

**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, June 15, 2017** 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:

Peter Chiodo	Vice Chair
Marie Gaeta	Assistant Secretary
Tom Lawrence	Assistant Secretary
Ray Smith	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Scott Clark	District Counsel
David Sowell	District Engineer
Barry Kloptosky	Operations Manager
Robert Ross	Vesta/AMG
Jay King	Vesta/AMG
Ashley Higgins	Grand Haven CDD Office
Rob Carlton	Resident and GHMA President
Kathleen Fuss	Resident
Lionel Duckwitz	Resident
Pete Kuhn	Resident
Ron Merlo	Resident
Jim Gallo	Resident
Bob Hopkins	Resident
Marti Garziglia	Resident
Vic Natiello	Resident
David Alfin	Resident
Tom Byrne	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. McGaffney called the meeting to order at 10:03 a.m. Supervisors Chiodo, Gaeta, Smith and Lawrence were present, in person. Supervisor Davidson was not present.

SECOND ORDER OF BUSINESS

PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

THIRD ORDER OF BUSINESS

MODIFICATIONS TO AGENDA

The Board agreed to the following modifications to the agenda:

- FlaglerLive January 22, 2013 News Article – Palm Coast Cited Among Florida Cities Most Vulnerable to Climate Change in Latest Review – Supervisor Gaeta

FOURTH ORDER OF BUSINESS

CONSULTANTS, GUEST REPORTS & PRESENTATIONS

There being no reports or presentations, the next item followed.

FIFTH ORDER OF BUSINESS

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

On behalf of Ms. Diane Robeshaw, a resident, Supervisor Chiodo asked when the recently acquired property would be landscaped, as it was becoming an eyesore. Mr. Kloptosky stated that there were no plans to landscape the property; currently, it is irrigated and mowed. Supervisor Chiodo suggested that Ms. Louise Leister, Horticulture Consultant, prepare a plan to clear the area. Mr. Kloptosky stated that numerous trees were removed, between the parking lot and the property, and the berm would be trimmed and leveled.

SIXTH ORDER OF BUSINESS

STAFF REPORTS

A. District Engineer

Mr. Sowell stated that the draft Road Resurfacing Request for Proposals (RFP) was completed and disseminated for final review. The RFP could be advertised next week and the proposals might be available in August. The RFP encompassed six miles of roadways. Mr. Kloptosky wanted the Lakeview Lane project completed, prior to the resurfacing but the permit was pending. The contractor previously answered the City’s questions and would follow up.

B. Amenity Manager

Supervisor Smith asked about the Tiki Bar. Mr. Ross stated that business was poor. In response to Mr. Kloptosky’s question, Mr. Ross stated that it would be too expensive to

implement a credit card system because the Tiki Bar did not generate enough sales to justify the expense. Discussion ensued regarding whether the recent rain affected sales.

C. Operations Manager

Mr. Kloptosky stated that a few residents park vehicles in the “Motorcycle Only” spot at The Village Center and asked about installing bollards between the motorcycle spaces to prevent vehicles parking. Discussion ensued regarding whether this should be included in the Amenity Rules. Mr. Clark would research whether bollards could be installed. Mr. Lionel Duckwitz, a resident, was against bollards, which would prevent trikes and sidecar motorcycles from parking in those spots. In response to a question from Mr. Bob Hopkins, a resident, Mr. Kloptosky stated that the sign read, “Motorcycle Parking Only”. Mr. Clark stated that motorcycle parking should be addressed but the new policy could contain a general rule enabling the District to control and designate parking and avoid amending the Rules each time a new parking issue arises.

On MOTION by Supervisor Lawrence and seconded by Supervisor Smith, with all in favor, authorizing District Counsel and the District Manager to draft a Motorcycle Parking Policy, was approved.

Mr. Kloptosky stated that a resident was doing chin-ups on the Creekside pool handrail. Mr. Ross advised him to stop. The concern was that the handrails could become loose. Mr. McGaffney, Mr. Ross and Mr. Kloptosky would review the Amenity Rules and send a letter to the resident. Mr. Kloptosky recalled discussions about incorporating the landscape and holiday lighting, at the entrances. A previous option was not sufficient but a more powerful LED uplighting option would be tested. Discussion ensued regarding color options and changing colors, to coordinate with holidays.

Mr. Kloptosky stated that Yellowstone revised the terms of its agreement to keep the contract price and terms the same, for the next three years. Mr. McGaffney stated that it would be a continuation of the current agreement. Mr. Clark stated that a motion to approve continuing the contract was not necessary. Effectively, the contract would continue, based on the Board’s inaction; the District was not obligated to extend the contract three years. Supervisor Chiodo asked if the termination provisions remained the same. Mr. Clark replied affirmatively. Mr. McGaffney stated that the current agreement allowed for a fourth, fifth and sixth year.

Mr. Kloptosky stated that AlliedUniversal's guard service deficiencies, at the Main Gate, continued. Mr. Clark advised against hiring the second ranked company, from the previous RFP. The current security contract was under the \$190,000 RFP bid requirement threshold; therefore, the RFP process was not required. The RFP process could be used or the District could select another security provider and enter into negotiations. Supervisor Gaeta suggested a presentation by U.S. Security Associates. Mr. Kloptosky previously informed AlliedUniversal that they would likely lose the contract and felt that they were not taking sufficient steps to improve. Supervisor Lawrence stated that the decline in service occurred when AlliedUniversal acquired the former security company. Mr. Clark stated that the current contract contained a 30-day termination provision, without cause, and shorter, with cause.

Mr. Kloptosky stated that The Village Center pool repairs were underway; the goal was to complete the project by July 4, provided there were no delays. Mr. Ross stated that, even if the repairs were completed by July 4, it would take a few days to fill the pool and a few more days to balance the chemicals. The pool would not be ready for use by July 4.

Regarding The Village Center water intrusion issue and stucco project, Mr. Kloptosky planned to proceed with repairing the A-frame, to determine if it alleviated leak issues, and address the lower wall issues later. A \$21,000 proposal, from United Engineering, was previously provided. The Board supported proceeding, immediately.

▪ **RATIFICATION OF APPROVAL OF HURRICANE RECOVERY INVOICES**

****This item, previously Item 7C, was presented out of order.****

Ms. Higgins distributed a list of Hurricane Matthew invoices.

On MOTION by Supervisor Gaeta and seconded by Supervisor Lawrence, with all in favor, payment of invoices, in the amount of \$26,941.41, for Hurricane Matthew recovery work, was ratified.

Supervisor Smith asked if there were any additional open invoices. Ms. Higgins replied no. A spreadsheet error was noted. Ms. Higgins would email an updated spreadsheet.

Mr. Natiello stated that the Tiki Bar was in a low-lying area that did not drain well, which could be an electrocution hazard, as the Tiki Bar has refrigerators. Mr. Kloptosky stated that new drains were installed and gutters were reconnected; another drain would be added.

D. District Counsel

Mr. Clark spoke with a Federal Emergency Management Agency (FEMA) representative who advised that FEMA did not have the information previously submitted to FEMA’s former subcontracted state consultant; therefore, the District must resubmit all documentation to FEMA.

Mr. McGaffney stated that the RFP for Emergency Debris Removal Services went out.

▪ **Discussion: Federal Grant/Flagler County**

****This item, previously Item 8H, was presented out of order.****

Supervisor Gaeta found that, according to a February FEMA letter, the deadline to apply for FEMA grants for hazard mitigation was June 9 and asked if the District was notified. Mr. Clark replied no, despite the requirement to notify the District. Counties were supposed to establish committees and notify all governmental entities, within their jurisdiction, of the availability of grant funds. The District found out too late to obtain a letter from the County’s committee approving the District’s plans. The District could appeal to the County for a share of the grant money, since they failed to notify the District but it was unlikely that approach would be successful. Mr. McGaffney would contact the County.

E. District Manager

i. Upcoming Meeting/Workshop Dates

○ **BOARD OF SUPERVISORS MEETING**

▪ **July 20, 2017 at 10:00 A.M.**

○ **COMMUNITY WORKSHOP**

▪ **August 3, 2017 at 10:00 A.M.**

Mr. McGaffney recalled that the July 6 workshop was previously cancelled. The next meeting will be held on July 20, 2017 at 10:00 a.m., and might be continued to August 3. The next workshop will be held on August 3, 2017 at 10:00 a.m.

SEVENTH ORDER OF BUSINESS

CONSENT AGENDA ITEMS

Mr. McGaffney presented the Consent Agenda Items for the Board’s consideration.

A. APPROVAL OF UNAUDITED FINANCIAL STATEMENTS

i. Unaudited Financial Statements as of May 31, 2017

Mr. McGaffney stated that assessment revenue collections were at 99%; overall, revenues were at 100%. Supervisor Gaeta asked why the “Gate communication devices” line item, on Page 4, was at 116%. Mr. Kloptosky stated that the item was a reimbursable and should be

balanced, on the “Gate & amenity guest” line item, on Page 1. In response to Supervisor Gaeta’s question about the “Flagler County Health Department” line items, on Page 24, of the Check Register, Mr. Kloptosky stated that the expenses were for the annual pool and spa permits. As discussed at the last meeting, Supervisor Gaeta stated that the reason “Insurance: workers’ compensation” was at 169% was because claims were filed and there were routine annual increases. Mr. McGaffney stated that a credit was usually received, each year, and the most recent credit was applied under “Interest and miscellaneous”, on Page 1.

B. APPROVAL OF MINUTES

- i. April 27, 2017 Regular Meeting**
- ii. May 4, 2017 Continued Meeting**
- iii. May 4, 2017 Community Workshop**
- iv. May 18, 2017 Regular Meeting**

Revisions to the minutes were previously submitted to Management.

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

C. RATIFICATION OF APPROVAL OF HURRICANE RECOVERY INVOICES

This item was presented following Item 6C.

EIGHTH ORDER OF BUSINESS

BUSINESS ITEMS

A. Update: RFP No. 2017-01 for Emergency-Debris Removal

This item was presented during Item 6D.

B. Update: RFP for 2017/2018 Road Resurfacing Project

This item was presented during Item 6A.

C. Continued Discussion: Fiscal Year 2017/2018 Proposed Budget

Mr. McGaffney stated that the changes, previously discussed, were incorporated into the proposed Fiscal Year 2018 budget. Discussion ensued regarding the aging community and necessary infrastructure reinvestment work, utilizing fund balance, the expiration date of debt service assessments in Fiscal Year 2019 and possibly reallocating those assessment funds for the

road resurfacing project and replenishing the disaster recovery funds utilized for Hurricane Matthew, not reimbursed by insurance or FEMA. The following changes were made:

Page 5, Footnote 6: Field must be expanded to show the entire footnote

Page 7, under "Engineering", first sentence: Change "Genesis Group has engaged DRMP" to "The District has engaged a District Engineer"

D. Discussion: Fiscal Year 2017 CIP

In response to Supervisor Gaeta's question, Mr. Kloptosky stated that the tennis court fence post replacement project was completed. Supervisor Lawrence asked about the bathroom renovation project. Mr. Kloptosky recalled a \$60,000 proposal to renovate one bathroom, which was high. Mr. Kloptosky and the Field Supervisor felt that much of the work could be completed in-house and sooner, depending on the City's permit requirements. Supervisor Gaeta asked for an estimate for the water intrusion repair. Mr. Kloptosky stated that, based on the estimate from Terracon Consultants Inc. (Terracon), \$230,000 was budgeted, in the CIP; however, two other architects felt that \$230,000 was too low. Once the City reviewed the permit application and determined what must be done, such as upgraded windows, an estimate could be given. In response to Supervisor Gaeta's question, Mr. Kloptosky stated that DRMP did not have a staff architect to prepare drawings and the as-builts could not be located.

E. Discussion: Sign Policy

Mr. McGaffney recalled discussions about incorporating the GHMA's signage Memorandum of Understanding (MOU), with Grand Haven Properties, LLC, into the District's Sign Policy. Mr. Clark stated that the CDD was different from the GHMA and he was concerned about the District allowing certain real estate signs but disallowing other signs because it could be construed as infringing on first amendment rights. Dr. Carlton believed that, as the Declarant, Mr. Jim Cullis, of Grand Haven Realty, felt that it was his right to place signs merchandising the community anywhere on common property. Mr. Clark stated that the Sign Policy could include a "grandfathered" exception, for Mr. Cullis, as the Declarant. Discussion ensued regarding illegal signage removal, on weekends, and signage related to new construction. Mr. McGaffney stated that the Sign Policy should include a provision allowing the District to erect signage on CDD property. Mr. Clark would present a draft Sign Policy, at the July meeting.

F. Discussion: Bike Policy

Mr. McGaffney presented the proposed Bike Policy. The Policy was changed to:

“Bicycles, scooters, hoverboards, Segways and the like must be parked in bike racks provided at all Amenity Facilities. Do not park or chain bicycles, scooters, hoverboards, Segways and the like to anything other than the bicycle racks provided. Bicycles, scooters, hoverboards, Segways and the like should not be ridden or left in walkways, breezeways or on pool decks at any time. In the event that these items are left unattended, in any area, other than a bike rack, they will be subject to removal.”

Mr. McGaffney asked if Amenity staff could enforce this policy now. Mr. Clark replied affirmatively; this was simply clarification of the bike rack policy.

On MOTION by Supervisor Lawrence and seconded by Supervisor Gaeta, with all in favor, the Board’s belief that this is an accurate interpretation of the current provision and directing Amenity staff to enforce it, were approved.

****Supervisor Chiodo left the meeting.****

G. Discussion and Consideration: Additional Card Holder - Non CDD Employee

Mr. McGaffney stated that Mr. Kloptosky wanted Mr. Ross be an additional cardholder on the CDD’s Lowes and Home Depot credit cards. Mr. Kloptosky stated that, currently, if Mr. Ross purchased something, tax is paid and, when AMG bills the District, the District does not pay the tax portion, which results in AMG taking a loss on the purchase. Providing Mr. Ross with a credit card would enable him to purchase items for the District, tax-free.

****Supervisor Chiodo returned to the meeting.****

On MOTION by Supervisor Gaeta and seconded by Supervisor Smith, with all in favor, authorizing additional cardholders to be approved, subject to the Operations Manager’s approval, was approved.

Supervisor Smith asked about motivating the pool contractor to complete the pool in time to fill it, balance the chemicals and open by July 4. Mr. Kloptosky stated that the CIP budget was greater than the contract amount so a bonus could be offered. To open by July 4, the work must be completed by June 27. Mr. Duckwitz stated that the pool coating must cure, under

water. Supervisors Lawrence and Gaeta felt that any benefit of opening the pool by July 4 was not worth the extra cost, rushing the contractor and potential for subsequent issues with the pool.

H. Discussion: Federal Grant/Flagler County

This item was discussed following Item 6D.

- **FlaglerLive January 22, 2013 News Article – Palm Coast Cited Among Florida Cities Most Vulnerable to Climate Change in Latest Review – Supervisor Gaeta**
*****This item was an addition to the agenda.*****

Supervisor Gaeta presented information titled “Flagler Beach, Florida’s history with tropical systems”, prepared by someone with no credentials to substantiate the information, and the FlaglerLive January 22, 2013 “Palm Coast Cited Among Florida Cities Most Vulnerable to Climate Change in Latest Review” article, which refuted the other report. Supervisor Lawrence stated that his purpose was to provide facts so the Board could make decisions, based on facts. He would obtain the number of power outages that have exceeded 24 hours, from Florida Power & Light (FPL), to determine how often the District faced a lengthy power outage.

NINTH ORDER OF BUSINESS

OPEN ITEMS

Item C, “9th Green Park Plan”, would be included on the August workshop agenda.
Items B, F and G were removed.

TENTH ORDER OF BUSINESS

SUPERVISORS’ REQUESTS

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

ELEVENTH ORDER OF BUSINESS

ADJOURNMENT

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

On MOTION by Supervisor Gaeta and seconded by Supervisor Chiodo, with all in favor, the meeting adjourned at 12:20 p.m.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Secretary/Assistant Secretary

A handwritten signature in black ink, featuring a large, prominent loop at the top and a long horizontal stroke extending to the right.

Chair/Vice Chair