

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

A Community Workshop of the Grand Haven Community Development District's Board of Supervisors was held on **Thursday, November 7, 2013 *immediately following the Continued Regular Meeting*** at **10:00 a.m.**, at the **Grand Haven Village Center, Grand Haven Room, 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
Ray Smith	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Howard McGaffney	Wrathell, Hunt and Associates, LLC
Scott Clark (<i>via telephone</i>)	District Counsel
Barry Kloptosky	Field Operations Manager
Robert Ross	Amenity Management Group (AMG)
Joe Montagna	Amenity Management Group (AMG)
Jim Cullis	Grand Haven Realty
Patrick Leahy	General Manager, Escalante Golf
Al Lo Monaco	Resident
Ron Merlo	Resident
Rob Carlton	Resident
Diane Layng	Resident
Rob Hopkins	Resident
Carol Penrose	Resident
Gary Noble	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Wrathell called the workshop to order at 11:26 a.m., and noted, for the record, that all Supervisors were present, in person.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited at the beginning of the Continued Meeting.

THIRD ORDER OF BUSINESS

UPDATES: General Counsel

A. Pump House Agreement/Repairs

******This item, previously Item 3.B., was presented out of order.******

Mr. Clark indicated that he mailed a letter to Hampton Golf, with a copy to Escalante Golf (Escalante), and Hampton Golf’s attorney contacted him immediately. Hampton Golf’s position was that they assigned their interest in the pump house agreement to Grand Haven Golf, which was the Crescent Resources entity. Hampton Golf provided a copy of the assignment and assumption. The attorney believes that a similar document was executed by Escalante and that Escalante assumed the obligations, under the pump house agreement.

Mr. Clark stated that Escalante has not responded.

Supervisor Davidson reported that Mr. Patrick Leahy, of Escalante, contacted him; he will arrive at today’s workshop at about noon. Mr. Leahy will speak about Escalante’s due diligence, regarding the pump house. Supervisor Davidson stated that Mr. Leahy acknowledged that Escalante bears 75% of the repair costs.

Mr. Clark asked if Escalante plans to repair the pump house themselves. Supervisor Davidson believes that Escalante plans to complete the repairs. Mr. Clark suggested determining if Escalante wants the District to assume maintenance, once the repair project is completed. Supervisor Chiodo indicated that he is not comfortable with turning the maintenance responsibilities over to Escalante because the District owns the asset. Mr. Clark voiced his agreement.

Supervisor Davidson recommended pursuing the maintenance agreement so that the District can become the party responsible for maintenance. The Board agreed. Supervisor Gaeta asked if the agreement should be retitled “Amended”. Mr. Clark believes that the agreement could be “amended” if the District can establish that Escalante assumed it but documentation would be necessary. Mr. Clark advised that he approached this as a new agreement. Supervisor Smith preferred implementing a new agreement and not tying into the history of the pump house. Mr. Clark agreed that there is nothing to gain by amending the old agreement.

******Supervisor Chiodo left the workshop at 11:35 a.m.******

Mr. Clark indicated that he will send the agreement to Escalante, once Supervisor Davidson provides him with contact information for the Escalante representative.

B. Pier Adjacent to Golf Club

******This item, previously Item 3.A., was presented out of order.******

Supervisor Davidson reported hearing that surveyors were recently on site. Mr. Clark indicated that he expects to receive the deeds within the next week. Mr. Clark added that the developer will pay the taxes.

Regarding the lot with an easement issue, Supervisor Davidson asked if the District has the authority to use the easement in the way it was constructed. Mr. Clark replied affirmatively and indicated that he contacted the property owner but has not heard from her. Mr. Clark stated that it is an access easement and was constructed a long time before the property owner acquired the property. In response to Mr. Clark's comment, Supervisor Davidson voiced his belief that the pathway is an access path to the pond. Mr. Clark indicated that he advised the property owner to build around the easement. Mr. Clark noted that the property owner wanted a maintenance agreement from the District; however, he does not believe that the District has a maintenance obligation. Mr. Clark further stated that the owner wanted an indemnity agreement from the District but he feels that is not necessary. The owner asked about landscaping and Mr. Clark advised the owner that landscaping is her responsibility.

*****Mr. Clark left the workshop.*****

Noting Escalante's belief that the pump house repairs will cost \$100,000, while the District's estimate is \$57,000, Supervisor Lawrence suggested requiring Escalante to submit its list of repairs to Mr. Kloptosky.

FOURTH ORDER OF BUSINESS

UPDATES: Amenity Manager

A. Clarification of Policy: Retail/Commercial Promotions at CDD Community Sponsored Events

This item was discussed during the Sixth Order of Business.

B. Tow Signage

This item was discussed during the Sixth Order of business.

FIFTH ORDER OF BUSINESS

UPDATES: Field/Operations Manager

Mr. Kloptosky distributed a recap of expenditures that could be charged back to Fiscal Year 2013. He indicated that there were no additional projects, only adjustments to the amounts. He reported that the Café A/C amount was finalized and was adjusted. He reviewed the completed projects and noted that he hoped to apply all of the costs to Fiscal Year 2013; however, some projects were not completed in Fiscal Year 2013 and must be applied to Fiscal

Year 2014. Mr. Kloptosky explained that the deposits for the projects in progress are reflected in the Fiscal Year 2013 total and the balance of the project costs are included under the Fiscal Year 2014 projected costs. He indicated that the total for Fiscal Year 2013 was \$57,482.40. The remaining costs for the projects in progress, which will be billed in Fiscal Year 2014, are \$89,036.60. The projects approved in Fiscal Year 2013 but slated to commence in Fiscal Year 2014 are estimated to be \$144,000 to \$164,000. The total anticipated project expenditures for Fiscal Year 2014 total between \$233,036.60 and \$253,036.60.

Mr. Wrathell referred to a “budget to actual” spreadsheet for Fiscal Year 2013, which was distributed earlier and noted that \$252,682 was budgeted for “general infrastructure replacement/repair”; however, the “Actual Unaudited” expenditures were \$265,874. Mr. Wrathell explained that checks were cut for work that Mr. Kloptosky expected to be completed in Fiscal Year 2013, which was not completed. Mr. Kloptosky indicated that some projects were started or deposits were paid but completion of the work did not occur in Fiscal Year 2013. Mr. Wrathell clarified that Mr. Kloptosky will return checks totaling approximately \$44,180; those checks will be cancelled, meaning, the \$265,874 amount will be reduced by \$44,180, bringing the amount to \$220,994.

Mr. Wrathell stated that, although the final determination is made by the auditor, the District is expecting to be under budget for “General infrastructure replacement/repair” for Fiscal Year 2013.

Mr. Wrathell reviewed the other expenditures, noting that the District was under budget in several categories. He summarized that, for these categories, the District under budget variance is \$179,000. The other general fund expenditures were under spent by \$122,573. Overall, the District will have a positive \$315,000. Mr. Wrathell recalled that the District planned to repay \$160,000 to its reserves, which would result in an adjusted positive balance of \$154,000. He advised that the expenditures are current, as of November 5, 2013; however, the auditors might choose to accrue additional costs to Fiscal Year 2013. He summarized that, after the District repays its reserves, it will have approximately \$154,000 to roll into Fiscal Year 2014 for capital projects.

Supervisor Lawrence suggested that the \$154,000 could be put into the road reserve, in effect, reducing the budgeted \$195,000 amount by \$154,000.

Mr. Wrathell stated that, if the Board contemplates spending money, it must create an expense category for the item versus just saying the expense will come from the reserves and not

having an offsetting expense category. He indicated that \$300,000 is designated for road reserves. Mr. Wrathell discussed completing a budget amendment and recommended that the \$154,000 be placed in “Unreserved fund balance”.

Supervisor Smith pointed out that, with the addition of the \$154,000 to the Fiscal Year 2014 budget, the District’s anticipated over budget expenditures will be reduced to approximately \$125,000, for Fiscal Year 2014. Supervisor Smith questioned if the District wants to utilize reserves to offset the shortfall.

Discussion ensued regarding whether the \$154,000 reserve funds should be designated for roads. Supervisor Gaeta questioned how the Board arrived at \$195,000 for the road repairs, including the Sailfish Drive project. Supervisor Lawrence indicated that the Board arrived at the amount by allocating \$195,000 each year, until 2019, followed by approximately \$300,000 per year, to accumulate \$6 million, over the next 15 to 20 years, for road repairs.

Supervisor Smith summarized that, as Fiscal Year 2013 is closed, the \$154,000 rolls over into the Fiscal Year 2014 reserves; therefore, the question is whether the Board wants to use \$125,000 of the reserves to offset the anticipated \$125,000 over expenditures for Fiscal Year 2014.

Mr. Wrathell indicated that the District already repaid the \$161,000 owed to the reserves; the \$154,000 in fund balance could be allocated to cover the \$125,000 over expenditures. In response to Supervisor Lawrence’s question, Mr. Wrathell confirmed that an additional \$154,000 is available after paying back the \$161,000. Mr. Wrathell stated that the Board could amend its “Infrastructure reinvestment”, increasing the amount by \$124,000 and show “Unreserved fund balance” as the offset.

Regarding the 2014 Capital Improvement Plan (CIP), Supervisor Lawrence pointed out that he included an additional \$12,000 to complete the other two-thirds of the pool deck drain repairs, as the original quote was only to repair one-third.

*****The workshop recessed at 12:08 p.m.*****

*****The workshop reconvened at 12:17 p.m.*****

A. Front Street Parking

This item was discussed during the Sixth Order of Business.

B. Update: Sailfish Drive Storm Drain Project

Mr. Kloptosky recalled that the City originally agreed to allow the District to plant additional trees in other parts of the community, as the removed trees would be replaced with

smaller trees. He indicated that the City subsequently rescinded approval on the grounds that the construction documents do not allow it. Mr. Kloptosky stated that he requested the construction documents but has not received them. He noted that the District Engineer spoke with the City. Mr. Kloptosky concluded that the City is “full of it”; he believes that there are ways to work this out.

Mr. Kloptosky indicated that the project bids were due October 28, 2013. He received an email from S.E. Cline Construction (Cline) on October 25, 2013, informing him that Cline was not bidding on the project. Cline advised Mr. Kloptosky that they were not bidding due to the time frame of the work and because of their heavy workload; they would not be available to commence work for five (5) to six (6) months. Mr. Kloptosky stated that, with Cline not bidding, only one (1) bid was received, which was from the contractor recommended by the District Engineer. The Besch & Smith Civil Group, Inc. (Besch & Smith), bid was \$191,000, which is beyond the figures previously discussed, based on Mr. Kloptosky’s conversations with Cline.

Supervisor Davidson asked if this effectively eliminates the project for now.

Mr. Kloptosky stated, in fairness to Besch & Smith, that he reviewed their bid extensively and found that it is likely higher because they considered all possibilities of things they might encounter, including sewage lines, etc. He indicated that Besch & Smith wanted to avoid coming to the Board with change orders so they planned for the worst-case scenario. Mr. Kloptosky speculated that Cline already knows the District’s infrastructure and knew that those things would not be issues.

Mr. Kloptosky advised against completing the project with only one (1) bid; it should be rebid. He stated that he will contact Cline, if the Board chooses to go out to bid on the project in a few months.

Mr. Smith asked the amount of Cline’s bid. Mr. Kloptosky reiterated that Cline did not submit a bid; they previously supplied a budget estimate of approximately \$52,000, plus costs for road repaving, for a total of about \$80,000 to \$90,000.

Mr. Wrathell noted that development is picking up and contractors, such as Cline, will likely be busier and busier.

Mr. Kloptosky pointed out that Cline’s cost estimate was based on a conceptual drawing and additional specifications were added to the bid specifications; the bid documents were

different from what Cline worked from to develop the cost estimate. If they bid in the future, Mr. Kloptosky does not expect Cline’s figures to be the same as the cost estimate.

Noting that construction companies are getting busier, Supervisor Lawrence suggested trying to locate another contractor that will be in line with Cline’s price.

Mr. Kloptosky indicated that this project did not go through the normal bid process, as it was below the required threshold; therefore, he believes that the District has the right to reject the bid and start over. Mr. Kloptosky stated that he will contact Cline to determine when they might be available, if the Board decides to start over on the bidding process. He will also research other contractors.

All Supervisors supported suspending the Sailfish Drive project, pending rebidding, and rejecting the bid received from Besch & Smith.

Supervisor Davidson stated that Management should inform Besch & Smith that the Board rejected all bids and that the project will be rebid in the future.

In response to a resident question, Supervisor Davidson confirmed that the tree portion of the project will also be on hold, as the entire project is on hold.

SIXTH ORDER OF BUSINESS

DISCUSSION ITEM

A. Revised CIP [TL]

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

Brief discussion ensued regarding the budget and Supervisor Lawrence’s CIP data.

Supervisor Lawrence indicated that he compiled the list of “Expected FY 2014 Capital Needs” based on the District’s 10-Year Plan, not including roads, which were identified to be completed in Fiscal Year 2014. He noted that the Board must begin prioritizing the list. Supervisor Lawrence pointed out that the list is extensive and all of the projects involve Mr. Kloptosky; therefore, the Board needs to know how much Mr. Kloptosky and his staff can manage during the year.

▪ **Clarification of Policy: Retail/Commercial Promotions at CDD Community Sponsored Events**

****This item, previously Item 4.A., was presented out of order.****

Supervisor Davidson recalled discussion at previous meetings and the Board’s decision not to allow any type of retail or commercial promotions or activities to occur at CDD

community sponsored events. He explained that the current matter is different, as Mr. Jim Cullis, of Grand Haven Realty, will be renting the facility for his event.

Mr. Cullis stated that tonight's event is sponsored by Grand Haven Realty. He explained that, once each quarter, he plans an event for Grand Haven residents to promote awareness of Grand Haven Realty's presence in the community. The event tonight is a presentation about African safaris. Food and drinks will be served and, as part of the presentation, a safari will be given away.

Mr. Cullis discussed his company's presence in the community and the Architectural Review Board (ARB). He noted recent complaints that all the homes look the same, which spurred him to invite local builders to develop new designs. An event will be held in two (2) weeks to give people the opportunity to meet the builders and see the new designs.

Mr. Cullis indicated that he owns five (5) lots in Grand Haven; he is a property owner. He would like the GHMA to send an e-blast regarding the event in two (2) weeks.

Supervisor Davidson asked if these events are targeted to Grand Haven residents, not outsiders. Mr. Cullis stated that prospective residents would be invited to attend. Supervisor Davidson asked if the names of nonresidents would be known in advance and if they could be provided to the guard gate. Mr. Cullis replied affirmatively.

Supervisor Smith had no objection to the matter; however, he wished to refine it. He noted that the proposed events have a commercial element; he wants this type of matter to be classed by a resident sponsored event and a purely commercial event. He suggested that the two (2) categories carry different rental rates, with the commercial rental being significantly more.

Supervisor Smith asked if the CDD "gets a cut" of the rental fee. Mr. Ross indicated that all of the rental fee belongs to the CDD. Supervisor Smith feels that events should not interfere with any CDD events or activities. In response to a question, Mr. Ross indicated that the rental rate is \$100. Supervisor Lawrence suggested setting the rental rate at \$400 for a nonresident and/or commercial renter. Supervisor Gaeta asked why the District would consider renting to someone who does not own property in the CDD; she disagrees with renting to any nonresidents. Supervisor Gaeta questioned why Mr. Cullis cannot entertain at his own office. Supervisor Gaeta stated that capacity must be limited, if an event is held.

Supervisor Lawrence voiced his agreement with the other Board Members' comments.

Mr. Ross read Rule 22, which states "Commercial advertisements shall not be posted or circulated in the amenity facilities. Petitioners' posters or promotional material shall not be

originated, solicited, circulated or posted on amenity facilities property unless approval in writing from the amenity manager.” Mr. Ross voiced his preference that the decision be Mr. Kloptosky’s, not his.

Supervisor Gaeta reiterated her belief that only residents should be able to rent the facility.

Mr. Ross read Rule 23, which states “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 these activities which involve, in any way, the profession of goods or services for compensation.”

Supervisor Gaeta questioned if written approval was obtained for Mr. Cullis’ event scheduled for tonight. Supervisor Davidson replied no but it could be obtained for the next event. Mr. Kloptosky stated that tonight’s event was approved by email because of the time sensitive nature.

Supervisor Smith pointed out that the District has an asset that could generate money; for instance, they might be able to rent it to an outside person for \$1,000, which could pay to resurface the floor or make other improvements. He acknowledged that rental to outsiders probably should not occur frequently; however, the Board might want to capitalize on the opportunity to generate income from it. Supervisor Smith recalled trying to get the Board’s approval to allow advertising in the Oak Tree publication. Mr. Ross was successful and, as a result, the Oak Tree is larger, multi-colored and is more professional because of the revenue stream that was not previously available. He surmised that completely cutting off renting to outsiders limits the District.

Supervisor Gaeta voiced her opinion that resident assessments pay for the amenity facilities. She fears that, once rental is opened up to outsiders, the Board will face a lot of backlash from residents. Supervisor Gaeta strongly disagreed with Supervisor Smith’s position. She acknowledged that resident real estate agents could still rent the facilities; however, rental should not be open to the “surrounding world”.

Mr. Wrathell observed that Mr. Cullis’ rental was already approved. Regarding the “big picture”, he noted that any resident has the right to rent the facilities. He suggested that an outsider who wishes to rent the facilities could be required to come before the Board to seek approval. Mr. Wrathell felt that the Board could develop a fee schedule for outsiders to rent the facilities, depending on the intended purpose.

Supervisor Smith asked if people will be allowed to rent the gazebo.

Supervisor Gaeta asked how many parking spaces the facility has.

Supervisor Smith reiterated his question regarding whether the gazebo could be rented.

Supervisor Davidson asked that the subject of the gazebo not be discussed at this time.

Supervisor Gaeta reiterated her question regarding the number of parking spaces.

Supervisor Lawrence voiced his belief that a nonresident has ever rented the facilities for commercial activities. All were in agreement. Supervisor Lawrence noted that makes this a discussion about a hypothetical situation that has never occurred.

Mr. Cullis stated that he holds events within the District because he feels that they are good for the residents and support the Village Center.

Supervisor Davidson recalled that Mr. Ross wants the Field Operations Manager included in Rules 22 and 23. Mr. Kloptosky suggested that the District Manager be included, as well. He noted that these changes would require a public hearing to amend the Amenity Rules. The next item is whether to allow residents to rent the room for commercial purposes, which the Board already agreed to allow. The question now is whether nonresidents will be allowed to rent the room for commercial purposes. Supervisor Davidson believes that these decisions must be voted on at the next board meeting, when the Board can set policy; they do not need to be part of the Amenity Rules. He suggested allowing Mr. Cullis to proceed and the Board can "firm up" its position at the next meeting.

Mr. Wrathell reiterated that the District has no obligation to allow a nonresident to use its facilities. The current rules state that, if a nonresident wants to use the facilities, they must purchase a membership; however, he believes that the Board has discretion to decide, on an event by event basis, whether an outside party will be allowed to rent the facility. Mr. Wrathell favors leaving rental opportunities open, as it could be profitable to the District.

Supervisors Davidson and Gaeta strongly disagreed with Mr. Wrathell's comments and suggestions. Supervisor Davidson feels that it would create security issues. Mr. Wrathell questioned why the Board is discussing this matter or wants to discuss it at the next meeting if those are already the feelings of the balance of the Board. Supervisor Davidson believes it should be discussed at a meeting because he "might be wrong"; Mr. Smith is in favor and Mr. Chiodo is not present. Supervisor Lawrence stated that he would entertain rentals to outsiders on an exception basis. Supervisor Gaeta believes that District Counsel should be in attendance

during the discussion. Supervisor Davidson stated that the current rules contain checks and balances for situations where a resident wishes to rent the facilities for a commercial purpose.

Mr. Kloptosky asked if he, Mr. Wrathell and Mr. Ross would work out the advertising.

Supervisor Davidson indicated that the e-blast system was defined to be “for the benefit of residents for activities, resident driven or informational purposes”; the CDD system was to have nothing related to commercial activities.

Supervisor Davidson wished to discuss use of the AMG e-blast system for a resident driven commercial activity. Supervisor Smith had no objection to the AMG e-blast system for resident driven commercial activity. Supervisor Gaeta recalled that residents chose whether to receive e-blasts from the CDD and/or AMG and she believes that commercial e-blasts, even through the AMG system, are solicitation. Supervisor Lawrence stated that Mr. Clark should provide an opinion of whether AMG’s e-blast system constitutes public use of potentially private or confidential information. This item will be discussed at the next meeting.

Supervisor Lawrence pointed out that the term “commercial purposes” is defined as “those activities which involve, in any way, the provision of goods or services for compensation”. He argued that Mr. Cullis’ event does not qualify as a commercial purpose; it is the opportunity to view new home designs. Supervisors Davidson and Gaeta contended that it is an opportunity to buy a house.

Mr. Cullis stated that he knows his rights, as the declarant, under the GHMA documents and that he has rights, as a property owner; however, he suggested that Mr. Clark should give an opinion regarding whether he, as the declarant, has certain rights to use of the CDD facilities that exceed the rights of regular residents. Supervisor Gaeta reiterated that residents completed a form regarding whether they want to receive information via e-blast. Mr. Cullis voiced his understanding of “protections” when communicating by email or telephone; however, the question is whether he has the right to be placed or posted on the community calendar at The Village Center, so that people will know of the event. Supervisor Davidson asked Mr. Cullis to email his request to the District Manager so that it can be forwarded to Mr. Clark. Mr. Cullis agreed. Supervisor Gaeta contended that the policy does not permit commercial advertisement. Supervisors Davidson and Lawrence agreed that Mr. Cullis has the right to inquire about his rights, with District Counsel rendering an opinion.

Supervisor Smith asked about the AMG emails sent by Mr. Ross, advertising specials at the café. Supervisor Davidson clarified that those e-blasts are from AMG’s e-blast system.

Supervisors Smith and Lawrence voiced their belief that those emails are related to a commercial activity. Supervisor Gaeta conceded that it is for a commercial activity but it is through the District's commercial contractor.

Supervisor Lawrence suggested that the questions should be asked from the perspective of the declarant and of a resident. From the resident perspective, can a resident who starts a small business post related information on the bulletin board. Supervisor Davidson asked Supervisor Lawrence to develop questions from the resident perspective to forward to Mr. Clark.

▪ **Pump House Repairs – Escalante Golf**

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

Supervisor Davidson introduced Mr. Patrick Leahy, General Manager, Escalante Golf (Escalante). He asked Mr. Leahy to discuss the pump house.

Mr. Leahy acknowledged the concern regarding the well-being of the pump house; he stated that the concerns are well-founded and Escalante has the same concerns. Escalante is completing investigations on repairing the pump house, along with continued maintenance. Mr. Leahy voiced his understanding that the company responsible for maintenance did not complete the required maintenance. He advised that Escalante brought in several contractors to review the pump house facility, discussed the city's concerns with the city and concluded that the major items to be addressed are the skid plate that mounts the equipment, as well as the electrical panel for all of the controls. Mr. Leahy explained that several contractors were consulted regarding first rebuilding the skid plate. Escalante has approached this systematically to spend money wisely, build and/or rebuild; however, they have not developed an exact plan. He stated that Escalante is in the process of gathering bids; the question remains whether it will be a complete or systematic rebuild.

Mr. Leahy noted that, since Escalante bears 75% of the expense, they want to do their due diligence in determining how to approach the project.

Mr. Leahy indicated that the pump seals are on a month-to-month maintenance schedule; in the past, the main seals on the pump house have not been good and were spraying water. This is not a major expense but it must be addressed periodically. He stated that water collection was investigated to avoid standing water in the building. The building was evaluated, with safety being the primary concern over aesthetics.

Mr. Leahy advised that he would like to have open conversation or access to a Board Member that he can discuss these matters with. Supervisor Gaeta pointed out that Mr. Kloptosky

is the primary contact person. Mr. Leahy asked if Mr. Kloptosky can make decisions, on behalf of the Board. Supervisor Gaeta replied no but stated that Mr. Kloptosky reports to the Board the Board. Mr. Wrathell explained that the Board, as a whole, makes decisions, as opposed to an individual Board Member making the decisions. Supervisor Davidson confirmed that Mr. Kloptosky is the technical person to discuss this with; he will present the information and make recommendations to the Board.

Supervisor Davidson asked the names of the contractors contacted by Escalante. Mr. Leahy could not recall but noted that not many contractors specialize in this type of work.

Mr. Lawrence pointed out that Mr. Leahy did not mention the pipes, which are rusting. The Board is also concerned that the thickness of the walls is diminishing, which could result in a “blowout”.

Mr. Leahy indicated that they will perform a “pipe sounding” to determine the integrity of the pipes; this is part of the bidding process and of the systematic approach that Escalante is utilizing to prepare for the project.

Supervisor Lawrence stated that the bottom of the building is eroding and voiced his belief that water and rodents will enter. He asked Mr. Leahy about Escalante’s feeling on fixing the corrosion on the outside of the building.

Mr. Leahy clarified that the standing water he referred to was from the pumps. He indicated that the pump house needs to have an enclosure that does not allow people to walk into it; it does not need to be a solid building, it could be a roof with a fence around it. Mr. Leahy stated that this could fall under the scope of determining whether the building needs to be repaired; how it must be repaired is being investigated.

Supervisor Lawrence asked if the enclosure must exclude animals. Mr. Leahy was unsure.

Supervisor Gaeta asked Mr. Leahy if he is aware that the District owns the pump house. Mr. Leahy replied affirmatively. Supervisor Gaeta stated that she does not support Mr. Leahy’s suggestion regarding the building, as the District has had issues with animals; she is concerned that the repairs and maintenance in the agreement with Hampton Golf were not completed. Supervisor Gaeta reiterated that the District owns the pump house and she believes that Mr. Kloptosky must be informed of any maintenance because Escalante’s plans might not conform to what the District wants.

Supervisor Smith voiced his understanding that Mr. Leahy and Escalante have evaluated this situation related to the pump house's critical function to the golf course and asked Mr. Leahy when he will have his plan ready to share with Mr. Kloptosky and the Board. Mr. Leahy indicated that he currently does not have a time frame. In response to Supervisor Gaeta's question, Mr. Leahy confirmed that he has comprehensive estimates.

Supervisor Davidson noted that Mr. Kloptosky obtained estimates, as well and wondered if they could share information.

Supervisor Davidson stated that the District is considering assuming maintenance of the pump house, once the repair project is completed. He advised that District Counsel is drafting a new maintenance agreement, going forward, and asked for contact information from Mr. Leahy, so that it can be forwarded to him.

Supervisor Davidson asked if written documentation exists detailing Escalante's responsibilities, during the transition from Hampton Golf and, if it exists, the Board wants a copy. Mr. Leahy advised that it is the same ownership change documents that the District has. Supervisor Gaeta indicated that the District does not have a copy of that agreement. Supervisor Davidson clarified that the Board wants a copy of the conveyance agreement from Hampton Golf to Escalante.

Supervisor Gaeta voiced her opinion that the issues are critical and time is of the essence.

Mr. Leahy stressed that he came to the Board in good faith and that Escalante wants to get the issues resolved. He pointed out that Escalante inherited many problems.

Supervisor Lawrence asked when Escalante can inform the District of its timetable. Mr. Leahy noted that Escalante's budget calendar is different than the District's. Mr. Leahy advised that this is the highest cost and prioritized item on Escalante's list; they would like to get something in place by the end of November. Mr. Leahy reiterated that Escalante knows that the pump house must be addressed and necessary repairs are being completed, in the meantime. Mr. Leahy noted that, at certain times, it makes sense to rebuild everything; however, sometimes, immediate needs must be addressed first. Mr. Leahy advised that Escalante is investigating alternate water sources, while work is being completed, such as a well that they can draw from. Discussion ensued regarding the well.

Supervisor Gaeta discussed the Board's schedule for December and January.

Supervisor Lawrence asked if \$100,000 is Escalante's target amount for repairs. Mr. Leahy replied no and clarified that no single contractor does a pump house reconstruction; the work is completed by many individual contractors, which can drive up the costs.

Regarding contact information, Mr. Leahy indicated that the District should contact Mr. Elcio Silva and Mr. Jeff Kindred.

- **Tow Signage**

****This items, previously Item 4.B., was presented out of order.****

Mr. Kloptosky reported that sample tow signage was sent to Mr. Clark; one (1) more sample is pending, as well as Mr. Clark's decision on which sign is appropriate. Once approved, the signs will be ordered. Signs will be installed at the north and south parking lots at both amenity centers.

- **Front Street Parking**

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

Mr. Kloptosky presented photographs of Chinier Street, the Firewise program and parking issues on Front Street. He recalled discussion of installing trees and other vegetation, at a cost of \$18,000. Mr. Kloptosky voiced his opinion that the area already looks better, naturally and there is no need to spend the \$18,000.

Mr. Kloptosky identified a problem with people parking on Front Street and presented many photographs. He confirmed that he spoke to the homeowners and vendors about the parking issues. Regarding whether to install signs or landscaping, Mr. Kloptosky voiced his opinion that something must be done to stop people from parking in that area.

Supervisor Davidson suggested obtaining and installing a St. Johns River Water Management District sign indicating that it is a conservation area and parking is not allowed. Supervisor Lawrence voiced his opinion that people will continue to park in that area, regardless of whether landscaping is added; no parking and towing signs should be installed. Mr. Kloptosky pointed out that there will be a lot of signs because towing signage must be placed every 25'. Mr. Kloptosky believes that boulders would solve the problem.

Regarding the pergola repairs, Mr. Kloptosky presented a letter he received from the new contractor. The letter provides an assessment of what was wrong and what was done to repair it, at a cost of \$1,700. Mr. Kloptosky stated that he will provide the information to Mr. Clark so that the District can pursue reimbursement from the original contractor. Supervisor Lawrence voiced his opinion that it is a waste of time and money for District Counsel to pursue this, as the

District would incur legal expenses. Supervisor Davidson asked if these are the only expenses. Mr. Kloptosky advised that, for now, it appears to be holding up and not leaking; however, they may choose to “flash the caps”, which would be an additional expense. Mr. Kloptosky wants to hold off a while longer to determine if more must be done. Mr. Kloptosky discussed the stain and a discoloration issue, which could further complicate the issues, along with reviewing numerous additional photographs.

Supervisor Lawrence asked if the Board approved the Chinier Street/Front Street project. Mr. Kloptosky believes that the Board did not vote on it. Supervisor Lawrence feels that the Board should vote on it. Supervisor Davidson voiced his desire to view the area and suggested that Ms. Leister develop a “less ambitious” plan. The Board confirmed that this should be included as an agenda item for the next meeting. Supervisor Smith also wants to view the area, as it is a “scar” that will likely heal itself within one (1) year.

Supervisor Lawrence recalled that \$50,000 is budgeted for vine removal and stated that he wants a detailed plan of where vines will be removed. Supervisor Davidson discussed upcoming evaluation of the community, from a Firewise perspective, developing the priorities and determining whether any of it can be wrapped in with the Florida Forestry Service’s work.

Mr. Kloptosky indicated that The Village Center spa was closed because the heater broke. He recalled that the heater is only a year or two (2) old and should have lasted longer; however, he noted that there was a chemical issue and chemicals pumped overnight, which might have caused the heater to prematurely fail. The cost to replace the heater was \$3,350. Mr. Kloptosky advised that AMG offered to pay 50% of the cost; the expense was shared.

Mr. Kloptosky reported that reregistration is at 90%, with 1,670 completed. A question was raised regarding when the signs can be removed. Supervisor Gaeta suggested leaving the signs up for the remainder of the year. Regarding those that have not reregistered, Supervisor Davidson noted that 160 are unregistered lots; of those, 121, or 76% are land, 20% are households and 4% are renters. Supervisor Smith favored removing the signs prior to the holidays. Supervisor Gaeta recommended leaving the signs up through November. The Board agreed.

A resident asked if, as a homeowner, he can rent the facility to hold a garage sale. He recalled that, several years ago, the GHMA prohibited garage and estate sales. Supervisor Davidson advised that a garage sale is an excluded function, under the CC&Rs. Supervisor

Smith pointed out that the question is regarding whether the District has a restriction on use when a resident rents the facilities.

B. Day Guests vs. Overnight Guest Pass Policy Draft

****This item, previously Item 6.A., was discussed out of order.****

Supervisor Smith pointed out that the “Guest Policy” only addressed “overnight guests”, not regular guests. Supervisor Davidson agreed and indicated that, due to the confusion between the types of guests, he prepared a fill in the blank type of worksheet, which the Board can review and discuss at the next meeting. Supervisor Davidson asked that this item be included on the next agenda.

C. Tai Chi [MG/BOS]

Supervisor Gaeta asked if the Board will also discuss amendments to the policies relative to resident and nonresident fee based instruction in the District. Supervisor Davidson replied affirmatively. In response to Mr. Wrathell’s question, Supervisor Davidson indicated that the agenda item should be titled “Resident Versus Nonresident Instructional Programs: Fee and Nonfee Based Use of Facilities”, rather than “Tai Chi” as it is on the current agenda.

D. Best Management Practices for GHCDD Stormwater Detention Pond Bank Plantings (RS)

****This item, previously Item 6.H., was discussed out of order.****

Supervisor Smith felt that this can be included with the consent agenda items for the next meeting. He noted that the Board approved Best Management Practices (BMPs) and voiced his belief that all language regarding replacement was removed; however, Mr. Clark advised that the District cannot do that. Supervisor Smith suggested prefacing it with “Where allowed by the village CC&Rs...” Under “Replacement”, on Page 2, the Board agreed to delete “by lot owner”.

Mr. Wrathell confirmed that this item, as amended, will be placed under “Consent Agenda Items” on the next agenda.

E. Cost Savings Analysis [BK]

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

Mr. Wrathell questioned why this item continues to be necessary, as Mr. Kloptosky has made several presentations and provided numerous handouts containing the information. Mr. Kloptosky believes that the additional information provided today will assist the Board Members in their evaluation of him.

F. Scheduling of Field Operations Manager Performance Review

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

Mr. Wrathell explained that it is not necessary to discuss Mr. Kloptosky's performance and review during a public meeting. The Board can forward their reviews to Mr. Wrathell, who will tally the results and implement the appropriate raise, retroactive to his anniversary date.

Mr. Kloptosky reported that he will lose his current health insurance policy beginning January 1, 2014. He stated that he was able to obtain a very similar policy for approximately \$500 per month less.

G. Community Emergency Response Team – CERT (for informational purposes)

*****This item, previously Item 6.F., was discussed out of order.*****

Supervisor Davidson indicated that the Master Association has a "Welcome Wagon" program. Since June 1, 2013, they visited 78 new residences. The "Welcome Wagon" kit includes information about CERT and encourages people to join.

H. Update: Keeping Grand Haven Grand Phase 2

*****This item, previously Item 6.G., was discussed out of order.*****

Supervisor Davidson advised that information will be included in the Oak Tree. Additionally, the information was split into three (3), easily readable parts, and will be e-blasted to residents. The first e-blast is about automobile registrations, the second is about rentals and the third covers general information.

Supervisor Davidson noted requests for a new "Community Information Directory".

Supervisor Gaeta felt that the new database will streamline the process. She hopes that the entire process can be brought "in-house", as she would not use the same printing company and no other local printers can do it. Supervisor Davidson suggested checking Vistaprint.

Supervisor Lawrence wants to discuss phasing from a hardcopy directory to electronic. Supervisor Gaeta indicated that it cannot be done. Supervisor Davidson recalled discussing it but Mr. Clark advised against an electronic directory. Supervisor Davidson asked that "Electronic Resident Directory" be included as a discussion item on the next agenda.

SEVENTH ORDER OF BUSINESS**UPDATES: District Manager**

- **UPCOMING MEETING/WORKSHOP DATES**
 - **BOARD OF SUPERVISORS MEETING**
 - **November 21, 2013 at 9:30 A.M.**

- **December 5, 2013 at 9:30 A.M.**
- **January 16, 2014 at 9:30 A.M.**

The next meetings will be on November 21, 2013, December 5, 2013 and January 16, 2014 at 9:30 a.m.

- **COMMUNITY WORKSHOP**
 - **February 6, 2014 at 10:00 A.M.**

The next workshop will be February 6, 2014 at 10:00 a.m.

EIGHTH ORDER OF BUSINESS

OPEN ITEMS

This item was not addressed.

NINTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS


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

TENTH ORDER OF BUSINESS


ADJOURNMENT

There being nothing further to discuss, the workshop adjourned at 2:12 p.m.

On MOTION by Supervisor Smith and seconded by Supervisor Gaeta, the meeting adjourned at 2:12 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair