

## **MINUTES OF MEETING**

### ***HIGHLANDS COMMUNITY DEVELOPMENT DISTRICT BOARD OF SUPERVISORS MEETING***

***Wednesday, October 10, 2017 at 7:00 p.m.***

***Ayersworth Glen Clubhouse***

***11102 Ayersworth Glen Blvd.***

***Wimauma, Florida 33598***

Board Members present at roll call:

Al Thomka	Board Member
Jeff Jones	Board Member
Elizabeth Brown	Board Member
Otis Franklin	Board Member

The following professionals were also present:

Joe MacLaren	Fishkind & Associates, Inc.
Sarah Warren	Hopping Green & Sams
Ted Swanson	Swanson & Sons
Peter Simos	Aquatic Systems
George Flint	GMS Central Florida
Eric Dailey	Rizzetta & Company
Joe Roethke	Rizzetta & Company
Scott Smith	Rizzetta & Company
Chuck Adams	WH & Associates
Cleo Adams	WH & Associates
Brian Lamb	Meritus

### **FIRST ORDER OF BUSINESS**

### **Call to Order and Roll Call**

The meeting was called to order at 7:00 p.m. The Board Members and professionals in attendance are outlined above.

### **SECOND ORDER OF BUSINESS**

### **Public Comment Period**

Mr. MacLaren explained that this public comment period is for any public comment related to a specific agenda item. There is also a public comment period at the end of the meeting for residents to provide comments on any subject. He asked anyone who wished to comment to step up to the podium, state their name and address, and limit their comments to 3 minutes.

Ms. Latoya Ewing apologized to some of the members present for things mentioned at the meeting. She brought up past and ongoing issues with Sue Presley who is still contacting residents of the community. She brought up issues with Mr. Thomka's comments on Next Door and stated that he does not know how to communicate effectively with residents. She stated that Mr. Thomka has made derogatory comments about Dave Towesly. Ms. Ewing stated that it was mentioned before that the Board ignores negative comments and focuses on the positives while complaints fall to the wayside. She mentioned the community has lost trust in the Board. She stated that the Board allowed William to make excessive amounts of purchases that totaled over \$4,000.00 and the District is only being reimbursed \$941.00. She mentioned that an audit of the District's finances was conducted in June that cost \$3,500 and it said that the District was in good financial standing. She questioned Mr. Thomka and Mr. Jones are unable of understanding the complexities of the finances by constantly making resolutions on payments without having a firm understanding or knowledge to ask the questions on payments that are made. Ms. Ewing read Florida Statutes Section 190.006. Ms. Ewing stated that when appointing the new Board Members Ms. Brown was excluded from the decision-making process and did not have a say on any of the 6 applicants. Ms. Ewing noted that Mr. Franklin stated that he had not been involved in the community, had not attended any CDD meetings, HOA meetings, or any other functions in the community. One September 27, 2017 Mr. Franklin and Mr. Thomka were questioned about their relationship and Mr. Thomka stated on record that he did not know Mr. Franklin. Mr. MacLaren informed Ms. Ewing that her 3 minutes were up. The Board allowed her to continue. Ms. Ewing mentioned that Mr. Franklin emailed Mr. Thomka on his personal email and believes that the two lied to the residents about their relationship. She went on to say that Mr. Franklin does not have the experience necessary to be serve on the Board. Ms. Ewing believes that Mr. Jones made a poor decision in appointing for Mr. Franklin. Ms. Ewing brought up the issue with KB Pool payment and does not believe that the District will see the money it is due to be reimbursed. She told the Mr. Thomka that he does not deserve to be paid as a Board Member and accused him of lying to the residents. Mr. Thomka informed Ms. Ewing that he does not know Mr. Franklin at all and that his email address is posted publicly. Ms. Ewing continued that at the last meeting Ms. Gaarlandt told the newly elected Board Members to not "reply all" to the Board Members because it is a violation of the Sunshine Law and Ms. Ewing noted that Mr. Franklin replied to a resident in an unprofessional email and replied to all of the Board Members which is a direct violation of the Sunshine Law. She noted that he replied to the resident from his personal email account and did not use his Board email address. She accused him of playing on his phone during the meeting and not listening. She mentioned the fees that the residents pay to make the District look good and that they have paid excessive fees for Mr. Viasalyers. She noted that the only person that was chosen correctly to be appointed to the Board was Mr. Page. She stated that Mr. Thomka, Mr. Jones, and Mr. Franklin that they do not belong on the Board.

Ms. Harding brought up an issue with the ponds and asked for a status report about the pond at the back entrance. Ms. Brown said that it is going to be addressed.

Mr. Lucas stated that at the last meeting there was no discussion over all 6 resumes and accused Board Members of possibly discussing the resumes prior to the meeting suggesting a Sunshine Law violation. Mr. Thomka stated that everybody that was interested in being on the Board got a chance to speak and by law the Board then makes a decision and does not have to account how they do it. Mr. Lucas told Mr. Thomka that if he cared about the neighborhood he would resign and stated that Mr. Thomka stated at the last meeting that he did not understand the budget. Mr. Lucas discussed how Mr. Franklin was appointed to the Board without discussing his credentials. He asked Mr. Thomka to have respect for the residents.

Mr. Gondelman stated that the residents were originally not attacking the person, they were attacking the process and he said that things have gone too far in their neighborhood. He noted that he has attacked the decision making and process but not specific people on the Board. He reminded the Board that they are in an elected position and they answer to the residents. He mentioned Facebook posts that were personal attacks against other Board Members. Mr. Gondelman stated that he has never personally attacked someone.

**THIRD ORDER OF BUSINESS**

**Consideration of Letter of Resignation from Board Member**

Mr. MacLaren explained that the District Manager received a Letter of Resignation from Mr. Page and said that the Board can accept that resignation by motion.

On MOTION by Mr. Thomka, seconded by Mr. Jones, with 2 in favor and 2 opposed, favor, the Board did not accept the Letters of Resignation from Mr. Page.

Mr. MacLaren noted the vote was a tie and Ms. Warren explained that the Board must keep voting until the Board makes a decision. Mr. Thomka asked what will happen if the Board does not accept Mr. Page's resignation. Mr. Franklin noted that he was opposed, because he wants Mr. Page to reconsider his resignation and he said that what Mr. Page can bring to the Board is a great benefit to the Community. Mr. Franklin noted that he will not defend himself to the residents who had expressed their opinions and stated that he appreciates their opinions. He noted he does not have to speak on his competency or his qualifications, but wanted residents to know that he cares about his community. He expressed that he was not texting on his phone during the last meeting, but he was instead using his phone to take notes. The residents accused him of typing, not listening and violating the Sunshine Law. Ms. Warren stated that the issue about replying to emails was addressed. Residents stated that if Mr. Franklin cared about the neighborhood he would not park in common areas, would take his trash inside, take his shutters down, and come to the meetings. Mr. Franklin stated that the things that residents are basing their

opinions on have no substance on whether a person cares about their community or not. He stated that he cares about this community and contributes to this community. Residents started yelling, asking what he has done, and Mr. Franklin stated that if the residents would let him speak he would finish. He noted that he contributes to the community by being a kind good neighbor. He stated that no one on the Board is perfect and neither are the residents and he asked the residents to help the Board resolve the issues instead of yelling at the Board Members and telling the Board that they work for the residents. He said when people are promoted in corporate America 9 out of 10 times they are exceptional even if they do not have the initial qualifications that everyone thinks they should. The residents interrupted and the meeting began to get chaotic. Mr. MacLaren stated that the public comment period has ended. One of the residents stated that at one of the meetings residents made suggestions about the District website and other items for the District to save money on. Mr. Page addressed the Board and residents. Mr. Page said that he had witnessed an online personal attack sent to Mr. Franklin and it was disgusting and had nothing to do with his performance on this Board and everything to do with the fact that he was taking notes on his phone and believes that Mr. Franklin was taking notes from the meeting on his phone, because he was sitting next to him.

Mr. Page said to the Board that he cannot reconsider being on the Board at this point and would like to see the democratic process and have the Board put someone else in place. He stated that he will run and try to get elected. Mr. Page told the Board and residents a story about his past and suggested to the Board that they defend themselves in the proper way by referring the complaint to the Supervisor of Elections themselves and to take a vote tonight to do that. He said he wants the Supervisor of Elections to come and shut the 5 people down who are constantly complaining about things that have nothing to do with the community. Mr. Page noted that when he sent a form 1 to the Supervisor of Elections he used his personal email on it and all someone has to do under the Sunshine Law is ask for it, but instead the residents made an accusation that Mr. Thomka gave his personal email to Mr. Franklin. Mr. Page said that the accusation was false and wanted that on record. Mr. Franklin asked the residents why they don't make a report and stated that under the Ethics laws if someone makes a false claim they are responsible for the legal fees and they also have recourse against them. Mr. Page stated that when he reported himself to the New Hampshire Attorney General's Office they did an investigation and came back and said that he could have the person arrested who made the false accusations, but he took the high road and did not have it done. He stated again that he cannot reconsider being on the Board right now, but he appreciates it and he is qualified and he feels like he can do good things for this community. Mr. Page noted that the meetings must be professionally done and agreed with Mr. Thomka that at some point he has to call the Sheriff and have someone taken out of here to set a point, because the residents are running the meetings and not the Board.

On MOTION by Mr. Thomka, seconded by Mr. Jones, with all in favor, the Board accepted the Letters of Resignation from Mr. Page.

Mrs. Warren continued to explain that everything she stated was about the process of appointing a Board Member and how there should have been a discussion. Mr. Thomka stated that the Board would like to hear from anyone who would like to be considered to be appointed to the vacant seat on the Board. There were two people who indicated they would like to be considered, Kangelia Baxter and Sherilynne Schulzee. Ms. Baxter addressed the Board first and explained that she served in the United States Army for 15 years and was a reserve for 5 of those years. She has a Master's Degree in business management. She has lived in the community for 1 year and is an active member of the community.

Ms. Schulze addressed the Board next and explained that she has not been to many CDD meetings and she is concerned about wanting to run but she wants to help the community. She hopes that if she is elected she is not attacked. She has worked closely with the builders in the community and they want someone who will listen and take all the opinions and she feels like she can be that person and she hopes that if she is part of this community that the community does not attack her. Mr. Thomka asked if there were any more residents who wished to be appointed. Mr. Thomka expressed his interest to appoint Ms. Schulze.

Mrs. Brown stated that she would be opposed to that nomination because she wants someone that is involved with the community. Mr. Rezak stated that he previously applied for a Board position because he has been active in the community for years but he is not as qualified as some of the other candidates and he is not asking to be nominated this time and stated that Ms. Baxter is more than qualified and she is very involved in the community. He noted that she has the credentials on her resume and has showed action. Ms. Schulze stated that she has a degree in accounting and economics and she works with people every day.

Mr. Thomka expressed that some of the Board Members want to ask some questions of the two candidates. Mr. Franklin asked each candidate what their motivation is to be a part of this community. Ms. Baxter said that she feels like she would be an asset to the community. Ms. Baxter stated that she is big on communication and she is active on social media and trying to be the peace maker and trying to communicate with the correct information. She said that she listens to the community, Board, and Management Company and basing her experience on everything rather than one point of view. Ms. Schulze explained that she cares about the community and has lived here two and a half years and has invested a lot onto her home and wants to make sure that her investment is protected and she wants to make sure that the residents, her neighbors, are happy. She also said that she would choose not to be compensated the \$200 per meeting to sit on the Board.

On MOTION by Ms. Brown, seconded by Mr. Jones, with all in favor, the Board accepted appointed Ms. Baxter to the Board of Supervisors.

Mr. MacLaren administered the Oath of Office to Ms. Baxter. Ms. Warren requested that the Board move to the discussion and consideration of the proposal for District management and do the other two items later in the meeting because the District has a number of representatives present.

#### **FOURTH ORDER OF BUSINESS**

#### **Consideration of Proposal for District Management**

- a) **GMS Central Florida, LLC**
- b) **Rizzetta & Company, Inc.**
- c) **WH & Associates, LLC**
- d) **Meritus Districts, LLC**

Ms. Warren noted that the District received four proposals from management companies and there are representatives from each company in attendance. Ms. Warren noted that, as a courtesy to whichever District Management Company is presenting, the District requests that the other District Management Representatives step out while the other one is presenting. Ms. Warren asked GMS to present first.

Mr. Flint presented for GMS. He is the V.P. for the Central Florida Operations of GMS and is located in Orlando. GMS has its main offices in Orlando, Ft Lauderdale, Jacksonville, and smaller offices around the State of Florida. GMS currently manages over 130 CDDs in Florida. He Manages 40 districts out of the Orlando office. His proposal lays out the history of the company. The president of the Company is Mr. Mossing, who is located in Tennessee, but all the other employees are located in the State of Florida. Mr. Flint noted that page 4 of the proposal depicts an organizational chart which shows how the company is structured. Page 5 depicts the initial District Management Team that is being proposed. Mr. Flint would act at the District manager and has 23 years of local government experience and the last 12 have been with CDDs. Mr. Flint explained the proposed team and their experience to the Board. He explained the field management support to the Board. On page 13 of the proposal is a list of the CDDs that GMS manages. He mentioned the GMS has very low client turnover and in the 12 years that he has been managing CDDs he has lost one District. Page 16 depicts the references. Page 17 of the proposal outlines the District Management fees. Ms. Warren noted that GMS has dissemination services listed in their proposal and asked if they would be fine with Lerner continuing as the Dissemination Agent. Mr. Flint stated that is an optional service that GMS provides. He noted that the fee that the District is paying Lerner right now for the five Bond Issues is very competitive and GMS would not want to do it for what Lerner is charging the District so Mr. Flint recommended that if the District is happy with Lerner the District should use them because GMS would end up charging the District more. Mr. Jones asked if any of GMS's fees are based on incurred costs or are they straight and contractual. Mr. Flint explained and broke down the fee payments. Mr. Flint left the room and the representatives for Rizzetta & Company were invited in.

Mr. Dailey is the Director of District Services for Rizzetta & Company. He explained that the company has been around for over 30 years and there are 8 offices throughout the State of Florida, there are four local and the closest is 15 miles away in Riverview. Mr.

Dailey named several area Districts that the company manages and noted that they manage about 111 districts in the State of Florida. Rizzetta & Company also has an amenities division and manages about 30 amenity accounts throughout the State of Florida. He noted that any management activity that is done for the District is done by one of Rizzetta & Company's employees. Mr. Dailey has been an employee with Rizzetta & Company for 13 years. The company has a Board Management Philosophy in order to work so that the Board can get through the meetings efficiently. Mr. Dailey noted that each of the District Managers is given 5 tablets to bring to each meeting that the Board Members can use during the meeting that have the agenda. The company also manages websites for the districts and provides email services for the Board Members. Mr. Dailey noted that page 34 of the proposal depicts the fee breakdown and stated that his company does lump sum billing and do not have out-of-pocket costs. The management fee is broken down into management, administrative, accounting, and revenue collection. The overall Management fee which also includes the Dissemination service is \$1,000.00 per Bond Issuance. Without the \$5,000.00 amount the overall management fee is \$51,200.00. He noted that the District's budget is set for \$45,000.00. Mr. Dailey noted that they are never going to be the cheapest, but they provide excellent service. Mr. Dailey stated that any extra price such as a community mailing would be discussed with the Board prior to execution. Mr. Dailey explained the fee breakdown and explained how the amenity or clubhouse managers are hired. He noted that if there is someone in the community that someone highly recommends they are open to interviewing those people and talking about that if that is what the community wants to do. Mr. Dailey said that there is mandatory drug testing and background checks for all candidates before they are hired.

Mr. Thomka asked if they were aware that Mrs. Brown is the amenity manager now and she is a resident. He stated that he would like Mrs. Brown to remain as amenity manager. Mr. Dailey said that they were aware and are open to talking to her and Mr. Thomka noted that he has no intention of replacing her or interviewing anyone else at all. Mr. Jones asked what types of positions Mr. Dailey was talking about when he mentioned that they have their own employees and do not hire subcontractors. Mr. Dailey stated that his company offers a field service package whereby they could manage the landscape contractors and oversee Aquatic Systems and provide a monthly report. He also noted that Rizzetta & Company also has two arborists and a landscaping architect on staff. He explained the responsibilities of the field service manager. The field service package is \$6,000.00 per year and was not included in the proposal. Mr. Dailey explained that Harbor Bay does it on a quarterly basis so it costs \$2,000.00 per year. The reports are brought to the meetings and sent to the landscaper so they can provide comments. Mrs. Brown asked about the one-time deposit amount and asked if that is in addition to the total and Mr. Dailey confirmed that it is and that it is adjusted for a months' worth of pay. Rizzetta & Company also has a 60 day out clause in their contract. The representatives for Rizzetta & Company left the room and the representatives for WH & Associates were invited in.

Mr. and Mrs. Adams made their presentation to the Board. Mr. Adams said that if they are chosen he would act as the District's managers. Their firm and he has been in the business since 1989. He has done field operations and management the last 15 years. Mrs. Adams has been with the firm for the last 10 years and for the 15 years prior she worked as a community association manager. Mr. Adams noted that they are detail-

oriented and have built great relationships with their clients. There is a high level of retention and many of the Districts listed in Southwest Florida have been his districts from the very beginning when he worked with another management firm and when a group of professionals exited that firm he was able to bring 18 of those clients over with him immediately based on the relationship he had formed with them. He has experience with Districts that have transitioned from a developer-controlled board to a resident-controlled Board and has done that successfully.

Mr. Adams explained that this District provides diverse services. He has many Districts that take advantage of all of the services available at WH & Associates. Mr. Jones asked Mr. Adams to discuss the fees. WH & Associates fee is proposed at \$68,000.00 which is inclusive of management, accounting, dissemination services, and accounting. He noted that there is an opportunity to negotiate the fees. Ms. Warren asked about amenity management. Mr. Adams stated that he has been very successful with outsourcing Amenity management because there are firms that specialize in that. He noted that when Districts hire their own person they do not have the support they need to do a good job and he has had some communities where the amenity management has failed by hiring their own manager rather than going through an amenity management company.

Mr. Jones asked about the fees for an amenity management company and Mr. Adams said that it depends on the district He manages a district called Corey Lakes and when he arrived there was a lot of distrust between the residents and the Board. The budget for the amenity manager at that time was \$30,000.00 per year for a part-time worker assigned there by an amenity management firm. Mr. Adams explained that it has now changed to \$15,000.00 per year for a part-time Amenity Management fee and \$15,000.00 fee to deal with all the supplies and some events that go on in that District are paid events. A Board Member asked if the district management company outsources website services. Mr. Adams explained that there is a firm that they work with for all the Districts that they manage and that company maintains the site for the District Manager and it is updated a couple times per month. He noted that it costs between \$650 - \$800 per year per client for website management. Mr. Adams and Ms. Adams left the room and the representative for Meritus Districts was invited in.

Mr. Lamb with Meritus Districts approached the Board. He explained that his company manages 15 CDDs within a 10-mile range in the area and provides comprehensive services to these districts including amenities, recreation, and field management services. He noted that as the owner of the company he is able to meet with boards to understand their goals and customize and provide efficiencies and service pricing. Mr. Lamb will be directly handling this District for the first few years, if hired. Mr. Lamb discussed that his fees will not go over their existing budget. Mr. Jones stated that Mrs. Brown is the current Clubhouse manager and the Board has no desire or plan to change that and he asked what type of support Meritus offers for the amenity manager. Mr. Lamb explained that it is provided in a few different fashions and there is a system and procedures to follow. He noted that there are very successful programs to lean upon. He explained the history of the company to the Board. Mr. Thomka asked how many CDDs Mr. Lamb manages within 15 miles. Mr. Lamb noted that he personally is involved with three Districts and he has other managers who manage several others in this area. He explained that he will help establish short and long-term goals for the District. Mr. Thomka asked



how many amenities he manages and Mr. Lamb said he manages seven, with the closest being River Crest. Mr. Thomka asked how many he was involved in from the beginning and Mr. Lamb answered approximately 70%. Mr. Jones asked if he manages South Fork and Mr. Lamb answered that he manages 3 districts in that area.

Mrs. Warren explained that before the Board moves into a discussion she wants to note for the record that, under Section 112.3143 which is the voting conflict of interest, Mrs. Brown who is the current clubhouse manager and could potentially be hired by one of the district management companies is not going to participate in any discussion or any vote that takes place with regard to the district management company. Mrs. Warren wants the members of the public to understand why she will not be participating in the vote.

The Board began discussions as Mrs. Warren gathered the District Managers in case the Board has any additional questions. The Board began discussing Rizzetta & Company. Mr. Franklin stated that they had a strong presentation but he is concerned about the budgeting factor because their fees would be surpassing the budget. Mr. Thomka likes that Meritus is sticking to the District's budget. Ms. Baxter noted that Rizzetta & Company is \$17,663.00 over the District's budget. Ms. Baxter discussed the location of the companies noting that GMS is based out of Orlando, Meritus is based out of Tampa, Rizzetta is based out of Tampa, and WH & Associates is based out of Boca Raton.

Mr. Jones stated that he was impressed with Meritus. One of the residents stated that when asked about the communities he manages he did not bring up South Fork until one of the Board members specifically asked about that community. Ms. Baxter said that Mr. Lamb might have been confused by the verbiage that was used to ask about the districts he manages. The Board Members agreed that having a firm located in Tampa would be best. Ms. Baxter indicated that the two proposals that the Board is considering right now are Meritus and Rizzetta and the Board would like to bring them back in to discuss fees and the other communities that they manage.

Mr. Jones stated that Rizzetta made a strong case for their involvement and the Board has to discuss the District's biggest needs. Mrs. Warren noted that the Field management that Mr. Dailey was talking about was an additional \$6,000.00 fee per year. Ms. Baxter noted that if the District retained Ms. Brown that is something that she does already. Mr. Franklin stated that Rizzetta said that all their contractors are in-house and he asked what type of expense the District would see if they hired Meritus and needed to subcontract out the work. A discussion took place about Rizzetta and their fees. One of the residents brought up a concern that the representative for Meritus talked around the Board questions and did not answer any of them directly. Ms. Baxter noted that she looked more to Rizzetta because he brought the other employees that would be working directly with the District. The resident noted that the President of Meritus would be directly involved with the community for 2 years. Mr. Franklin that Rizzetta is a strong company but might be too expensive unless they can negotiate the price down. Mrs. Warren mentioned that she spoke with Mr. MacLaren who said that there were some line items that could be reallocated to the District Management fee. The Board and residents discussed the District Management fee for Rizzetta. Ms. Gondelman asked the Board to consider not being paid so that the District could reallocate those funds to the District Management

fee. A discussion took place and Mrs. Warren requested that they get back to the topic at-hand.

Ms. Baxter asked Mr. MacLaren about the line items that could be used and Mr. MacLaren stated that the \$40,000 budget line item for plant replacement could be moved to cover the district management fee if the Board wanted to do that. A resident asked how hard is it to terminate a district manager who is not performing to the community standard. Mrs. Warren explained that district management companies typically have a 60-day termination clause in their contracts and it is something that the District can explore and she explained that transitioning to a new district management company is a lot of work. Residents asked questions pertaining to the deposit and if it can be put somewhere to earn interest.

Mrs. Warren stated that investment standards for public funds are restricted and so their options are limited. The Board excused WH & Associates, LLC and GMS Central Florida and invited Rizzetta & Company and Meritus Districts back inside. The Board discussed cost with Rizzetta & Company and indicated that they want to try to get the cost down to the budgeted cost they currently have. Mr. Dailey explained that if the District is trying to stay within \$45,000.00 his Management fee only puts the District \$1,200.00 over budget and they are getting 12 meetings per year up to 3 hours per meeting. Mr. Dailey was asked if they had ever waived the deposit for any District and he said that they have not because it covers the first month's expenses. It would be a decision that needs to be made by the Rizzetta staff. The Board had no other questions for Mr. Dailey. Mr. Dailey left the room and Mr. Lamb, President of Meritus, entered the room.

Mr. Jones asked Mr. Lamb about subcontractors and how that could affect the price that the District pays and if there is any control aspect that Mr. Lamb has in place to keep the District at a certain number. Mr. Lamb said that Meritus provides 100% of the services in house and do not use subcontractors. Mr. Franklin asked if the in-house contractors will meet the needs of the community and if there will be any significant difference between what the District can see with their services vs. what the District currently has or in comparison to others. Mr. Lamb said that he will be signing something to make sure that his company will meet the needs of the District. Mrs. Warren told Mr. Lamb that he is free to go.

The Board Members then discussed the fees of the two companies. Mrs. Warren previously spoke with each management Company about their fees and mentioned that when speaking to Mr. Dailey the website cost of \$1,200.00 includes monthly maintenance. She assumed they would be building a new website because Mr. Dailey has found when transitioning Districts taking over the existing website does not work and that it is better for them to build a new website. So, Ms. Warren factored that into the summary comparison to air on the side of caution. Ms. Warren stated that the budgeted line item for the website is \$3,000.00 for the year. The management Company might be able to take over the website and not create a new one but they will not know that until the transition starts.

The Board next discussed the one-time deposit. Mr. Jones asked a question about the possibility of the district manager's fees increasing and Mrs. Warren said that they know what the future buildout looks like and she thinks that they based their fees on the District's current status. Mrs. Warren noted that Meritus did not provide hard numbers it just said it would be within the District's budget. The Board discussed the communities that Rizzetta manages. A resident expressed concern that part of the line item for the replacement of plants was being used to offset the new district management cost. Another resident indicated most of the concern about the landscaping comes from the lack of weeding and maintenance and not the replacement of plants. Ms. Ewing said that she has made many complaints about the state of the landscaping over several years and the District must address the landscaping issue which includes the enforcement of the contracts.

After discussion, the Board Members were in agreement that Rizzetta was the best choice for manager for the District.

On MOTION by Mr. Thomka, seconded by Mr. Jones, with all in favor, the Board authorized District Staff to negotiate a contract with Rizzetta & Company.

Ms. Warren requested a motion from the Board to delegate responsibility for finalizing and executing that contract to the Chairman of the District.

On MOTION by Mr. Jones, seconded by Mr. Franklin, with all in favor, the Board delegated Authority to the Chairman, Mr. Thomka, to finalize and execute the Contract with Rizzetta & Company once it is negotiated.

## **FIFTH ORDER OF BUSINESS**

### **Review of Common Area Landscape Maintenance**

#### **a) Continued Discussion Regarding Proposals for Well Replacement**

Mr. Swanson explained the shrubs that are being replanting are the go to plant for this area and it failed because it was put under extreme conditions with the lack of water. He noted that some of the plants were also run over by motorists who purposely drove over the curbs. He noted that his company has been here 9 months and had water 5 weeks in total. The rains are less frequent and the District needs some resolution on the two wells. He noted that Mr. Amaden called him because he was reviewing the well permit issue.

Mr. Swanson stated that one company wanted to charge the District \$4,500.00 to look at it and might not know whether or not he could fix it after the inspection. Tampa Drilling's price was a little over Accurate's price but it was missing some hardware that the District will need and they also did not have worker's comp insurance. Tampa told Mr. Swanson yesterday that it would take them 5-6 weeks to start and 3-4 weeks to finish and Accurate told him 2 ½ -3 weeks to start and 2 ½ - 3 weeks to finish.

Mr. Thomka asked Ms. Warren if the District is even allowed to consider company that does not carry worker's comp. Ms. Warren stated that the worker's comp insurance is a requirement. Mr. Jones asked about the \$140,000.00 amount in the District's checking account and what kind of revenue the District can expect in December. Mr. MacLaren stated that the District is down to \$92,000.00 in the current checking account at the end of September. The District will begin getting in funds in December. The District will get most of its general funds before the end of the calendar year.

Mr. Swanson discussed options with the Board on doing the wells. Mrs. Warren had Mr. Amaden speak with Mr. Swanson so he knew what the District was considering and his recommendation was to go with Accurate Drilling. Mr. Amaden has worked with Accurate Drilling and feels they are a viable contractor to work with and felt like to go through the permitting process would not be extraordinarily lengthy. Mr. Swanson does not know if SWFWMD will allow the District to weld the cap on the existing wells which would be no additional charge or if they will make the District abandon them as per their procedures which would be about \$1,500 - \$3,000 per hole. One of the wells is in a resident's backyard. Mr. Swanson said that the easement starts at the side walk and he will see if utilities will allow the District to move the well close enough to TECO and stay outside of the fence so the District has access to it all the time. If the well is capped there will be a piece of pipe sticking out of the ground.

Mr. Jones said that if the property owner has a concern about it he thinks the District should spend the extra \$1,500.00 and not have it above ground in their yard. Mrs. Warren said that she and Mr. Amaden spoke about reaching out to the property owner and made an effort and have not received a response yet and she can follow up on that. She suggested that the Board could authorize a not-to-exceed amount that could include the fill. Mr. Swanson noted that the permit needs to be pulled and then Accurate Drilling would approach SWFWMD to tell them what they want to do and then SWFWMD will tell them what they can and cannot do. Ms. Warren suggested that the Board approve a not-to-exceed amount of \$15,000.00 for one well or a not-to-exceed amount of \$30,000.00 for both.

On MOTION by Mr. Jones, seconded by Ms. Brown, with all in favor, the Board authorized a not to exceed amount of \$15,000.00 for the first Well or \$30,000.00 for both wells.

Mrs. Warren requested a motion authorizing Mr. Thomka to finalize the well documents.

On MOTION by Mr. Jones, seconded by Mr. Franklin, with all in favor, the Board authorized the Chair to finalize the well agreements.

## **SIXTH ORDER OF BUSINESS**

### **Review of Common Area maintenance**

- a) Aquatic Systems**
- b) Pinch A Penny**

Peter Simos with Aquatic Systems presented information to the Board. He noted that when he first began doing inspections of the community the cattail population began to decline. It seemed like a small disease and the stronger populations would take over but there is now a 50% loss of cattails in that shelf. He brought a sample to the University of Florida down the street and they are going to run tests that will determine if there is a fungus or bacteria and he will provide more information. He brought up the issues with pond 7 and noted that he is concerned with the Gulf Spike Brush, which is a native species that is important to have and most ponds have 30% of the pond that is shallow and vegetation is needed in those shelves so the storm water retention ponds can filter the nutrients before they get into large bodies of water.

He spoke with the homeowner and her concern was that she wanted to see more open water. He also spoke with his service manager to see if there was an option to extend the buffer area however he recommends planting vegetation to uptake the open areas because the shallow area allows for algae to develop. He recommended that if the District chooses to remove some of the natives that they also plant natives in those empty spots. Ms. Warren said that there are two proposals, one is for pond 7 and one for pond 11. Mr. Simos referenced an issue to the trash and noted that if the open areas are planted the trash will have to opportunity to bud up against the vegetation or flow to the edges so it can be collected rather than having an airboat in the pond. Mr. Jones suggested tabling this until the new management company is in and then the District will have that experience to draw on as well. A discussion took place among Board Members.

On MOTION by Ms. Brown, seconded by Mr. Thomka, with 4 in favor and 1 opposed, the Board approved the Aquatic Systems Proposal at the cost of \$1,270.00 and move forward once the funds are available in December or January.

A resident asked what are the plans to make pond 7 looks more aesthetically pleasing and asked if there will be more upkeep. Other residents also asked questions and Mr. Simos answered that there is the possibility of planting pods with the incentive of spreading and growing around the perimeters and he suggested that for now filling in the gaps would suffice.

Mrs. Brown explained that Family Fence installed the fence around the pool pump equipment and everything looks good. The pool reopened and it is continuing to be serviced 3 times per week on Monday, Wednesday, and Friday. Bravo Fencing is coming out tomorrow to do a walkthrough because during Hurricane Irma the back fencing all around the property was knocked down or have pieces missing. She is also going to see if they can give her an estimate for putting a gate at the back so people can walk through instead of climbing over the fence or kicking out the boards to cut through. She has calls out to a couple of handymen in regards to fixing the broken swing and she has not received calls back yet. She also had someone come out to look at the pillars across the street at Stone Gate and he informed her that he cannot do it so the District will need to get someone else out to look at it and get an estimate. She asked about seeing how much of a budget there is for holiday decorations since it was tabled last meeting. The proposal to decorate the pillars out front is \$1,875.00 and the District would own the lights. She mentioned that the other proposal was \$3,800.00 for the inside and the outside and she could probably negotiate that down if he just decorated the inside and the cost would probably be \$3,000.00 total.

A resident asked about volunteering to do handyman work and Mrs. Brown explained that the District must work with someone who is licensed and insured. Mrs. Brown explained that the lady proposing to do the holiday decorations outside said the District does not have to pay the full price upfront and she will take the deposit which is \$200.00. The total is \$1,643.00. Mr. Jones asked Mr. MacLaren if he was comfortable that the District would have \$3,000.00 to spend before December 1, 2017. Mr. MacLaren said that would probably be okay. A discussion took place about the Tax Bill and process for payment to the District.

On MOTION by Ms. Baxter, seconded by Mr. Thomka, with all in favor, the Board approved the proposals for Holiday Decorations for a not to exceed amount of \$3,000.00.

Mrs. Brown is still continuing to work with the access cards and the District has about 995 cards completed. She is still making appointments and there are still people coming in. She submitted a proposal from Brandon Lock because one issue is the cabanas which were on a system called wink and it does not work. The system allowed her to remotely open the bathrooms that are in the back and currently she has to come in the morning and at night to open and lock them. The proposal is to get the bathrooms on the same system

as the access cards so residents can use their cards to go to the bathrooms. Mr. MacLaren noted that it is in the agenda package behind tab 10 at the very end of the agenda. There is another proposal from Branson Lock that was put on hold related to the front door to make it card accessible.

Mr. Thomka asked what happened to the remote and Mrs. Brown said she was told it got fried during one of the storms. Mrs. Brown reminded the Board about Halloween on Tuesday October 31, 2017 from 7:00 p.m. on. Some of the residents asked Mrs. Brown for a safe place to do trick or treating and she has a D.J. and some food. The Hip Hop Class will start October 25, 2017 and it costs \$8.00 per class or \$25.00 per month. Jazz Exercise will be on November 6, 2017 at 7:00 pm. for a cost of \$5.00. The Inventor Fair is November 4, 2017 from 11:00 a.m. to 5:00 p.m. The One Blood bus will be in the community on November 11, 2017 from 8:00 a.m. to 11:30 a.m.. Mr. Thomka asked Mrs. Brown if she wants something done about the Brandon Lock proposals now and she said no.

**SEVENTH ORDER OF BUSINESS**

**Consideration of TECO Lighting Services Proposal, Phase 3C**

Mr. MacLaren noted that this proposal is for \$19,710.0 per year. The streetlighting budget was increased from \$76,000.00 to \$130,000.00 to accommodate phase 3A and 3C so this is in the budget and Districts cannot usually negotiate with TECO because they have a monopoly on providing electric services.

On MOTION by Mr. Thomka, seconded by Mrs. Brown, with all in favor, the Board approved the TECO Lighting Services Proposal, Phase 3C.

**EIGHTH ORDER OF BUSINESS**

**Continued Discussion Regarding Fitness Equipment**

This item was tabled.

**NINTH ORDER OF BUSINESS**

**Ratification of Payment Authorizations Numbers 420-421**

The Board reviewed Payment Authorizations 420-421. Mr. Jones asked Mr. MacLaren to clarify some of the charges to US Bank and Ketrow Electric which were a couple invoices in the emailed agenda item. Mr. MacLaren stated that US Bank is the Bond Trustee for all the Bond payments so it probably would have been for mailing a bond payment to them. Mrs. Warren said that the Ketrow charge is for \$10.48 and the US Bank is for \$15.91. The US Bank invoice is probably related to the assessment roll and payment of the Debt Service because that was the date of August 11. Mrs. Warren will

make a note on the Ketrow Electric invoice to verify that charge. Mr. Jones said that there was also an invoice for Global Meetings. Mr. MacLaren stated that it is for the conference call service. There is a charge for each person who dials in which is why the District does not distribute call-in information to residents.

On Motion by Mr. Jones, seconded by Mr. Thomka, with all in favor, the Board approved ratification of Payment Authorization Numbers 420-421, subject to verification of Ketrow Electric mailing invoice.

Mr. Jones stated that there is a proposal for the equipment for the pool that includes ropes, Coast Guard-approved life ring, and extra-large pool guard life ring for a total of \$280.00.

On Motion by Ms. Baxter, seconded by Mr. Franklin, with all in favor, the Board approved a not-to-exceed amount of \$300.00 for Pool Equipment.

#### **TENTH ORDER OF BUSINESS**

#### **Review of Monthly Financials**

The Board reviewed the monthly financial statements. For operations expenses the District ended the fiscal year at \$713,000.00 vs a budget of \$804,000.00. The District has approximately \$93,000.00 on-hand at the end of its fiscal year, which is September 30<sup>th</sup>. There was no action required.

#### **ELEVENTH ORDER OF BUSINESS**

#### **Staff Reports**

**District Counsel** – No Report

**District Engineer** – Not Present

**District Manager** – Mr. MacLaren stated that Fishkind & Associates offered to reimburse Mr. Viasalyers' travel expenses for the year which amounted to approximately \$4,400.00. Mr. MacLaren requested the accounting department to do this, however, when the management fees were being reconciled for the year they had discovered that the District Manager had under billed for Amenity Management Services by approximately \$5,000.00. It was proposed that rather than rebilling, that those amounts offset the travel expenses. It does not need approved at this time.



Mr. Jones asked if Fishkind had not been billing \$736.66 per month that they are entitled to by contract. Mr. MacLaren stated that is correct and Mr. Jones said that for 7 months that is \$5,156.62 and that the District would get back \$4,400.00 and owe the District Manager \$5,156.62 and asked if the proposal is that the District would call it a wash. Mr. MacLaren said that is correct. A discussion took place. A resident stated that the earliest agenda on the District website that had a receipt for Mr. Viasalyers was on September 2, 2016 and there were no agenda's or minutes on the website any earlier than that date, so she was not able to come up with the sum of 2016. She does not think it should be a wash because there should be a net in the District's favor. Ms. Baxter said that based on the payments that the District has here if the District did not call it a wash the District would owe Fishkind \$758.79.

Mr. MacLaren forwarded this information to District Counsel and stated that the contract calls for the reimbursement of reasonable travel expenses so his accounting department feels that Fishkind is entitled to bill for his travel expenses, Ms. Gaarlandt's travel expenses, and Mr. Viasalyers travel expenses. Mr. MacLaren and Ms. Gaarlandt have not been billing the District on purpose but Mr. Viasalyers was considered a special employee and was coming out to do field operations which is why Fishkind was billing the District. Mr. MacLaren stated he has forwarded the information to the District Counsel and he suggested the District can appoint someone to discuss it. A resident stated that the District Manager stated that they were going to owe the District money and now they are saying the District owes the District Manager money.

Mr. Jones asked Ms. Warren if the District Manager is allowed to charge reasonable travel expenses. Ms. Warren stated that the District's Reimbursement policy is at the per diem amount set by Florida Statutes and she can go back and verify at what level those expenses are within that reasonable amount. Ms. Warren can only tell the District whether or not it is legal. A resident stated that on August 15, 2017 it was noted that the accountant was billing the District for some of Mr. Viasalyer's expenses and was not going to do that anymore. A resident asked if the District recouped late fees. Ms. Ewing stated that needs to be a clear audit done and Ms. Warren stated that the District has an independent Auditor that audits the District's records every year. That is required by Florida Statute and it is not an auditor that is tied to any District staff. They review the District's contracts and look at the provisions of what the allowable expenses are, they verify that is the case. Ms. Warren

stated that she has had Districts where the auditor has come back and say that there were over payments or payments not authorized by the contracts and they have asked that district or the contractor to reimburse those expenses, that has happened on occasion.

Ms. Ewing asked if the reimbursement of the travel expenses was in good faith. Ms. Ewing stated that if there is an incorrect billing it needs to go back on the books and be a wash. Ms. Warren said that to pull public records on everything that has to do with any contract and have staff review all of it and hire an auditor to do that is going to be very expensive and possibly cost the District more money than it will ultimately save. Mrs. Warren is more than happy to go back and look at Mr. Viasalyers expenses and make sure that they are within the legal requirements and standards that are set and have been adopted as part of the District's reimbursement policy and report back to the Board on that matter. She said if the Board wants to spend the money to do an audit it is within their right but it will cost money. One of the residents brought up the latest audit which was considered to be a clean audit and was for the prior fiscal year.

## **TWELFTH ORDER OF BUSINESS**

### **Supervisor Requests and Audience Comments**

Mr. Jones suggested that this be tabled until Mrs. Warren can come back to the Board and verify what has been paid as falling within the legal guidelines. Residents brought up the late fees and stated that the responsibility should not fall on the District to pay those. Mrs. Warren will look into the late fees. Mr. MacLaren will request the accounting department to reduce the next bill by \$150.00 to cover the amount of the late fees. A resident asked Mr. MacLaren to check the amount of the late fees in case it is more than that amount. Mrs. Warren stated that the Board can authorize a particular Board Member to work with District staff to finalize that. Ms. Ewing stated that the District should hire a private auditor. She has brought up contract non-compliance and last year she called for Fishkind to be removed as the management company. Mrs. Warren stated the Board can individually address the issue with Fishkind and come back at the next meeting. The new district manager can work with Mr. MacLaren to resolve the issue.

Mr. MacLaren opened the floor for audience comments. Ms. Ewing stated that at the last meeting the question was asked what was the end date for the contract for the gym equipment. Ms. Warren stated the finance agreement for the fitness equipment was entered into on October 22, 2014 and it is a 52-month finance agreement which means it would expire in 14 months. The resident asked why there was a variance in the monthly payment for the gym equipment. Ms. Warren stated there is a payment schedule in the contract. The resident asked for it to be published in the agenda package for this meeting.

Mrs. Warren said that the agreement can be provided. Ms. Ewing also stated that there is an outstanding question with the ledger and she asked Mr. Thomka if he has plans on providing the residents his ledger of the payments that he has received for his additional duties that he did with the Clubhouse to let the community know what services he provided for that additional \$200 he received. Mr. Thomka stated that every time he is called out there is a record and Fishkind is aware of it but he does not keep a second ledger himself and he clarified that for this month he submitted an invoice of \$0.00 because he was not used for any emergency for the Clubhouse.

Ms. Ewing asked if the District received a status of the call transcripts because Guardian did not follow the guidelines with making the proper notification chain with the individuals before dispatching the police so the District can refute those false alarms with the County to be reimbursed for those excessive fees that the District had to pay erroneously. Ms. Ewing stated that there was a statement during the August 23, 2017 meeting about the false alarm fees and she read the statement to the board. She also brought up Mr. Howard, a resident who spoke about attempting to contact Fishkind regarding heavy machinery that drove onto his property and destroyed his yard and he has not yet heard back regarding the damage to his property. The resident also brought up

Mr. Viasalyer's purchases for the clubhouse and requested an inventory list to account for the items that he purchased in the year 2017. Mr. MacLaren asked Mrs. Brown about those purchases and she indicated that he has purchased pool supplies, chlorine for the filters, and some office equipment that was needed while she has been involved as clubhouse manager. Ms. Ewing indicated that there is a petition regarding the Supervisor fee and payment of Board Members. She thinks that the community is doing a great disservice to itself to be paying a \$200.00 fee considering the community has outsourced the management company to handle the bulk of the daily duties and responsibility. There are 130 members of the community that have signed the petition and made comments in the last 7 days. She also noted that Mrs. Brown does not take compensation.

Ms. Ewing would like it placed on the agenda today for consideration and claimed that they do not deserve compensation because there is no ledger that they are providing to let the residents know what they are doing throughout the month. The resident stated that Mr. Franklin submitted his intent on August 30, 2017 and no one was aware of Mrs. Blue or Mr. Fuller's resignations until September 21, 2017 and asked him how he heard about the Seat being vacant. Mr. Franklin stated that he was not going to answer her question. She asked him how he got Mr. Thomka's personal email and Mr. Franklin stated that he would not answer because the resident is trying to nitpick.

Mrs. Warren stated that Mr. Thomka's personal email is in various District public records because it was being used until new Board emails were set up. The resident claimed Mr. Franklin new a seat was vacant before anyone else. Mr. Franklin stated that is an assumption. An argument began between Ms. Ewing and Mr. Franklin about his cell

phone usage during the first meeting. Ms. Warren stated that it has been a four hour meeting and the resident has raised her concerns and they are on the record.

A resident stated that she submitted her application to be on the Board on August 24, 2017 because at August 24, 2017 because at the August 23, 2017 meeting Mrs. Brown stated that she was possibly going to resign from the Board. Ms. Ewing asked again how Mr. Franklin knew of the vacant seat since he did not attend that meeting. Another discussion began to take place between Mr. Franklin and Ms. Ewing. Ms. Warren stated that this is not a productive conversation and asked for any other audience comments.

Ms. Webb stated she has not been attending the meetings for a year, but she has been receiving the recordings but has not received the recording form the last meeting yet. She stated she feels that residents who speak up are treated negatively when voicing legitimate concerns about the District's contracts. She has attempted to retain the contracts and read them line by line, ask questions, make recommendations for improvements including the resident logs, being able to speak without being interrupted by Board Members, or being told she has an agenda because she wants to get rid of a Contractor. She said that the new management company needs to be accountable and the Board needs to hold them accountable. Ms. Webb brought up issues with contract non-compliance with the landscaper and stated that she has been bringing up those issues for years. She mentioned the inappropriate conduct from the former clubhouse manager. She stated she did not know she would be treated with disrespect when she brought up that bushes were not trimmed.

Ms. Webb stated that she has brought up landscaping and irrigation issues that went all the way back to Stewarts. She said that it is irresponsible of the Board Members to be voting on issues without knowing what is in the contracts. She urged the Board Members to resign if they are not serious about their post. The resident concern log was created over a year ago and she noted she only made one complaint this year because she has been watching it and her complaint is not listed on the log. She feels like the money is being wasted because some services are being paid for when they are not being completed or done at all. Ms. Webb called for the termination of Fishkind & Associates last year.

Ms. Webb then discussed transparency. She feels disrespected and bullied by District Staff and the Board. She also brought up issues with negligence and she is glad the District Manager is moving on and she mentioned issues with disorganization because there were no logs. She said that she came out today because these issues needed to come up and she is not the only resident with these experiences. Ms. Webb stated that going forward it is not the company alone but also the culture of the members and the Board. She requested the Board hold the companies responsible. Ms. Webb recommended a full audit and full transparency even if it costs the community money because the public needs to know where they stand and what has been going on. She asked the Board to

think about what she has said and she appreciates those who are doing the right thing because it matters and makes an impact.

There were no other questions or comments.

**THIRTEENTH ORDER OF BUSINESS                      Adjournment**

Ms. Warren requested a motion to adjourn.

On Motion by Mr. Thomka, seconded by Mr. Jones, with all in favor, the Wednesday October 10, 2017 Board of Supervisors Meeting was adjourned.

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman