

## MINUTES OF MEETING

### ***HIGHLAND MEADOWS II COMMUNITY DEVELOPMENT DISTRICT BOARD OF SUPERVISORS' MEETING***

***Thursday, May 10, 2018 at 9:15 a.m.***

***Offices of Cassidy Homes***

***346 East Central Ave.,***

***Winter Haven, FL 33880.***

Board Members present at roll call:

Rennie Heath	Chair
Lauren Schwenk	Assistant Secretary
Andrew Rhinehart	Assistant Secretary
Scott Shapiro	Vice-Chair (via phone & joined in person at 9:30 a.m.)

Also Present were:

Roy Van Wyk	Hopping Green & Sams, P.A.
Jane Gaarlandt	Fishkind & Associates, Inc.
Jill Burns	GMS
Phillip Allende	Cassidy Holdings, LLC
Dennis Wood	Dennis Wood Engineering, LLC (via phone)

#### **FIRST ORDER OF BUSINESS**

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

The meeting was called to order. The Board Members and staff in attendance are outlined above.

#### **SECOND ORDER OF BUSINESS**

#### **Public Comment Period**

Ms. Gaarlandt announced the public comment period and noted for the record that there were no members of the public present.

#### **THIRD ORDER OF BUSINESS**

#### **Consideration of the Minutes of the April 12, 2018 Board of Supervisors' Meeting**

The Board reviewed the minutes of the April 12, 2018 Board of Supervisors' Meeting.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Board approved the Minutes of the April 12, 2018 Board of Supervisors' Meeting.

**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-09, Approving a Proposed Budget for Fiscal Year 2018-2019 and Setting a Public Hearing Date Thereon**

Ms. Gaarlandt explained that District staff is suggesting a public hearing date of July 12, 2018 at this time and location if the Board stays with the same meeting schedule. Mr. Van Wyk explained that Ms. Burns and Ms. Gaarlandt prepared the budget together.

Ms. Gaarlandt asked Ms. Burns to go through the budgetary changes. Ms. Burns explained that there are proposed increases to a couple of the line items such as Management which includes the increase for Field Management and slight increases to other areas such as Counsel, and the O&M Loan Repayment. Ms. Burns mentioned that she anticipated starting a reserve process using about \$70,000.00, but with the \$71,000.00 loan repayment, she and Mr. Shapiro discussed delaying the reserve until Fiscal Year 2020 so the District did not have to increase assessments. Next year when all the loans are paid back to the Developer the District will have about \$70,000.00 to use to start the reserve. Ms. Burns stated that there are about \$22,000.00 in contingencies in the budget for the various items such as the Pool, Field Expenses and Miscellaneous. Ms. Burns stated that the current contract for the landscape maintenance portion is \$159,600.00 and she and Mr. Shapiro discussed putting \$199,800.00 in the budget because of the addition of Phase 4B and 4C. Mr. Shapiro, via phone, explained how he came to that number. Ms. Schwenk said that she sent Ms. Gaarlandt an email yesterday concerning Phase 5 and 6 herbicide and insecticide spraying costs. She noted that the quote from the company was too low and they came back to the District and said that they could not spray for the price that was originally quoted. Ms. Schwenk noted that the price has been incorporated into the updated budget. Ms. Schwenk stated that Ms. Gaarlandt has the amounts if the Board wanted to accept the new amount. Ms. Gaarlandt explained that the total of the new amount was \$13,360.00. which is a difference of about \$7,000.00. The Board discussed the need to fertilize and spray for Phase 4B and 4C. Mr. Shapiro expressed the desire to increase the budget now and then reduce it as needed at the public hearing. Mr. Van Wyk indicated that whatever number the Board decides on is the number that will be used for notice purposes for the residents. Mr. Shapiro stated that if the Board increases the budget, the District might have more public participation at the public hearing and may need to change the location of it to the Holiday Inn. Ms. Burns stated that there is an increase of \$6,826.00 if the District makes the Fertilization line item an even \$40,000.00. She noted that brings the overall budget amount to \$721,482.44. Board members asked about the assessment increase and Ms. Burns calculated that it is about \$576.73 per unit which is about a \$25 increase per unit for the year. Ms. Burns stated that the only other line item that she thinks might change is the amount for the fencing and the entry monuments. Mr. Shapiro wanted to calculate the cost for the whole wall but the other Board Members did not think that the District needed to calculate for the entire wall. Mr. Shapiro said that he is more concerned with insuring the fencing. Ms. Burns stated that she added about \$10,000.00 in insurance costs and once the District gets the quote the Board can bring the budget down to reduce the assessments. The

Board Members asked how much Ms. Burns put for Property and Casualty Insurance and she said that she increased it to \$15,000.00. Ms. Burns said that \$5,300.00 of it insures the pool building. Mr. Shapiro suggested that there should be three line items, Fencing, Walls, and Monument Walls. He noted that the Board could insure the fence and the monuments depending on cost. Ms. Burns stated that the revisions would increase the total budgeted amount to \$721,482.44 which is an amount of \$576.73 per lot. Ms. Burns asked if the District was putting the net on roll and then paying the Property Appraiser because there is \$10,000.00 currently budgeted for that line item. She wondered if that line item needs to be increased since the budget is being increased.

Mr. Shapiro joined the meeting in person.

Mr. Van Wyk asked if all the platted lots are going to go on roll. Mr. Shapiro responded that all the lots will be going on roll and Mr. Adams lots will be platted by August 31, 2018. Ms. Burns stated that if the lots are not platted by January 1<sup>st</sup> the Tax Collector will not allow the District to collect on roll for those lots. Mr. Shapiro asked Mr. Wood when they would be platted and he responded that they would be platted in May. Ms. Burns clarified that in some Counties if it is not platted January 1 of this year it cannot get on roll. Mr. Shapiro said he did not think that was the case with Polk County. Ms. Burns said that she will attempt to get everything on roll, but Polk County is under no obligation to allow for parcels platted after January 1<sup>st</sup>. Mr. Heath said that the District will not be able to get in on roll because the assessment and the value of the property has already been completed and they do it in January, February, and March and it will be too late for Phase B and Phase C. Mr. Shapiro recommended increasing the contingency line item. Ms. Gaarlandt reminded the Board that the District still owns the roadways. A discussion took place and it was agreed to add \$10,000.00 to the Miscellaneous line item which will increase it to \$17,500.00 for a total budgeted amount of \$731,482.44 which will be \$584.72 per lot per year for assessments. Lot owners currently pay approximately \$550.00. Mr. Shapiro asked if the District is starting a reserve. Ms. Burns said that it is budgeted. Mr. Heath asked when a District typically starts a reserve. Mr. Shapiro responded that when as District starts to get closer to a Board turnover is when a reserve typically starts to be budgeted. Mr. Heath asked if the District gets a kickback for starting a reserve prior to the turnover. Mr. Van Wyk responded that is why the District should start building a reserve prior to turnover. Mr. Heath asked about the statute and Mr. Van Wyk responded that the statute says that the Engineer needs to look at what improvements the District has and tell the Board whether the budget is sufficient and has money in there to meet the needs of the District. Ms. Gaarlandt asked if there were any other comments about the budget. Hearing none, she requested a motion to approve Resolution 2018-09.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Board approved the Resolution 2018-09, Approving a preliminary Budget for Fiscal Year 2018-2019 and Setting the public hearing for July 12, 2018 at 9:00 a.m. at the Holiday Inn.

**FIFTH ORDER OF BUSINESS**

**Consideration of Proposal for Security Summer Schedule**

Ms. Gaarlandt explained that the proposal was provided to the District based on 30 hours per week and an option for 40 hours per week. Ms. Gaarlandt stated that the onsite manager currently has 15 hours onsite. Ms. Gaarlandt noted that the Security is currently at 30-40 hours on a monthly basis. Ms. Gaarlandt suggested cutting down on the onsite management for the summer and making it part of the Security. Ms. Gaarlandt stated that the summer schedule is 30-40 hours per week from Memorial Day Weekend to Labor Day Weekend. Ms. Gaarlandt stated that the budget for 2018 was adopted at \$12,000.00 for Security and the District is currently almost at \$8,000.00 for Security. Ms. Gaarlandt explained that Security is \$15.00 per hour and the Onsite Manager is being paid \$18.00 per hour. Mr. Shapiro calculated the cost of Security during the three months of summer to be approximately \$5,500.00. Ms. Gaarlandt stated that Security is currently on site for 30 hours per month for a cost of about \$1,000.00 per month. Mr. Shapiro said that the budgeted \$15,000.00 plus miscellaneous should be ok for Security. The Board discussed cutting the hours back for the Onsite Manager to 10 hours per week during the summer. Ms. Burns asked if the Onsite Manager knows that she should report to the Field Manager and Ms. Gaarlandt responded yes and that she has been reporting to Mr. Viasalyers. Ms. Gaarlandt asked for the Board’s decision on the hours for security for the summer. Mr. Shapiro responded that he thinks that the District should choose the 30 hours per week option for three months and at the same time reducing the onsite management to 10 hours per week. Ms. Gaarlandt requested a motion to that effect.

On MOTION by Mr. Shapiro, seconded by Mr. Heath, with a in favor, the Board approved the Proposal for Security Summer Schedule for the 30 hours per week option.

Ms. Gaarlandt requested a motion to reduce the onsite management to 10 hours per week for the summer schedule.

On MOTION by Mr. Shapiro, seconded by Mr. Heath, with a in favor, the Board approved reducing the Onsite Management to 10 hours per week for the Summer Schedule.

**SIXTH ORDER OF BUSINESS**

**Ratification of Agreement for Towing Services**

Ms. Gaarlandt explained that the Board approved an agreement in substantial form for towing services. She stated that the District finally received information back from the towing company who confirmed that they will install all the necessary signs. Ms. Gaarlandt

mentioned that they asked about the overnight parking permits and how those will be issued. Mr. Van Wyk stated that he will draft a policy. Mr. Van Wyk asked when the towing company was going to start putting up the signs and Ms. Gaarlandt responded that they would start as soon as they get a signed contract back from the District. Mr. Van Wyk explained that there was a very lengthy discussion about Phase 1 at the City of Davenport and the Fire Marshall was adamant that there would be no on-street parking there at any time of day or night because of the width of the street. Mr. Heath stated that the Phase 2 streets are also only 20 feet wide and the District did not widen the streets until Phase 3. Mr. Van Wyk recommended that the Board not authorize any on-street parking where the roads are 20 feet wide. A discussion took place among the Board about not allowing any on-street parking in the District. Ms. Gaarlandt indicated that this decision needs to be made before the towing company installs signs. Mr. Van Wyk recommended to the Board that the District amend its policies to not allow any on-street parking within the District.

On MOTION by Mr. Heath, seconded by Ms. Schwenk, with a in favor, the Board ratified the Agreement for Towing Services and District Policy Change to not allow on-street parking within the District.

**SEVENTH ORDER OF BUSINESS**

**Ratification of Payment Authorization No. 158 - 162**

The Board reviewed Payment Authorizations Nos. 158 - 162.

On MOTION by Mr. Heath, seconded by Mr. Shapiro, with a in favor, the Board ratified Payment Authorizations Nos. 158 - 162.

**EIGHTH ORDER OF BUSINESS**

**Review of Monthly Financials**

The Board reviewed the monthly financials. There was no action necessary by the Board.

**NINTH ORDER OF BUSINESS**

**Staff Reports**

**District Counsel** – No Report

**District Engineer** -- Not Present

**District Manager** –

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Highland Meadows II CDD

Ms. Gaarlandt stated that there are 605 registered voters within the development. It was discussed that the District has not reached the 6-year requirement to have a general election and appoint residents to the Board. The general election will take place in 2020.

**TENTH ORDER OF BUSINESS**

**Supervisor Requests and Audience Comments**

There were no Supervisor requests or audience comments.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

There was no further business to discuss. Ms. Gaarlandt requested a motion to adjourn the meeting.

On MOTION by Mr. Shapiro, seconded by Mr. Heath, with all in favor, the May 10, 2018 Board of Supervisors Meeting for the Highland Meadows II Community Development District was adjourned.

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman