

1 **MINUTES OF MEETING**

2 **GRAND HAVEN**

3 **COMMUNITY DEVELOPMENT DISTRICT**

4 The Workshop Meeting of the Board of Supervisors of the Grand Haven Community Development
5 District was held on Thursday, February 10, 2022 at 9:03 a.m. in the Grand Haven Room, at the Grand
6 Haven Village Center, 2001 Waterside Parkway, Palm Coast, Florida 32137.

7 **FIRST ORDER OF BUSINESS – Call to Order/Roll Call**

8 Mr. McInnes called the meeting to order and conducted roll call.

9 Present and constituting a quorum were:

10	Chip Howden	Board Supervisor, Chairman
11	Kevin Foley	Board Supervisor, Vice Chairman
12	Michael Flanagan	Board Supervisor, Assistant Secretary
13	John Polizzi	Board Supervisor, Assistant Secretary
14	Dr. Merrill Stass-Isern	Board Supervisor, Assistant Secretary

15 Also present were:

16	Howard McGaffney (<i>via phone</i>)	District Manager, DPFPG Management & Consulting
17	David McInnes	District Manager, DPFPG Management & Consulting
18	Barry Kloptosky	CDD Operations Manager

19 *The following is a summary of the discussions and actions taken at the February 10, 2022 Grand Haven*
20 *CDD Board of Supervisors Workshop Meeting.*

21 **SECOND ORDER OF BUSINESS – Pledge of Allegiance**

22 The Pledge of Allegiance was not recited.

23 **THIRD ORDER OF BUSINESS – Discussion Items**

24 A. Discussion of Long-Term Capital Planning

25 Mr. McInnes recalled that the Board had designated Mr. Foley to work with Mr. McGaffney and
26 himself to work on ideas for the Long-Term Capital Plan. Mr. Foley commented positively on Mr.
27 McInnes and Mr. McGaffney's work on the draft for the capital plan and noted that changes to the
28 draft were to be expected. Mr. Foley additionally mentioned that he would like to have a statement
29 or policy from the Board regarding the plan for the oak trees.

30 Mr. Flanagan and Dr. Merrill indicated that they did not receive the draft for the long-term plan.
31 Mr. McGaffney stated that he had sent out the draft via email and that he was not certain as to why
32 the Board did not receive the email. Mr. Polizzi stated that he received a revised version of the draft
33 around 11:16 p.m. the night prior and another document at 1:40 a.m. on Wednesday. Mr.
34 McGaffney expressed frustration regarding short deadlines set by the Board.

35 B. Discussion of Projections of O&M Expenses

36 Mr. Foley reviewed several corrections that were needed for the O&M expenses. Mr. McGaffney
37 explained that the total expenditures did not match due to the numbers being pulled from previous
38 years' financials. Mr. Foley noted that assessments had not changed significantly.

39 Mr. Flanagan expressed concerns regarding the document being confusing for residents and
40 suggested adding additional clarification. Mr. Foley stated that this could be this could be added to
41 the next version of the draft.

42 Mr. Foley went over consolidated numbers and the bond breakout. He explained that previous
43 budgets had included significant increases in the O&M budget that had been camouflaged by
44 reductions in debt service amounts. Mr. Polizzi stressed the importance of residents being able to
45 understand the projections, noting that removing the bond payment revealed a 15% increase.

46 Mr. Flanagan asked if a market projection had been done for contracts after they end. Mr.
47 McGaffney indicated that this wouldn't be possible and stated that the District would continue to
48 bid out the year the contracts were set to expire and attempt to have multiple year contracts.

49 Mr. Foley discussed the importance of having a 10-year projection, noting that 80% of what the
50 District would spend was on O&M expenses. He asked the Board to keep in mind how everything
51 would be paid for and how much of the fund balance would be used. He indicated to the Board that
52 increasing O&M and Capital costs needed to be funded either through assessments, fund balances,
53 debt, or a combination of these options.

54 Mr. McInnes noted that while the majority of items were expected to increase by 5%, electricity
55 was anticipated to have an 18% increase. Discussion ensued regarding what was considered part of
56 the O&M and what was considered capital. In response to a question from Mr. Flanagan, Mr.
57 McGaffney confirmed that the list of items Mr. Kloptosky came up with had been split between
58 O&M and capital. He noted that items highlighted in yellow would need to be discussed by the
59 Board.

60 Mr. Howden stated that he did not think discussing every line item for the O&M would be
61 productive and suggested discussing staffing first. Mr. Polizzi indicated that he would like for
62 contracts to be discussed as well. In response to a question from Mr. Howden, Mr. McInnes
63 explained that a large number of the District's contracts were set to automatically renew.

64 Mr. McGaffney explained that the landscape contract was expected to increase by 5% in 2023 and
65 noted that the projections would be updated after a new 3-year agreement was in place. He indicated
66 that he could come up with an executive summary to outline and explain key factors in the budget
67 with Mr. McInnes. Discussion ensued regarding what percentage should be used for the landscape
68 contract projection. Mr. Polizzi reminded the Board that this was a projection, not a budget.

69 Mr. Howden indicated that he would like for the Board to send questions on the Meeting Minutes
70 and the financials prior to meetings in order to increase efficiency and for everyone to be better
71 prepared. Mr. McGaffney recommended scheduling a time for each Board member to speak with
72 him individually within the next few weeks.

73 Mr. McGaffney answered questions asked by Mr. Flanagan regarding administrative item
74 expenses. Mr. McGaffney indicated that he would look into the Wrathell Hunt contract to determine
75 the cause of an increase.

76 In response to a question from Dr. Merrill, Mr. McGaffney explained that the tax collector costs
77 were taken out of the total revenue for assessments but stated that this item would most likely be
78 moved to expenditures. Discussion ensued regarding whether this item should be moved. Mr.
79 McGaffney stated that he would like this item to be captured as an expenditure.

80 Mr. Flanagan expressed that he felt the Wi-Fi and cell phone costs seemed too high. He indicated
81 that he would like for a subdivision of Line 55 and for staff to make sure the District was not being
82 overcharged. Mr. Kloptosky assured the Board that they were receiving a good deal on cell phone
83 costs. Mr. Howden recommended listing landlines separately.

84 Mr. Howden stated that he felt the amount budgeted for the website was insufficient. Mr. Polizzi
85 expressed that he agreed but that he thought more information was needed.

86 Mr. Foley inquired about increased insurance costs. Mr. McGaffney explained that the District had
87 previously been underinsured. Mr. Foley asked what the Board could expect in regards to increases
88 for insurance. Mr. McGaffney explained that percentage increases for insurance would be subject
89 to the insurance company but that he would update the numbers after he received them from the
90 insurance company.

91 Mr. Foley commented on significant rate increases on utilities. In response to a question from Mr.
92 Foley, Mr. McInnes confirmed that the rate increase of 18% for FPL would go into effect for the
93 coming year and would decrease between 5 and 10% thereafter. Mr. McGaffney noted that a
94 discount residents receive for paying their taxes early may increase which would result in a negative
95 impact to the District's budget. Discussion ensued regarding propane and pump house costs.

96 Dr. Merrill asked what percentage of the bill Escalante had paid in the past. Mr. McInnes indicated
97 that he did not know at this time but that he would check and report back. Mr. Polizzi stated he
98 would like to follow up on the budget at the next Regular Meeting.

99 Mr. Howden brought up tree maintenance and asked Mr. McInnes to remind him when Louise
100 Leister was scheduled to speak with the Board regarding the oak trees. Mr. McInnes recalled that
101 Ms. Leister was scheduled to attend an upcoming meeting in 2 weeks. Mr. Foley stated that he
102 would like to have an individual by the name of Chuck Lippy to attend a meeting. He commented
103 positively on Mr. Lippy's credentials and mentioned that Mr. Lippy had offered to attend a meeting.
104 Mr. Howden indicated that he would be in favor of having Mr. Lippy attend a meeting but that he
105 would like to have Mr. Kloptosky's input first. Mr. Kloptosky commented positively on working
106 with Mr. Lippy. In response to a question from Mr. Howden, Mr. Kloptosky indicated that Ms.
107 Leister and Mr. Lippy could attend a Regular or Workshop Meeting. Mr. Howden stated that he
108 would like to have Ms. Leister and Mr. Lippy attend a Workshop Meeting.

109 Mr. Howden inquired about the increase from \$1,000.00 to \$10,000.00 for office supplies. Mr.
110 McInnes explained that the budget for office supplies was actually \$1,000.00 and that the remainder
111 was meant to be coded for field supplies.

112 In response to a question from Mr. Howden, Mr. Kloptosky clarified that the road, bridge, and
113 sidewalk repairs line-item covered supplies for day-to-day maintenance and did not cover salaries.
114 Mr. Flanagan asked why there was not anything in 2019 or 2020 for this item. Mr. Kloptosky
115 explained this was previously part of another line item but had been separated.

116 Mr. Flanagan expressed confusion regarding costs for Lines 87 and 88, in addition to the number
117 of aquatics contracts. Mr. Kloptosky stated that the contracts were through Solitude and that he
118 would need to look at the contract in order to verify the numbers and to confirm what was included
119 under each contract.

120 Mr. Flanagan asked if the number for stormwater repairs and maintenance should be increased. Mr.
121 Kloptosky indicated that this would be up to the Board's discretion but recommended keeping
122 \$15,000.00 as a placeholder.

123 In response to a question from Mr. Flanagan, Dr. Merrill confirmed that landscape enhancement
124 had been moved to capital. Mr. Kloptosky informed the Board that there was a disease affecting
125 the landscape material. He explained that the affected ligustrum had been removed and replaced to
126 prevent the disease from spreading and relayed that Ms. Leister had requested for money to not be
127 moved from the landscape budget, as this was being used to deal with the disease and other
128 emergencies.

129 Mr. Flanagan asked if Mr. Kloptosky was comfortable with the number for irrigation repairs and
130 replacement. Mr. Kloptosky reminded the Board that the underground irrigation was failing and
131 mentioned that there had been a recent break.

132 Mr. Flanagan requested clarification on Lines 102 and 151. Mr. McInnes explained that everything
133 above Line 143 was the current budget and that Line 151 would be considered an enhancement if
134 the Board would like to do more than standard maintenance. Mr. Howden expressed that he would
135 prefer to combine these lines and add a note about the potential enhancement option. Discussion
136 ensued regarding streetlight maintenance and replacement costs. Mr. Flanagan stated that he would
137 like for Mr. Kloptosky and Mr. McInnes to get together to discuss streetlight maintenance and
138 staffing. Mr. Kloptosky suggested hiring an employee for streetlight maintenance, noting that it
139 would be more cost-effective to have the work done in-house, rather than using a contractor.

140 Mr. Flanagan inquired about vehicle repairs & maintenance costs and asked if the Board should
141 replace a truck. Mr. Kloptosky noted that fuel costs may be included in this line item. Mr. Howden
142 requested that Mr. Foley clarify maintenance and fuel costs in a follow-up.

143 Mr. Flanagan asked about the significant decrease in the projected cost for community
144 maintenance. Mr. Kloptosky explained that there had been costly maintenance items the previous
145 year which would not be considered standard. In response to an additional question from Mr.
146 Flanagan, Mr. Kloptosky confirmed that this line item would be considered a "catch-all." Mr.
147 Flanagan suggested relabeling this item and requested that Mr. Kloptosky and Mr. McInnes
148 examine this line item further to confirm whether the numbers needed to be modified. Discussion
149 ensued regarding what was included under community maintenance.

150 In response to a comment from Mr. Flanagan, Mr. Howden stated that he believed that the storm
151 cleanup line item covered general storm cleanup, not emergency storm cleanup. He clarified that
152 emergency storm cleanup would come out of the disaster fund. Mr. Flanagan expressed that he
153 would like to have more information on what storm cleanup would entail.

154 Mr. Foley suggested that the Board consider lake bank management, noting that a number of lake
155 banks were not being properly maintained by homeowners. Mr. Howden asked Mr. McInnes to add
156 this to a list of potential workshop items.

157 Mr. Foley asked if the CDD needed to maintain the old croquet court at Creekside. Mr. Howden
158 expressed that he thought half of the croquet court in front of Creekside would likely need to be
159 converted to parking. Mr. Flanagan stated that he would like to receive data from Mr. Lucansky on
160 croquet court usage and to make a decision based off this data. In response to a question from Dr.
161 Merrill, Mr. Foley clarified that the current O&M budget did not account for maintaining the
162 Creekside croquet court. Mr. Kloptosky explained that the croquet players did not want the existing
163 croquet court eliminated or turned into a parking lot. He noted that he had not heard any complaints
164 about needing more parking in the front.

165 Mr. Howden mentioned that he had received comments about there not being enough parking
166 spaces available by the office. He suggested installing a sign or 2 for office visitor parking and
167 requested Mr. McInnes to add this as a discussion item for the meeting at the end of the month.

168 Dr. Merrill expressed that she would like to discuss the possibility of eliminating the old croquet
169 courts at the next meeting. Mr. Howden and Mr. Flanagan disagreed, indicating that they would
170 like to give Mr. Lucansky the opportunity to acquire more data on croquet court usage. Mr. Polizzi
171 pointed out that the croquet club was actively recruiting new members.

172 Mr. Polizzi requested that Mr. Kloptosky provide the Board with more information on the types of
173 staff positions being added. Mr. Howden stated that he would like to discuss staffing along with
174 the capital plan at the next Regular Meeting.

175 Mr. Flanagan expressed confusion regarding Lines 119 and 120, particularly in regards to boxes
176 that had been left blank. Mr. McInnes indicated that he would check into this and report back.

177 Mr. Foley asked what amenity maintenance entailed and Dr. Merrill inquired about the fluctuation
178 in cost for this item between 2021 and 2022. She indicated that she would like to have more
179 information on what this line item covered.

180 Mr. Flanagan inquired as to why fitness equipment service costs had increased, noting that the
181 equipment had recently been replaced. Mr. McInnes stated that he would look into the reason for
182 the increase.

183 Dr. Merrill asked about the cost difference for additional guards between the current year and the
184 year prior. Mr. Kloptosky stated that he did know why the price had decreased. Mr. McInnes
185 indicated that he would research the reason behind the change for the costs of additional guards, as
186 well as the increase in cost for guardhouse facility maintenance.

187 Mr. Foley stated that he would like to have a discussion in terms of gate access. Dr. Merrill noted
188 that this would be discussed as part of the capital plan. Mr. Howden stated that he would like to
189 add security as a workshop item.

190 Mr. Flanagan asked what the line item for gate operating supplies entailed. Mr. Kloptosky
191 explained that this would cover repairs for the physical gates. He suggested combining Line 138
192 and 140.

193 Mr. Kloptosky reviewed the contingency items he had submitted, noting that he would consider the
194 Wild Oaks gate equipment replacement line item as more of a capital expense.

195 Mr. Flanagan expressed that he would like to look into a wireless setup for the community, rather
196 than using an underground system. He stated that he would like to consolidate the technology items
197 into a singular item. Mr. Kloptosky was requested to acquire proposal for repairs and to have the
198 contractor attend a meeting to answer questions from the Board.

199 In response to a question from Mr. Howden, Mr. Kloptosky confirmed that the power washing line
200 item on his list would be considered an enhancement. Mr. Howden stated that he would like to
201 include this item in the staffing discussion, in addition to the other enhancement items.

202 Mr. Kloptosky explained that the pond aeration line item was to install aeration in Pond 37 and
203 mentioned that he would consider this a capital item. Mr. Flanagan indicated that he would like
204 more information regarding maintenance for the aeration units.

205 The Board and staff discussed the stormwater system repairs and maintenance line item. Mr.
206 McInnes clarified that this would be considered an enhancement. Mr. Flanagan stated that he would
207 like to combine the line items relating to stormwater repairs. Mr. Polizzi indicated that he would
208 like to hold off on considering increasing the budget for this line item until the Board was closer to
209 finalizing the budget for FY 2023. The Board agreed to delete Line 153.

210 Mr. Howden reviewed the revised Progress Tracker and explained that curb and gutters, bathrooms,
211 and pond banks repairs were not in the budget. Mr. Kloptosky noted that there were 7 pond banks
212 that were considered unsafe.

213 Mr. Howden pointed out that the District still did not have a signed contract to work with Mr.
214 Sowell at his new firm or permission from St. John's Water Management District for the north
215 parking lot. He stated that he did not feel it was likely that the north parking lot would be completed
216 that fiscal year.

217 Mr. Howden suggested using some of the money budgeted for the parking lot to cover the costs of
218 the unbudgeted items. Mr. Polizzi indicated that he would like to discuss parking by the Village
219 Center. Mr. Flanagan expressed that he felt the parking lot should take priority over remodeling the
220 bathrooms.

221 Mr. Polizzi asked if the pond bank maintenance could be run from the capital budget, rather than
222 the expense budget. Mr. McGaffney confirmed that this could be put in the capital budget.

223 Mr. Foley stated that he would like to finish the bathrooms. Mr. Flanagan disagreed and indicated
224 that he would like to wait for construction prices to decrease. Mr. Howden stated that he would
225 prefer to discuss this matter during a Regular Meeting.

226 In response to a question from Mr. Foley, Mr. Kloptosky explained that pond bank maintenance
227 could be delayed for some ponds but recommended working on pond banks that residents had
228 brought up as safety hazards.

229 Mr. Polizzi asked for the cost to complete the final phase of the bathroom renovations. Mr.
230 Kloptosky stated that the current cost was \$212,000.00 but noted that this cost was subject to
231 change. Mr. Foley suggested replacing the shower enclosures, finishing the walls, installing the
232 door, and leaving the tile as-is. Mr. Kloptosky stated that he would not be in favor of leaving the
233 tile. Mr. Flanagan pointed out that the Board would have to wait until a Regular Meeting to make
234 a decision on this project.

235 Mr. McGaffney suggested using the fund balance and reducing the road resurfacing project to cover
236 the costs of the unbudgeted projects. Mr. Flanagan indicated that he would not be in favor of this
237 option.

238 Mr. Kloptosky informed the Board that curb and gutter work was expected to increase before the
239 end of the fiscal year. Mr. Polizzi expressed that the Board needed to further discuss and reach a
240 decision on the parking lot project and bathroom renovations. Mr. Kloptosky recommended
241 postponing the parking lot project.

242 Mr. Flanagan stated that he would like to have the diagrams Mr. Sowell sent for the parking lot.
243 Mr. Howden requested a copy of the conceptual drawing of the parking lot in front of the bocce
244 ball courts in the Village Center. Mr. McGaffney indicated that both the diagrams and the
245 conceptual drawing would be sent to the Board.

246 **FOURTH ORDER OF BUSINESS – Next Meeting Quorum Check: February 17, 9:00 AM**

- 247 • Quorum Check

248 All Board members, with the exception of Mr. Polizzi, confirmed that they would be physically
249 present for the meeting, which would establish a quorum. Mr. Polizzi stated that he would attend
250 part of the meeting remotely from 9:00 a.m. to 12:00 p.m. and requested for critical items to be
251 adjusted to this time period. He stated that he would send questions to Mr. McInnes before the
252 meeting. Mr. Howden indicated that he would work with Mr. McInnes on adjusting the agenda.

253 **FIFTH ORDER OF BUSINESS – Action Items Review**

254 Mr. McInnes stated that he would take a snapshot of the action items discussed during the meeting.
255 Mr. Howden added that he would discuss the Board's requests for items to be discussed at
256 upcoming Workshop and Regular Meetings with Mr. McInnes.

257 Mr. Polizzi informed the Board that he had come to the conclusion that a resident group would not
258 be operationally feasible upon review of Sunshine Law and discussing the logistics of putting
259 together a resident group with District Counsel. He indicated that third-party resources would need
260 to be used instead, noting that resident input could still be collected via the third-party.

261 **SIXTH ORDER OF BUSINESS – Adjournment**

262 Mr. Howden asked for final questions, comments, or corrections before requesting a motion to
263 adjourn the meeting. Mr. Foley stated that he would like to put out resident communication on the
264 bathrooms. Mr. Foley made a motion to adjourn the meeting.

265 On a MOTION by Mr. Foley, SECONDED by Mr. Flanagan, WITH ALL IN FAVOR, the Board adjourned
266 the meeting, at 2:38 p.m., for the Grand Haven Community Development District.

267 **Each person who decides to appeal any decision made by the Board with respect to any matter considered*
268 *at the meeting is advised that person may need to ensure that a verbatim record of the proceedings is made,*
269 *including the testimony and evidence upon which such appeal is to be based.*

270 Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed
271 meeting held on 4/21/2022

272 David C. McInnes

Signature

David C. McInnes

Printed Name

Warrington B. Howder

Signature

Warrington B. Howder

Printed Name

273 Title: Secretary Assistant Secretary

Title: Chairman Vice Chairman