Ross' and the CDD's offices with a current copy of his liability insurance policy. Supervisor Smith will communicate this information to the tai chi instructor; however, it will take time for the instructor to provide it, as his property is currently in storage. Supervisor Smith asked a resident to advise the instructor, as he will see him first.

Mr. Clark suggested that the less involved the District is in how clubs spend their money, the better because, if the District seeks accountability, it then takes on responsibility for it.

Mr. Deary agreed that, if it is defined as the Tai Chi Club and the instructor has his own liability insurance, on file, AMG probably does not have liability exposure.

Mr. Clark suggested the following change, in order to limit the scope:

Page 6, Section 5.2j., last sentence: Change “all lessons and instruction, payable by the consumer” to “all fee based lessons and instructions conducted by instructors contracted by the amenity manager”

Supervisor Lawrence pointed out that the District now needs to memorialize a policy stating that resident clubs that provide instructions must provide a liability insurance policy naming the CDD as an additional insured. This item will be included as a discussion item on the workshop agenda.

ii. Security Services

• RFP Recommendations from BOS/Staff

Supervisor Gaeta pointed out that the RFP does not contain page numbers and asked that they be included, as the document contains a table of contents listing the sections of the RFP by page numbers. Mr. McGaffney indicated that he will add page numbers. Regarding the Post Orders, Supervisor Gaeta asked if the revision date should be today’s date, rather than August 26, 2013.

The following changes were made:

Section 3.1: Replace “September 30, 2014” a “_____”

After Section 4.4: Add “4.4 Amenity Center Office Hours” and list hours of operation below

Schedule A, Item 2: Insert “pre-hire” before “clinical”

A resident noted that the language would state that the employee must submit to a pre-hire drug screening; however, it does not state that the person must pass the pre-hire drug screening. Supervisor Davidson asked that “and pass” be added to the language.

Post Orders, Contact Telephone Numbers: Change “Southern States Management (HOA)” to “Southern States Management (GHMA)”

Post Orders, second circle: Change “Gate access cards” to “Smart Amenity Access picture ID cards”

Post Orders, Page PO5, Section 3, first paragraph: Insert “except as set forth herein” after “granted”

Post Orders, Page PO6, Item E.3.: Insert language provided by Mr. Clark

Post Orders, Page PO6, Item F.4.: Insert language provided by Mr. Clark

Post Orders, Page PO6, Item G.4.: Insert “at the Grand Haven CDD Field Operations Manager’s office” after “Coordinator”

Post Orders, Page PO9, GUIDELINES FOR CAMERA FAILURE, Item 1: Insert sentence at end “On the weekends call Maintenance Field Supervisor”

Post Orders, Page PO9, GUIDELINES FOR CAMERA FAILURE, Item 2: Change “consult the Sergeant of the Guards” to “contact Guard Company Supervisor”

Post Orders, Page PO11, Item 1.e.: Change “resident” to “residence”

Post Orders, Page PO10, Item 4: Change “The Crossings Gate” to “the unmanned gate”

Post Orders, Page PO12, GATE ACCESS OFFICER EXPECTATIONS: Change “If it is dusk” to “During inclement weather”

Agreement, Item 1: Replace “September 30, 2014” with “_____”

Section 6: EVALUATION CRITERIA SHEET: Change “Experience” to “Security Experience”

The following changes were made to the Section 11: PRICING FORM, Security Services RFP:

Delete “Please provide a monthly total for the SECURITY SERVICES PROPOSAL as outlined in the scope.

\$_____ Monthly Total”

Add “\$_____ Monthly Total” after “Annual Total” line for each of the three (3) years

Strike the listed dates for each of the three (3) years and replace with “_____ to _____” (per marked up agenda but not stated on audio and not changed on 11/7 version)

• **Suggested Additions to Post Orders from ABM**

Discussion ensued concerning Ms. Cynthia Gartzke’s recommendations regarding golfers and golf course employees. In response to a question regarding the lists, Mr. Kloptosky voiced his belief that the list is updated as it changes. Regarding tee time lists, Mr. Kloptosky did not

believe lists are received daily; Supervisor Davidson directed Mr. Kloptosky to follow up on this matter.

Supervisor Davidson asked that this section, regarding access for golfers and golf course employees, be included as a discussion item on the next workshop agenda.

Supervisor Lawrence suggested continuing the meeting to the workshop date.

Regarding the RFPs and, since authorization cannot be given at the workshop, Mr. Clark suggested that the Board approve both RFPs today, pending final completion of the edits. Supervisor Davidson clarified that the RFPs would not be advertised until after the next workshop, once the Board reviews the final version.

Discussion ensued regarding the timeline, once the RFPs are advertised. Mr. McGaffney stressed that, if the Board wants to receive good responses, it should allow at least four (4) weeks for responses to arrive. It was noted that, with the December meeting being moved from later in the month to December 5, 2013, the time frame for respondents to prepare responses to the RFPs and for Staff to contact them for presentations, is further tightened; per Mr. McGaffney, considering the RFPs at the January meeting is more realistic.

Supervisor Davidson discussed opening the responses at the January meeting.

Mr. McGaffney recommended giving Staff authorization to advertise at the November meeting.

• **Recommendations from Undersheriff, Rick Staly**

This item was not discussed.

B. Discussion: Revised CIP [TL] (to be provided under separate cover)

This item was not discussed.

C. Clarification Language for Pond Bank Planting Practices

i. Best Management Practices for GHCDD Stormwater Detention Pond Bank Plantings

Supervisor Davidson reviewed the Best Management Practices for GHCDD Stormwater Detention Pond Bank Plantings.

ii. Normal High Waterline

Supervisor Davidson reviewed the GHMA’s definition of “Normal High Waterline” and noted that it must be incorporated into the District’s documents.

******Supervisor Gaeta left the meeting 15 minutes prior to the conclusion of the meeting.******

Mr. Chip Howden, a resident, stated that several residents are concerned about this subject and asked if this only applies to new construction. Supervisor Davidson advised that the CDD Board has nothing to do with this; it is not their decision.

Mr. Howden voiced his feeling that this should be clearer and related to new construction. He stated that there are no new lake lots left in his development. Mr. Howden recalled that another resident installed an addition, obtained all of the necessary permits and permission, and was later told that it did not comply with the CC&Rs. He believes it is important for the District to understand what the CC&Rs state.

Mr. Howden believes that this document is in disagreement with the CC&Rs. He referred to requirements in the CC&Rs. Mr. Howden referred to the definition of “high waterline”, and contended that the GHMA did not meet on the date the definition was supposedly adopted.

Mr. Clark discussed the CC&R’s and the District’s policies. He concluded that there are several moving parts.

Supervisor Lawrence discussed the maintenance requirements and agreed that the information read by Mr. Howden stated that the bank must be kept free of debris but it does not mention maintenance. He felt that the District should verify what is required.

On MOTION by Supervisor Davidson and seconded by Supervisor Lawrence, the Grand Haven Master Association Normal High Waterline definition, within the context of the location section of the District’s document, was approved.

D. Scheduling of Field Operations Manager Performance Review

This item was not addressed.

E. Keeping Grand Haven Grand

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

A request was made to add “Out of County Residents Policy” and “Grand Haven Club Policies and Liability” to the Open Items List.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

Mr. Paton pointed out that a motion was never approved authorizing Staff to advertise the RFPs.

On MOTION by Supervisor Davidson and seconded by Supervisor Chiodo, with all in favor, the Amenity Management RFP and the Security Services RFP, pending clean up of the language, to be reviewed at the next workshop, and authorizing Staff to advertise, accordingly, upon final review at the next workshop, was approved.

NINTH ORDER OF BUSINESS

ADJOURNMENT

There being nothing further to discuss, the meeting ended at approximately 2:11 p.m., and was continued to November 7, 2013 at 10:00 a.m.



Secretary/Assistant Secretary



Chair/Vice Chair