

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 21, 2019 at 11:00 a.m. in the Starlight Ballroom, 384 Village Drive, Poinciana, Florida.

Present and constituting a quorum were:

Lita Epstein	Chairman
Michael Luddy	Vice Chairman
Robert Zimbardi	Assistant Secretary
Tony Reed	Assistant Secretary
Elizabeth Lambrides	Assistant Secretary

Also, present were:

George Flint	District Manager
Jan Carpenter	District Counsel
Kathy Leo	District Engineer
Clayton Smith	Field Manager
Pete Deglomine	Clarke
Residents	

The following is a summary of the discussions and actions taken at the August 21, 2019 Poinciana Community Development District's Board of Supervisors Meeting. Due to a malfunction with the recorder, discussion summary begins under Item 10.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Epstein called the meeting to order and all Board members identified themselves. A quorum was established.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period on Agenda Items

Ms. Epstein asked for any public comments regarding items on the agenda.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the June 19, 2019 Meeting

Ms. Epstein presented the minutes of the June 19, 2019 meeting.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor, the Minutes of the June 19, 2019 Meeting were approved, as amended.

FIFTH ORDER OF BUSINESS

Consideration of Proposal from Clarke Environmental to Provide Additional Aquatic Midge Control Services

No action taken. Staff to investigate ownership for maintenance responsibilities.

SIXTH ORDER OF BUSINESS

Ratification of Pond Repair Agreement with All Terrain Tractor Service, Inc.

Mr. Flint asked for ratification of the Pond Repair agreement with All Terrain Tractor Service, Inc.

On MOTION by Mr. Zimbardi seconded by Mr. Luddy with all in favor, the Pond Repair Agreement with All Terrain Tractor Service, Inc., was ratified.

SEVENTH ORDER OF BUSINESS

Ratification of Erosion Repair Agreement with Lake & Wetland Management Orlando, Inc.

Mr. Flint asked for ratification of the Erosion Repair agreement with Lake & Wetland Management Orlando, Inc.

On MOTION by Mr. Luddy seconded by Mr. Zimbardi with all in favor, the Erosion Repair Agreement with Lake & Wetland Management Orlando, Inc., was ratified.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2019-11 Adopting Revised Master Assessment Methodology

Mr. Flint presented Resolution 2019-11 adopting the revised Master Assessment Methodology. The Board had no questions or comments.

On MOTION by Mr. Luddy seconded by Mr. Zimbardi with all in favor, Resolution 2019-11 Adopting Revised Master Assessment Methodology, was approved.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2019-14 Authorizing the Execution and Delivery

**of a Release and Satisfaction Agreement
with Avatar Properties, Inc.**

Mr. Flint presented Resolution 2019-14 authorizing the execution and delivery of a Release of Satisfaction Agreement with Avatar Properties, Inc. The resolution was approved with 24 hours for the Board to review. If no objections the agreement becomes effective.

On MOTION by Mr. Luddy seconded by Mr. Reed with all in favor, Resolution 2019-14 Authorizing the Execution and Delivery of a Release and Satisfaction Agreement with Avatar Properties, Inc., was approved.

TENTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Resolution 2019-12 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations

Ms. Epstein opened the public hearing on the budget. Mr. Flint noted there was an update to the current year budget, but no changes to next year's budget. He adjusted the projections for the next two months under stormwater repairs. The revision reflects the fact that they bid out the lake bank repair and it came in lower, that number came down from \$110,000 to \$88,243. The prior budget showed an ending excess revenue of \$34,000 which we eliminated because they are only recognizing enough carryforward to balance the budget. The carryforward surplus needed to balance the budget is \$29,363. This does not change next year's budget, it shows that less cash was used to balance the budget.

Mr. Reed asked about the CDD paying a monthly bill for the tunnel. Mr. Flint noted that he believed the bond funds were used to construct the tunnels. Ms. Leo noted the tunnels were dedicated to the CDD many years ago. Mr. Reed expressed his concern that tunnels are extremely expensive to repair or change. He mentioned his suggestion at a prior meeting to consider a long-range planning budget, and putting reserve money in. Mr. Reed noted that specifications and building codes are minimum standards, and minimum standards do not provide longevity. He noted his issue with the CDD having major construction repairs on the ponds with such a short life span, and suggested the concrete used was not strong enough.

Mr. Reed asked what the Town Center Commercial amounts were on the budget. Mr. Flint noted the commercial uses also pay assessments, when the methodology was prepared 72 equivalent residential units were assigned to the commercial area for purposes of paying debt service and operating and maintenance expenses.

Mr. Luddy asked if bonds were used to build the tunnels originally or if it was built at builder’s expense and then later handed over to the CDD. Ms. Leo noted she would have to consult the methodology, Engineer’s Report, and requisitions that were funded. Mr. Flint noted when CDD’s issue bonds there is never enough money to cover all of the eligible infrastructure. A portion of the infrastructure is typically going to be developer funded then conveyed. The Engineer’s Report will identify the eligible costs, which may exceed the amount of construction funds that are available in the bonds.

On MOTION by Mr. Zimbardi seconded by Mr. Luddy with all in favor, Resolution 2019-12 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations.

B. Consideration of Resolution 2019-13 Imposing Special Assessments and Certifying an Assessment Roll

Ms. Carpenter noted the first resolution adopts the budget and the total amount, this resolution imposes the assessments to pay the budget amount. It’s a two-step process.

On MOTION by Mr. Luddy seconded by Mr. Zimbardi with all in favor, Resolution 2019-13 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

The public hearing was closed at this time.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Carpenter noted their attorney Johnathan Stimler, who the Board had met, had an offer to move home with his family so he has since left their firm. She noted Mr. Mike Beaudine would now oversee the litigation for them. All they currently have is the Motion to Tax Costs, which is in the process of trying to get a hearing set to hear the motion for an extension of time for them to produce discovery related costs.

i. Ratification of Motion for Substitution of Counsel

On MOTION by Mr. Zimbardi seconded by Mr. Reed with all in favor, the Motion for Substitution of Counsel, was ratified.

B. Engineer

Ms. Leo noted they only had general maintenance items the last month. Ms. Epstein inquired about a plan for next year regarding repairs or updates. Ms. Leo noted they had not done an independent inspection again since repairs were ongoing. She wanted to wait until the repairs were complete, and in the dry season do another inspection. Ms. Epstein stated that was good.

C. District Manager

i. Approval of Check Register

Mr. Flint presented the Check Register from July 10th through August 13th for \$96,105.05. The Board had no questions.

On MOTION by Mr. Zimbardi seconded by Mr. Reed with all in favor the Check Register totaling \$96,105.05, was approved.

ii. Balance Sheet and Income Statement

Mr. Flint presented the unaudited financial statements through July 31, 2019. The Board had no questions. He noted they are basically 100% collected on the on-roll and off-roll assessments. They are slightly under the prorated projected interest earnings. On the expense side, they have \$496,000 in expenses against a prorated budget of \$564,000.

On MOTION by Mr. Zimbardi seconded by Mr. Luddy with all in favor, the Balance Sheet and Income Statements, were accepted.

iii. Approval of Fiscal Year 2020 Meeting Schedule

Ms. Epstein presented the 2020 meeting schedule. Mr. Flint noted it follows the same practice of the third Wednesday of every month at 11:00 a.m. Ms. Epstein suggested keeping the monthly meetings and decide per meeting if they need to cancel the next meeting or keep it. A few Board members mentioned having a conflict with the December meeting.

On MOTION by Mr. Reed seconded by Mr. Zimbardi with all in favor, the Fiscal Year 2020 Meeting Schedule, was approved.

D. Field Manager

i. Field Manager's Report

Mr. Smith noted the aerator maintenance has been very complicated due to the weather and that he worked with the manufacturer to adjust the voltage so fuses aren't being blown. Mr. Smith stated he is looking into warranty options for the compressors on the aerators as well and

that they are inventorying and documenting any possible priority repairs regarding the pond for next budget year. They are looking to repair the mitered ends and the erosion around them. He noted that GMS purchased a side-by-side vehicle that has greatly improved the speed at which they can review the ponds and take care of issues there.

Mr. Smith noted for additional upcoming items coming up, they have the pond bank restoration to restore all of pond E-31 and parts of D-2. He stated his opinion that the tunnels do not need to be pressure washed at the moment, as they were pressure washed 4-6 months ago. He suggested pressure washing some time during the beginning of fiscal year 2020. Mr. Smith reviewed Clarke's monthly midge treatment report for July.

ii. Customer Complaint Log

Mr. Smith reviewed the customer complaint log. He noted they had two complaints from pond B-16 which is not a contracted pond. He found no great evidence of midges but they are following through with a courtesy barrier spray.

The Board discussed why they paid for pond B-5 when they don't own it. Mr. Flint noted it was a small amount and they would need to go back and review that. There was likely confusion at the time about whether it was turned over or not. Mr. Flint stated they are in the process of removing the B-5 pond from the Floralawn and Clarke contracts.

Mr. Reed stated he would like to see a revised maintenance records system established for every pond in Solivita. Mr. Flint noted they have that from the prior counsel, he and Ms. Leo are going through it to make sure it is up to date. It shows the date of transfer to the District, references the warranty deed, references whether it is in the landscape contract or lake maintenance contract, etc. Mr. Luddy asked if that information could be accessible through the CDD website so residents could see it. Mr. Flint noted the map would probably be easier to read and understand, however everything on the website must be ADA compliant. The more they put on the website, the more expensive it becomes.

Mr. Zimbardi asked about details of removing supports from palm trees. Mr. Smith noted he would take a look at the trees Mr. Zimbardi pointed out to him. Mr. Zimbardi suggested Clayton look into a nano bubbler aerator and research them.

Mr. Luddy asked what natural methods could be used to manage the ponds. He asked Mr. Smith to research that so they could begin weaning off using so many chemicals. Mr. Flint noted

the District has used several methods. They've done aeration and stocked the ponds with fish. Mr. Flint introduced the option of planting, and Ms. Leo agreed that planting would be the next natural option to try.

TWELTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Reed noted he reviewed the pond agreements and maintenance contracts, and most of them refer to Osceola County. He stated that a lot of their ponds are located in Polk County. He suggested modifying the contracts or going forward make sure the correct county is used.

THIRTEENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

FOURTEENTH ORDER OF BUSINESS

General Audience Comments

Resident (Unidentified) asked a question regarding platted versus unplatted lots and assessments. The resident asked who invoices and who keeps track of who has paid versus who owes. Mr. Flint explained the assessment roll that lists all the platted lots within Poinciana. He noted they certify it for collection to the County, the County places it on the tax bill, and then as people pay taxes they track it. The resident asked who invoices Taylor Morrison, and Mr. Flint noted they send them direct bills. He pointed out in the current financials under direct assessments, they are fully paid for the current year. The resident asked why for next year, they aren't planning on any revenue under that line item. Mr. Flint stated they are anticipated that everything will be platted, and if it's not then they will direct bill for whatever is not.

The resident asked if there were still any discussions about consolidating. Ms. Epstein explained that Charlie Case, the Chairman of the Poinciana West Board, came to the Board in November and said publicly in front of his Board that they did not have any interest in working with the Poinciana Board. The resident asked if they were interested in merging, and Ms. Epstein said absolutely they are. She noted until there is interest from the Poinciana West Board, they won't spend the money to research the cost of merging that the attorney would have to research. The resident stated that he and others would promote that idea. The Board thanked the resident. Mr. Luddy stated that he agreed with the resident and 100% encouraged merging both Boards into one Board. The resident stated he is extremely interested in this community and even reads

through Poinciana West's minutes, and noted that they have outstanding minutes, so he can be up to date on what is going on in both places.

FIFTEENTH ORDER OF BUSINESS

Next Meeting Date – September 18, 2019

The next meeting is scheduled to be held on September 18, 2019.

SIXTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Luddy seconded by Mr. Zimbardi with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman