

**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, July 21, 2016** in the **Grand Haven Room, Grand Haven Village Center, 2001 Waterside Parkway, Palm Coast, Florida 32137** at **10:00 a.m.**

Present at the meeting were:

Dr. Stephen Davidson	Chair,
Peter Chiodo	Vice Chair
Marie Gaeta (<i>via telephone</i>)	Assistant Secretary
Tom Lawrence	Assistant Secretary
Ray Smith	Assistant Secretary

Also present were:

Craig Wrathell	District Manager
Howard McGaffney	Wrathell, Hunt and Associates, LLC
Cindy Cerbone	Wrathell, Hunt and Associates, LLC
Scott Clark	District Counsel
Barry Kloptosky	Field Operations Manager
Robert Ross	Vesta/AMG
Roy Deary	Vesta/AMG
Jim Saizan	Terracon Consultants Inc.
Ashley Higgins	Grand Haven CDD Office
Al Lo Monaco	Resident
Chip Howden	Resident
Jim Gallo	Resident
Rob Carlton	Resident, GHMA President
Ron Merlo	Resident
Vic Natiello	Resident
Morgan Evans	Resident
Kathleen Fuss	Resident
Charlie Greer	Resident
David Reisman	Resident
Tom Byrne	Resident
Don Plunkett	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. McGaffney reconvened the meeting at 10:05 a.m., and noted, for the record, that Supervisors Davidson, Chiodo, Lawrence and Smith were present, in person. Supervisor Gaeta was attending via telephone.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

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

Mr. Jim Gallo, a resident, asked for the CDD's policies regarding political signage on common property, signage on vehicles legally parked on CDD or common property and signage or banners at entrance and exit gates. He did not want signs on CDD property; however, if signs were observed, he would be inclined to place his own signage in those locations. Mr. Clark was not aware of specific rules regarding signs, which would generally mean that permission must be obtained to place signs on CDD property. Mr. Clark stated that many Districts that he represents have signage rules that he could provide. Political signage is unusual; therefore, he was not comfortable prohibiting political signs. The District could regulate the time, place and manner of political signage. In response to Supervisor Davidson's question, Mr. Clark confirmed that the CDD could not enforce GHMA restrictions. Supervisor Davidson asked what recourse the District would have if it enacted a policy and the policy was violated. Mr. Clark stated that the District could remove the signage. Supervisor Davidson questioned if signage was routinely confiscated. Mr. Kloptosky replied affirmatively, with the exception of political signs.

Supervisor Chiodo suggested designating one or two common area locations where political signage would be allowed, limiting the time that the signage could be in place prior to and following the election. Mr. Clark confirmed that the location could be limited to certain areas, within reason, such that each candidate could place a sign.

The Board preferred to continue with the current procedure to remove all nonpolitical signage from common property .

Supervisor Lawrence asked if the District could prohibit political signs. Mr. Clark noted a potential constitutional issue with prohibiting political signage on publicly owned property and favored allowing political signage in a designated zone.

Regarding the lakes, Mr. Morgan Evans, a resident, asked for the oxygen levels, for the last two months, and if the lakes were stocked with fish. Mr. Kloptosky would discuss this matter during his report. Mr. Evans observed grass clippings in lakes and questioned if letters were distributed to landscapers advising them to keep grass clippings out of the lakes. The PLM vendors were advised, at least twice, to not blow grass clippings into the lakes. Mr. Kloptosky was reviewing a draft notice prepared by Ms. Louise Leister, District Horticulturalist, and it would be distributed soon. Mr. Evans stated that there was another alligator in the lake. The upcoming Oak Tree would contain information about grass clippings and alligators.

Dr. Rob Carlton, a resident and GHMA President, asked the Board to consider the signage issue carefully. The GHMA spent a lot of time enforcing and controlling signage in the community, including signage on CDD property. Some villages allow political signage, within specified times; however, he felt that allowing signage on common areas would slide into signage appearing on private property, which would cause an issue.

Mr. Clark would research this matter for discussion, at the next workshop.

Ms. Kathleen Fuss, a resident, asked for the status of the bench and shade previously approved for the pickleball courts. Mr. Kloptosky stated that four benches would be installed beside the tennis courts. Tables with umbrellas might be ordered, as well.

FOURTH ORDER OF BUSINESS

CONSENT AGENDA ITEMS

A. APPROVAL OF MINUTES

- i. June 2, 2016 Community Workshop**
- ii. June 16, 2016 Regular Meeting**

Mr. McGaffney presented the June 2, 2016 Community Workshop Minutes and June 16, 2016 Regular Meeting Minutes for the Board’s consideration. Revisions to the minutes were previously submitted to Management.

B. APPROVAL OF UNAUDITED FINANCIAL STATEMENTS

- i. Unaudited Financial Statements as of June 30, 2016**

Mr. McGaffney presented the Unaudited Financial Statements as of June 30, 2016.

On Page 1, Supervisor Lawrence referred to the \$2,943,157 balance in the “Finemark - ICS” account and asked about the safety of holding that much in one account. Mr. McGaffney stated that a combination of accounts made up the ICS account. Supervisor Lawrence asked if

each account, represented under the combined “Finemark - ICS” line item, was at a level so that the District was fully projected. Ms. Cerbone stated that the funds accumulate and FineMark distributes it to various accounts. Mr. McGaffney would provide a list of all of the accounts and amounts, under the “FineMark - ICS” line item. Supervisor Lawrence noted that the “SunTrust - operating acct” line item exceeded \$250,000 and asked if those funds were at risk. Mr. McGaffney stated that, as the District’s operating account, the account balance would fluctuate; the overage was likely related to deposited funds that were not paid out against liabilities. Mr. McGaffney would monitor the account balance to ensure it remained within the \$250,000 FDIC limit. Supervisor Davidson suggested closing the \$38 “Federated (MMKT)*” account and Supervisor Lawrence suggested closing the \$1,257 “Stonegate Bank” account. Mr. McGaffney would inquire whether those accounts could be closed.

The District’s bank accounts would be discussed at the next workshop agenda.

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

FIFTH ORDER OF BUSINESS

BUSINESS ITEMS

A. Continued Discussion: Terracon Contract

Mr. Jim Saizan, Architect with Terracon Consultants Inc., (Terracon), presented the plans for The Village Center moisture intrusion project and discussed the layout, repair plan, scope of work and specific improvements. The project would include:

- Redo all trim and flashing around all windows.
- Repair the walls on top of the main gable.
- Reclad wood columns on the back side.

Mr. Saizan reviewed the design plans for the front, rear, north and south sides of the building. Proposed improvements to the Front elevation, Option 1 included:

- Add stone veneer wrap to the columns.
- Add stone veneer to front gables.

Proposed improvements to the north elevation included:

- Add new decoration and signage to match existing gable vent trim and signage in front.
- Add stone veneer.

Supervisor Smith asked if Mr. Saizan was aware of the plan to expand the storage area. Mr. Saizan confirmed that he was not aware of the planned expansion. Mr. Kloptosky stated that the plan for the expansion was not prepared but he informed Mr. Kristopher Linster, of Terracon, about it.

Proposed improvements to the front elevation, Option 2 included:

- Add the Grand Haven oak tree logo and Grand Haven Village Center wording, in the Grand Haven font.
- Add stone veneer to create faux columns.

Three cornice options were presented. Supervisor Lawrence asked if there was a significant price difference between the cornice options. Mr. Saizan replied no. Supervisor Lawrence asked for the approximate cost. Mr. Saizan stated that, to estimate the cost, the Board must first determine the concept and extent of the renovations.

Mr. Saizan reviewed photographs of various areas of the building and items that could be removed and reinstalled or be updated or upgraded. Mr. Kloptosky stated that new signage was already ordered. Photographs depicting various areas that could remain, resulting in cost savings, were reviewed. Regarding recladding wood columns, Mr. Kloptosky had other ideas for the columns. Mr. Saizan discussed stuccoing around the gates. Mr. Kloptosky stated that the gates must be removed during the stucco process.

Mr. Kloptosky felt that the steel grate on the front and rear elevations should be removed. He questioned how the trim could be worked around and a seal achieved, if the wall is delaminate, and if everything should be completely removed, restuccoed and a new trim design installed. Mr. Saizan stated that all could be restuccoed and asked if Mr. Kloptosky liked the proposed design. Mr. Kloptosky stated “not necessarily”. Mr. Kloptosky favored removing all signs and installing the new signage when the stucco project was completed. In response to Mr. Saizan’s question, Mr. Kloptosky clarified that he ordered new signage for the sides of the building but not for the front.

Regarding the design plans, Mr. Kloptosky voiced his opinion that it was not necessary to add stone veneer to the front walls and advocated only wrapping the columns. If stone veneer

was added, it should be at a lower height and installed on the sidewalls. Mr. Kloptosky described his ideas for the decoration and signage for the front and north elevations. He expressed concern about detailing protruding outside of the soffit. Mr. Saizan stated that the detailing currently protrudes outside of the soffit. Mr. Kloptosky asked if that could be contributing to the moisture intrusion issues. Mr. Saizan stated that the primary issues were other locations. Mr. Kloptosky liked the proposed detail but was concerned about it protruding and not being covered. Mr. Saizan was trying to limit the scope of the project, address the rakes on the gable and leave the coping alone, avoiding items that were not problematic. Mr. Kloptosky referred to a proposed detail that he felt would compete with the detail beneath it.

Mr. Kloptosky wanted the details for the upper wall repairs. Mr. Saizan stated that the final package would include the roof repair, gutter and window details. Mr. Kloptosky suggested coordinating the appearance of the north and south elevations.

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

Supervisor Smith asked Mr. Saizan if Mr. Kloptosky's ideas would be incorporated into the detail plans. Mr. Saizan replied that the package would contain the full bid specifications and drawings so that contractors have no guesswork.

▪ **Consideration of/Decision on: Vesta Property Services, Inc., FY2016/2017 Proposal for Amenities & Lifestyle Management Services**

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

Mr. Deary stated that the District's contract with Vesta Property Services, Inc., (Vesta) would expire at the end of September. The proposal included the same scope of work and fees that were in the current contract. Mr. Deary recalled that, under the current contract, Vesta agreed to a revenue sharing formula, related to the café, where Vesta remitted all excess revenue from café operations to the District, to offset the price increase and, once the price increase was fully remitted to the District, the District and Vesta would equally split the remaining excess revenues. Since the new contract would not reflect a price increase there would be nothing to offset; therefore, the proposal was to split the excess café revenues "50/50".

Mr. Clark stated that the existing contract was purposefully designated as a "continuing" contract, which would allow the Board to accept the current proposal, without a price increase. If Vesta proposed a higher amount, the contract must go through the Request for Proposals (RFP) process.

On MOTION by Supervisor Smith and seconded by Supervisor Lawrence, with all in favor, the Vesta Property Services, Inc., proposal for Amenities & Lifestyle Management Services, for two years, as proposed, with a 50/50 profit share split of the café revenues over and above operating expenses, were approved.

▪ **District Engineer**

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

Mr. Sullivan reported that the Creekside parking lot opened. The contractor was making final changes. Documents necessary for final inspection should be submitted to the City this week or early next week. Supervisor Davidson asked Mr. Sullivan if he found the City Building Department positive and timely. Mr. Sullivan stated that the City Building Department was not negative or untimely. While they could have proceeded quicker, Mr. Sullivan was able to accomplish what was necessary. Mr. Kloptosky stated that the City Building Department had issues with the landscaping.

Supervisor Lawrence suggested asking mayoral candidates to intercede with the City regarding the District's issues with the Building Department, etc.

B. Continued Discussion: Curb Repair/Road Resurfacing

Mr. Sullivan was directed to develop drawings for the concrete roadway sections on Front Street and Lakeview Lane. The necessary surveys were completed and due today. Once received, the engineering drawings would be prepared. Permitting issues were not anticipated for the two Front Street sections but there might be issues related to the Lakeview Lane section. The hope was to convince the City that the project would not change the footprint, drainage patterns or landscaping of either roadway, which might expedite the permitting process.

Supervisor Smith recalled Mr. Kloptosky's statement, at the last meeting, that residents affected by the curb repairs were notified and asked if it was a time sequence notification. Mr. Kloptosky replied no; an e-blast was sent and S.E. Cline Construction (Cline) was directed to notify each resident, individually, as work commenced. Supervisor Smith stated that residents along Lakeview Lane observed curb markings and asked him what the markings were for, which would mean that those residents were not notified. In response to Supervisor Davidson's question, Mr. Kloptosky confirmed that the e-blast was sent to the entire community; it was not targeted. The e-blast would be transmitted again and Cline would be reminded to notify

residents, as work begins. Supervisor Lawrence asked if Cline would leave a note or card if no one was home. Mr. Kloptosky did not know.

▪ **Candidate Night Moderator Update – Tom Byrne**

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

Mr. Tom Byrne, a resident and Candidate Night Moderator, stated that he spoke to all candidates participating in the upcoming primaries. Unopposed candidates who would automatically be elected all agreed to attend the District’s Candidate Night on October 13. Regarding the format, Mr. Byrne would introduce the candidates and candidates would speak. Candidates would not be asked questions, unless the Board directed that questions be asked. At the last event, the Board provided two questions to ask. Supervisor Davidson felt that questions should be asked. The Board would provide Mr. Byrne with the questions. A “save the date” e-blast was sent to residents.

▪ **Continued Discussion: Curb Repair/Road Resurfacing**

Discussion of this item resumed.

Mr. Kloptosky stated that Cline’s proposal for the Fiscal Year 2017 roadwork would be added, as an amendment, to the existing contract. District Counsel completed the amendment to the contract and it would be executed.

Mr. Kloptosky presented Change Order 1, from Cline, for \$14,095.20, for curb and asphalt repairs at previously unidentified locations. The addition would increase the price from the original price of \$92,245.50 to \$106,340.70.

Supervisor Smith asked if the project would still be within budget. Supervisor Lawrence was not sure if the specific project was within budget; however, the Capital Improvement Plan (CIP) projects budget was under budget for total CIP expenditures.

On MOTION by Supervisor Lawrence and seconded by Supervisor Chiodo, with all in favor, S.E. Cline Construction Change Order 1, for additional curb and asphalt repairs, at previously unidentified locations, in a not-to-exceed amount of \$14,095.20, was approved.

C. **Continued Discussion: Waterfront Park Fence & Gate**

Mr. Kloptosky submitted the Amendment to the Plat Agreement to the City and received the executed document the next day. The District can proceed with the planned Waterfront Park area fence and gate project.

Regarding cost, Mr. Kloptosky stated that the project was previously added to the CIP budget and the \$2,380 proposal was within his approval threshold. Supervisor Davidson stated that the project should commence and the steps taken and scope of work should be communicated to the two property owners adjacent to the gate and fence. Supervisor Chiodo asked if the height of the remainder of the fence could be increased without another amendment. Mr. Kloptosky noted that a permit from the City would be necessary to change the fence.

D. Continued Discussion: Proposed Budgets for Fiscal Year 2016/2017

Mr. McGaffney stated that the updated CIP budget, including the fence project, would be included in the next version of the proposed Fiscal Year 2017 budget.

On Page 17, Supervisor Lawrence wanted to eliminate the \$2.59, per unit, proposed assessment increase. Supervisor Davidson pointed out that, as proposed, the Wild Oaks property owners would already realize a \$94.41 reduction to their assessments. Mr. Clark confirmed that the District would not be required to send the 197 letter if assessments remained the same or decreased. Supervisor Chiodo noted that, as proposed, some property owners would realize a savings but there would be a slight assessment increase for the majority and asked if zeroing out the increase for those would carry over as additional savings for the Wild Oaks property owners. Supervisor Smith replied no; it would only apply to those with the proposed \$2.59 increase. Mr. McGaffney stated that fund balance would be used to offset the increase. Mr. Clark noted that increases were programmed into the expenditures related to amenity services and recommended adjusting those line items to offset eliminating the \$2.59 assessment increase, since the costs would remain the same as in Fiscal Year 2016. The following changes were made:

Page 4, "Amenity Management" line item: Change "491,562" to "477,225"

Page 4, "Amenity Operations & Maintenance" line item: Change "63,634" to "61,795"

Mr. Clark confirmed that the 197 Letter must be sent to Escalante Golf, as their assessments would still increase.

The following change was made:

Page 8, "Pump house shared facility" description: Delete "The agreement went into effect on November 10, 2005 and shall terminate upon the termination of the reclaimed water agreement dated November 17, 2005."

Mr. David Reisman, a resident, asked about line items, on Page 3, which only had amounts listed in the "Proposed Budget FY 2017" column. Mr. McGaffney explained that those were newly created line items, due to reclassifying expenses from other areas of the budget, for Fiscal Year 2017.

In response to a question from Mr. Vic Natiello, a resident, Supervisor Smith stated that he wanted to notify residents that there would be no assessment increase. Notification could be by a mechanism less expensive than sending letters, such as an e-blast. Mr. Natiello interpreted Supervisor Smith's prior comments to mean movement toward increasing assessments in the future and cautioned against setting that precedent, as one hurricane could use up fund balance. He applauded the Board's efforts to maintain the same budget but cautioned against making no assessment increases an ongoing expectation because, the Board would eventually have to answer for it, especially if something happened. Supervisor Lawrence stated that the average increase was 3% to 4% per year, which would continue in future years; a zero increase for Fiscal Year 2017 would be the anomaly.

On MOTION by Supervisor Smith and seconded by Supervisor Lawrence, with all in favor, modifying the proposed Fiscal Year 2017 budget to eliminate an assessment increase to property owners, as discussed, was approved.

Supervisor Davidson noted that, in Fiscal Year 2019, when the debt service bonds are paid in full, the assessment amount would not roll off, it would continue to build reserves for the anticipated \$6 million in road repairs and avoid a special assessment.

E. Continued Discussion: FY2016 & FY2017 CIP (to be provided under separate cover)

Supervisor Lawrence distributed the Fiscal Year 2016 and Fiscal Year 2017 CIP budget. The items previously discussed were added. The pickleball tables and umbrellas would be marked as approved. The fence, building addition, Cline change order and all approved projects totaled \$540,149 versus a \$590,000 budget; with only two months remaining in Fiscal Year 2016, additional projects could be approved. Regarding canopies at the pickleball courts, Mr.

Kloptosky stated that picnic tables with umbrellas were selected as a more economical option; canopies over the benches could be added in the future. Supervisor Davidson stated that \$2,500 should be added to the Fiscal Year 2016 CIP budget for the pickleball tables and umbrellas.

Mr. Kloptosky asked if the Front Street road project was included in the Fiscal Year 2017 CIP budget. Supervisor Lawrence indicated that road reserve funds would be available.

*****The meeting recessed at 11:45 a.m.*****

*****The meeting reconvened at 11:57 a.m.*****

F. Consideration of/Decision on: Vesta Property Services, Inc., FY2016/2017 Proposal for Amenities & Lifestyle Management Services

This item was discussed following Item 5.A.

G. Update: RFQ for District Engineering Services

Mr. McGaffney stated that the Request for Qualifications (RFQ) for District Engineering Services was advertised on Sunday.

▪ **Continued Discussion: Proposed Budgets for Fiscal Year 2016/2017**

Discussion of this item resumed.

Supervisor Davidson stated that, each year, Management prepares a comparative and combined analysis of the CDD’s proposed fiscal year budgets with the HOA and CDD assessments for comparative Districts. The analysis could be presented at the budget Public Hearing.

▪ **Update: RFQ for District Engineering Services**

Discussion of this item resumed.

Supervisor Lawrence noted the RFQ due date of August 17 and asked what Management was doing to generate interest from engineering firms. Mr. McGaffney stated that the RFQ was advertised in the Daytona Beach News Journal and Management advised a few reputable engineering firms of the RFQ. Mr. Kloptosky would provide Management with the names of two engineering firms that Cline regularly works with.

SIXTH ORDER OF BUSINESS

**Upcoming Community Workshop/
Regular Meeting Dates**

A. District Engineer

This item was presented following Item 5.A.

B. Amenity Manager

Mr. McGaffney presented the Amenity Manager's report.

C. Field/Operations Manager

Mr. McGaffney stated that this heading would be changed from "Field/Operations Manager" to "Operations Manager", going forward.

Mr. Kloptosky presented a map of 13 Turkey Oak Lane. Currently, a CDD walking path encroaches across the property, outside of the CDD easement. The map contained a new proposed route for the path within the easement, which could be achieved without installing a bridge. A proposal from Cline would be obtained. Discussion ensued regarding vegetation around that area, buffers, etc. Supervisor Davidson wondered about resident safety, as wildlife recently came out of the woods. Mr. Kloptosky stated that no CDD paths have buffers. Supervisor Davidson suggested advising residents of the wild boars and for them to stay alert.

Mr. Kloptosky received complaints from residents about wild boars, in Wild Oaks, and demands for something to be done about them. The trappers set traps but there were many boars in the swamp, which is permitted through the State. Supervisor Chiodo recalled that, when this issue arose many years ago, residents formed a coalition and hired hunters. Mr. Kloptosky stated that the District was included in the trapper's permit. The trapper holds the permit for all of Graham Swamp.

Regarding destruction of private property by nuisance wildlife, Mr. Clark stated that the District can protect its property but does not have the power to exercise animal control, nor can CDD funds be used to protect private property. Mr. McGaffney asked if the District would be able to address nuisance species in conservation areas that are the District's responsibility. Mr. Clark stated that, by definition, conservation areas contain animals, snakes, etc.; if it was determined that a species was a threat to the CDD's property, then the CDD could do something. Supervisor Smith asked if there was damage to common areas. Mr. Kloptosky stated that the only area with an issue was an area around Pond 20, in The Crossings; recently, the issues were on private property in Wild Oaks. Supervisor Lawrence surmised that, since Graham Swamp was the State's property, residents should contact the State. Discussion ensued regarding sending an e-blast targeted to Wild Oaks residents notifying them of the wild boar situation.

Supervisor Davidson asked about CDD obligations related to destructive wildlife. Mr. Clark stated that CDDs do not have the power to do anything about destructive wildlife on

private property and, if a CDD undertook something that it was not required to, it would become obligated to do it well and be liable if it did not.

Mr. Kloptosky recalled that the pool chair lifts were recalled. The chair lift vendor shipped the parts and the lifts were repaired, for \$700. A reimbursement request was sent to the vendor.

Mr. Kloptosky presented the June oxygen level test results, from Aquatic Systems, Inc., (ASI), for Pond 1, which revealed a drop in oxygen levels; the oxygen levels were no longer sufficient. As previously approved, one species of fish were stocked; however, the other species of fish would be stocked once available, at the end of July. Pond 1 would be retested to determine if aeration would be necessary. ASI quoted \$8,870.26, not including electrical work or boring and installing conduit, to install aeration in Pond 1. Discussion ensued regarding the number of aerators needed to aerate Pond 1.

Supervisor Smith asked for the decision criteria to determine whether to install aeration and if low levels next month or the following month would prompt installation of aeration. Mr. David Cottrell, of ASI, would be invited to speak about this at the next workshop.

Mr. Kloptosky presented a \$5,172 proposal from M and M Sales-Service, llc (M&M) to install a new 75HP DanFoss drive for the irrigation pump station. This item would be cost-shared with Escalante; the CDD's portion would be 25%. Escalante did not agree to the \$2,370 warranty that was offered. The Board agreed to the expenditure.

Mr. Kloptosky recalled that two employees resigned and the Board directed him to obtain plaques, which was not possible, due to time constraints. Alternately, Mr. Kloptosky purchased and presented Ms. Kane and Mr. Brenes with \$100 gift cards and allowed both to leave two days early, with pay.

In response to Supervisor Smith's question, Mr. Kloptosky stated that there were no plans or proposals for the restroom tile renovations; it was being considered for Fiscal Year 2017. Supervisor Lawrence pointed out that the CIP projects were under budget and recommended obtaining proposals and commencing the project now. Mr. Kloptosky stated that the sinks were closed because a sealer was being applied to the countertops. Supervisor Davidson asked about installing three-quarter high walls in the restrooms. Mr. Kloptosky obtained a quote for the three-quarter high walls, which he planned to approve, as the quote was within his approval threshold.

D. District Counsel

Supervisor Davidson recalled discussion of traffic issues that could ensue if the County installs the traffic signal at the Main Gate, as specified in the District's agreement with the County, and asked if the County must install it at the Main Gate or could install it at the North or South Gate, depending on the traffic study findings. Mr. Clark stated that the County controls the road so the County could install the traffic signal anywhere they want. The agreement specified that the CDD funds, on deposit, would be used to install a traffic signal at the Main Gate. If the County decided to install the signal, at another location, it would be at the County's expense or the County could ask for an amendment to the agreement, allowing the funds to be used to install a signal at another location.

E. District Manager**i. Upcoming Community Workshop/Regular Meeting Dates****o COMMUNITY WORKSHOP**

- **August 4, 2016 at 10:00 A.M.**

Mr. McGaffney stated that the next workshop will be held on August 4, 2016 at 10:00 a.m.

o BOARD OF SUPERVISORS MEETING

- **August 18, 2016 at 10:00 A.M.**

Mr. McGaffney stated that the next Regular Meeting will be held on August 18, 2016 at 10:00 a.m. The budget Public Hearing would be held at the September meeting, which would be held on Thursday, September 1, 2016 at 3:00 p.m., at this location.

Supervisor Lawrence asked if Escalante paid its past due assessments. Supervisor Davidson stated that tax certificates on the properties already occurred. Mr. McGaffney stated that all of the tax certificate sales revenues were not yet received from the Tax Collector. Supervisor Lawrence asked if the purchaser of the Escalante tax certificates could demand the sale of the golf course. Mr. Clark stated that, two years from the sale, the purchaser could apply for a tax deed. Supervisor Davidson explained that the debtor must pay the debt, plus 5%, to the purchaser and, if they do not, the purchaser could foreclose.

Mr. Kloptosky spoke to the Escalante Manager regarding concerns about the golf course. The Manager assured him that the golf course was in good financial condition but she did not

know why Escalante did not pay its taxes. This golf course was making money; there was no indication that Escalante did not plan to continue operating the golf course.

Supervisor Davidson reviewed a list of the Escalante and Lavia tax certificate purchasers and amount of each tax certificate. Mr. Clark pointed out that the District should have previously received the tax certificate sale revenues for Lavia’s delinquent Fiscal Year 2014 taxes.

Supervisor Smith observed the declining conditions, under golf course’s prior management, and voiced his opinion that Escalante was maintaining the golf course; the conditions were the best in four years.

▪ **CDD Employee Evaluations – Raises and Bonuses**

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

Mr. McGaffney reported that Mr. Kloptosky received favorable performance evaluations from all Board Members.

On MOTION by Supervisor Gaeta and seconded by Supervisor Lawrence, with all in favor, the performance evaluation of Mr. Kloptosky, a 1.1% Consumer Price Index salary increase and a 7.5% bonus, were approved.

Mr. McGaffney distributed an updated job description for “Administrative Assistant to the Operations Manager”, which would be filled by Ms. Acrin, and the job description for the newly created “Office Manager” position, which would be filled by Ms. Higgins. Mr. Clark stated that, as of December 31, 2016, Ms. Higgins’ new salary would be under the minimum salary threshold necessary to avoid paying overtime.

On MOTION by Supervisor Davidson and seconded by Supervisor Chiodo, with all in favor, the promotion of Ms. Higgins to the salaried, plus overtime, non-exempt, position of Office Manager, with a 10% pay increase, was approved.

Ms. Cerbone stated that the health insurance quote to change the plan year to the District’s fiscal year was not received; it should be received in time for discussion at the next workshop. Regarding the recent changes in employees and whether the District would have

enough employees in the plan to keep the plan, the insurance broker confirmed that the number of employees was fine.

The following items would be included on the upcoming workshop agenda:

- Review bank accounts, account balances and interest rates.
- Updated Terracon plans.
- ASI update by Mr. Cottrell.
- Updated proposed Fiscal Year 2017 budget and CIP.
- Delinquent assessments receipts update.
- Employee health insurance update.
- Escalante status update.

Regarding District contracts, Ms. Cerbone distributed an updated Contract Recap spreadsheet. The Vesta/AMG contract was extended, for two years, earlier in the meeting.

The following items would be included on the upcoming workshop agenda:

- Review of contracts status.
- Waterfront Park fence permit update.

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

Supervisor Davidson stated that all items should remain on the Open Items List.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

Supervisor Davidson stated that, this Saturday, the Flagler County Emergency Operations Center (EOC) would hold a training program, which will include four Citizens Emergency Response Team (CERT) training sessions, in the Grand Haven Room; 19 residents signed up for the training and eight others would be participating, as a refresher.

Supervisor Davidson stated that a light lunch would be provided, for \$2 per person. Supervisor Smith felt that the cost for lunch should be absorbed by Mr. Kloptosky's budget. The Board agreed. In order to receive the free lunch, residents must sign the application to join CERT and remain for the training. Subsequently, several training sessions would be held at the EOC for specific areas of training.

Supervisor Davidson was contacted by residents regarding the history of the GHMA, the CDD, the community, sidewalks, etc.; the information was forwarded to the District Manager for review.

Regarding a stormwater management permit set to expire soon, Mr. Clark needed more information. This raised an issue regarding the St. Johns River Water Management District (SJRWMD) but this matter was related to the Army Corps of Engineers (Corps) permit and not the SJRWM permit. Mr. Clark emailed the person who contacted the District and requested additional information.

Regarding recent discussions about a survey taker seeking entrance into the community to survey residents, Supervisor Davidson and others received an email from a resident who did not want the person allowed, voicing their opinion that it would be a breach of the CDD's security. Supervisor Chiodo emailed the survey company back and there was no response. Dr. Carlton stated that he wrote a letter, on behalf of the GHMA, expressing the community's reluctance to participate and did not hear back. Regarding the survey taker's prior attempt to access the community and meeting with Mr. Kloptosky, she was advised that Mr. Kloptosky must consult with the Board and to check back with him, following the next meeting.

NINTH ORDER OF BUSINESS

ADJOURNMENT

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

On MOTION by Supervisor Smith and seconded by Supervisor Davidson, with all in favor, the meeting adjourned at 1:07 p.m.

Secretary/Assistant Secretary

Chair/Vice Chair



Secretary/Assistant Secretary



Chair/Vice Chair