

**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, August 6, 2015, 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
Pete Chiodo	Vice Chair
Marie Gaeta	Assistant Secretary
Tom Lawrence (<i>via telephone</i>)	Assistant Secretary
Ray Smith	Assistant Secretary

Also present were:

Rick Woodville	Wrathell, Hunt and Associates, LLC
Howard McGaffney	Wrathell, Hunt and Associates, LLC
Barry Kloptosky	Field Operations Manager
Robert Ross	Vesta/AMG
Roy Deary	Vesta/AMG
Ashley Higgins	CDD Office Staff
Residents	

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Woodville called the workshop to order at 10:08 a.m., and noted, for the record, that Supervisors Davidson, Chiodo, Gaeta and Smith were present, in person. Supervisor Lawrence was attending via telephone.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

UPDATES: Amenity Manager

Mr. Ross advised that the Tiki bar at Creekside was progressing; a 65" television was installed, which should increase sales. He advised that the pickleball court officially opened and residents were very pleased with both the pickleball and croquet courts.

Mr. Woodville recalled that the District received letters from three companies representing the music industry regarding licensing agreements. The letters were forwarded to Mr. Roy Deary, of Vesta/AMG, for input on whether this was an issue in other communities managed by Vesta/AMG. He indicated that CDD staff was compiling a report of the types and sources of music used in the community, which could dictate the District's options.

Mr. Deary indicated that much of his information was obtained from District Counsel representing several other CDDs and not from Mr. Clark. According to the other District Counsel, this is a legitimate matter; the Board can determine the quantity of music that it wants in the District's facilities and the fees that the District would be willing to pay, in order to provide music. He stated that, according to the other District Counsel, most Districts are succumbing to the requirement and paying the licensing fees. Mr. Deary advised that the fees appeared to be approximately \$1,500, per year. He pointed out that the licensing matter related to music played in the facilities, around the pool, zumba, DJs playing music at events, etc., which could significantly impact the resident experience, if the District chose to not pay the fee. Mr. Deary indicated that Broadcast Music, Inc. (BMI), was willing to reduce the fee for the CDD, when advised that the CDD was a not for profit, governmental entity. He believed that it might be beneficial for a Board Member or District Representative to speak to BMI, as opposed to A&G Songs (A&G), which is a for profit entity.

Supervisor Chiodo asked if the licensing requirements extended to any music source, such as a radio station. Mr. Deary believed that one of the companies should advise about that; however, he was told that it was "open to negotiation". Mr. Woodville indicated that, per Mr. Ross, most music broadcast at the District's facilities is streamed through Bright House. Mr. Woodville stated that Mr. Clark's thought was to narrow the licensing and pay one entity, rather than all three. Mr. Deary advised that, based on conversations with District Counsel for other CDDs, the District would end up entering into individual arrangements with all three companies. Mr. Woodville voiced his understanding.

Supervisor Gaeta pointed out that the District already pays Bright House a monthly fee and asked if Mr. Deary was willing to offset the licensing fee costs from AMG's contract, if the

District must pay the fees. Mr. Deary had not prepared for that scenario but stated that “everything is open for discussion”. Mr. Deary thought that, since several parties use music, the costs might be shared amongst the District, AMG, the zumba instructor, etc.

Supervisor Davidson questioned if BMI, A&G or SESAC, Inc. (SESAC), threatened litigation if the District did not pay the fee by a specified deadline. Mr. Kloptosky did not recall any threats but the letters implied consequences for failure to comply.

Supervisor Davidson recommended demanding the appearance of a representative from each licensing company at an upcoming workshop and requiring an explanation from each, as this felt like extortion. He did not want to make decisions or hear attorney opinions until each company gave a presentation. Supervisor Davidson suggested that the District Manager send a letter to each company advising that the Board does not understand, has multiple requests and will hold a mini Symposium, with the three entities presenting their case.

Supervisor Chiodo pointed out that letters could be received from additional licensing companies.

Mr. Deary had no additional information regarding the new encrypted chip technology upgrade, required under the Payment Card Industry Data Security Standards. He confirmed Vesta/AMG’s intention to be compliant by October 1, 2015.

In response to Supervisor Davidson’s question, a resident indicated that he played petanque last week; the court was hot and there was no place to sit. Supervisor Davidson discussed areas requiring compaction and hoped the courts would be better by September. Supervisor Gaeta expressed appreciation to Mr. Ross about the ribbon cutting and grand opening.

Supervisor Davidson asked about ideas for the café expansion. Mr. Kloptosky indicated that he was working on it. Mr. Deary asked for the Board’s guidance and noted that café sales are about 50% higher than four or five years ago.

Supervisor Lawrence recalled discussion about parking at The Village Center and questioned if there were parking issues. Mr. Ross stated that parking was manageable, on a day-to-day basis; however, parking issues can arise with large events.

FOURTH ORDER OF BUSINESS**UPDATES: Field/Operations Manager**

Mr. Kloptosky indicated that he delivered the \$8,278.36 check to the City and was awaiting a copy of the fully executed Creekside Water Usage Amendment Agreement, related to potable water at Creekside. He noted that the agreement and payment delayed permitting for the parking lot expansion.

Mr. Kloptosky reported that the reuse pond transponder was replaced and the auto fill function is operating.

Regarding insurance matters, Mr. Kloptosky advised that a \$9,871 check, which was full payment for the North Gate accident, was received. The Waterside Parkway accident claim remained pending. He explained that the insurance company reduced the claim amount for depreciation and wanted the District to sign a settlement agreement. Mr. Kloptosky invoiced the resident for the difference and payment was pending; he will execute the agreement, upon receipt of the resident's payment.

Mr. Kloptosky reported that the Creekside croquet courts were completed by the grand opening on July 25, 2015; the grand openings at all other courts went well.

Mr. Kloptosky advised that staff power washed the curbs and gutters, along Waterside Parkway, from the South Gate to the Main Gate. Supervisor Davidson commented on the improved appearance. Mr. Kloptosky recommended completing this work, regularly, and commended his staff.

In response to Supervisor Davidson's question, Mr. Kloptosky advised that residents own the property to the curb; therefore, cosmetic matters and cleaning would be the residents' responsibility. Supervisor Chiodo asked how often mailboxes are cleaned. Mr. Kloptosky clarified that the District is not allowed to touch, clean or do anything to the mailboxes; maintenance issues with the mailboxes are reported to the United States Postal Service. Mr. Kloptosky stated that the District maintains the mailbox surrounds. Supervisor Chiodo pointed out that the mailboxes and surrounds should be cleaned. Mr. Kloptosky discussed ongoing issues at the Riverbend mailboxes.

Supervisor Lawrence noted that Wild Oaks property owners do not own the curbs and gutters.

Mr. Kloptosky announced that the City issued a permit for the Sailfish Drive project and S.E. Cline Construction, Inc. (Cline) was notified; the commencement date was pending. An e-blast will be sent, once the date is known. In response to Supervisor Davidson's question, Mr.

Kloptosky recalled that the Board did not want the project completed during the rainy season because it would take longer to complete, due to rain delays.

Mr. Kloptosky indicated that the new copy machine for the Creekside office was received and installed. The new walk-in cooler for the café was installed and strapped down.

Regarding the Pond 10 repairs reimbursement, Mr. Kloptosky did not receive payment or a letter from the Riverview Condo Association. Mr. Woodville recalled that Management electronically transmitted a letter to the Riverview Condo Association on February 27, 2015; however, the Riverview Condo Association changed their Management Company. Subsequently, the letter was sent to the new management company, as well as to Mr. Chip Hunter, the Riverview Condo Association President. Mr. Woodville received acknowledgement of Management's letter from the management company, stating that the matter would be addressed. Mr. Woodville followed up with Mr. Hunter, twice, but did not receive a response, despite Mr. Hunter's indication, at a meeting, that the District would receive a letter from the Riverview Condo Association.

Supervisor Gaeta recalled previous discussion about the disparity between the District and City's opinions about the amount of water used by the District and asked if the matter was remedied. Mr. Kloptosky replied no; District Counsel could send an inquiry to the City asking about the calibration report and whether the calibration issue resulted in the City overcharging the District. Management will request the information from the City.

Supervisor Lawrence asked about the LED streetlight trial. Mr. Kloptosky had preliminary data but wanted to delay reporting it until he had three months of data. Mr. Kloptosky stated that, over many years, the electric bills for the trial section averaged \$120 to \$135 per month; however, the past two bills, during the LED trial, were \$36 per month. Supervisor Chiodo asked about the payback, based on the cost of the LED lights. Mr. Kloptosky believed that it cost \$2,500 to change the trial section to LED lights, equating to approximately \$300 per light; with LED lights, the District realized savings of approximately \$100 per month, for the trial section. Mr. Kloptosky pointed out that, in addition to the electrical savings, the District would save money, as the ballasts would no longer need to be replaced. Supervisor Smith asked Mr. Kloptosky to include a plan of the cost and how rapidly he wanted to proceed. Mr. Kloptosky recommended switching to LED streetlights, throughout the community, as soon as possible. Supervisor Chiodo believed that, if the project was completed near the beginning of

a fiscal year, the savings would “more than pay” for the LED light installations, during the fiscal year. Supervisor Lawrence voiced his opinion that switching to LED streetlights was the District’s second largest savings opportunity. Mr. Kloptosky stated that he met with the manufacturer representative regarding the retro fit kits and LED lights, along with the electrician. Mr. Kloptosky hoped to provide a proposal at the next meeting or workshop.

Mr. Kloptosky reported that the District received a citation from the County regarding Arizona Cypress trees planted on the North side of The Crossings entrance. He explained that, about three years ago, Austin Outdoor (Austin) removed overgrowth in the area and planted the Arizona Cypress trees to improve the appearance. Mr. Kloptosky indicated that a new resident in The Crossings claimed that the trees block his view of the sign when trying to enter the community. The resident requested that Mr. Kloptosky have the trees removed but he refused because residents in The Crossings requested them several years ago. Mr. Kloptosky believed that the resident filed a complaint with the County, which prompted the County to request that the trees be removed. He discussed the matter with Code Enforcement, who did not care about why the trees were planted. Mr. Kloptosky warned Code Enforcement that removing the trees could prompt 130 property owners to “come to your doorstep complaining that they want something done” and that it was in the County’s best interests to “come to a happy medium”, as the area behind the trees was very unsightly. The next day, Code Enforcement was on site to evaluate the trees and advised Mr. Kloptosky that the complaint was related to the line-of-sight. Mr. Kloptosky expressed his opinion to Code Enforcement that it was not a line-of-sight issue but, rather, it was a vendetta by one resident that wanted the trees removed because he “cannot find his way home”. The matter is under further review and Mr. Kloptosky has not paid the \$50 citation, pending a response from Code Enforcement. Mr. Kloptosky hoped that Code Enforcement would allow the District to trim the trees.

Supervisor Gaeta pointed out that the complaint was filed by a two-year resident.

Supervisor Davidson asked if the County’s unsightly, broken fence was still behind the trees. Mr. Kloptosky replied affirmatively. Supervisor Davidson suggested that, if the County demanded removal of the trees, the District should insist that the County repair the fence and improve the appearance of the area by replanting in front of the fence. Mr. Kloptosky indicated that Ms. Pat Maloney, a resident, was already circulating petitions, organizing residents to “storm their doorstep” and contacted County Commissioners.

FIFTH ORDER OF BUSINESS**DISCUSSION ITEMS****A. Revised Fiscal Year 2016 Proposed Budget**

Mr. Woodville advised that the notice of a potential assessment increase will be mailed to residents.

Supervisor Davidson was bothered by the term “special assessment”, in the notice, as it implied that the District was imposing an additional assessment, “above and beyond”. He requested that the term “special assessment” be changed to “annual assessments”. He stated that District Counsel agreed with the change.

Mr. Woodville indicated that the contract amounts in the narrative for “Landscape maintenance service contract”, on Page 9, will be modified to reflect the new amounts that resulted from \$26,000 being shifted to the new “Landscape Maintenance: croquet” line item.

Mr. Woodville recalled that the public hearing was scheduled to occur, time certain, at 5:00 p.m., during the September 3, 2015 meeting, commencing at 3:00 p.m. Supervisor Davidson noted that the Symposium, which will be on September 1 and 2, 2015, must be properly advertised.

B. Capital Plan

Supervisor Lawrence advised that budgeted funds will remain from Fiscal Year 2015. He recommended using those funds for the LED light project.

Ms. Higgins distributed a revised CIP list dated “8/6/2015”.

Mr. Kloptosky indicated that replacement of the duct work, ceiling and fan installation, in the Grand Haven Room, would take approximately three weeks. The project was tentatively scheduled to commence on September 8, 2015 and would still be underway on September 17, 2015, the date of the next workshop. It was noted that a workshop was also scheduled for October 1, 2015.

Supervisor Lawrence felt that Mr. Ross should notify residents of the Grand Haven Room project, the schedule and what facilities would be available.

Supervisor Gaeta asked if the “Replace 3 cameras” line item was for replacement of the “replacement” cameras. Mr. Kloptosky replied no; each year, replacement of three cameras is included on the CIP list, in case cameras break. Mr. Kloptosky confirmed that it was necessary to replace three cameras during Fiscal Year 2015.

Supervisor Smith asked if the Grand Haven room would not be usable for regular resident activities during the renovation project. Mr. Kloptosky replied, “probably not”.

Supervisor Davidson indicated that the Creekside south parking lot project was delayed and the Creekside croquet court and soccer field projects might occur. Supervisor Davidson stated that “Replace sidewalks lifted by tree roots” would always be ongoing. It was noted that replacement of treadmills, exercise bikes, etc., were included in case of breaks. Mr. Kloptosky confirmed that seven pool umbrellas were budgeted but should be “okay”, as all remain intact. Mr. Kloptosky advised that refinishing the wood floor in the Grand Haven Room was on hold, pending completion of the overhead work, but hoped to complete it during Fiscal Year 2015. The addition of six fans in the Grand Haven Room would be completed during the September repair project. Regarding the electronic cabinet in The Village Center office closet, Mr. Kloptosky stated that the work was completed, with the exception of minor wire cleanup. Mr. Kloptosky indicated that the “Replace 2 VC Boilers with hot water tanks” project was on hold, as the estimates were very expensive; the tanks are currently functioning. Additionally, replacement of the Café bar top was on hold, pending estimates for expansion. Mr. Kloptosky confirmed that The Village Center spa must be resurfaced but he held off, based on the issues with the Creekside pool; however, the condition was improving so this project could proceed. Supervisor Davidson questioned Mr. Kloptosky’s confidence in Blue Ribbon Pools (Blue Ribbon) and whether the project should go out to bid. Mr. Kloptosky pointed out that Blue Ribbon was very responsive to recent issues and repair needs. Installation of a separate heat pump for the CDD office was nearly completed. Replacement of The Village Center bathroom sinks and counter will be completed during Fiscal Year 2015; Mr. Kloptosky must select the granite before the project can commence.

Supervisor Smith asked about installation of a jungle gym in the Children’s Playground. Mr. Kloptosky believed that, although the project was on the CIP list, it was not approved by the Board. Supervisor Lawrence wanted Mr. Ross’ opinion whether the jungle gym was necessary, as there are two others, within the community.

Mr. Woodville recalled the Celera IT Services, Inc. (Celera) contract and that the terms require Celera to provide an annual report and “answer to the Board”. He noted that Celera originally agreed to the specifications of the contract and annual report; however, subsequently, Celera had reservations with some of the District’s backup. Celera reported that it would cost

approximately \$300 more, per month, for adequate Cloud back up; however, after Mr. Woodville advised Celera that the Board would likely reject those terms, Celera agreed to absorb the enhanced Cloud back up cost. Ms. Higgins explained that the Cloud provider was able to give Celera an “all in one” price for Celera’s various clients.

C. CDD Business Plan

Supervisor Smith distributed information about the Business Plan. He explained the “CDD Five Year Objectives:” spreadsheet and how priority rankings were calculated, based on the individual Supervisor rankings. The top five cumulative rankings for items where a majority of the Board ranked the objective were identified, one through five, in the left-hand column. The objectives that a majority of the Board did not rank were left blank in the cumulative ranking column.

Supervisor Smith proposed that each Supervisor present their rankings to clarify possible confusion and to try to influence other Supervisors to change their rankings. Supervisor Lawrence was not sure it was necessary for each Supervisor to comment on their individual rankings; however, each could comment on the top five cumulative rankings.

Supervisor Chiodo agreed with Supervisor Lawrence. Supervisors Chiodo and Davidson were comfortable with the top five objectives, as cumulatively ranked. Supervisor Davidson felt that committing to those five objectives would, ultimately, help achieve the other objectives. Supervisors Smith, Gaeta and Lawrence also agreed with the cumulative rankings.

Supervisor Smith wanted to assign a “lead person” for each of the top five objectives and add those items to the “Open Items” list included in the agendas. The following assignments were given:

<u>Rank</u>	<u>Lead</u>	<u>Objective</u>
1	All/Smith	Maintain/Improve CDD Assets
2	Davidson	Develop long term tree management program
3	Chiodo	Safety and Security – perimeter, gates, walkways, other non-amenity sites
4	Lawrence	Utilizing Political Capital
5	Gaeta	Communications

Supervisor Smith directed each lead coordinator to prepare a discussion of their objective and plans about how to further progress or accomplish the objective. Supervisor Chiodo asked if all Supervisors should prepare a plan for “Maintain/Improve CDD Assets” because, in his

experience, if no one is assigned, no one will do it. Supervisor Smith agreed to be lead coordinator for that objective.

Supervisor Smith suggested that the District promulgate the objectives to residents and formally adopt the primary objectives, at the next meeting, followed with an e-blast after formal adoption. He will prepare a draft e-blast for discussion at the next meeting.

Supervisor Chiodo recommended that the focus be solely on the top five ranked objectives and that the rank order not be included. Supervisor Davidson favored not including the name of the objective's lead coordinator. The Board was in support of the "Open Items" list including the objectives, in rank order but without the rank number, along with the lead coordinator's name.

Mr. Woodville pointed out that the Board might wish to consider how to organize the community and use the District's political capital during the upcoming November elections.

D. Revised Storm Water Right-of-Way Utility Easements Policy and Agreement Options

Supervisor Davidson indicated that the documents were revised and updated, as previously discussed. He noted that the policy was previously adopted and the agreements were ready for approval, as a Consent Agenda Item, at the next meeting.

Supervisor Gaeta referred to Option 1, Page 2, Item 5., and asked how the District planned to notify owners and what proof the District would have that the owner received the notification. Supervisor Davidson imagined that notification would be via Certified Mail with return receipt requested. Supervisor Gaeta questioned if the form of notification transmittal should be listed in the agreement. Supervisor Davidson stated that District Counsel could be consulted.

Supervisor Gaeta noted that the District has numerous rental properties and asked about a mechanism to require the property owner to notify a renter that obstructions cannot be placed in the right-of-way (ROW). Supervisor Davidson felt that action was not a CDD function; the CDD's relationship is with the property owner.

The agreements will be on the "Consent Agenda Items" for consideration at the next meeting. Supervisor Smith cautioned against inclusion of "via Certified Mail" in the method of notifying owners, as it would lock the District into that single means of notification.

E. Employee Manual

Mr. Woodville indicated that the proposed Employee Manual was updated and minor modifications, such as typographical errors, will be corrected. He suggested consideration at the next meeting.

Mr. Woodville noted an inquiry regarding whether the District must pay a terminated employee their accrued benefits, if the employee was terminated for cause; a response from District Counsel was pending regarding whether this situation was governed by law or was a policy decision. Supervisor Gaeta pointed out that the question related to the last two paragraphs on Page 13 and whether the paragraphs should be removed or District Counsel's input sought.

*****The meeting recessed at 11:35 a.m.*****

*****The meeting reconvened at 11:46 a.m.*****

F. Symposium on Street Trees, Sidewalks, Roadways and Homes

Supervisor Davidson discussed his conversations with Dr. Mark Carlson, of the University of Florida (UF), a soil and water conservation professor. At Dr. Carlson's recommendation, Supervisor Davidson spoke to Dr. Ed Gilman, a UF urban trees and landscape plants professor, who is available to meet with the District on September 1, 2015. District Counsel and the GHMA attorney were available on September 2, 2015. Supervisor Davidson reviewed a proposed schedule and format for each day of the Symposium. The District will request submittal of questions to Management, in advance, so that the panel members can prepare their responses; questions from the floor will not be taken.

Supervisor Davidson highlighted the "Historical Perspective" topics to be discussed on the first day and potential panel invitees on each day. He noted that Ms. Louise Leister, District Horticulturalist, is familiar with the historical matters.

Supervisor Lawrence questioned how questions would be prioritized, if too many were received. Supervisor Davidson indicated that the Symposium moderators would determine the importance of the questions received.

Supervisor Davidson stated that, Day 1 would include discussion of the "Current State", including benefits, burdens and possible solutions. He noted that the term "burdens" will be changed to "challenges". "Emergency Vehicles" will be added to the list, following "Tree Trimming to xxxx Standards for:"

Supervisor Smith asked about panel members for each topic. Supervisor Davidson indicated that the panel members were still being determined. Supervisor Davidson advised that

Dr. Gilman, a City of Palm Coast representative or arborist, Ms. Leister, the District arborist and Mr. Jay Sampsele, of Cline, would be invited to sit on the panel for the “Possible Solutions” discussion. Supervisor Davidson discussed his and Dr. Carlton’s meeting with Mr. Steve Flanagan, City of Palm Coast Utility Development Manager, Mr. Ray Tyner, City of Palm Coast Planning Manager, Ms. Barbara Grossman, City of Palm Coast Code Enforcement Officer and Mr. Bill Butler, City of Palm Coast Landscape Architect. A City representative will attend the Symposium to discuss what the City did to correct tree root and infrastructure challenges.

Supervisor Davidson reported that he and Dr. Carlton will visit Pasco County to view the Seven Oaks community that is cutting down thousands of street live oak trees and replacing the trees with shrubs. In response to a question, Supervisor Davidson indicated that photographs of the project were posted on the Seven Oaks community website.

Supervisor Lawrence asked that the panel include a representative to discuss issues that the City encountered with tree roots impacting water lines.

Supervisor Davison advised that Day 2 of the Symposium will address legal, liability and financial considerations. The legal considerations would include City of Palm Coast, CDD, GHMA, ADC and private property matters, along with legal consequences of the GHMA or CDD assuming responsibility for trees and/or sidewalks.

Supervisor Lawrence suggested providing a summary of the “major learnings” from each day of the Symposium. Supervisor Davidson confirmed that a summary could be prepared; residents must understand that the Symposium is “an educational experience of a lot of complicated and interrelated information and scientific investigation”, all of which must be analyzed and discussed by the CDD and GHMA Boards to establish future policies. Supervisor Davidson stressed that no decisions will be made at the Symposium. Supervisor Lawrence was concerned about “some naysayer going to the Grand Haven Neighborhood site and sending out misinformation or disinformation so it would be good to have something to point people to”. Supervisor Davidson recalled that District Counsel cautioned against videotaping the Symposium, as some panel members might be reluctant to speak; however, the Symposium will be audio taped, as it will be a publically noticed, official CDD meeting. Mr. Woodville confirmed that the audio would be immediately available and that copies could be obtained. Supervisor Gaeta recommended charging a \$5 fee for a CD of the audio. Mr. Woodville noted that the audio would be very large and could be difficult to email.

Supervisor Davidson indicated that Day 2 would include discussion about the current liability exposure to the CDD, GHMA and private property owners and the liability consequences of the GHMA or CDD assuming responsibility for trees and/or sidewalks. He planned to consult the District's insurance agent about the cost to insure an additional 90%, or another percentage, of the community sidewalks and trees. He believed that it would be easier for the District to assume responsibility because the District has sovereign immunity and the costs can be assessed, whereas, the GHMA's exposure would be greater. Insurance agents for the CDD and GHMA were expected to attend the Symposium.

Supervisor Davidson indicated that the financial considerations would include discussions about the current financial responsibilities, financial consequences of the CDD or GHMA assuming responsibility of trees and/or sidewalks and the financial impact on budgets and assessments.

In response to Supervisor Smith's question, Supervisor Davidson confirmed that data will be provided to the insurance representatives, in advance of the Symposium.

Supervisor Gaeta questioned the position of the Seven Oaks residents, regarding the tree removal and replacement project, as she heard that residents are "up in arms" because of the community's "horrific" appearance. Supervisor Davidson felt that the Seven Oaks situation was an extreme example and hoped that the approach was not considered for the District.

Supervisor Davidson indicated that everyone should have received an e-blast yesterday regarding the Symposium. He noted an issue with the disclaimer and how it was perceived. Some residents thought that the District was holding the Symposium but nothing would change and questioned why their time would be wasted, if nothing would change. Supervisor Davidson and Dr. Carlton revised the disclaimer to state "This event and discussion is meant to be educational in nature and is not intended to alter any existing declarations, standards, rules, regulations of the District during the course of the Symposium. The CDD and GHMA will utilize the information obtained when considering any future course of action regarding the issues involved." He forwarded the language to District Counsel for review.

Supervisor Chiodo questioned if the expectation was that CDD Board Members would be on all of the panels. Supervisor Davidson indicated that Board Members would be part of the audience but not on the panel.

Discussion ensued regarding confirming panelists and scheduling or determining the speaker times. Supervisor Davidson pointed out that Dr. Gilman wanted payment for travel expenses. Additionally, Supervisor Davidson was advised that an arborist from the Flagler County Extension Service would demand a fee; however, he saw no need to include that person.

Supervisor Smith asked how audience questions would be handled. Supervisor Davidson reiterated that residents would be encouraged to submit questions to Management, which would be forwarded to himself and Dr. Carlton; the entire Board could be copied, if requested. Supervisor Davidson felt that the questions should be targeted to the appropriate panelists. Supervisor Smith recommended that Board Members prepare questions, in case residents do not submit enough questions. Supervisor Davidson pointed out that Board Members, as residents, should submit their questions. Supervisor Smith wanted to receive resident questions, as they are submitted.

Discussion ensued regarding the potential number of Symposium attendees. Supervisor Davidson stressed that all equipment must be tested the day before the Symposium to ensure everything is operational. In response to Supervisor Chiodo's question, Mr. Kloptosky confirmed that the sound system is not connected to the café. Supervisor Davidson asked that all logistical questions or ideas be sent to Management, to forward to him. Supervisor Chiodo preferred receiving periodic updates of the questions. Supervisor Davidson urged Board Members to keep the questions to themselves, in order to minimize misinformation that might be posted on Next Door Grand Haven. It was noted that many questions might be redundant. A resident asked if audience questions could be taken, at the end of each day, if time permitted. Supervisor Davidson stated that he did not want to encourage debate, as this is not a debate; the Symposium is an informational experience, with experts and invited panelists. Supervisor Davidson commented that residents might be able to submit questions the next day.

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

- **UPCOMING WORKSHOP/MEETING DATES**
 - **BOARD OF SUPERVISORS REGULAR MEETINGS**
 - **August 20, 2015 at 10:00 A.M.**
 - **September 3, 2015 at 3:00 P.M.**

Mr. Woodville indicated that the next meetings will be held on August 20, 2015 at 10:00 a.m., and September 3, 2015 at 3:00 P.M., at this location.

- **COMMUNITY WORKSHOP**
 - **September 20, 2015 at 10:00 A.M.**

Mr. Woodville indicated that the next workshop will be on September 17, 2015 at 10:00 a.m., at this location, as opposed to September 20, 2015. It was noted that Supervisor Chiodo will not attend the September 17, 2015 workshop.

Mr. Woodville received one proposal for appraisal of the 9th Green site and one was pending; therefore, the proposals were not presented. The proposal received was \$1,500 for a high level appraisal and a higher level, more detailed appraisal would cost approximately \$2,000.

Regarding employee health benefits, Mr. Woodville reported that incorrect information was provided by the insurance carrier; updated information was pending.

Supervisor Smith questioned if \$2,000 was an appropriate appraisal fee for the 9th Green site. A resident voiced his opinion that \$2,000 “seems like a lot” for that size property. The resident recommended Heffington and Associates or requesting an appraisal from the Flagler County Property Appraiser. The resident pointed out that there were no comparable properties so the District would not receive a “market” price; he hated for the District to spend money on an appraisal. Mr. Woodville indicated that, with public entities, it is a good idea to obtain an appraisal to ensure that the District does not over pay. The resident noted that the GHMA did not follow the appraisal process when it bought property. Mr. Woodville advised that the GHMA is a private entity and the CDD is a public entity. Supervisor Davidson directed Management to contact the Flagler County Property Appraiser, immediately. Mr. Kloptosky recalled that the Property Appraiser’s wife is employed by Mr. Jim Cullis, of Grand Haven Realty, and questioned if there would be a conflict of interest. The resident and Supervisor Davidson replied “no”; the Property Appraiser is an elected official. Mr. Kloptosky reiterated his question of whether the Property Appraiser should appraise a property owned by Mr. Cullis. The resident interjected “then he shouldn’t be Property Appraiser of Flagler County”. Mr. Kloptosky felt that obtaining an appraisal from the Property Appraiser might become a topic of controversy. Mr. Woodville indicated that the Property Appraiser’s taxable values are generally below market value and asked if the Property Appraiser could perform a comparable value appraisal, as a regular real estate appraiser would perform, and arrive at a “market value”. The

resident replied that the Property Appraiser would arrive at “a just value”. Mr. Woodville felt that “just” and “market” value were different. The resident stated that it would not be “market” value because there were no comparable properties. It was suggested that 20% be added to the “just” value, since the Property Appraiser valuations were typically 85% of market value.

Consideration of the appraisals will be included on the next meeting agenda.

Supervisor Chiodo advised that the Condo Association offered the District a \$3,000 contribution.

Mr. Woodville read the following July 15, 2015 email to Supervisor Chiodo from Mr. Chip Hunter:

“Good Morning Pete,

Just a quick note to let you know that the Board voted a \$3,000 contribution to the CDD would be towards Lot K deal with Mr. Cullis. The initial letter of intent will be coming to the CDD as we figure out how to do the administrative mechanics.”

Supervisor Davidson summarized that the Condo Association owes the CDD \$3,000 and was lucky it was not required to pay for the repairs, on its own, or pay a \$10,000 per day fine for interfering with the stormwater system permit. He stated that the Condo Association must reimburse the District \$3,000 for the lake bank repair costs. Supervisor Davidson felt that the District should not entertain “contributions” for anything, until the reimbursement obligation was met. Supervisors Chiodo and Lawrence agreed.

Supervisor Gaeta noted that, if purchased, Parcel K would be for use by the entire community; therefore, entertaining a contribution from a village or condo association would not bode well for the CDD. Supervisor Davidson voiced his opinion that, if the Condo Association satisfied the reimbursement obligation and signed an agreement that the contribution to the purchase of Parcel K was with “no strings attached”, unencumbered and simply a contribution, he might consider accepting the contribution. Supervisor Chiodo stated that District Counsel had no issue with accepting the contribution, provided it was “no strings attached”.

It was noted that a letter regarding reimbursement for the repairs remained forthcoming.

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

Supervisor Davidson reiterated that the five long-term objectives would be added to the Open Items list. He confirmed that Supervisor Smith was preparing an e-blast regarding the objective and would provide it to Management.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

There being no Supervisor requests, the next item followed.

NINTH ORDER OF BUSINESS

ADJOURNMENT

There being nothing further to discuss, the workshop adjourned.

On MOTION by Supervisor Chiodo and seconded by Supervisor Gaeta, with all in favor, the workshop adjourned at 12:47 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

Secretary/Assistant Secretary

Chair/Vice Chair