

MINUTES OF MEETING
POINCIANA
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Poinciana Community Development District was held on Wednesday, March 21, 2018 at 11:00 a.m. in the Starlite Ballroom, 384 Village Drive, Poinciana, Florida.

Present and constituting a quorum were:

Robert Zimbardi	Chairman
LeRue "Skip" Stellfox	Vice Chairman
Lita Epstein	Assistant Secretary
David Lane	Assistant Secretary

Also present were:

George Flint	District Manager
Michael Eckert	District Counsel
Tony Call	District Engineer - GAI
Michael Dell'Isola	District Engineer - Atkins
Brian Smith	Field Manager
Anthony Iorio	Avatar Properties
Residents	

The following is a summary of the discussions and actions taken at the March 21, 2018 Poinciana Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period

Members of the public provided comment during this time.

On MOTION by Mr. Zimbardi, seconded by Mr. Lane, with all in favor, amending the agenda to include the extension of the amenity inspection period, was approved.

FOURTH ORDER OF BUSINESS

Consideration of Engineering Services Agreement with GAI Consultants, Inc.

Mr. Flint presented the GAI Consultants, Inc. Engineering Services Agreement. Discussion ensued.

On MOTION by Mr. Stellfox, seconded by Ms. Epstein, with all in favor, the Engineering Services Agreement with GAI Consultants, Inc., was approved.

FIFTH ORDER OF BUSINESS

Organizational Matters

A. Review of Letters of Interest/Resumes

Letters of interest were submitted by William Land, Theron Edge, Anthony Reed and Shaun Thornton. The candidates at the meeting addressed the Board.

Mr. Zimbardi and Mr. Stellfox preferred Mr. Land, due to his community service background.

Ms. Epstein preferred Mr. Reed, due to his engineering background.

Mr. Lane preferred Mr. Reed for the Board's long-term goals and needs of the community.

Since an appointment takes three votes and there was no consensus from the Board, Mr. Eckert requested that the Board consider the candidates between now and the next meeting and vote at the next meeting.

B. Appointment of Individual to Fulfill the Board Vacancy with a Term Ending November 2018

C. Administration of Oath to Newly Appointed Supervisor

D. Consideration of Resolution 2018-09 Electing Assistant Secretary

This item was tabled until the next meeting.

SIXTH ORDER OF BUSINESS

Approval of Minutes of the February 21, 2018 Meeting

Mr. Zimbardi presented the minutes of the February 21, 2018 Board of Supervisors meeting.

Mr. Zimbardi recalled on Page 8, that Ms. Bonnie Young, a resident, witnessed Floralawn dumping grass clippings into the ponds and asking Mr. Iorio to contact golf club management. Mr. Iorio clarified that golf course maintenance personnel were dumping the grass clippings, not Floralawn, and immediately after the meeting, he met with the Golf Course General Manager and Superintendent, expressing disappointment and asking them to rectify immediately. They would make sure this never happened again. Mr. Iorio encouraged residents to contact him regarding any related matters.

On MOTION by Mr. Lane, seconded by Ms. Epstein, with all in favor, the Minutes of the February 21, 2018 Board of Supervisors Meeting were approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. Litigation Update

Mr. Eckert reported that the parties appealed the first Bond Validation case to the Florida Supreme Court, but it was dismissed. The second Bond Validation hearing was being scheduled with the trial court for the earliest possible date. Mr. Eckert reported that the class action is still pending which prevents the district from selling bonds, but the plaintiffs in the class action have not prevailed on many of the issues that they used to criticize this board in prior meetings. Specifically, the plaintiffs argued that the amenities were common areas that the developer had to give to the HOA for free. The Court rejected that argument. The plaintiffs argued that the developer was prohibited by law from operating for-profit amenities in a community with an HOA. That too was rejected by the trial court. The plaintiffs also argued that the amenities were not “commercial property” because the law is clear that commercial property is not subject to the HOA law. This too was rejected by the trial court. The class action is still pending, but many of the arguments appear to have been disproven.

Policy Regarding Prohibited Uses of District Ponds

Mr. Eckert stated that there were multiple questions and comments regarding boating in the ponds and the current policy, which was included in the agenda package, reflected that no boating was permitted in stormwater ponds owned by the CDD.

Mr. Stellfox suggested having a reminder in *Reflections* that the ponds were not to be used for boating or any other purpose. Mr. Zimbardi placed this item for the agenda, due to misinformation from administration about boating on the ponds. Mr. Lane recommended that the Sales Office or real estate agents provide the current policy to new residents. Ms. Epstein suggested posting signs. Mr. Iorio stated he would work with the Property Manager to include a statement in *Reflections* on a continuing basis and speak with the sales staff. Mr. Lane suggested including a copy of the policy in the Welcome Package. After further discussion, there was Board consensus to not change to current policy, but to provide better communication.

ii. Status of Inframark Reconciliation (*Added to Agenda*)

Mr. Eckert reported that resolving past payments to Inframark, the District owed some administrative fees, but was entitled to credits of \$225 for field services, \$11,235 for assessment services and \$2,500 for dissemination agent services. In addition, the District would receive a credit for the late fee that the District incurred for Inframark not filing the DEO Form required for Special Districts on time. The District would receive a total of approximately \$14,000 in credits from Inframark, but with monies owed to Inframark for the January invoice, the District would actually receive a refund of \$5,330.89.

Mr. Eckert stated the Board incurred \$3,500 in legal fees regarding this matter and suggested that the Board consider this in the future if they ever changed managers. Discussion ensued regarding whether the Board wanted to recoup the \$3,500 from Inframark. Mr. Lane preferred to not go after Inframark. After further discussion, there was Board consensus to not recoup legal fees from Inframark due to diminishing economic returns. Mr. Eckert stated he would provide the final invoices at the next meeting.

iii. Authority to Extend Amenity Inspection Period (*Added to the Agenda*)

Mr. Eckert requested a 30-day extension of the District's inspection period under the Asset Sale and Purchase Agreement, which was due to expire on April 6th. He stated final inspections should not be completed until shortly before the assets were conveyed.

On MOTION by Mr. Lane, seconded by Mr. Stellfox, with all in favor, extending the District’s inspection period under the Asset Sale and Purchase Agreement, was approved.

Mr. Eckert would provide an amendment to the Asset Sale and Purchase Agreement at the next meeting for additional extensions.

iv. Pond Conveyances and Maintenance Update *(Added to the Agenda)*

Mr. Eckert stated he was working with the Developer and District Engineer on the Pond Conveyance Ownership Map to link with the maintenance contracts and that at the next meeting, a chart would be provided to the Board, showing who the pond was conveyed by, the plat dedication and whether or not it was included in the aquatic and landscape maintenance contracts and midge treatment contract. He stated he spoke to AV Homes regarding any ponds anticipated to be conveyed to the District in the next 18 months, for budgeting purposes.

v. Accounting for AV Homes Funding *(Added to the Agenda)*

Mr. Eckert reported that the accounting from his office was provided to the District Management Office. Mr. Flint was reviewing the checks to verify missing information. Some items were not billed by Inframark to AV Homes. He stated he did not anticipate any issues getting it reconciled.

vi. Social Media *(Added to the Agenda)*

Mr. Eckert discouraged the Board about using social media and texts to discuss District matters, other than posting about events. He stated that many communities received multiple subpoenas and public requests for social media posts. The person who created the post and text messages had a duty to maintain the posts, in accordance with the District’s Records Retention Schedule. Discussion ensued.

B. Engineer

i. Update on Status of Pond Conveyances

Mr. Dell’Isola announced that this was his last meeting. He stated that Atkins would serve until the end of the month and transfer documents electronically to GAI and that Atkins would work with GAI if they needed additional information.

Mr. Dell’Isola stated that the Stormwater Management System Annual Inspection Report was presented at the last meeting and a priority list was prepared and presented to the Field Manager. He stated that the list prioritized what tasks should be completed in this dry season

and future dry seasons and that the urgent items were in progress. He stated that Kathy Leo would serve as District Engineer. The Board thanked Mr. Dell'Isola for his service.

Mr. Call, on behalf of GAI, thanked Atkins for their assistance in having a smooth transition and that Ms. Leo was excited to be actively involved with the CDD. Mr. Zimbardi asked if Mr. Call would be involved in the District. Mr. Call stated he would work behind the scenes for a few months.

C. District Manager

i. Action Items List

Mr. Flint presented the Action Items List. Mr. Lane noted that under the first action item, the word "Location" was misspelled.

ii. Approval of Check Register

Mr. Flint presented the Check Register from February 1, 2018 through February 28, 2018. Checks #2600 through Checks 2612 totaled \$95,311.18, and the grand total, including the payroll registers totaled \$96,604.08. The detail was behind the Check Register.

iii. Balance Sheet and Income Statement

Mr. Flint presented the Unaudited Financial Statements through February 28, 2018.

On MOTION by Ms. Epstein, seconded by Mr. Stellfox, with all in favor, the February Check Register was approved and the Financial Statements were accepted.

Mr. Lane commented that the new District Manager was doing a terrific job. He liked how the material was presented and was comfortable with the layout of the financials.

D. Field Manager

i. Field Manager

Mr. Smith presented the Field Manager's Report. He stated that all golf cart tunnels were pressure washed and the oak tree was removed. Mr. Stellfox appreciated the clarity of the report. Mr. Lane noted that residents were appreciative of the oak tree removal. Mr. Smith stated that the aeration system was ordered and that once payment was received, it would take three weeks to install and should be operational before the next meeting. He stated that the aeration system for Pond E-3 would be along the golf course, away from homes.

Mr. Zimbardi asked about the picture in the report under storm system repairs/maintenance. Mr. Smith stated that it was an outflow that needed to be cleaned.

ii. Priority Stormwater System Repairs

Mr. Smith provided a cost estimate for pond repairs that were a priority. He stated that twelve locations were priced and that the largest ones were the mitered end sections. He stated the concern was that once the water rises, the problem would re-occur. As a test, Mr. Smith and Ms. Leo would remove the collar from one pipe, break up the concrete, place cloth around the pipe that comes out of the dirt and place rip rap around it at a cost of \$14,000, which was the most cost-effective way that would last the longest. He stated GMS would provide the labor and the District would pay for materials. Mr. Zimbardi asked if the repairs were included in the budget. Mr. Flint noted \$3,000 in the Repairs and Maintenance, \$14,589 in contingency funds, savings in other line items and carry forward fund balance. Mr. Smith stated he would update the Board at the next meeting.

Mr. Zimbardi asked if the culverts were being addressed. Mr. Smith stated that the culverts were considered mitered end section inflow pipes. There were also concerns about erosion around the ponds. Mr. Reid noted that Atkins made recommendations in the past that were never addressed in the last five years and recommended that the pipe be cut and capped before installing it back into the culvert. Mr. Smith stated that completing one section of pipe and not the entire pond, could cause the sod to die and removing the collar would prevent further erosion. Mr. Flint stated that he received an email from Ms. Leo this morning confirming that the rip rap option was the best solution.

Mr. Zimbardi asked why this method was not used for the new ponds. Mr. Dell'Isola stated that the new ponds were less prone to erosion, because the ends of the pipes were installed further into the water and not directly on the pond bank; therefore, swirl action occurred further away from the pond bank. He stated the only solution was ongoing maintenance and observation and that when the next Engineer issued a report with a list of items to be resolved, the District Manager must ensure that all items were resolved before the next report. Mr. Flint noted that all districts dealt with lake bank erosion around mitered end sections. Discussion ensued regarding alternative solutions such as geo tubes.

On MOTION by Mr. Zimbardi, seconded by Mr. Lane, with all in favor, a not-to-exceed amount of \$15,000 was approved for the mitered end section inflow pipe repairs, as stated above.

Mr. Zimbardi asked if the tree rings were mulched. Mr. Smith stated he was starting this project.

iii. Status of Pilot Aeration Project

This item was discussed.

iv. Customer Complaint Log

Mr. Smith presented the Customer Complaint Log. Mr. Lane noted that messages were left at many residences and asked if their complaints were resolved. Mr. Smith stated that contractors responded to the complaints and left messages with the homeowners to follow up.

v. Clarke Environmental Aquatic Treatment Report

Mr. Smith presented the Clarke Environmental Aquatic Treatment Report.

vi. Clarke Environmental Midge Treatment Report

Mr. Smith presented the Clarke Environmental Midge Treatment Report.

EIGHTH ORDER OF BUSINESS

Supervisor’s Requests

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Audience Comments

Mr. Land stated that he served on the Advisory Committee and would recommend including language about the boating policy in their new resident handbook and provide copies to the Sales Center. Mr. Zimbardi requested that the tunnel policy be included and once revised, wanted every resident to receive a handbook.

Mr. McGrath, a resident, stated that the master document that included all of the HOA and CDD segments, addressed the type of boats that were allowed to be used in the ponds.

A resident recalled that \$27,000 was approved six months ago for a water feeder in the ponds to address the midges. Mr. Zimbardi stated that the aerators were on order. Mr. Smith stated he would speak to the resident after the meeting.

Mr. Murphy, a resident, stated that his fishing club picked up a ton of trash out of the ponds and offered to assist with questions regarding boating and obtaining fishing licenses. He

stated that every fishing club member received a map showing every access point without trespassing on people’s property. Mr. Zimbardi thanked the fishing club for removing the trash.

Mr. Bennett, a resident, suggested that the Board choose a candidate who was honest about how the Board was doing, which he felt was Mr. Land.

Mr. Horton, a resident, stated that he moved to Solivita because of the recreational opportunities. He lived behind a lake and wanted to use a small boat or kayak. The original Board enacted a policy 15 years ago, specifying no docks or beaches and the type of boats permitted. This right was given to residents from the inception of the Board and did not want that right to be taken away. He suggested that users sign a waiver.

Mr. Eckert believed that Mr. Horton was referring to the HOA Covenants and Restrictions regarding boating. In the HOA documents, boating was permitted in lakes not owned by the CDD. The CDD, as a landowner, has control over how its land is used and the Board did not want boating in the CDD owned ponds. Mr. Horton asked that the Board consider keeping the community a recreational community. Mr. Lane asked District Counsel to provide cases where CDDs were sued because of someone dying in a pond when there were restrictions. Between now and the next meeting, Mr. Eckert would speak to the Board about the pros and cons of changing the policy and having a waiver.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Next Meeting Date – April 18, 2018

Mr. Zimbardi announced that the next meeting was on April 18, 2018.

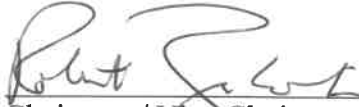
TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Epstein, seconded by Mr. Lane, with all in favor, the meeting was adjourned.



Secretary / Assistant Secretary



Chairman / Vice Chairman