

**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, May 15, 2014 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:

Rick Woodville	Wrathell, Hunt and Associates, LLC
Howard McGaffney	Wrathell, Hunt and Associates, LLC
Scott Clark	District Counsel
Jim Sullivan	District Engineer
Barry Kloptosky	Field Operations Manager
Robert Ross	Vesta/AMG
Roy Deary	Vesta/AMG
David_____ (via telephone)	Aquatic Systems
Chip Howden	Resident
Linda Rolla	Resident
Ed Smith	Resident
Joanne Smith	Resident
Sara Lockhart	Resident
Lynn Tobin	Resident
Sandy Trautwein	Resident
Bob Hopkins	Resident
Rich Burns	Resident
Gene Baldrate	Resident
Bob Crouch	Resident
Ron Merlo	Resident
Rob Carlton	Resident
D.J. Denby	Resident
David Alfin	Resident
Vic Natiello	Resident
Sterling Colee	Resident
Suzanne Lynch	

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Woodville called the meeting to order at 9:35 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)*

Ms. Linda Rolla, a resident, thanked Mr. Kloptosky and the Board for addressing the pickleball courts. She acknowledged the possibility of parking issues at The Village Center and stated that the pickleball players would be agreeable to carpool, bicycle, etc., to alleviate parking issues.

Ms. Rolla asked for the location of the six lots that Mr. Jim Cullis, of Grand Haven Realty, wants to “swap out”. Supervisor Davidson advised that this item will be discussed later in the meeting.

Ms. Sara Lockhart, a resident, recalled that the minutes from the last meeting indicated that the Board would take no action on the easement agreement with Mr. Cullis, at the present time. Mr. Clark advised that he is presenting informational material today; he is not seeking Board action on the matter.

Ms. Lynn Tobin, a resident, thanked the Board for the improvements to Front Street; it is beautiful. She indicated that the District is currently experiencing an infestation of midges, which is creating a health issue. Ms. Tobin advised that a contractor recently refused to complete work behind her home due to the excessive bug conditions; additionally, her lawn crew cannot work in the backyard and children cannot play outside. She noted that the Board claims that nothing can be done; however, she does not believe that. Ms. Tobin asked that the Board approve installation of a large fountain in the lake behind her home, to provide aeration in the lake and determine whether fountains will alleviate the midge issues. She favors installing chemicals in the lake in an attempt to mitigate the midge matter. Ms. Tobin finds it unacceptable that the Board has “given up” on resolving the problem and urged them to revisit it.

Supervisor Lawrence advised Ms. Tobin that the Board has not “given up”. He noted that, last year, 3,000 shellcracker fish were installed into the lake with the intent that the fish would eat the midge larva; however, the fish have not matured enough. Supervisor Lawrence indicated that the Board will consider spraying to kill bugs as they hatch at the surface; a solution is in place.

Supervisor Gaeta pointed out that there are limits regarding what chemicals can be sprayed. Supervisor Davidson advised Ms. Tobin that midges are a season issue, which the Board is aware of. Ms. Tobin contended that the issue lasts for months, not just a few days. Mr. Kloptosky will address this matter during his report.

Ms. Sandy Trautwein, a resident, held her comments for discussion of the midge issue and Mr. Cullis’ lots, later in the meeting.

Supervisor Gaeta noted that a lot near her home is being excavated for new construction, which might be exacerbating the midge issue. Ms. Trautwein stated that a new home is being built near her home, as well.

Mr. Chip Howden, a resident, recalled informing the Board last year that midges are not just an issue on Front Street; they are a natural occurrence throughout the community. He stated that he asked the Board to not treat only one or two lakes, when the entire community has the problem. Mr. Howden felt that, if the Board plans to spend money on the midge issue, it should address the conditions throughout the community, not only in one or two locations, as all residents are essentially paying for the treatments.

FOURTH ORDER OF BUSINESS

CONSENT AGENDA ITEMS

A. MINUTES

- i. Approval of April 3, 2014 Community Workshop Minutes**
- ii. Approval of April 17, 2014 Regular Meeting Minutes**

Mr. Woodville presented the April 3, 2014 Community Workshop and the April 17, 2014 Regular Meeting Minutes for the Board’s consideration. Supervisor Gaeta indicated that she provided Management’s office with changes that were not received in time to be included in the version contained in the agenda; however, the changes will be reflected in the final version of the minutes. Supervisor Davidson indicated that he did not review the minutes and asked if the item

should be tabled for consideration at another meeting. Mr. Clark advised that the Board can approve the minutes, subject to non substantive changes.

On MOTION by Supervisor Chiodo and seconded by Supervisor Gaeta, with all in favor, the April 3, 2014 Community Workshop Minutes and the April 17, 2014 Regular Meeting Minutes, subject to non substantive changes, were approved.

B. UNAUDITED FINANCIAL STATEMENTS

i. Approval of Unaudited Financial Statements as of April 30, 2014

Mr. Woodville presented the Unaudited Financial Statements as of April 30, 2014. He pointed out that assessment revenue collections were at 93%; those properties with unpaid taxes will go through the tax certificate sale process and the funds collected will be remitted to the District.

Supervisor Gaeta indicated that she spoke with Mr. Wrathell regarding the small amounts being held in the “Federated (MMKT)” and “CBB - NOW acct” accounts. She was concerned that the District could incur fees; however, Mr. Wrathell confirmed that no fees were being charged. Supervisor Gaeta stated that the \$1 amount, on the “SBA - 161601B*” line item was remaining money that the District Engineer advised could be allocated elsewhere.

On MOTION by Supervisor Lawrence and seconded by Supervisor Smith, with all in favor, the Unaudited Financial Statements as of April 30, 2014, were approved.

FIFTH ORDER OF BUSINESS

STAFF REPORTS

A. District Engineer

i. Certificate of Completion for Series 2004B Bond

Mr. Sullivan recalled that he was asked to prepare a certificate of completion for the Series 2004B bond, which was provided to the District. He noted that, during the process, it was discovered that the Wild Oaks permit was not closed out and a few items remain pending. He referred to correspondence from St. Johns River Water Management District (SJRWMD)

detailing the items that they consider to be outstanding, some dating back to 2005. Mr. Sullivan explained that he did not consider these items to affect the issuance of a certificate of completion. He advised that the issues relate primarily to conditions of the permit concerning conservation easements, vegetative buffers, etc.; in summary, SJRWMD wants evidence of compliance. Mr. Sullivan offered to meet with SJRWMD to obtain additional details and proceed.

Supervisor Lawrence asked if LandMar has any further responsibility related to these matters.

Mr. Clark voiced his opinion that the bankruptcy cleansed LandMar of responsibility. He advised that the District's position should be that these items are conditions to transfer of the permit to the District's responsibility. Mr. Clark noted that the permits are still in the name of Grand Haven Developers; the permits have not been transferred due to the outstanding items. He stated that the District should not accept responsibility for those items, although the District understands the need and is willing to maintain, assuming the issues can be resolved with SJRWMD.

In response to Supervisor Gaeta's comment, Mr. Sullivan confirmed that he was able to locate the as-builts, which were previously missing. Mr. Sullivan advised that SJRWMD does not appear to be "laying blame" on the District.

Supervisor Davidson asked if this issue is only related to the Wild Oaks bond. Mr. Sullivan was not aware of any others being involved.

Supervisor Davidson stated that he, Mr. Kloptosky and others have a very good working relationship with various SJRWMD employees. He noted that several of the items listed in the email were already addressed, such as the control structure, which was rebuilt by the City of Palm Coast; therefore, it might be sufficient for the District to provide proof of what was completed. Supervisor Davidson offered to contact SJRWMD, informally, prior to Mr. Sullivan and Mr. Clark becoming involved.

Mr. Woodville summarized that Supervisor Davidson and Mr. Kloptosky will contact the SJRWMD, informally, to mitigate the pending, outstanding items. He advised that approval of the certificate of completion will allow the District to close the construction account and move the remaining money into the debt service fund.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, Certificate of Completion for the Series 2004B Bond, was approved.

Mr. Sullivan indicated that he was contacted by the City of Palm Coast regarding the District's National Pollutant Discharge Elimination System (NPDES) permit. He explained that this involves maintaining water runoff and pollution discharge that could enter water bodies. Mr. Sullivan voiced his understanding that, currently, the City is completing this report for the District.

Mr. Kloptosky stated that he was contacted by Mr. John Moden, the City of Palm Coast Stormwater Engineer, regarding a fee associated with the NPDES annual report and the City wants to either turn over responsibility to the District or be reimbursed by the District. In response to a question, Mr. Kloptosky was unsure of amount of the annual fee.

Supervisor Davidson surmised that this matter involves the Florida Department of Environmental Protection (FDEP) and is likely related to discharge into the common, Class 1 water body adjacent to the District.

Regarding the Sailfish Drive project, Mr. Sullivan reported that the plan was completed and bids were received; the contractor is waiting for a notice to proceed from the Board. He recalled that the Board was previously concerned about the cost and the impact to residents, if the road is closed for two days.

Supervisor Lawrence advised that approval of the Sailfish Drive project will occur during Fiscal Year 2015, combining it with all of Sailfish Drive and a section of Marlin Drive; therefore, expanded bids must be obtained. He indicated that the Board needs an understanding of how the work will be accomplished. Supervisor Lawrence felt that it is not acceptable to close roads to resurface; he wants the resurfacing project completed without extended road closures.

Mr. Kloptosky indicated that, when Waterside Parkway was resurfaced, the road was not closed; work was completed on each half, separately. He explained that the "closure" issue on Sailfish Drive was because the work involved driveways; it was proposed that access to the driveways closed for two days, as giving driveway access at the end of each workday would result in higher repair costs to the District and the work would take longer to complete.

B. Amenity Manager

Mr. Ross reported that the “Resident Appreciation Day” was successful; 551 residents signed up for the event but, due to weather conditions, approximately 350 attended. The next event will be held Memorial Day weekend.

It was noted that parking was not an issue during the event.

Mr. Ross indicated that tennis fees continue to be collected.

Supervisor Davidson noted that rental of the Grand Haven Room are down, compared to budget. Mr. Ross confirmed the lack of interest in renting the Grand Haven Room. In response to a question, Mr. Ross indicated that various neighborhood groups utilize the Grand Haven Room but are not charged the rental fee.

******Mr. Ross and Mr. Deary left the meeting.******

C. Field/Operations Manager

Mr. Kloptosky reported that midges are swarming in Ponds 4 and 5 and recalled that, last year the District installed shellcracker fish; unfortunately, the fish are still too small to be effective in mitigating the midge issue. He presented a \$1,677 proposal from Aquatic Systems, Inc., to perform three spray treatments, 21 days apart, to kill the midge larva. Mr. Kloptosky pointed out that the contract clearly states “This is a limited control program. This treatment does not guarantee Midge Fly control of existing adults.” He explained that the treatment will not resolve the issue of flying midges. Mr. Kloptosky stated that the City sprays the roadsides but will not spray private property or over the lakes. He rationalized that the issues with midges will continue, even if the lakes are sprayed; treatment only kills larva but the larva come back. Mr. Kloptosky concluded that the spray treatment program may help but it might not.

In response to a question, Mr. Kloptosky recalled that, last year, the midge issue lasted approximately six weeks. Supervisor Chiodo voiced his opinion that the midge lifecycle is short; however, midges continue reproducing but, if the treatment kills the larva, the adults should die off, naturally.

Supervisor Davidson indicated that FDEP will begin monitoring discharges soon and directed Mr. Kloptosky to ensure that the proposed chemicals will not impact the District’s discharges.

Supervisor Lawrence recalled Mr. Howden’s comment that the midge issue exists in all of the District’s ponds; however, in his experience, the only ponds with complaints were those on Front Street. Mr. Kloptosky confirmed that he has not received complaints regarding midges

in any other Grand Haven ponds. Mr. Howden indicated that he did not contact the CDD Office because he mentioned the issue in a meeting. Supervisor Davidson recalled a recent presentation by Mosquito Control, who advised that they do not treat midges, as they appear on a naturally occurring cycle lasting four to six weeks. The implication was that the District can try treating the midges but it is likely a “waste of money”.

Regarding the suggestion that installing fountains, for aeration, would alleviate the midge issue, Mr. Kloptosky pointed out that Pond 4 has a below surface aeration system, which adds more oxygen to the water than a fountain would.

Supervisor Gaeta concurred that Front Street is “a wall of bugs”; however, considering that the District has 50 ponds, the cost would be \$83,850 to spray all of the ponds.

Ms. Tobin voiced her opinion that the Board should give priority to treating the Front Street pond first, as a test, to determine if treatment is successful. Supervisor Davidson noted that the pond is being “treated” with installation of shellcracker fish. Supervisor Davidson pointed out that, by the time the proposed spray treatment would be completed, the four to six week midge issue will have already completed its lifecycle and “cleared up”, naturally.

Ms. Trautwein indicated that she has lived in Grand Have for 14 years and the midges only became an issue over the past few years. Discussion ensued regarding environmental impacts and community activities, which might be intensifying the midge issue. Supervisor Davidson questioned treating the issue by chemical means if the insect’s natural lifecycle will resolve the issue, naturally. It was noted that the entire midge life cycle is two to three weeks, from larva to adult and an adult midge lives three to five days.

An Aquatic Systems, Inc. (Aquatic Systems) representative confirmed that adult midges live three to five days. Regarding chemical treatments, he noted that it treats the larva at the pond surface. In response to Mr. Kloptosky’s question, the representative advised that the chemical used is “natural” and would not have an environmental impact; however, if pesticides could have a negative impact.

Supervisor Gaeta pointed out the difficulty in knowing whether the midge issue was resolved because of the spray treatment or due to the natural lifecycle. The Aquatic Systems representative confirmed Supervisor Gaeta’s point; the natural lifecycle might resolve the issue and coincide with the chemical treatment. He stated that the treatments might help control swarming.

Supervisor Davidson asked about other environmental controls that could be implemented in the lake to alleviate the midge issues. The Aquatic Systems representative replied no; there is nothing other than shellcracker fish. The representative noted that pest control companies can spray property owner's yards, etc.

Regarding the proposal to complete three treatments, 21 days apart, Supervisor Lawrence asked if each treatment kills larva for 21 days, until the next treatment. The Aquatic Systems representative replied no but it will control the larva for a time; there would likely be ten to 14 days of "good" control but the issue would reemerge heavily during the seven days prior to the next treatment. Supervisor Lawrence noted that the midge season lasts approximately six weeks and it is already into the third week; therefore, it would not make sense to treat more than once, as the issue will naturally resolve itself within the next three weeks.

Supervisor Lawrence questioned what could be causing the increased midge problem.

Supervisor Gaeta voiced concern about the chemicals that might be used by pest control companies treating individual homes and whether those chemicals could enter the water and be environmentally damaging.

In response to Supervisor Davidson's question, a resident indicated that midges have been an issue for about one month. Regarding the effectiveness of shellcracker fish, the Aquatic Systems representative advised that it generally takes the fish one to two seasons to grow large enough to become effective.

Supervisor Lawrence supported one chemical treatment. Supervisor Davidson indicated that he would support chemical treatment only if residents agree to individually spraying at their homes, simultaneously; he felt that, if treatments are approved, they be completed only on ponds that currently have an issue.

Mr. Howden suggested delaying treatment for one year to determine if shellcracker fish become effective and, if so, proceed with installing them in the District's other ponds.

In response to Mr. Kloptosky's question, the Aquatic Systems representative stated that one chemical treatment could be completed, rather than the three proposed.

Discussion ensued regarding when to install shellcracker fish, installing fish habitats into the lakes to encourage growth, etc. The Aquatic Systems representative estimated a cost of \$200 to \$500 for 1,000 shellcracker fish.

Supervisor Davidson motioned to approve one treatment, on Pond 4, in the amount of \$559, immediately. Based on the length of the midge season, Mr. Howden voiced his opinion that the chemical treatment would be “a waste of money”. Supervisor Gaeta seconded the motion. Supervisor Davidson specified that the motion is to treat Ponds 4 and 5. Mr. Kloptosky pointed out that the proposal is to treat Pond 4; Pond 5 is not included.

In response to a question from Mr. Bob Hopkins, a resident, Supervisor Davidson advised that a fish kill is not related to the midge issue.

Supervisor Gaeta withdrew her second of the motion. Supervisor Davidson withdrew his motion.

The Board agreed to delay treatment to allow the shellcracker fish population to increase and eradicate the issue. Additionally, Aquatic Systems will provide an estimate of the cost to install shellcracker fish in Ponds 4 and 5, along with fish habitats or covers for both ponds. Mr. Kloptosky will investigate pest control companies that spray treat individual properties.

i. Parking Lot Expansion

Mr. Kloptosky presented a proposal from S.E. Cline Construction, Inc. (Cline), in the amount of \$55,036, for work related to the installation of 18 parking spaces at The Village Center. He explained that the croquet court would be eliminated and replaced with approximately 18 parking spaces. Mr. Kloptosky clarified that the \$55,036 figure is a “budget proposal”; therefore, the amount will likely change.

Mr. Kloptosky presented a “summary”, for budget purposes, from Genesis, in the amount of \$11,999, for engineer costs related to the parking lot project. He noted that the Cline and Genesis estimates equate to approximately \$67,000 for the project, not including a percentage figure for other costs, landscaping and electrical for streetlights.

Regarding obtaining a firm estimate, Mr. Kloptosky pointed out that the conceptual drawing must be prepared, first. Mr. Kloptosky recommended authorizing Mr. Sullivan to prepare a conceptual drawing.

Supervisor Davidson discussed the aesthetic impact of converting the area to a parking lot. He suggested obtaining drawings for landscaping the area so that is aesthetically pleasing, once the parking lot is installed.

Supervisor Gaeta voiced concern that eliminating the croquet practice court.

Mr. Kloptosky reviewed photographs and discussed landscaping options.

Supervisor Lawrence agreed that the project could have a negative aesthetic impact and felt that the first step is to obtain conceptual drawings of landscaping that could preserve the appearance. Supervisor Chiodo voiced his equal concern about the appearance and parking. In response to a question, Mr. Kloptosky confirmed that the proposal does not include lights or cameras; however, streetlights are required and the cost would be additional. In response to a question, Mr. Kloptosky estimated that the new parking area would have two handicapped parking spaces.

Mr. Kloptosky presented an overview of the parking expansion options at Creekside. Cline's estimated cost for the north parking lot is \$67,120, plus \$25,000, if the entrance is changed. He confirmed that the estimate does not include landscaping, lighting, etc., or the engineering fees of approximately \$12,000.

In response to Supervisor Chiodo's question, Mr. Kloptosky advised that two parking spaces would be gained if the entrance was changed, increasing the number of spaces from 18 to 20. Mr. Kloptosky noted that the new parking area could be accessed through the existing parking lot.

Supervisor Gaeta pointed out that the proposed expansion would negatively impact the croquet courts. Mr. Kloptosky reminded Supervisor Gaeta that the expansion is part of a larger, overall plan, which involves relocating some croquet courts and building a new court. Supervisor Gaeta discussed potential issues with the proposed location for the croquet courts and whether the changes will disrupt the croquet "season".

Mr. Kloptosky presented the options for extending the south parking lot at Creekside to add 21 parking spaces. He discussed the locations for relocating the croquet courts. Cline's estimated construction cost is \$41,598 and Genesis' proposed engineering cost is \$10,250; likewise, the proposed costs do not include landscaping, lighting, etc.

Mr. Kloptosky voiced his support for the "overall" plan, acknowledging that work must be completed in phases, due to the high cost. He felt that expansion of the Creekside parking lot and resurfacing the existing croquet courts were the most immediately "doable" items. Discussion ensued regarding landscaping, lighting, drainage and creating ADA compliant access and building a restroom/storage building.

In response to a question, Mr. Kloptosky voiced his opinion that expansion of the parking lot would solve the parking issues at Creekside.

Supervisor Smith questioned if Supervisor Lawrence's Fiscal Year 2015 capital plan includes building pickleball courts. Supervisor Lawrence replied no; the pickleball courts were included for Fiscal Year 2014.

Supervisor Davidson expressed support for the Creekside parking lot expansion and resurfacing the existing croquet courts. Regarding a question about pickleball, Mr. Kloptosky confirmed that the pickleball courts can be built.

Mr. Rich Burns, a resident, stated that, while the croquet players would appreciate having the courts resurfaced, the cost to relocate and build a new court might increase significantly, in the future. He pointed out that the croquet courts are the most inexpensive part of the District's overall plan. Mr. Burns felt that it would be a "waste of money" to resurface the courts only to relocate them within a few years.

Supervisor Lawrence summarized that the Board's consensus is that expansion of the Creekside parking lot, in the back, fulfills the most immediate need. This expansion would not impact any of the croquet courts. Discussion ensued regarding further expansion for parking, at Creekside. It was noted that parking could expand onto the soccer field, in the future.

Supervisor Davidson suggested that the Board focus on the short term goal, which is to increase parking at Creekside, resurface the croquet courts and build pickleball courts; all of these projects can be completed without incurring the enormous engineering expenses related to the other reconstruction projects. He recommended that Ms. Louise Leister, District Horticulturalist, provide landscaping options for the Creekside parking lot.

Mr. Kloptosky reiterated the need for conceptual drawings from the District Engineer.

Supervisor Gaeta discussed relocating the croquet practice court and possibly dedicating usage of certain parking areas to specific groups.

Mr. Howden pointed out the cost, per space, for the various lot expansions. He recommended that the Board also think about the District's long-range parking needs.

Mr. Woodville summarized that the cost would be \$41,598 for installation of 21 parking spaces in the back of Creekside, \$10,250 for engineering fees, for a total of \$51,858, not including other aspects. Mr. Kloptosky reiterated that the Board should authorize the District Engineer to prepare conceptual drawings, which could answer many of the outstanding questions.

Mr. Sullivan discussed designing the parking such that a grassy area could serve as additional parking during special events, etc. Supervisor Lawrence supported this concept.

The Board agreed to authorize the District Engineer redesign the area behind Creekside to accommodate a parking lot.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, authorizing the District Engineer to design the addition to the rear parking lot at Creekside and resurfacing the two croquet courts at Creekside, was approved.

****The meeting recessed at 11:38 a.m.****

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

Mr. Kloptosky presented photographs of the work completed on the Clubhouse Pier. He noted that the lumber must cure before it can be painted; minor column work remains. Mr. Kloptosky indicated that a resident inquired about adding a water source to the pier, as other residents use it for fishing and it needs to be hosed off, periodically. He voiced concern that, in spite of signage, someone might drink the reclaimed water; it would be cumbersome to run potable water to the pier location. In response to a question, Mr. Kloptosky confirmed that the benches will be reinstalled; he ordered two composite benches, which will last longer than the previous benches.

Supervisor Davidson suggested installing a table with a water source as an area for residents to “cut bait”. Mr. Clark confirmed that posting signage advising people not to drink the reclaimed water would be sufficient notice.

Regarding the pump house area, Mr. Kloptosky indicated that a larger gate was installed and the fence was moved back by 4'. PBM Constructors, Inc. (PBM) pressure washed the floor of the pump house, in preparation for commencing work; they are building various items.

Mr. Kloptosky reported that Mr. Patrick Leahy, of Escalante Golf (Escalante) visited him upon receiving the District’s bill related to the pump house repairs. Mr. Kloptosky conceded that Mr. Leahy rightfully approached him, as the bill issued by the District was incorrect. He stated that he worked with Management’s office to correct the billing error and noted that the error occurred because PBM sent the wrong second draw invoice; PBM will send an updated invoice

which will bring the costs up to 50%. Mr. Kloptosky advised that he is in possession of the payment checks to PBM but will not release them until PBM commences the on-site work and the repair materials are on site. He explained to Mr. Leahy that Escalante will be responsible for 75% of the total cost.

Mr. Kloptosky anticipated that PBM will commence work within the next two weeks; he will notify Mr. Clark once work begins.

Regarding the previously approved audio system, Mr. Kloptosky indicated that installation was to occur on Tuesday but was stalled, pending receipt of mixer equipment; installation will be rescheduled.

Supervisor Gaeta asked about the status of the Esplanade area that experienced washouts. Mr. Kloptosky stated that the contractor is awaiting sod; bahia sod is delayed due to recent rains. Mr. Kloptosky advised that sod will be installed immediately, upon receipt and an inspection will be scheduled. The concrete pads can be poured and the benches installed, once the final inspection is completed.

Regarding the audio system, Mr. Kloptosky reiterated that installation will be rescheduled. He is in possession of the payment checks but is holding them until the system installation is completed. Mr. Kloptosky anticipated installation to occur on a Tuesday, as that is the least active day in the Grand Haven Room.

Mr. Kloptosky advised that the CDD Office staff is working on selling advertising in the new Community Information Guide (guide). To date, \$8,690 worth of advertising was sold. In response to Supervisor Chiodo's question, Mr. Kloptosky confirmed that advertising is now available to those outside of the District.

Supervisor Gaeta inquired about the status of the photo contest. Supervisor Davidson indicated that the contest concluded; the votes are being tallied.

Mr. Kloptosky obtained three proposals for pavers at Center Park, on Front Street to the Esplanade. Pinnacle Paver Company (Pinnacle) quoted \$27,850, not including the semi-circles to the left and right of the gazebo. Paradise Landscaping quoted \$29,793 and Legacy quoted \$38,000. Mr. Kloptosky vouched for the quality of all three contractors but recommended selecting Pinnacle. Mr. Kloptosky stated that the Pinnacle quote includes removing the concrete borders that are cracking and lifting, paving a walkway all the way around, including a border,

and paving the bench areas; landscaping and moving or removal of irrigation are not included in the quoted price. He noted that Ms. Leister has a landscaping plan for the impacted areas.

Mr. Kloptosky recommended approving a higher amount, as costs for permitting and creation of a conceptual drawing are not included in the quote.

Supervisor Lawrence indicated that he does not favor this project. Supervisor Gaeta felt that this project should be completed, as there is a safety issue.

Mr. Kloptosky confirmed the safety issue and added that the coquina continually washes away. He noted that many residents are eager for the project to be completed.

Mr. Kloptosky referred to streetlight painting and noted that \$34,345 was budgeted for the current fiscal year, with the anticipation of budgeting \$51,517 for the coming fiscal year. He advised that, to date, \$26,560 was spent and no more streetlight painting will be necessary for the remainder of Fiscal Year 2014 or all of Fiscal Year 2015; this “frees up” nearly \$60,000 for other projects.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, the Pinnacle Paver Company proposal for the Center Park paver project, in a not-to-exceed amount of \$32,000, was approved.

Mr. Kloptosky recalled that the previously approved elliptical machines were purchased. He stated that two old treadmills remain in Creekside; both have experienced issues. Mr. Kloptosky reported that one of those treadmills stopped functioning; he was advised that it would cost more than \$1,000 to repair it. He recommended replacing the treadmill, at a cost of \$3,095, which is within his discretionary spending limit; this matter was brought to the Board as it is a capital item. The Board supported replacement of the treadmill.

▪ **Capital Plan [TL]**

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

Supervisor Lawrence referred to the list of “Projects not yet approved” and recommended approval of the following capital expenditures:

Replace eight fans at Creekside and two fans at The Village Center pools	\$ 2,000
Replace The Village Center pool filters	\$ 2,500
Replace Creekside pool filters	\$ 2,000

Add six fans to The Village Center Grand Haven Room	\$ 2,000
Replace Esplanade mental benches with composite benches	\$10,000

In response to a question, Supervisor Lawrence confirmed that the capital plan sufficiently budgets for the items discussed today. He advised that replacement of the Grand Haven Room ceiling fans are scheduled for Fiscal Year 2015.

On MOTION by Supervisor Lawrence and seconded by Supervisor Smith, with all in favor, capital expenditures, as presented, were approved.

Mr. Kloptosky reported that he received notification on Mother’s Day that The Village Center main entrance sign was hanging on its side, creating a danger; staff came into work that Sunday, on their day off, and expeditiously removed the sign. He is obtaining quotes to repair or replace the new sign. Discussion ensued regarding color options for a new sign.

Mr. Kloptosky indicated that a resident who previously resided at 81 West Waterside used their smart amenity access card (SAAC) to access the community and attend the “Resident Appreciation Day” event. He questioned if the CDD Office staff should be tasked with completing investigations regarding whether people still reside in the community or whether additional forms of proof of residency should be required. In response to a question, Mr. Kloptosky explained that the individual previously resided with her sister, who owns the home.

Supervisor Davidson pointed out that a blood relative of a resident can visit the community and participate in activities, with the resident. He questioned how Mr. Kloptosky knows that the person no longer resides in Grand Haven.

Mr. Kloptosky indicated that a Board Member seeking reelection was obtaining signatures on a petition; the person signed the petition but the City rejected the signature because the address listed was not in Grand Haven. Supervisor Davidson directed Mr. Kloptosky to contact the individual, notify her of the situation and advise her that her SAAC and gate access device (GAD) will be deactivated.

Mr. Kloptosky reported that a resident continually contacts the CDD Office to complain about the streetlight in front of their home, along Village View Way. Mr. Kloptosky investigated the complaint and the light was replaced; however, the resident now believes that the light is too bright. He indicated that the new bulb is consistent with all of the other streetlights. The

resident wants a lower wattage bulb installed. Mr. Kloptosky stated that he brought this matter to the Board's attention because the resident threatened to involve the Board.

Supervisor Davidson pointed out the proposed location for the new pickleball court; \$25,000 was budgeted. Mr. Kloptosky indicated that his proposal is \$25,000, not including lighting; permitting costs should be minimal. Discussion ensued regarding whether lights are necessary. Mr. McGaffney pointed out that adjustments to the irrigation system might be necessary. In response to Ms. Rolla's question, Mr. Kloptosky confirmed that the proposal is for a 64' x 64' double court. Mr. Kloptosky advised that he must obtain quotes for a fence around the pickleball court.

D. District Counsel

i. Pump House Agreement

There has been no further correspondence with Escalante regarding the agreement. Work is almost ready to commence and Mr. Clark will notify Escalante upon commencements.

ii. Cullis Easement Requests

Mr. Clark indicated recalled that the Board will take no action on the easement requests until the project moves forward.

iii. 37 Jasmine Berm

Mr. Clark introduced Mrs. JoAnn Smith, the owner of the home at 37 Jasmine Drive. Mrs. Smith asked if the Board Members observed the deteriorating retaining wall on CCD property. Several Board Members replied affirmatively. Mrs. Smith asked if the District has an immediate plan for dealing with the wall.

Mr. Clark advised that the District maintains its position that it will not assume the maintenance obligation and the wall must be removed, in the future. He explained that this issue reemerged because ICI submitted a confidential settlement agreement, offering money to resolve the situation. Mr. Clark recalled that the offer was presented to Mrs. Smith; however, she preferred installation of a permanent retaining wall. He advised that the Board does not want a structure installed on CDD property; the wall is either removed and the land graded or Mrs. Smith can have a retaining wall installed on her own property.

Mrs. Smith asked if an engineer signed off on either of the alternatives mentioned to verify that they are safe.

Mr. Kloptosky indicated that the District Engineer has not inspected the berm; ICI was provided a letter indicating that the retaining wall's only purpose was for landscaping and removal would not impact the home structure.

Mrs. Smith contended that erosion is occurring and holes are appearing in front of the wall. She voiced disbelief that a retaining wall would have been installed for no reason.

Supervisor Lawrence pointed out that the District has no accountability for the retaining wall that ICI installed, without the District's permission.

Supervisor Davidson recalled a previous solution presented by Mr. Kloptosky, which involved removing the wall and grading the land.

Mrs. Smith indicated that a personal friend, who is a structural engineer, advised her that removal of the current retaining wall is a "temporary" wall where a permanent wall should have been built. The friend stated that he would not want the wall removed, if it was his home.

Supervisor Davidson stated that, if Mrs. Smith wants a permanent retaining wall, it must be installed on her property, not CDD property.

Supervisor Lawrence questioned if the settlement amount proposed by ICI is sufficient to cover removal costs. Mr. Kloptosky indicated that it is enough to cover his two-year-old estimate; however, he does not have a current estimate.

Regarding ICI's confidential settlement agreement, Mr. Clark advised that it calls for agreement from both the CDD and Mrs. Smith. He recalled that the District cannot maintain the requested confidentiality.

Mrs. Smith indicated that she wants a report from an engineer confirming that this is a safe and worthy route to take. Supervisor Davidson advised that Mrs. Smith would have to pay for the report, if she wants it. Supervisor Lawrence noted that Mrs. Smith has a letter from ICI confirming that the retaining wall has no bearing on the structural stability of the house. Mr. Clark voiced his belief that the settlement agreement would absolve ICI of responsibility.

Mr. Clark will provide the settlement letter to Mrs. Smith. The Board encouraged Mrs. Smith the contact ICI to resolve the matter.

Supervisor Lawrence referred back to the status of the pump house agreement and noted that operation is status quo; however, the District does not have a binding agreement with Escalante. Mr. Clark noted that the matter is halted; Escalante responded with terms that were not acceptable to the Board. Mr. Clark stated that the District will invoice Escalante for the costs

and the proposed budget anticipates assessing Escalante for their 75% of the costs, which will require the District to mail a Chapter 197 notice to Escalante.

iv. Old Kings Easement Abandonment

Mr. Clark recalled that the document was approved at the last meeting, subject to clarification about the status of the existing pump, west of Old Kings Road. The City agreed to a revision to the document reflecting that the pump is abandoned. Mr. Clark recommended execution of the final documents.

E. District Manager

i. 2,348 Registered Voters in District as of April 15, 2014

****This item, previously Item 5.E.iii, was presented out of order.****

Mr. Woodville indicated that there were 2,348 registered voters residing within the boundaries of the District as of April 15, 2014.

ii. Upcoming Regular Meeting/Community Workshop

○ **COMMUNITY WORKSHOP**

▪ **June 5, 2014 at 10:00 A.M.**

○ **BOARD OF SUPERVISORS MEETING**

▪ **June 19, 2014 at 9:30 A.M.**

****This item, previously Item 5.E.i., was presented out of order.****

Mr. Woodville indicated that next workshop is scheduled for June 5, 2014 at 10:00 a.m.; Supervisor Chiodo will be unable to attend. The next meeting is scheduled for June 19, 2014 at 9:30 a.m.

SIXTH ORDER OF BUSINESS

BUSINESS ITEMS

A. Consideration of Resolution 2014-4, Approving the District’s Proposed Budgets for Fiscal Year 2014/2015 and Setting a Public Hearing Thereon Pursuant to Florida Law

Mr. Woodville presented Resolution 2014-4 for the Board’s consideration. He recalled that the proposed budget was thoroughly discussed during the last workshop. Mr. Woodville advised that the “Insurance”, “IT support” and the landscape contract expenditures are subject to change. He referred to the \$172,530 “Roads (2018 project)⁸” line item, on Page 5, coupled with

the \$643,470 “Total infrastructure reinvestment” line item, on Page 4, the \$816,000 amount referenced in Supervisor Lawrence’s capital plan budget.

Supervisor Gaeta questioned how the District can project the landscape budget when the RFP process is pending. Supervisor Davidson pointed out that this is proposed budget; it is not the District’s final budget.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, Resolution 2014-4, Approving the District’s Proposed Budgets for Fiscal Year 2014/2015 and Setting a Public Hearing Thereon Pursuant to Florida Law for September 4, 2014 at 5:00 p.m., at this location, was adopted.

Supervisor Gaeta pointed out that the July workshop is scheduled for July 3. All Board Members confirmed their availability on July 3; the workshop date was not changed.

B. Capital Plan [TL]

This item was discussed during Item 5.C.

C. Continued Discussion: Frequency of Vehicle Registration

Supervisor Davidson recalled discussions regarding whether the District will continue to require annual updates of vehicle registration information in order for residents to retain their GADs. He suggested suspending the requirement and tying this to general reregistration every three years.

Discussion ensued regarding the ongoing debate regarding the frequency of vehicle registration requirement. Supervisor Davidson pointed out that the resident who is refusing to provide his vehicle registration documentation warned the Board that he will contact attorneys and the IRS and launch very expensive lawsuits against the District.

Mr. Clark felt that the District’s position is well documented and defensible; while CDDs must keep the roads public they are allowed to have gate houses. He explained that the District is not required to provide a GAD to anyone; GADs are a convenience.

Supervisor Davidson asked if Mr. Clark spoke to the party that claimed, on behalf of a City or County official, that it is illegal for the District to ask for copies of vehicle registrations.

Mr. Clark indicated that he spoke to the Sheriff’s deputy involved in the situation who had no information about it being illegal for the District to ask for registrations; the claim was

made by a City code enforcement employee. He called the person; however, she has not returned his call and was later informed that she is taking time off of work. Mr. Clark noted that a package was delivered to Supervisor Davidson containing copies of pages from Chapter 316; however, upon review, Mr. Clark found nothing in those pages that applied to the situation.

Supervisor Gaeta summarized that a single Grand Haven resident is attempting to bully the Board into abandoning the entire process.

Supervisor Lawrence agreed with Supervisor Gaeta but wondered if “discretion is the better part of valor”. He noted the individual’s disposition and suggested that the Board waive the policy and reactivate his GAD.

Supervisor Davidson noted that the Flagler County Sheriff will not comply with the requirement because his vehicle is a County vehicle; a special exemption will be granted to the Sheriff.

Supervisor Davidson stated that the resident alleges that he is being prevented from entering the North and South Gates because the callbox system is not working and the guards will not open the gate simply by someone claiming to be a resident. He voiced his understanding that this scenario is accurate.

Mr. Clark confirmed that the District meets its public access obligation by having at least one gate where a person can enter; the resident can utilize the Main Gate. In response to Supervisor Lawrence’s question regarding the District’s potential cost to defend itself, Mr. Clark noted that the last case cost \$200,000.

Supervisors Chiodo, Smith and Gaeta favored not changing the current policy.

Mr. Gene Baldrate, a resident, suggested that the District maintain the existing policy but waive the requirement for the individual one resident.

Supervisor Lawrence favored exempting the resident because of the potential cost if a lawsuit is filed against the District.

The consensus of a majority of the Board was to not allow exceptions; the GAD will remain deactivated.

D. Continued Discussion: Best Management practices for Storm Water Detention

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

Supervisor Davidson noted that Item 6.E. will be tabled to the next workshop. Supervisor Lawrence requested that today’s meeting be continued so that the Board can make a

decision on the matter. It was noted that Supervisor Chiodo will not be at the next workshop and a suggestion was made to table the item to the next meeting, on June 19.

This item was tabled.

E. Authorize Publication of RFP for Landscape Maintenance Services

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

Supervisor Davidson presented the RFP for the Board’s consideration.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, approval of the RFP for Landscape Maintenance Services and authorizing publication of the RFP, were approved.

Mr. Howden noted that the detention pond discussion, which was tabled, there was an exception for maintenance of Bahia grass around the outfalls. He questioned if that provision was included in the RFP. Supervisor Davidson indicated that the RFP information will be verified.

F. Discussion: Tow Away Policy

- **Determine Parties Authorized to Initiate Tow**

Mr. Kloptosky read an email from Ms. Victoria Kane:

“Per your request I have contacted the Sheriff’s Office and John’s Towing to verify how the tows will be called in. Since the signs are going onto private property parking lots, the Sheriff’s department will not call for towing for any reason, per Ashley at the Palm Coast precinct.”

Mr. Kloptosky stated that Ms. Kane spoke to John’s Towing and was informed that they do not do “roaming towing”, which means that they do not drive through neighborhoods and tow vehicles without being called. He indicated that someone must call John’s Towing and provide the make and color of the vehicle to be towed.

The Board agreed that, Monday through Friday, Mr. Kloptosky should initiate towing. The Amenity Manager can initiate towing on weekends, with the Field/Operations Manager’s prior approval.

Ms. Rolla recalled bringing up the matter the “easement” and was told that it would be discussed later in the meeting. Supervisor Davidson indicated that it is a complicated issue. In

response to Ms. Rolla's question, Supervisor Davidson directed her to contact the District Manager's office to receive a copy of an email explaining the situation. It was suggested that the information be posted on the District's website.

- **Authorize Overnight Parking in District Lots**

Supervisor Davidson explained that the District has an issue with overnight parking its parking lots. He stated that the Board must determine who will be allowed to park overnight, in a District parking lot, which parking lots or spaces can be used and the circumstances for allowing it. He suggested limiting the number of vehicles allowed to park overnight and establishing a time in the morning for which the vehicle must be moved from the parking lot.

In response to Supervisor Gaeta's question, Supervisor Davidson clarified that the overnight parking parameters would apply to both residents and guests. Supervisor Chiodo pointed out that the resident must request permission for their guests to park overnight in a District parking lot. It was noted that decisions must be made regarding parking for oversized vehicles.

In summary, the following policy determinations must be made regarding overnight parking in District parking lots:

- ✓ Who will be allowed to park overnight?
- ✓ Which parking lots and/or spaces will used for overnight parking?
- ✓ Under what circumstances will residents and/or guests be allowed to park overnight?
- ✓ How many vehicles will be allowed to park overnight in each parking lot?
- ✓ At what time in the morning must the overnight vehicle be removed from the parking lot?

This item will be included for discussion at the next workshop.

G. Discussion: Candidates Night

- **Determine Participants (CDD, City, County)**

Supervisor Lawrence voiced his opinion that there is no need for the District to hold a "Candidate Night" that includes City and County candidates, as there are plenty of them put on by other entities. It was noted that a CDD "Candidates Night" will not be necessary if all of the candidates are unopposed.

Supervisor Davidson suggested holding the "Candidates Night" in October, in the evening.

Supervisor Smith supported including City and County candidates. He suggested a “Meet the Candidates” format with no formal presentations or speeches.

Supervisor Davidson summarized that the District would hold a “Meet the Candidates” night for City and County candidates and, if necessary, a formal “Candidates Night” could be held if any of the CDD candidates are running opposed. Supervisor Lawrence asked that school board candidates be included in “Meet the Candidates” night.

The Amenity Manger will schedule and arrange the “Candidates Night”. CDD, City, County and school board candidates will be invited to attend in a “meet and greet” format; candidate speeches will not be permitted.

H. Discussion: Inconsistency with 30-Day Passes for Out of County Guests

This item was deferred to the next workshop.

I. Update: Keeping Grand Haven Grand Phase 3 [SD]

This item was not discussed.

▪ **Pickleball Courts**

Discussion of the pickleball courts resumed.

Regarding fencing for the pickleball courts, Mr. Kloptosky indicated that he must research the first proposal to determine whether fencing is included in the proposal. He stated that the second contractor included the fence; however, that proposal was approximately \$8,000 more than the first.

Supervisor Smith recommended approving installation of the pickleball courts, including fencing.

Discussion ensued regarding an “adequate” approval amount to include installation and fencing. Mr. Kloptosky indicated that the second proposal was \$33,880, which included an 8’ fence; it did not include landscape removal, irrigation removal or repairs and permitting.

On MOTION by Supervisor Chiodo and seconded by Supervisor Gaeta, with all in favor, the proposal for installation of a pickleball court at The Village Center, including a fence, in a not-to-exceed amount of \$35,000, was approved.

This item was not discussed.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

Supervisor Davidson indicated that the Firewise project is approximately three-quarters complete; the crew has made significant progress. He reported that the crew recently commenced work in another village and encountered some residents who physically obstructed their work. Those residents informed the crew that they do not want the Firewise crews to remove any vegetation from behind their homes. The crew performed work to create a firebreak, meaning they “went behind” but left vegetation in the front. Supervisor Davidson noted that the Florida Forest Service (FFS) advised him that, if the saw palmettos remain, their firefighters will not fight a fire behind those homes, as it would be life threatening. FFS further advised that indemnification will be necessary, if they are unable to complete the required work due to uncooperative residents. Supervisor Davidson indicated that the research will be necessary to determine the boundary lines between the residents’ and CDD’s properties. He stated that the residents were upset that they were not informed, in advance. It was reported that one resident was “foul-mouthed and nasty and uncivil” to a CDD staff member. Supervisor Davidson noted that some residents believe that the property is theirs and also contend that the appearance is “horrible”.

Supervisor Davidson summarized that, if the crew is not allowed to complete the necessary work, the District could face liability. Furthermore, if those areas are not cleared, FFS or someone else could turn the District in to the City on a code violation. He suggested that the Board make the statement that:

“The Florida Forest Service project, with the authority of the St. Johns River Water Management District, has the right and obligation to do wildfire mitigation up to our property line.”

Supervisor Davidson discussed resident attitudes to which he and Mr. Kloptosky have been subjected to, regarding this matter, and asked for the Board’s support.

It was noted that it might be necessary to mail letters to the particular residents.

Mr. Clark indicated that this situation cannot occur and, on a case-by-case basis, a “cease and desist” letter can be mailed to residents who interfere or obstruct work being completed on

the District's property. The letter would advise the resident that they are trespassing on CDD property and advise them to stop those actions.

On MOTION by Supervisor Lawrence and seconded by Supervisor Smith, with all in favor, Board Member support the Florida Forest Service's efforts to complete all required work, on CDD property, was approved.

NINTH ORDER OF BUSINESS

ADJOURNMENT

Discussion ensued regarding whether today's meeting would be continued, for the purpose discussing the pond banks. Supervisor Lawrence believed that the meeting should be continued to June 5. It was noted that Supervisor Chiodo will be unable to attend on June 5.

The Board agreed that today's meeting will not be continued.

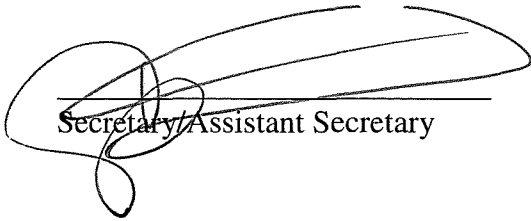
Mr. Kloptosky reported numerous incidents, recently, involving residents who are calling the CDD office and "cursing out" the staff. He asked Mr. Clark if staff can place the caller on speaker mode and record the call. Mr. Clark indicated that staff must first obtain the caller's consent to be recorded. Mr. Kloptosky asked what staff can do. Mr. Clark advised that staff can inform the resident that the telephone call will be recorded. Mr. Kloptosky questioned if informing the resident is sufficient or whether the resident must consent to being recorded. Mr. Clark urged caution when recording a call as it is a third-degree felony to record someone without consent.

Mr. Kloptosky stressed that the situations are "out of control". Mr. Clark recommended that staff complete an incident report. Mr. Kloptosky contended that, with a call, there is no proof and incident reports "go nowhere". Mr. Kloptosky asked if staff can hang up on callers. Mr. Clark suggested that staff inform the caller that "the District's rules and procedures forbid them from speaking to them this way so they are going to terminate the conversation". Supervisor Gaeta suggested adding "If you want to continue this, please come to the office.". Mr. Clark confirmed that signage in the CDD Office enables staff to record residents and visitors.


There being no further business to discuss, the meeting adjourned.

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

Following adjournment, Mr. Kloptosky reported that the first proposal for the pickleball court is “turn-key”, it includes installation of the court, an 8’ fence and excavation; it does not include permitting fees and landscape removal. He advised that the proposal was \$25,400.



Secretary/Assistant Secretary



Chair/Vice Chair