

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, August 15, 2018 at 11:00 a.m. in the Starlight Ballroom, 384 Village Drive, Poinciana, Florida.

Present and constituting a quorum were:

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

Also present were:

George Flint	District Manager
Michael Eckert	District Counsel
Kathy Leo	District Engineer
Alan Scheerer	Field Manager
Pete Deglomite	Clarke Environmental

The following is a summary of the discussions and actions taken at the August 15, 2018 Poinciana Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Zimbardi 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 on Agenda Items

Mr. Zimbardi stated that residents should limit their comments to three minutes and only discuss items on the agenda at this time. Mr. Flint mentioned that if comments are regarding the budget, they might want to hold them off until the public hearing on the budget. A resident

residing at 419 Fountain Valley Lane stated that the public hearing is scheduled at the next meeting and the opportunity to vote on the assessment roll follows that. The resident stated that they did not need to vote at the next meeting, it could be deferred. Another resident asked a question about the funding agreement the Board signed with AV Homes in 2016. The resident asked what the Board’s interpretation of that agreement was and what the current obligation is to the community to reimburse AV Homes for the funding agreement. Another resident asked what the appraised value of the amenities is, and what amenities are being considered for purchase by the CDD. Another resident stated that the Board is supposed to be representing the homeowners, and they should not be forcing decisions.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the July 18, 2018 Meeting

Mr. Zimbardi presented the minutes of the July 18, 2018 meeting. Mr. Land noted that on page 5, Ms. Epstein did not second that motion. Mr. Flint stated that he would correct that.

On MOTION by Mr. Lane, seconded by Mr. Land, with all in favor, the Minutes of the July 18, 2018 Meeting, were approved, as amended.

FIFTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Resolution 2018-13 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations

Mr. Zimbardi opened the public hearing on the budget and special assessment resolution.

On MOTION by Mr. Stellfox, seconded by Mr. Lane, with all in favor, opening the public hearing, was approved.

Mr. Zimbardi noted that Mr. Stellfox joined the meeting at this time. Mr. Flint explained that Resolution 2018-13 adopts the budget for Fiscal Year 2019, which starts on October 1, 2018 and that Resolution 2018-14 imposes the special assessments and authorizes staff to certify the assessment role. Mr. Flint stated that the Board previously approved a proposed budget that was approved before June 15th, as required by Statutes, was transmitted to Polk County and was Exhibit A to Resolution 2018-13. Mr. Flint explained that administrative expenses have gone

down from \$176,000 to \$163,000. Mr. Flint stated that the Operations and Maintenance expenses were going up slightly due primarily to including funding for stormwater construction repair. Mr. Eckert stated that they provided a revised resolution to the Board for the assessment. Mr. Eckert noted that in the past, they would always put the assessments for platted lots on the tax roll and direct billed the assessments that go on undeveloped land. Mr. Flint asked the residents if there were any public comments about the budget or assessment roll. A resident requested to see the special assessments or attachment B to the assessment resolution. Mr. Flint explained that imposing special assessment is a legal term that refers to the Operations and Maintenance and annual Debt assessment special assessments. Mr. Flint explained that Resolution 2018-14 adopts the assessment roll that lists each property with the per unit amount. Mr. Flint explained that special assessment has a different meaning pertaining to CDD information, then it does with HOA. Mr. Zimbardi asked for comments from the Board members about the budget. The Board discussed the \$50,000 allocated for stormwater structure repairs. Mr. Flint stated that it was based on the report that the Engineer prepared identifying certain improvements. Mr. Flint noted that none of that money would get spent unless the Board votes on it, and more proposals will be brought to the Board.

On MOTION by Mr. Land, seconded by Mr. Lane, with all in favor, Resolution 2018-13 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations, was approved.

B. Consideration of Resolution 2018-14 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Zimbardi noted that the Board received a revised copy. He stated that the only difference was in Section 3b. Mr. Eckert noted that they added Section B to number 3 to clarify that the undeveloped land will be by direct bill assessment rather than going on the County tax roll. Mr. Zimbardi asked for comments or questions on the resolution.

On MOTION by Mr. Lane, seconded by Ms. Epstein, with all in favor, Resolution 2018-14 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

Mr. Flint asked for a motion to close the public hearing.

On MOTION by Mr. Stellfox, seconded by Mr. Land, with all in favor, closing the public hearing, was approved.

Mr. Lane noted that “larvicide” was spelled incorrectly on page 5 of the budget and Mr. Flint stated that would be corrected.

SIXTH ORDER OF BUSINESS

**Consideration of Resolution 2018-15
Accepting the Dedications on the Phase
5E-W Plat**

Mr. Zimbardi asked Mr. Eckert to give the Board a summary of Resolution 2018-15. Mr. Eckert noted that the Board is aware there are multiple steps in the District accepting the conveyances from the Developer. Mr. Eckert explained that this is not the final step, but is one of the steps. He stated that the Board is agreeing to accept the dedications on the plat, specifically concerning tract C3 and C4 which are storm water management tracts. Mr. Eckert explained that there are also dedications from the developer to the District of certain easements that are needed for the CDD to access infrastructure and roads. Mr. Eckert stated that this does not mean they will own the tracts, it means that they are accepting the plat dedications. Mr. Land asked if the CDD will need road access, and Mr. Eckert stated that they will get road access to be able to access ponds and other areas they have to treat. The Board discussed the placement of easements within the District, and Ms. Leo pointed out the locations on a map for the Board to see.

On MOTION by Mr. Lane, seconded by Mr. Stellfox, with all in favor, Resolution 2018-15 Accepting the Dedications on the Phase 5E-W Plat, was approved.

SEVENTH ORDER OF BUSINESS

**Discussion of Proposals for Amenity Real
Estate Transaction Legal Services**

Mr. Zimbardi stated that they were searching for proposals for legal services relating only to the amenity transaction. Mr. Zimbardi asked Mr. Flint to explain the three proposals received. Mr. Flint explained that at the Board’s direction from a prior meeting, he reached out to law firms that primarily deal with CDDs and also real estate transactional capabilities. Mr. Flint reviewed the Burr Forman, LLP, Shutts & Bowen, LLP, and Latham, Shuker, Eden, and Beaudine, LLP proposals. Mr. Flint explained that with Burr Forman there would be hourly rates for travel time. Mr. Flint stated that Shutts would not bill for travel time or reimbursement, and

that they are located in Orlando. Mr. Flint stated that Latham, Shuker, Eden, and Beaudine, LLP would also bill for travel. Mr. Flint noted that he reached out to a fourth law firm but they are currently working with AV Homes on an agreement with Osceola County, so they were not able to provide a proposal because of that conflict. Mr. Zimbardi asked the Board if they would be interested in having the firms come to the joint meeting in September, and the Board Members could ask them direct questions. The Board discussed getting written contracts from all three firms confirming that they have no conflict of interest with AV Homes or Taylor Morrison. Ms. Epstein stated that Latham works for other CDDs and other 55+ communities and that experience is valuable and a big plus. Ms. Epstein asked Mr. Flint if he had worked with any of the lawyers with other CDDs. Mr. Flint answered that he had worked with all three firms. The Board narrowed the firms down to Latham, Shuker, Eden & Beaudine and Shutts & Bowen, and authorized Mr. Flint to request that both firms attend the joint meeting for questioning.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. Litigation Update

Mr. Eckert reported that the next hearing in the validation case is related to the first validation case, and it is a dispute between the attorneys for Taylor Morrison, AV Homes, and Avatar regarding some discovery and whether or not there will be sanctions. He stated that hearing is on August 20th. Mr. Eckert noted there is hearing set on October 23, 2018 on a motion that will be filed by the District to try to narrow down the issues for validation. Mr. Eckert reminded the Board there is a meeting Friday with Jason Good with AV Homes, the District Engineer, and the District Manager, to talk about the conveyance issues.

B. Engineer

Ms. Leo noted that it had been quiet from an engineering standpoint for the last 30 days. She stated that they do have a meeting this Friday to go over conveyances and other matters.

C. District Manager

i. Approval of Check Register

Mr. Flint presented the Check Register for July 1st through July 31st. Mr. Flint pointed out that the check register totals \$251,605.68 and of that \$191,454 and \$4,715 are related to direct

bill assessments that were paid and are being transferred to the Trustee. Mr. Flint asked for questions on the check register.

On MOTION by Mr. Lane, seconded by Mr. Stellfox, with all in favor, the July Check Register was approved.

ii. Balance Sheet and Income Statement

Mr. Flint presented the Balance Sheet and Income Statement through July 31st. Mr. Flint noted that they were nearly 100% collected on the on roll, the direct bill, and the developer, but are slightly lower on interest earnings than what the adopted budget is. Mr. Flint explained the expenses for the month and asked for questions from the Board. Mr. Land asked Mr. Flint to explain the unassigned amount of \$420,797 on the balance sheet. Mr. Flint noted that \$420,000 is in an interest-bearing account, and that \$155,000 is kept in the operating account for the District. Mr. Flint stated those are funds that are available to carry them through the end of the fiscal year because most of their revenue comes in December and January.

On MOTION by Mr. Lane, seconded by Ms. Epstein, with all in favor, the Balance Sheet and Income Statement, was approved.

iii. Approval of Fiscal Year 2019 Meeting Schedule

Mr. Flint noted that they kept the prior practice of meeting on the third Wednesday of each month. The Board discussed moving the November meeting since their regular date falls the day before Thanksgiving. The Board decided to move the November meeting to November 28th at 11:00 a.m.

On MOTION by Ms. Epstein, seconded by Mr. Lane, with all in favor, the Fiscal Year 2019 Meeting Schedule was approved, as amended.

D. Field Manager

i. Field Manager's Report

Mr. Scheerer noted that the tubing was installed and that the diffusers are in a better location to serve the lakes. Mr. Scheerer stated that they are currently working on acquiring

proposals for raising two manholes. Mr. Flint presented the proposals for aerators; Option A totaled \$8,480 and Option B totaled \$12,185. Mr. Flint stated that Option A would be a good start, and the Board could always add another aerator if they felt they needed to. The Board discussed both proposals and chose to proceed with option A.

On MOTION by Mr. Lane, seconded by Ms. Epstein, with all in favor, the Proposal from GMS-CF, Option A, for Aerators, was approved.

ii. Customer Complaint Log

Mr. Flint presented the Customer Complaint Log. Mr. Flint stated that there were four complaints dated back to July 17th. The first complaint was the algae on the pond, followed by the manhole cover. Mr. Flint notified the Board of a midge complaint, and then another algae complaint. He stated that in those cases, they contact Clarke. Mr. Flint noted that Clarke would then go out on site and they follow up with homeowner. Mr. Flint suggested to the residents attending the meeting, and who asked lengthy questions during the public comment period, that they email him their questions so they can address them.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Zimbardi asked the Board if anyone had any requests. The Board did not have any requests at this time.

TENTH ORDER OF BUSINESS

General Audience Comments

A resident addressed the midge problem, and showed the Board pictures of his neighbor's house. The Board asked the resident if he would have a problem with an aerator being in his back yard, the resident said he had no problem with that and thinks that would help solve the problem. Mr. Eckert noted that there was not a current document that would allow them to put an aerator on a private lot, but they could create one. Multiple residents brought up the issues of spiders on their houses, due to the midge flies. The Board noted that they would follow up on the spider issue after the aerator was installed to see if it reduced the number of spiders on the residents' homes.

ELEVENTH ORDER OF BUSINESS

Other Business

Mr. Zimbardi asked the Board if there was any other business that needed to be discussed, but there was nothing brought up. Mr. Stellfox addressed the Board and discussed issues regarding AV Homes, he also brought up the subject of online posts about him. After audience members began voicing their opinions the Board decided to take a five-minute recess. Ms. Epstein stated that she has not and will not directly attack any Supervisor on the Board.

TWELTH ORDER OF BUSINESS

**Next Meeting Date – September 5, 2018
(Joint CDD Meeting)**

Mr. Zimbardi announced that the next meeting is a joint meeting that will be held on September 5, 2018 at 11:00 a.m.

THIRTEENTH ORDER OF BUSINESS

Adjournment

Mr. Flint asked for a motion to adjourn the meeting.

On MOTION by Mr. Stellfox, seconded by Mr. Lane, with all in favor, the meeting was adjourned at 12:56 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman