

**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, May 17, 2018 at 10:00 a.m., in the Grand Haven Room, at the Grand Haven Village Center, located at 2001 Waterside Parkway, Palm Coast, Florida 32137.

Present at the meeting were:

Dr. Stephen Davidson	Chair
Peter Chiodo	Vice Chair
Marie Gaeta	Assistant Secretary
Tom Lawrence	Assistant Secretary
Ray Smith	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Scott Clark	District Counsel
Barry Kloptosky	Operations Manager
Stacy Acrin	Grand Haven CDD Office
Robert Ross	Vesta/AMG
Jay King	Vesta/AMG
Julie Allen	Florida Forest Service
Anthony Petellat	Florida Forest Service
Mike Roberts	Florida Forest Service
Jason Longfellow	Florida Forest Service
Rob Carlton	Resident and GHMA President
Leigh Jackson	Resident
Joe and Mary Horter	Residents
Marc Hitchins	Resident
Vic Natiello	Resident
Eric and Doray Levendusky	Residents
Kevin Foley	Resident
Mike Frichol	Resident
Charles Greer	Resident
Denise Gallo	Resident
John Delvac	Resident
Chip Howden	Resident
John Woika	Resident
Rich and Marianne Correia	Residents
Kathleen Fuss	Resident
Jack Love	Resident
Ed Pakel	Resident
David Reisman	Resident

Don Plunkett	Resident
Barton Kaplan	Resident
Joe Palermo	Resident
Ron Merlo	Resident
Joëlle Rice	Resident

FIRST ORDER OF BUSINESS

CALL TO ORDER/ROLL CALL

Mr. McGaffney called the meeting to order at 10:03 a.m. All Supervisors were present, in person.

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:

- **Turtle Sculpture Donation**
- **Guard Discussion**
- **Midge Flies**

On MOTION by Supervisor Lawrence and seconded by Supervisor Chiodo, with all in favor, the modifications to the agenda, were approved.

FOURTH ORDER OF BUSINESS

CONSULTANTS, GUEST REPORTS & PRESENTATIONS

A. Florida Forest Service – Firewise USA

Ms. Julie Allen, of the Florida Forest Service (FFS), introduced her colleagues, Mr. Anthony Petellat, Mr. Mike Roberts and Mr. Jason Longfellow.

Supervisor Davidson gave a slide presentation about the Firewise Program and detailing the District’s participation in it, for nearly the last 10 years: He highlighted the following:

- Origination of the CDD’s participation in the Program in 2009.
- Residents who serve on the Firewise Board.
- Community Firewise Day.

- Developing the District’s Firewise Plan.
- Fire mitigation approaches, areas and initial work.
- City of Palm Coast Proclamation congratulating the District for making safety, preparedness and protection of life a priority in Grand Haven.
- 2014 Firewise Project Map and FFS Mitigation Work Totals Spreadsheet.
- Firewise work has been performed at no cost to the District.
- The CDD cannot enter the preserve areas but the FFS obtained permission from the St. Johns River Water Management District (SJRWMD), which controls the preserve area.
- Construction of an emergency exit road in The Crossings.
- Before and after photos.
- Firewise mitigation clearing occurs about every five years.

Ms. Allen thanked Supervisor Davidson and expressed the FFS’s appreciation of the relationship between the District and the FFS. For nine years, the District has done an incredible job of reducing wildfire risks throughout the Grand Haven community.

Ms. Allen and the other FFS representatives presented the District with the designation as a nationally recognized Firewise USA Community and expressed the FFS’s appreciation for the District’s dedication to the FFS’s mission to keep the community safe.

Mr. Joe Palermo, a resident, asked if the emergency exit should be included in the Community Information Guide (CIG). Supervisor Davidson replied affirmatively. Supervisor Gaeta recalled her previous suggestion that the new CIG include maps.

FIFTH ORDER OF BUSINESS

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

Ms. Joëlle Rice, a resident, stated that, while squirrels like them, pine trees make a large mess and leave pine needles everywhere, which can be a fire hazard. She discussed damages to her property, due to hurricanes, and wanted information about removing pine trees that are not on her property. Supervisor Gaeta stated that, at the workshop, the Board determined that a survey of her property was needed. Mr. Kloptosky stated that he has information and photos that will be presented during his report.

Mr. Joseph Horter, a resident, stated that he was trying to enhance his landscaping and the landscaper noted that that the common area adjacent to Sailfish Drive, on the corner of Waterside Parkway, was probably affected by the last hurricane and suggested contacting the District regarding removal of numerous tree stumps. He requested that the CDD provide an

evaluation and recommendations. Mr. Kloptosky stated that the District's landscape contractor was already working on this matter.

Mr. Richard Correia, a resident, noted the algae issue in the pond behind his home at 4 Deerfield Court. Mr. Kloptosky will address this during his report.

SIXTH ORDER OF BUSINESS

STAFF REPORTS

A. District Engineer: *DRMP, Inc.*

There being no report, the next item followed.

B. Amenity Manager: *Amenity Management Group, Inc.*

There being no report, the next item followed.

C. Operations Manager: *Barry Kloptosky*

Mr. Kloptosky discussed the following:

➤ The Village Center Fitness Center: For informational purposes, a proposal of approximately \$22,000 was distributed to the Board for updating the strength and dual equipment previously discussed. Mr. Robert Lloyd, of LLOYD's Exercise Equipment, L.L.C. (LLOYD's), would prepare an overview layout map of The Village Center Fitness Center to rearrange equipment, etc. This would not occur until after reconstruction of The Village Center.

➤ The Village Center Auxiliary Generator Installation: The propane tank was installed and filled. AmeriGas must connect it, the electrician was finishing his work, the enclosure fence was ordered and landscaping would be installed once the fence is installed.

➤ Antenna Mast for Radio: A permit would be necessary; the spec information was provided to Mr. Mick Richmond, of Brame Heck Architects, Inc. (BHA). BHA would inspect the area and prepare a drawing for the permit application.

▪ Midge Flies

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

Mr. Kloptosky stated that many complaints about midge flies on certain ponds were received from residents and Board Members. Aquatic Systems, Inc. (ASI) has a treatment for ponds that kills midge fly larva; however, it is very costly and the treatment only kills existing larva, lasting only four to five days. The treatment would only be a temporary solution. Additional fish could be stocked. Supervisor Davidson stated that oxygen saturation of the ponds must occur first. Mr. Kloptosky would obtain reports from ASI's oxygen saturation testing. Supervisor Gaeta noted that mosquito spraying occurred less frequently. Supervisor Smith requested a map of the ponds identifying which have bubblers and which were stocked

with fish. Mr. Kloptosky believed he already has a map. Supervisor Gaeta stated that ASI advised her that more fish needed to be stocked.

- The Village Center Storage Addition: Plans were approved and Mr. Richmond would provide three contractors to bid the project.
- The Village Center Water Intrusion Issue: Mr. Richmond was still compiling and completing the drawings and scope of work; once completed, the project could go out to bid. The information should be ready within the next two to three weeks.

Supervisor Davidson preferred to complete the full project at once, rather than in phases.

- Road Resurfacing Project: Map of future road resurfacing plans for 2018 through 2023 was distributed. Road resurfacing for 2019 was eliminated because the allocated funds were being redirected to The Village Center renovation project.
- 2018 CIP: Revised version distributed. Most projects should be able to be completed in Fiscal Year 2018, with The Village Center Water Intrusion Project carrying over into Fiscal Year 2019. Contractors were being contacted for The Village Center Bathroom Renovation Project but the project would likely shift to Fiscal Year 2019. Some work can be completed by in-house staff but some must be contracted.
- Staffing: Two Level 2 Maintenance Workers were hired to fill vacant positions but one left after one week. Another person started last week and a third position remains unfilled. A temp was hired to assist in the CDD Office until the vacant position can be filled; the position has not been advertised yet.
- 22 Tanglewood Court Nuisance Trees on CDD Property: Photographs, a property map and boundary survey map were presented.

Mr. Kloptosky stated that two of the trees in question are on CDD property. The pine tree on CDD property was severely trimmed, which was confirmed by Ms. Rice, and could die. Ms. Rice stated that she placed a ribbon on some trees so that the City would know they were problem trees. Mr. Kloptosky stated that the City was not involved in that, as the tree is on CDD property. He discussed trees on CDD property and noted that Ms. Rice could remove the tree on her property, at her own expense, subject to approval from the City and GHMA. Ms. Louise Leister, Horticultural Consultant, evaluated the CDD's trees and determined that the trees are alive. Ms. Rice stated that she did not ask Ms. Leister's opinion, as it did not matter to her if they were alive or dead, just that they were causing her problems. Mr. Kloptosky stated that he had Ms. Leister evaluate the trees and it matters to the CDD; regardless of whether they caused problems, if a tree is not dead or dying, they are considered live trees and the CDD does not

typically remove live trees. Unfortunately, the CDD tree that Ms. Rice had “limbed”, without permission, may cause it to die. Mr. Kloptosky reviewed photographs of numerous items that the resident placed on CDD property and trees, including stone pavers, irrigation pots, bug zapper, lights and other items, which should be removed from CCD property.

Mr. Clark stated that the District is legally responsible for damage caused by CDD trees, if they are diseased and the CDD knew that. The Board’s consistent policy has been that alive and healthy trees on CDD property are not removed. Ms. Rice asked if it mattered that the trees are destroying her lanai and branches are hitting her head. Mr. Clark stated, if it is a live, healthy tree that is correct.

Mr. John Delvac, a resident, asked if the CDD can do anything about dead limbs on a live tree. Mr. Clark stated that dead limbs are different than a live tree. Mr. Smith inquired about the City’s position about removing trees. Mr. Kloptosky stated that Ms. Leister spoke to the City and found that the City frowns on cutting down live trees and even rejected a CDD request to cut down a live tree. Ms. Rice stated that she spoke to the City and the City agreed to “take care of it”. Supervisor Davidson asked if the area in question was a SJRWMD preserve area. Mr. Kloptosky stated that it is a natural area but he must research it further. Supervisor Davidson stated that, if it is a SJRWMD area, it would not matter what the City said. Discussion of the trees, CDD and SJRWMD policies, limitations of the CDD with regard to preserve and conservation areas, continued.

Mr. Ed Pakel, a resident, questioned if the CDD property that a resident encroaches upon becomes the resident’s property, by adverse possession, if nothing is done for a specified number of years. Supervisor Davidson stated that does not hold true for land owned or controlled by the SJRWMD.

Supervisor Smith stated that, despite the District’s policy against cutting down live, healthy trees on CDD property, he was beginning to favor redefining the policy and making it more flexible.

➤ **Colbert Lane Resurfacing Project – CDD Signs in County Right-of-Way (ROW):** An email and attachments from Mr. Ryan Kendall, the County Engineer overseeing the Colbert Lane road resurfacing project, in response to the Board’s dissatisfaction with the County’s plan to remove the CDD’s decorative signs and sign posts in the County’s right-of-way (ROW), along Colbert Lane was distributed. The County was replacing the signs because they are not compliant with the Florida Department of Transportation (FDOT) standards, which requires breakaway poles. Mr. Kloptosky voiced his opinion that the District should not be required to

prove that the CDD's sign posts are compliant; rather, the County should prove to the CDD that the signs are not compliant.

Supervisor Davidson questioned why the upper decorative part of the pole cannot be retained. Mr. Kloptosky stated because it is not reflective. Supervisor Davidson asked if reflective decorative signs could be installed. Discussion ensued regarding whether the CDD owns the property, the possibility of District Counsel sending a cease and desist letter to the County, the County's safety concerns with the CDD's signs and how to convince the County to change its position regarding the CDD's signs.

A letter from Mr. Kendall regarding the CDD's signs stated:

"Looking forward the County does not object to the use of these signs in principle, but requests that these two items are addressed prior to reinstallation.

- Demonstration of the sign/sign post's conformance with the *Manual of Uniform Traffic Control Devices (MUTCD)*. Specifically "AASHTO's Specifications for structural Supports for Highway Signs, Luminaries, and Traffic Signals".

Provide an additional sign assemble to Flagler County's Road and Bridge department, so that it may be installed in the event the sign/sign post becomes damaged."

Mr. Clark recommended that the District research and consider providing the information and confirmation that the County requested.

*****The meeting recessed at 11:48 a.m.*****

*****The meeting reconvened at 12:02 p.m.*****

▪ **Guard Services Issues**

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

Mr. Kloptosky expressed his dissatisfaction with the guard company and guards. The guard company was notified of the issues but there was no improvement, despite replacing guards. Supervisor Lawrence asked if Mr. Kloptosky recommended terminating the guard company. Mr. Kloptosky was not sure if it was an issue with the guard company so much as the issue being with certain guards. Issues with the guards, Mr. Kloptosky advising the guard company of possible termination, hiring another company, seeking proposals, limited number of guard companies, all of the guard companies pulling from the same labor pool and the low pay for the guard position in the area, were discussed.

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

D. District Counsel: Clark & Albaugh, LLC

Mr. Clark reported the following:

➤ St. Johns River Water Management District (SJRWMD) Permit Transfers: – Ongoing. Requested information was provided to SJRWMD. The Turnover Agreement was submitted and SJRWMD advised that they do not execute agreements, to which the SJRWMD was advised that the District does not accept permits with potential problems. SJRWMD was advised of the District's concerns and that the District wants assurance from SJRWMD that the permit conditions have been complied with, that the SJRWMD was aware of no problems and that the District has no liability for things that were not done by the Developer. SJRWMD may be able to provide a letter but the letter remains pending.

Mr. Clark discussed the current options to address this matter. It was best for the District to not accept the transfer until the SJRWMD signs off on the District's request. The Board directed Mr. Clark to contact the Executive Director of the SJRWMD directly.

Ms. Doray Levendusky, a resident, stated that she understood the District's need to protect itself but this affects residents the longer it goes on. As previously asked, she asked again if there was an action that the Wild Oaks residents could take to expedite the transfer. Mr. Clark acknowledged that on a local level, community action might be beneficial; however, the SJRWMD employees are not elected officials so it would not carry the same leverage and could have adverse consequences for the District.

➤ Hurricane Matthew Federal Emergency Management Agency (FEMA) Claim – Streetlight Determination Appeal: Ongoing. Bureaucratic issues regarding a required form that was submitted several times. FEMA previously determined that the deductible was only \$1,000, as opposed to the amount specified by the District's insurance carrier. Upon review of the insurance policy, he found that it was a debatable question. A letter would be sent to the insurance carrier questioning their deductible amount determination.

➤ Hurricane Matthew FEMA Claim – Debris Removal: Ongoing. The debris removal portion of the Hurricane Matthew claim has advanced to the final review stage.

➤ Hurricane Irma Claim: Ongoing.

- 4C's: FEMA raised an issue with the effective dates on permits for the 4C's landfill. FEMA was reminded that it is a known compliant landfill, as it was under permit before and after Hurricane Irma; therefore, it was a paperwork issue that is not relevant. If FEMA will not change its mind, it may be necessary for the District to send a demand letter to 4C's demanding reimbursement of the amount paid to them. That step would likely result in losing 4C's as a contractor; therefore this should be a final option.

Supervisor Davidson directed Mr. Clark to contact 4C's for their input on the situation.

- Shaw's Tree Service (Shaw): FEMA wanted to know the location of the debris dumping site. Ms. Acrin notified FEMA that the debris was ground on site and was not disposed of illegally.

Ms. Acrin stated that FEMA advised her of a loophole with regard to the 4C's issue and that FEMA processed the 4C's claim.

➤ Bond Matters – Payoff of Bonds: Per statute, the assessment paid cannot be greater than the cost of the project; therefore, he believed that it was mandatory for the District to return funds remaining in the Debt Service Reserve Fund to the current property owners, as the bond is paid off.

➤ District Counsel Fee Increase – Fee Agreement: The last fee increase was five years ago. Due to increases in the cost of doing business over those five years, a 5.7% hourly fee increase was requested, effective with the Fiscal Year 2019 budget.

Mr. McGaffney confirmed that the "Legal" line item was increased slightly, in the proposed Fiscal Year 2019 budget.

In response to Supervisor Lawrence's question, Mr. Clark confirmed that only his hourly fee increased; the others were unchanged. Despite the fee increase, the fee charged to the District is much lower than for other clients.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, the Clark & Albaugh, LLP proposal for a fee adjustment, effective October 1, 2018, was approved.

➤ Brame Heck Architects, Inc. (BHA) Contract and Bid Requirements:

Mr. Clark recalled discussion at the last meeting regarding the contract and if there was a bid requirement. His recommendation was to view the approved contract with BHA as a sole-source contract. It would be a sole source contract because the District previously hired BHA to perform a building evaluation to develop a plan and determine what must be done; this contract only involves a BHA's proposal for drawing the plans. If not treated as a sole source contract and the project is bid out, the District would end up paying another contractor the same amount for the same work. Based on his recommendation, Mr. Clark suggested that the Board amend its action from the last meeting, with regard to the contract, to make a finding that BHA was the sole source because of their prior investigative work.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, amending the Board's action at the last meeting, with regard to the Brame Heck Architects, Inc., Design Services Proposal for Design Services contract, and making a finding that this is a sole source contract because Brame Heck Architects, Inc., was the sole source because of their prior investigative work, was approved.

E. District Manager: *Wrathell, Hunt and Associates, LLC*

i. 2,802 Registered Voters in District as of April 15, 2018

Mr. McGaffney stated that there were 2,802 registered voters residing within the boundaries of the District, as of April 15, 2018.

Noting Mr. Kloptosky's 10 years with the District, Mr. McGaffney suggested approving a service award and bonus. This would occur at the September meeting.

On MOTION by Supervisor Gaeta and seconded by Supervisor Lawrence, with all in favor, authorizing a service award and \$1,000 bonus for Mr. Kloptosky, for his years of service, was approved.

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 March 31, 2018

Mr. McGaffney presented the Unaudited Financial Statements as of March 31, 2018. Assessment revenue collections were at 94%. Supervisor Davidson questioned why "Website hosting & development" and "Communications: e-blast", on Page 2, were at 0%. Mr. McGaffney stated that the expenses were probably not yet due. Supervisor Davidson asked why "Pump house shared facility", on Page 3, was at 243%. Mr. McGaffney stated that the overage was offset by a payment under Revenue; the District only pays 25% of the expense and is reimbursed the other 75%. The expense related to an unforeseen event.

B. APPROVAL OF MINUTES

i. April 5, 2018 Community Workshop

ii. April 19, 2018 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.

EIGHTH ORDER OF BUSINESS**BUSINESS ITEMS**

A. Consideration of/Discussion on: Resolution 2018-06, Approving a Proposed Budget for Fiscal Year 2018/2019; and Setting a Public Hearing Thereon Pursuant to Florida Law; Addressing Transmittal, Posting and Publication Requirements; and Providing an Effective Date

Mr. McGaffney presented Resolution 2018-06. He reviewed the proposed Fiscal Year 2019 budget line items, noting increases and decreases, the reasons for increase or decreases, building fund balance, eliminated line items, etc. The Board and Staff discussed the following:

- Potential unanticipated major financial projects.
- Unassigned fund balance for unforeseen expenditures.
- Use of the Parcel 505 Series 2008 Bond Debt Service Fund Balance to pay the principal and interest payments on the bond, resulting in no Debt Service assessment for the Parcel 505 owners.
- Roll off of the single-family unit Series 2004 Bond Debt Service assessment in Fiscal Year 2020.
- For the General Fund, the Operations and Maintenance (O&M) assessments would increase \$65.19 and the Infrastructure Reinvestment assessment would decrease \$7.19.
- Use of Fund Balance to offset the assessment increases resulting in no Fiscal Year 2019 assessment increase for most property owners and an assessment reduction for the Parcel 505 property owners, due to the Debt Service assessment rolling off.

Mr. McGaffney continued reviewing the budget line items, noting increases and decreases, the reasons for increase or decreases, etc., and responded to questions.

“Gate access control staffing” and “Capital” would each be increased \$15,000 and budget adjustments would be made to avoid an assessment increase for Fiscal Year 2019.

Mr. Kloptosky discussed various repairs and maintenance that might be necessary.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, Resolution 2018-06, Approving a Proposed Budget for Fiscal Year 2018/2019, as amended; and Setting a Public Hearing Thereon Pursuant to Florida Law for September 6, 2018 at 5:00 p.m., at this location; Addressing Transmittal, Posting and Publication Requirements; and Providing an Effective Date was adopted.

▪ **Hurricane Season Informational Meeting [June 6, 2018]**

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

Supervisor Davidson stated that the Informational Meeting was rescheduled to June 14, 2018.

▪ **Turtle Sculpture Donation**

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

Supervisor Davidson stated that a resident sponsored a turtle sculpture, through the Palm Coast Arts Foundation, and requested to donate it to the CDD for display at The Village Center. Supervisor Davidson stated that the sponsor is an unknown resident.

On MOTION by Supervisor Davidson and seconded by Supervisor Gaeta, with all in favor, accepting the turtle sculpture donated by the Palm Coast Arts Foundation for display at a location to be determined by the Board, was approved.

B. Continued Discussion: Revision of BOS Code of Conduct into Overall Ethics Policy

Supervisor Davidson distributed a hand-edited version of the GHMA's Code of Conduct (COC) as a draft "Code of Conduct for Supervisors". He reviewed his proposed edits to create a COC specific to the CDD and CDD Board of Supervisors and the Board and Staff provided suggestions. The proposed COC for Supervisors would be updated, as edited and discussed, and subject to District Counsel input and rewrites.

C. Discussion: Social Media

Mr. Clark distributed an article related to social networking and Florida Public Records Law and stated that social media poses issues for governmental entities. With regard to the public records law, posting about anything related to CDD business, may obligate the Board Member to archive the post and all responses to it. If a governmental entity wants to have a social media page, it is generally run by someone with the capability to archive everything on it;

however, it would be very difficult for an individual to avoid violating public records law. Furthermore, if any Board Members are “friends” with each other on social media, it could create a Sunshine Law issue because they could be communicating directly or indirectly, by way of social media.

D. Hurricane Season Informational Meeting [June 6, 2018]

This item was presented following Item 8A

NINTH ORDER OF BUSINESS

OPEN ITEMS

There were no changes.

TENTH ORDER OF BUSINESS

SUPERVISORS’ REQUESTS

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

ELEVENTH ORDER OF BUSINESS

UPCOMING WORKSHOP/MEETING DATES

A. COMMUNITY WORKSHOP

- **June 7, 2018 at 10:00 AM**

B. BOARD OF SUPERVISORS MEETING

- **June 21, 2018 at 10:00 AM**

Mr. McGaffney stated that the next workshop will be held on June 7, 2018 at 10:00 a.m., at this location, and the next meeting will be held on June 21, 2018 at 10:00 a.m., at this location.


TWELFTH ORDER OF BUSINESS

ADJOURNMENT

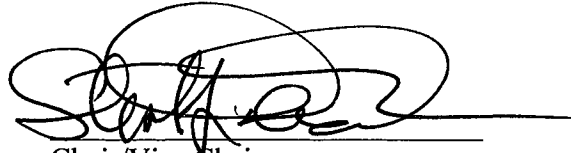
There being nothing further to discuss, the meeting adjourned.

On MOTION by Supervisor Smith and seconded by Supervisor Gaeta, with all in favor, the meeting adjourned at 2:11 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair