

**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, February 4, 2016, 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 (<i>via telephone</i>)	Assistant Secretary
Tom Lawrence	Assistant Secretary

Also present were:

Craig Wrathell	Wrathell, Hunt and Associates, LLC
Cindy Cerbone	Wrathell, Hunt and Associates, LLC
Barry Kloptosky	Field Operations Manager
Robert Ross	Vesta/AMG
Roy Deary	Vesta/AMG
Victoria Ledwich	Grand Haven CDD Office
John Burt (<i>via telephone</i>)	Enterprise Solutions Industries
Rob Carlton	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. Wrathell called the workshop to order at 10:04 a.m., and noted, for the record, that Supervisors Davidson, Chiodo and Lawrence were present, in person. Supervisor Gaeta was not present at roll call. Supervisor Smith was not present.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

UPDATES: Amenity Manager

Mr. Ross indicated that Mr. John Burt, of Enterprise Solutions Industries (ESI), would call in at 10:15 a.m. Since the last meeting, Mr. Ross and Mr. Burt had daily phone conversations regarding the chip card readers not functioning properly.

Supervisor Lawrence stated that Vesta/AMG (Vesta), must decide whether to continue working with Mr. Burt. Supervisor Davidson indicated that it was the Board's decision. There appeared to be a lack of competence on behalf of the vendor.

Mr. Deary surmised that both the Board and Vesta want a vendor who can work with the existing hardware. Supervisor Davidson stated that a vendor who could review the entire credit card system was needed. Supervisor Lawrence was not convinced that the hardware was deficient; the District needs a qualified person to evaluate the system. Supervisor Davidson assumed that Mr. Burt would claim that the hardware and software were not compatible; Mr. Burt previously recommended both.

Supervisor Davidson indicated that three issues must be addressed, including vendor competency, system functionality and possible monetary damage responsibility.

Mr. Ross clarified that credit cards could still be accepted but the chip readers were not functioning. Credit cards must be swiped, making the District liable for any fraudulent activity. The issues began in October, 2015 and the chip card readers were only received, recently.

Supervisor Davidson asked if Mr. Burt worked with any of Vesta's other clients. Mr. Deary replied no and thought that this was a question for Mr. McGaffney. Mr. Ross confirmed that Mr. McGaffney introduced Vesta to Mr. Burt.

******Supervisor Gaeta joined the workshop via telephone.******

Supervisor Gaeta stated that the new point-of-sale (POS) devices were not functioning properly. She felt that Mr. Burt sold the District a system that was not Point-to-Point Encryption (P2PE) or Europay, MasterCard and Visa (EMV) compliant and then claimed that the Mercury software was needed. The PCI-DSS Certificate of Compliance, attested to by Mr. Daniel Todd Fagen, General Manager of Amenity Operations, was received at the last meeting but the District did not receive a copy of the Quality Assessment Report, completed by Mr. Burt. There was poor planning and execution by Mr. Burt. Supervisor Gaeta reiterated that Mr. Burt now claims that Mercury software, which was purchased per Mr. Burt's recommendation, is not compatible with the POS system.

Supervisor Davidson asked if the District had written copies of Mr. Burt's recommendations. Mr. Deary doubted that Vesta possessed written documentation. Mr. Kloptosky advised that the District has ESI's proposal, which included the components and software. Mr. Deary noted that EMV was not a factor when the decision was made to use Mr. Burt, as a vendor.

Mr. Kloptosky indicated that, once it was discovered that the old system was not P2PE or EMV compliant, the POS hardware and software were upgraded, per Mr. Burt's recommendations and proposal, for approximately \$5,000. Discussion ensued regarding Mr. Burt's recommendations.

******Mr. Burt joined the workshop via telephone.******

Supervisor Davidson stated that the District was currently not P2PE or EMV compliant and asked Mr. Burt to provide an update.

Mr. Burt advised that the District was PCI compliant and passed a forensic vulnerability test. Forensic vulnerability tests were scheduled monthly to ensure the best practices for securing cardholder data were followed. The District has an agreement with Mercury, the credit card processor, which provides \$100,000 of breach insurance. Mercury identified the District on chargebacks for EMV chip card related fraud, which covers the District for up to \$250, monthly, in chargeback fraud protection. Supervisor Gaeta questioned the \$250 monthly protection amount. Mr. Burt explained that Mercury provided protection for the first \$250, should the District incur an EMV related chargeback fraud.

Supervisor Chiodo indicated that the system still does not accept chip cards. Mr. Burt stated that the chip card readers were installed; Mercury, who manufactured the chip card readers and POS software, lab-test certified the system but is receiving errors from machines in the District's network and cannot place the system in "live mode", to accept chip cards, until the errors are cleared. Mr. Burt explained that the three components to the credit card system are the credit card processing clearing house, which must receive information from the chip card reader, the chip card reader and the POS software. All three components must work together, once the chip card mode goes live. For the past two weeks, Mercury ran test transactions with the District's equipment and attempted to debug the system. If the software tests properly, the chip card readers will be activated tomorrow but, if the system does not test properly, Mercury will move to the next step in debugging.

Supervisor Gaeta stressed that the system was not working and something was wrong with one of the interfaces. Mr. Burt reiterated that all three components must communicate with one another and a change made to one component can cause a change in another component. Mr. Burt noted that many retail establishments, including the United States Postal Service (USPS), have chip card readers in place, which are not yet live. There were no specs for the chip card readers until the October time frame and Mr. Burt suspected that early chip card readers must be reprogrammed or retrofitted. The District's chip card readers were not shipped until the specs were finalized, tested and certified by the processor, the reader and ESI's software department.

Supervisor Gaeta asked how the District could pass the audit and vulnerability scan and be PCI-DSS certified, while not being compliant. Mr. Burt stressed that the District was 100% compliant, was certified compliant and has breach insurance. Supervisor Gaeta pointed out that the system did not function properly. Mr. Burt explained that PCI compliance and the chip card readers were two separate matters; PCI compliance addressed how cardholder data was handled and protected and had nothing to do with chip cards. Nothing in the PCI spec relates to chip readers.

Mr. Deary indicated that the card reader issue fell under EMV compliance. Mr. Burt advised that EMV is a chip reading spec. The card is inserted into the card reader and, through communication between the reader and the processor, the chip is confirmed and the encrypted cardholder data is sent to the processor, for authorization from the bank.

Mr. Deary asked if the firewall was a PCI compliance component. Mr. Burt replied affirmatively. The firewall was how the District shields and secures the POS system. Supervisor Gaeta stated that the firewall provided a barrier in the network between the residents and the POS system.

Supervisor Gaeta asked if the District was P2PE or EMV compliant. Mr. Burt indicated that the District was PCI compliant and PCI certified and was not accepting EMV cards, at this time. Supervisor Gaeta asked if the District will be able to accept EMV cards. Mr. Burt stated that the District has the equipment and software that was tested and certified with the three suppliers and, once the vendors successfully debug the system, EMV cards will be accepted. Mr. Burt reiterated that the District had full PCI compliance and fraud protection insurance from the processor.

In response to Supervisor Davidson's questions, Mr. Burt advised that all EMV cards have a magnetic strip and can be swiped; with regard to chip card testing, the vendors are coordinating with one another to correct the chip card acceptance issues. OrderCounter, the POS software developer, was overseeing coordination between vendors.

In response to Supervisor Lawrence's question, Mr. Burt indicated that the District was not incurring any additional charges for the debugging process. Supervisor Lawrence asked, if the process does not work, who would cover the cost of the equipment that the District purchased. Mr. Burt stated that, if, at the end of the debugging process, the chip readers do not work, ESI will replace the chip readers, with functioning chip readers, at no cost to the District. Mr. Burt believed that the chip readers would be functional within one week. The system functioned properly in the lab and in other restraints with same configuration; there is some anomaly in the District's configuration that the vendors are addressing.

Supervisor Gaeta asked if Mercury was debugging the system remotely and how involved Mr. Burt was in the process. Mr. Burt advised that he was not involved in the technical aspect of the project; he "harassed" the developers daily to ensure that resolution remains a priority.

Supervisor Davidson asked if PCI compliance was sufficient to release the vendor of liability for fraudulent charges. Mr. Burt explained that, as of October, credit card processors were no longer liable for fraudulent transactions. If a fraudulent card is used for a purchase at the District's café, the credit card processor can charge the amount back to the District. Mercury provided monthly chargeback fraud protection up to \$250. Supervisor Lawrence asked if using a chip card reader was more secure than swiping the card. Mr. Burt explained how swipe card transactions would be processed, once the card readers were activated.

Mr. Wrathell asked if the chip protected against fraudulent cards. Mr. Burt indicated that the chip offered an extra layer of security. Mr. Wrathell surmised that, until the chip readers were activated, the District only had \$250 coverage against fraudulent charges. Mr. Burt stated that \$250 a month was significantly higher than the amount of the District's chargebacks, historically. Mr. Burt explained the difference between fraudulent and stolen cards. Regarding fraudulent cards, the District's risk is extraordinarily small.

Supervisor Davidson asked if a particular person at OrderCounter was overseeing the District's installation.

Mr. Burt stated that OrderCounter received the latest VeriFone chip card reader firmware update and was loading the update onto the District's machines. In response to Supervisor Gaeta's question, Mr. Burt advised that OrderCounter was located in Pensacola.

Mr. Burt was having difficulty hearing the questions.

In response to Supervisor Davidson question, Mr. Ross stated that he called Mr. Burt, daily, for progress updates. Mr. Wrathell asked if café staff confirmed credit card information by verifying customer identification. Mr. Ross replied no but advised that, generally, the café customers were known to staff.

Supervisor Davidson requested that Mr. Burt provide daily progress updates.

FOURTH ORDER OF BUSINESS

UPDATES: Field/Operations Manager

Mr. Kloptosky presented S.E. Cline Construction, Inc. (Cline), Change Order 5 for the Sailfish Drive project. On the last change order, Cline forgot to include \$500 for striping, bringing the total of the project to \$183,754.18, which was still under budget.

Mr. Wrathell recommended that Mr. Kloptosky be permitted to sign the change order, now, and that it be ratified at the next meeting. The Board agreed.

Mr. Kloptosky indicated that the line items for replacement of benches and trash cans, throughout the amenity centers in the community, were included in the Capital Improvement Plan (CIP), totaling approximately \$23,000. An additional \$10,000 is needed to complete the project.

In response to Supervisor Davidson's question, Mr. Kloptosky indicated that an assessment of benches, throughout the community, was completed; benches are rusting and in very bad condition. In order to save on the substantial shipping cost, it made sense to replace all of the benches, at the same time. Benches would be added at The Village Center and be replaced, where necessary, at the tennis courts, pickleball courts, bocce ball courts and croquet court.

Supervisor Lawrence asked if the new benches would rust. Mr. Kloptosky replied no; the new benches are constructed out of composite material, like those on the Esplanade. The additional benches, at four locations on Waterside Parkway, were included in the budget. The benches in the Creekside Facility were badly rusted and posed a safety hazard.

In response to Supervisor Lawrence's question, Mr. Kloptosky stated that 34 benches and approximately 20 trash cans would be installed; the benches are made of composite material and would not require any maintenance. Supervisor Davidson asked how many people the benches could seat. Mr. Kloptosky indicated that the benches are 6' and could seat two or three people. Supervisor Davidson asked if staff must empty the trash cans. Mr. Kloptosky stated that staff already empties the trash and would add the additional locations to the collection route. The trash cans are made of polycarbonate composite but, unfortunately, the lids are only available in powder coated metal, so future maintenance will be required for the lids.

In response to Supervisor Chiodo's question, Mr. Kloptosky advised that the benches and the trash cans will be bolted in place. Supervisor Davidson requested that Mr. Kloptosky generate a bench location diagram, for public information purposes. The proposal will be presented for approval at the next meeting.

Mr. Kloptosky indicated that the Creekside croquet courts were closed, last Wednesday and Thursday, for maintenance; the courts were rotated and relined. The courts were closed again, yesterday, for several maintenance procedures, such as coring for aeration, spraying algacide and fungicide to address surface algae, a fertilization treatment, etc. Mr. Kloptosky felt that the majority of croquet players were happy with the steps being taken to maintain the croquet courts.

In response to Supervisor Davidson's question, Mr. Kloptosky advised that the maintenance was performed by Precision Land Grading (PLG), under Mr. Andy Bailey's supervision. Supervisor Chiodo asked how often the courts would be rotated. Mr. Kloptosky believed that the courts would be rotated monthly.

Mr. Kloptosky indicated that The Village Center spa repairs have commenced. \$10,000 was budgeted for repairs; however, once the repairs began, it was discovered that the spa was not properly constructed. The large seating area around the spa should have been poured as one monolithic concrete slab. The spa's lower beam was poured in two pours, creating a seam down the middle, which was never coated with epoxy. Another pour was added on top of the lower beam, creating more issues, pavers were added on top of the second pour and then acrylic was added on top of the pavers. The whole spa is being torn apart.

After speaking with the contractor, Mr. Kloptosky did not believe that the repairs would cost more than the amount originally budgeted but a completely different repair process must be followed.

Mr. Kloptosky presented photos of the project. Coping will be added to the inside and outside edges of the spa and 1" pavers will be installed in the center, to prevent future cracking. New tile will be installed inside and outside of the spa. The entire procedure was different than originally planned.

Supervisor Chiodo asked if there were any ADA compliance issues. Mr. Kloptosky was not aware of any. In response to Supervisor Gaeta's question, Mr. Kloptosky advised that the spa was currently closed and the time frame for completion would not be known until the proposal for the repairs was received.

Mr. Kloptosky recalled previous discussion about The Village Center's lack of storage and use of a storage shed. Mr. Kloptosky presented photos of possible shed locations and proposed adding an addition to the building, instead of a shed. An addition would cost more than a shed but it would be a one-time expense and would permanently provide The Village Center with much needed storage. He identified an area where a 14' by 18' addition could be constructed; he would obtain proposals, if the Board wished to proceed.

Mr. Kloptosky indicated that the addition would cost \$45,000 to \$50,000; a shed would cost \$15,000 to \$18,000. Supervisor Chiodo requested a more detailed proposal for the next meeting. Supervisor Lawrence pointed out that there was more than \$100,000 of uncommitted funds in the CIP. Discussion ensued regarding City regulations about building structures near emergency exit doors.

Supervisor Davidson directed Mr. Kloptosky to communicate with the water intrusion contractors regarding the possible addition. Mr. Kloptosky noted that the water intrusion contractors will present their findings at the next meeting.

Regarding the road surfacing plan, Mr. Kloptosky pointed out that the District Engineer distributed a list of recommended roads to address in 2016, 2017 and 2018 and asked if the Board wanted to proceed with any of the 2016 recommendations. Supervisor Davidson requested that a list of areas of concern be distributed, prior to the next meeting, so that the Board can inspect the areas, in person.

Mr. Kloptosky reported that the bocce ball court renovation was underway. Nidy Sports Construction (Nidy) removed the concrete from the shuffleboard court; in an effort to control costs, staff performed much of the preparation work. Stucco work was scheduled to begin tomorrow or the beginning of next week.

Mr. Kloptosky advised that the funding for the renovation was included in the CIP but a cost was never attached to additional items such as awnings, columns and lighting. Four awnings are needed, at approximately \$4,000 to \$4,600, each. Mr. Kloptosky advised that there were many factors involved in properly lighting the courts and presented photos of the lighting options being considered. Four lights with 100-watt bulbs and 12' to 14' posts with decorative arms were needed. The preliminary estimated cost of each light was \$2,000 to \$4,250. Supervisor Davidson surmised that the approximate cost of awnings and lighting was \$32,000. Supervisor Chiodo asked if the awnings and lighting required permitting. Mr. Kloptosky replied more than likely.

Supervisor Chiodo asked about the construction near the Main Gate. Mr. Kloptosky was uncertain what the construction was for but it was not District related; he believed that the construction was within the County's right-of-way (ROW).

*****The workshop recessed at 11:27 a.m.*****

*****The workshop reconvened at 11:33 a.m.*****

FIFTH ORDER OF BUSINESS

DISCUSSION ITEMS

- **Update: Business Plan Objectives**
 - i. **Maintain/Improve Safety and Security (*perimeter, gates, walkways and other non-amenity sites*) [PC]**

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

Supervisor Chiodo distributed the Maintain/Improve Safety and Security handout. Regarding gate security, he suggested that the Field Operations Manager be instructed to report, annually, on gate personnel performance, review security procedures and report on the "back-up issue" at the Main Gate, perhaps quarterly, including recommendations on hiring additional gate personnel at peak times.

Regarding community security, Supervisor Chiodo suggested instructing the Field Operations Manager to review and report on Sheriff's reports of break-ins and other incidents

occurring within Grand Haven, annually, or, if necessary, more often. The Sheriff's Office website provides information on where and what crimes are occurring.

Supervisor Chiodo noted that Mr. Kloptosky currently reports on community camera performance but suggested that he be instructed to report on all community camera performance at least once per year. He felt that, annually, the Board should evaluate the need for additional security enhancements, such as roving patrols and pedestrian gates. Supervisor Chiodo suggested that the Field Operations Manager be instructed to report about periodic common area sidewalk inspections. He also recommended that amenity safety inspections be conducted and reported, annually.

Supervisor Lawrence suggested that the Field Operations Manager invite the Sheriff to speak to the Board and the community, at least annually, and advise the community when the Sheriff will attend.

In response to Supervisor Davidson's question, Mr. Kloptosky stated that all of Supervisor Chiodo's suggestions were already in effect; it was simply a matter of compiling the data into reports.

Supervisor Lawrence suggested eliminating roving patrols and pedestrian gates from the "evaluate need for additional security enhancements, annually" and leaving the title open. Supervisor Chiodo agreed. Discussion ensued regarding possible additional security enhancements.

- **Update: Long Term Common Area Street Tree, Sidewalk, Gutter, Curb & Roadway Management Policy – Decision Tree**

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

Supervisor Davidson suggested that the right side of the Decision Tree be eliminated; the Board agreed. Mr. Wrathell recommended that "GHCDD" be included in the title to prevent any resident confusion. The final draft will be presented for approval at the next meeting.

- **Discussion: Sailfish Drive Traffic Control**

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

Supervisor Davidson referred to a letter from Mr. and Mrs. Wills, residents, regarding traffic control on Sailfish Drive. Mr. Kloptosky noted that Mr. and Mrs. Wills were long-term, part-time residents concerned with the traffic on Sailfish Drive and made traffic control suggestions. Mr. Kloptosky did not believe that reducing the speed limit was a feasible option.

Supervisor Lawrence did not agree that there was a lot of traffic on Sailfish Drive. Mr. Kloptosky had not witnessed traffic control issues, as described in the letter.

Supervisor Davidson noted that the Wills' letter claimed that, per the Palm Coast Streets and Sidewalks Department, only the CDD could designate Sailfish Drive a one-way street, decrease the speed limit, install speed bumps or post a sign indicating that it was not a through street. Supervisor Davidson referenced the "Speed Zoning for Highways, Roads, and Streets in Florida" manual, from the Florida Department of Transportation (FDOT). Per the Florida Statutes, the State sets the maximum speed limits; residential streets in all municipalities are 30 miles per hour (mph). A portion of the law states that a traffic engineering study must be completed if a municipality, at the local level, wanted to reduce the speed limits. Supervisor Davidson pointed out that the 25 mph speed limit, on Marlin Drive, was unenforceable.

Supervisor Davidson read the City of Jacksonville's response regarding lowering the speed limit to reduce hazards:

"The city may not lower a residential speed limit below 30 mph without a supporting engineering study. In many incidents, hazard complaints are based upon perceived hazards rather than actual hazards, and if the majority of motorists feel comfortable driving the speed limit, then lowering the speed limit has virtually no impact upon their driving speeds along those streets."

Supervisor Davidson noted that the Florida Traffic Engineering Council concurred. He referenced an article that stated speed bumps may pose a liability.

Supervisor Davidson believed that, if there was a traffic control issue on Sailfish Drive, it should be managed through public awareness and public communication. Residents could be asked to use caution because of the narrowness of the road and not to use Sailfish Drive as a cut-through. He suggested inviting the Sheriff's mounted patrol or the Community Observer Patrol (COP) to patrol the area during times of perceived heavy traffic. Supervisor Davidson did not feel that installing speed bumps was feasible due to the need of a traffic study. Discussion continued regarding traffic on Sailfish Drive.

Supervisor Lawrence suggested providing Mr. and Mrs. Wills with the documentation gathered by Supervisor Davidson. The Wills will be invited to attend a meeting and share their concerns, once they return to Florida.

Supervisor Davidson asked if the District should obtain a new traffic monitoring device. Mr. Wrathell suggested asking the Sheriff's Office to place a speed-monitoring device on Sailfish Drive, for a time, to afford comfort to residents and condition drivers to slow down. Mr. Kloptosky will contact the Sheriff's Office.

▪ **Discussion: BOS Support of Hyper-Local Newspaper**

A. <http://www.ormondbeachobserver.com/e-editions>

B. http://issuu.com/ormondbeachobserver/docs/the_trails_december_2015/3?e=1

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

Supervisor Davidson stated that Mr. John Walsh, publisher of the Palm Coast Observer, was publishing hyper-local newspapers targeted toward particular communities and was interested in publishing a Grand Haven hyper-local newspaper. Supervisor Davidson distributed an agreement, provided by Mr. Walsh and noted that the agreement was written for an HOA, not a community development district.

Supervisor Davidson was unsure if a CDD could use public funds to support a private enterprise and requested Board feedback prior to pursuing the matter further.

Supervisor Davidson read sections of the agreement:

“The Observer maintains editorial control of the Observer but will provide the association, proper management and the Board Chairman the option to spot check review of its PDF documents for content accuracy prior to sending files for publication. The association will respect publication deadlines in completing its spot check.”

“The Observer, in exchange for publication and mailing of the Observer, as discussed herein, will receive \$2,000 per quarterly issue. Payments will be timely made by the association property management upon receipt and approval of the Observer's invoice. The total annual reimbursement agreement for four quarterly publications is \$8,000.”

Supervisor Davidson noted that the Observer would collect revenue from advertising, as well. He asked Dr. Rob Carlton, resident and GHMA President, for his opinion.

Dr. Carlton provided a brief history of The Oak Tree. He stated that Mr. Walsh presented the idea of a Grand Haven Observer to the GHMA; articles would be solicited from Grand Haven residents, Mr. Walsh would maintain editorial control and handle the advertising. The concept was unanimously rejected by the GHMA board, who were concerned with the lack of editorial and advertising control. The Grand Haven Observer would basically take the place of The Oak Tree and the GHMA board felt that it was in the community's best interest to continue with The Oak Tree.

Mr. Wrathell compared the funding of the Grand Haven Observer with hiring a public relations firm that did not allow any editorial control. Being funded by a public entity would limit the publisher's ability to restrict undesirable advertising. He felt that a Grand Haven Observer could cause more harm than good.

Supervisor Davidson reported that, when Mr. Walsh was told that the District may not be legally permitted to fund the Grand Haven Observer, Mr. Walsh stated that he would start the Grand Haven Observer, one way or another, and would attend meetings to report on what was going on in the District and the Board would have no editorial control.

Supervisors Lawrence, Gaeta and Chiodo agreed with the GHMA's position. Supervisor Gaeta did not always find the Palm Coast Observer's articles to be factual. Mr. Kloptosky suggested asking for District Counsel's opinion.

Mr. Wrathell pointed out that the meetings are open to the public and Mr. Walsh was welcome to attend.

A. Discussion: Updates for Rules of Procedure, Chapter VI, Relating to Management of Stormwater Systems, Easements, Ponds and Pond Banks

- i. Encroachment by Residents on CDD Property**
- ii. Policy for Stormwater Right-of Way Utility Easements and Obstructions Agreements**
- iii. Policy for Clearing Development and Planting of District-Owned Detention Pond Lake Banks**
- iv. Best Management Practices for Storm Water Detention Pond Bank Plantings**

Supervisor Davidson advised that District Counsel recommended that some of the policies and procedures, developed by the Board, be codified into the District's Rules of Procedure (ROP). Previously, there was no book of District policies. The ROP was created

when the District was founded; Chapter VI, Relating to Management of Stormwater Systems, Easements, Ponds and Pond Banks, a new section, would be added to the existing ROP.

Supervisor Davidson referred to a list of “filters” created by Supervisor Smith. Regarding “Aesthetic value to community”, Supervisor Davidson recalled the decision to retain a Neo-Traditional landscape design and that the District must abide by the obligations set forth under the master storm water permit.

Supervisor Lawrence stated that the District wanted to keep the amenities in “like new” condition.

Regarding “Liability”, Supervisor Davidson stated that the Board did not want to place the District, or its residents, at risk due to common areas, sidewalk or street liabilities; proper maintenance would reduce liability exposure.

Supervisor Lawrence believed that the underlying issue was a legal issue. The common areas are owned by the CDD; therefore, if a resident made any changes to the District-owned property, it would be illegal.

Supervisor Chiodo stressed that the District was responsible for ensuring that the St. Johns River Water Management District (SJRWMD) permit was not violated.

Mr. Wrathell pointed out that, while the “filters” offer a way to view infractions, there was no need for the District to justify its policies because the steps taken by the District, to protect District-owned assets, were appropriate. The infractions were addressed before they could become real issues for the District. The policies were logical guidelines to protect District assets and the option to allow anything to remain in the District’s ROW or easements was at the Board’s discretion. The Board is bound by Chapter 190, of the Florida Statutes, to ensure that District assets are operational and maintained properly. He reiterated that the “filters” were addressed in the policies.

Supervisor Lawrence surmised that the policy is simple; no one, other than the CDD, is allowed to make improvements on District-owned assets. Supervisor Gaeta agreed and believed that the Board demonstrated discretion by listening to residents when there were encroachment issues.

Supervisor Gaeta felt that it was an exercise in futility for the Board to second guess itself. Supervisor Chiodo reiterated that, other than planting spartina on lake banks, only the CDD can make improvements on District property.

Mr. Kloptosky believed that Supervisor Smith intended for his document to be used as a guide in instances when resident improvements were allowed to remain, as the solutions undertaken were not 100% consistent.

Supervisor Lawrence hoped that the encroachment instances would be few and far between, now that a written policy was in place. Discussion ensued regarding previous exceptions made to the policy.

Mr. Wrathell suggested that, for now, the Board address encroachment issues on a case-by-case basis. The obstruction removal agreements could be applied to any CDD property encroachments.

****Supervisor Chiodo left the workshop.****

▪ **Discussion: Updates for Amenity Rules**

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

Supervisor Davidson indicated that the amenity rules and the ROP could be updated at the same noticed meeting. The document establishing the annual membership fee specified that membership could extend to up to six members of a household; the “Grand Haven Annual User Fee”, on Page 4, did not specify how many members of a family the membership may be extended to.

Mr. Kloptosky recalled instances of poor judgment on behalf of residents using the pools and spas. He suggested that, in compliance with the Florida Health Code, rules be added prohibiting washing or soaking bathing suits or articles of clothing in the hand sinks and prohibiting personal grooming, of any kind, in the pools and spas.

Mr. Kloptosky indicated that there were issues with bicycles parked in breezeways, posing a safety hazard, and suggested including a rule that bicycles must be parked in the bike racks provided at all amenity facilities. Discussion ensued regarding where the new rules would be located within the Grand Haven Community Development District Rules, Policies and Fees for All Amenity Facilities.

B. Discussion: Updates for Post Orders

Supervisor Davidson indicated that recent issues prompted review of the Post Orders (PO). He referred to an email claiming that AT&T was not allowed to enter the community to perform emergency repairs because vendors were only allowed entry during specified times. The PO do not include instructions regarding emergency utility repairs or quality of life issues.

Supervisor Gaeta suggested that a “quality of life” category be added, under the “SPECIAL VEHICLES allowed entry without a pass” heading, in the PO. Discussion ensued regarding where a “quality of life” category could be added.

Mr. Wrathell felt that the term “quality of life” was too broad and recommended a category specific to utility providers.

Supervisor Gaeta suggested that, for continuity, 6, under Section 2, be moved to 3.

In response to a comment by Supervisor Lawrence, Mr. Wrathell felt that an emergency plumbing repair would fall under the “Utilities” category.

Supervisor Gaeta pointed out that plumbing emergencies were addressed in Section 7 of the PO. Supervisor Lawrence clarified that the water leak referred to in Section 7 was intended to be a water leak visible on property.

Mr. Kloptosky advised that the security video was reviewed and there was no indication that an AT&T truck was turned away. He recalled that, during the time of the outage, there were problems with the callbox and surmised that the repairmen became frustrated with the callbox and left.

Supervisor Davidson stated that an email, sent between realtors, indicated that, if a realtor dialed 0-0-0-0 at any gate, the realtor would immediately be let into the community. Mr. Kloptosky advised that the email was incorrect and presented an email from Ms. Cynthia Gartzke, of ABM, detailing the procedure, followed by the guards, regarding realtor access.

Supervisor Gaeta alleged that the PO direction for guards not to accept changes to the preapproved access list directly from a resident or property owner, was not being followed. A resident went directly to the guard and requested that a particular person be let into the community. Mr. Kloptosky clarified that a resident did approach the guards but the individual was only permitted into the community after the guards called the resident and received permission. The guards followed proper procedure, regardless of the resident’s request.

Supervisor Gaeta pointed out that Section 3 H.2 stated that house or animal sitters must provide a key to the residence and questioned how the guard would know that the key belonged to that residence. Supervisor Gaeta suggested that residents inform the gate if a house or animal sitter will be coming. Supervisor Lawrence advised that residents are supposed to inform the gate but they do not always do so, which is why the sitters are required to provide their driver’s license, a key to the house and identify the resident and address.

Supervisor Gaeta asked why the South Gate was not included in the second paragraph of Section 4. Supervisor Lawrence noted that the South and North Gates should be included, as they are unmanned but used by vendors.

Supervisor Gaeta pointed out grammatical errors to be corrected.

Ms. Ledwich advised that housekeepers, lawn service, pool service, etc., as specified in the second paragraph of Section 4, were not permitted entry through the North or South Gates. Discussion ensued regarding which service providers were allowed in at each gate.

Supervisor Gaeta recommended changing “also” to “another” in the first sentence under “Vehicle Safety” in Section 6.

Supervisor Gaeta suggested that, instead of simply opening the gates, in the case of a power outage, a procedure be developed that would allow the guards to control entry through the use of a printed resident list. Supervisor Lawrence pointed out that the roads were public and placing guards at every gate would be a logistical burden. If the gates must remain open, for an extended period, controlled access could be addressed, on an exception basis, by the Field Operations Manager and the guards. Supervisor Davidson concurred.

Supervisor Gaeta recommended changing “they can” to “as possible”, in Section 7, E.1.

Supervisor Davidson read Ms. Gartzke’s email regarding realtor access. Mr. Kloptosky explained that realtors must present their cards at the Main Gate or to the camera to gain entry; they are not given blanket open access. Supervisor Davidson stated that the realtor access procedure outlined in Ms. Gartzke’s email must be added to the PO.

Mr. Kloptosky noted that the PO included a realtor access procedure but it must be updated. Supervisor Davidson recommended that Section 2, 2.a., be replaced with the procedure outlined in Ms. Gartzke’s email, followed by “DO NOT ISSUE THEM A VISITOR PASS; DO ENTER THESE VEHICLES IN THE VISITOR LOG.”

Supervisor Lawrence asked if a copy of the PO should be included in the Rules, Policies and Fees. Supervisor Davidson indicated that District Counsel must be consulted. The PO will be edited.

Supervisor Davidson stated that, generally, the edits to the Amenity Rules and PO will not become rules of the District. He questioned if all of the ROP remained applicable and pointed out that the public water supply was no longer District-owned. Mr. Wrathell advised

that District Counsel will review the ROP, prior to any changes, as chapters may be outdated. Discussion ensued regarding outdated sections of the ROP.

Supervisor Davidson noted that the Option 1 Agreement, in proposed Chapter VI, Relating to Management of Stormwater Systems, Easements, Ponds and Pond Banks of the ROP, did not indicate that the District will only install sod, as it did in the Option 2 Agreement, and wondered if there was an oversight.

Supervisor Gaeta referred to Page 26, of the Rules, Policies and Fees for All Amenity Facilities, and questioned whether amenity facilities staff were granted the authority to expel a patron or daily guest. Supervisor Davidson pointed out that the authority to execute a trespass notice was delegated to on-duty amenity staff because they may be the only staff available to do so. Staff may issue a trespass notice but only local Sheriff's deputies can physically remove someone from the premises.

C. Discussion: Updates for Amenity Rules

This item was discussed prior to item 5.B.

D. Discussion: BOS Support of Hyper-Local Newspaper

A. <http://www.ormondbeachobserver.com/e-editions>

B. http://issuu.com/ormondbeachobserver/docs/the_trails_december_2015/3?e=1

This item was discussed prior to item 5.A.

E. Discussion: Sailfish Drive Traffic Control

This item was discussed prior to item 5.A.

F. Update: Long Term Common Area Street Tree, Sidewalk, Gutter, Curb & Roadway Management Policy – Decision Tree

This item was discussed prior to item 5.A.

G. Update: Business Plan Objectives

i. Maintain/Improve Safety and Security (perimeter, gates, walkways and other non-amenity sites) [PC]

This item was discussed prior to item 5.A.

SIXTH ORDER OF BUSINESS

UPDATES: District Manager

Mr. Wrathell recalled previous discussion of whether some DSL lines were disconnected. It was discovered that the lines were not disconnected. As this was an error by Management, a credit, including accrued interest, totaling \$13,760.49, will be issued to the District.

Management will issue a \$3,000 credit on the February, March, April and May invoices and a \$1,760.49 credit on the June invoice.

• **UPCOMING MEETING/WORKSHOP DATES**

○ **BOARD OF SUPERVISORS REGULAR MEETING**

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

The next meeting will be held on February 18, 2016 at 10:00 a.m., at this location.

○ **COMMUNITY WORKSHOP**

- **March 3, 2016 at 10:00 A.M.**

The next workshop will be held on March 3, 2016 at 10:00 a.m., at this location.

SEVENTH ORDER OF BUSINESS

OPEN ITEMS

Regarding the 9th Green site, Item E., Mr. Wrathell indicated that the property tax exemption and removal of the ad valorem assessments were filed. A check was cut and will be remitted to the trustee for the bond payoff. As a result of the closing, District Counsel will send a check, for approximately \$500, to the tax collector, for the remaining tax bill.

EIGHTH ORDER OF BUSINESS

SUPERVISORS' REQUESTS

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

NINTH ORDER OF BUSINESS

ADJOURNMENT


There being nothing further to discuss, the workshop adjourned.

On MOTION by Supervisor Lawrence and seconded by Supervisor Davidson, with all in favor, the workshop adjourned at 1:29 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair