

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, October 21, 2020 at 11:00 a.m. via Zoom Teleconference.

Present and constituting a quorum were:

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

Also present were:

Tricia Adams	Assistant District Manager
Jan Carpenter	District Counsel
Kristen Trucco	District Counsel
Kathy Leo	District Engineer
Clayton Smith	Field Manager
Debbie Ainslie	Resident

*The following is a summary of the discussions and actions taken at the October 21, 2020 Poinciana Community Development District's Board of Supervisors Meeting.*

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Epstein called the meeting to order at 11:05 a.m., the pledge of allegiance was recited and all Board Members identified themselves. A quorum was established.

**SECOND ORDER OF BUSINESS**

**Public Comment Period on Agenda Items**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the August 19, 2020 Board of Supervisors Meeting and Acceptance of the Minutes of the August 19, 2020 Audit Committee Meeting**

Mr. Reed appreciated receiving the minutes a few days early and noted the statement about the pond banks and grass clippings in the water was made by Mr. Zimbardi. Mr. Luddy recalled Mr. Zimbardi spoke to someone at Floralawn about it and did not get a good response. Mr. Reed reviewed the contract and there was an issue between what was stated and what was in the contract. The minutes were correct as stated.

On MOTION by Ms. Lambrides seconded by Mr. Luddy with all in favor the minutes of the August 19, 2020 Board of Supervisors Meeting were approved as presented.

On MOTION by Mr. Reed seconded by Mr. Luddy with all in favor the minutes of the August 19, 2020 Audit Committee Meeting were accepted as presented.

**FOURTH ORDER OF BUSINESS**

**Consideration of Agreement with Grau & Associates to Provide Auditing Services for the Fiscal Year 2020**

Ms. Adams recalled the Board recently met as an Audit Committee and the Board accepted the Committee’s ranking to select Grau & Associates (Grau) to provide auditing services for the next five years. Staff recommended approval as it was consistent with the terms approved by the Board and \$3,590 was budgeted. Ms. Lambrides voiced concern about the CDD paying for travel, as Grau’s offices were in Boca Raton. Ms. Adams explained most of their work was completed electronically.

On MOTION by Mr. Luddy seconded by Mr. Reed with all in favor the Agreement with Grau & Associates to Provide Auditing Services for the Fiscal Year 2020 in the amount of \$3,300 was approved.

**FIFTH ORDER OF BUSINESS Fiscal Year 2021 Contract Amendments/Extensions**

Ms. Epstein requested the consideration of all items through the end of the year so there would not need to be meetings during the holidays. This would be the last meeting for the year, until January.

- A. Consideration of Amendment to Aquatic Management Agreement with Clarke Environmental**

Ms. Adams stated the agreement contemplated an extension of the current terms for an additional fiscal year, as well as a proposed 1.5 percent increase or an increase of \$1,551. The price on midges would remain the same. Clarke has not had an increase for a while and there were no issues with their service. Ms. Adams stated the extension was drafted by District Counsel. A few updates were necessary regarding updated addresses and contact information.

Mr. Reed wanted to be included in any meetings between Taylor, Morrison (TM) and the South Florida Water Management District (SFWMD) relative to Solivita Properties to ensure they were meeting their contractual requirements to the District. He would make a list of all deliverables agreed to by both parties as a measure of performance.

On MOTION by Mr. Reid seconded by Mr. Luddy with all in favor the amendment to the Aquatic Management Agreement with Clarke Environmental with an annual increase of \$1,551 from \$103,399.92 to \$104,950.92 was approved.

*\*Ms. Lambrides briefly left the meeting.*

**B. Consideration of Extension to Midge Control Services Agreement with Clarke Environmental**

Mr. Reed noted on Page 5, Hopping Green was referenced. Ms. Carpenter would amend the agreement.

On MOTION by Mr. Luddy seconded by Mr. Reed with all in favor the Extension to Midge Control Services Agreement with Clarke Environmental in the amount of \$12,583.33 was approved as amended.

*\*Ms. Lambrides returned to the meeting.*

**C. Consideration of Extension to Landscape Maintenance Agreement with Floralawn**

Ms. Adams stated the Board budgeted \$158,100 in the current fiscal year budget for landscape maintenance services. Mr. Smith noted this was an annual extension of the Floralawn2, LLC (Floralawn2) contract and well within the budget limits with no increase. Mr. Luddy stated according to Page 1 of Exhibit A, under “mowing,” the pond banks would be mowed in one direction to reduce the amount of grass clippings going into the ponds and wanted the grass to grow 10 to 20 feet from the water’s edge so the grass grows enough to filter out the fertilizer or plant ground cover around the lake banks instead of grass. He wanted to resolve the

problem instead of chasing Floralawn2. Ms. Trucco explained in the agreement, a provision was added to inspect the work of all the contractors before the District paid. Ms. Carpenter advised this was in many contracts. Mr. Luddy stated some ponds were beautiful and well maintained and others could use an overhaul. Mr. Reed anticipated the ponds in 10 to 20 years becoming nothing more than a marsh from erosion of the lake banks. Ms. Epstein suggested discussing this matter under the Field Manager’s Report. Mr. Reed wanted a long-term solution.

On MOTION by Mr. Reed seconded by Mr. Luddy with all in favor the extension to the Landscape Maintenance Agreement with Floralawn2, LLC in the amount of \$11,970.42 was approved.

**SIXTH ORDER OF BUSINESS**

**Ratification of Proposal from Amtec to Provide Arbitrage Rebate Calculation Services**

Ms. Adams requested the Board’s ratification of an agreement that was signed by the District Manager for Amtec to perform arbitrage rebate calculations in the amount of \$450. This was a regulatory requirement for the Internal Revenue Code to ensure tax exempt bonds were not used as an investment. Mr. Luddy stated that the District did not own the value of the bonds. The Internal Revenue Service (IRS) had provisions with tax exempt bonds where the interest rate collected on any accounts could not be higher than the interest rate on the bonds. In that case, it must be rebated back to the government.

On MOTION by Ms. Lambrides seconded by Mr. Luddy with all in favor the Proposal from Amtec to Provide Arbitrage Rebate Calculation Services in the amount of \$450 per year was ratified.

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Carpenter had a conference call with Mr. Flint and Mr. Reed regarding developer issues. Ms. Trucco was working on the contracts.

**B. Engineer**

Ms. Leo reported over the next few months there would be pond inspections when water levels drop and spoke with Mr. Smith about updating the maps. Regarding determining whether a pond belonged to the CDD or the golf course, if a pond was surrounded by the golf course, it made sense to designate it a golf course pond, but if the flow pattern was only adjacent to a golf

course, it was a CDD pond. The CDD ponds in the northeast corner flowed from lands to the north through the CDD boundary to the south.

Mr. Luddy requested the District Engineer document the questions and answers for future reference. Mr. Ruddy requested piping and diagrams of the entire system, a list of ponds by number and ownership and construction drawings for the new ponds to verify that the ponds were built correctly prior to turnover. Ms. Carpenter suggested Ms. Leo prepare a cost proposal to obtain as-builts and other data necessary to provide the diagrams and maps. Ms. Leo would provide in an electronic format. Ms. Epstein addressed the following:

- Voiced concern about problems the District was inheriting from ponds built incorrectly and asked if she could refuse to sign the documentation. Ms. Carpenter did not believe the District was inheriting problems if the ponds met permit criteria.
- Understood some ponds had large midge problems due to the way the ponds were constructed with shorelines not having enough water surface. Mr. Reed confirmed there were midges in ponds with stagnant water.
- Questioned if some ponds were not fed by natural springs. Ms. Leo stated most ponds were stormwater retention facilities that were not spring fed. Mr. Reed believed none of them were fed by a river or natural spring.

- **Field Manager (Item 7Di)**
  - i. **Field Manager's Report**

Mr. Smith reviewed the Field Manager's Report, a copy of which was included in the agenda package. Mr. Reed asked if Mr. Smith documented homes where drains placed by owners damaged the pond bank. Mr. Smith noted two were repaired and two were being investigated. Ms. Epstein asked if there was a midge problem on Pond b-16. Mr. Smith received a complaint from one resident, but there were not a significant number of midges or conclusive information to add this pond to the Midge Management Program. Mr. Smith would monitor for any additional complaints. Mr. Luddy requested Mr. Smith review the records for prior complaints from 2016 onward. Mr. Smith recalled a total of three or four complaints within the last two years.

*\*Mr. Zimbardi joined the meeting.*

Mr. Zimbardi asked about the HOA contracts for landscaping, as the CDD usually follows the HOA. If the HOA was going to change landscape companies, the CDD had a 30-day termination clause in the agreement with their current company. Ms. Carpenter offered to include a clause in the agreement that the contract was dependent on the HOA's renewal of landscaping. Mr. Smith advised if the HOA was not going to renew their landscaping contract, it would take them longer than 30 days to bid it out and hire a landscaper. Mr. Reed asked if the Bottlebrush tree was removed and replaced with grass. Mr. Smith indicated that there was already sod and based on the not-to-exceed amount approved by the Board, two trees were fine and were trimmed to give them a chance to grow. The dead one was removed.

**C. District Manager**

**i. Action Items List**

Ms. Adams reported on the following action items:

1. CDD Merger: On hold until after the General Election.
2. Feasibility of Meetings with CDD, HOA & Taylor Morrison: District Counsel and District Management staff met with Supervisor Reed via conference call to discuss the purpose and frequency of meetings, as pond turnover becomes imminent.
3. CDD Pond Ownership on Golf Course: The District Engineer will follow up with an email regarding general statements and a proposal to provide updated CAD files and as-builts. The Pond Ownership Map will be added.
4. Methodology for Golf Course Assessments: In process. Staff reviewed historical records. When the 2000A bonds were issued, the Assessment Methodology took into account an exchange of property and developer contributions that offset the debt that would have been allocated to the golf course. The operation and maintenance (O&M) assessments followed suit, so there were no O&M fees assessed to the golf course. This matter was currently under review with District Management staff and would be considered for FY 2022 budget, subject to review.
5. Stocking Ponds with Fish: Staff was waiting for cooler temperatures.

Mr. Reed asked if TM responded about their participation in these meetings. Ms. Adams explained that District Management staff contacted Matt Cuarta at TM, but there was no response about attending this meeting. Mr. Reed noted many open items and the need for TM and the CDD to work together, due to their lack of interface and coordination. Ms. Adams recommended gathering information pending from the District Engineer regarding the pond ownership maps and as-builts for the stormwater system prior to meeting with TM. Mr. Luddy voiced concern about TM transitioning out of the District. Ms. Epstein understood 175 homes needed to be sold to be at 90 percent buildout. Ms. Leo advised that TM had an obligation to come to the CDD for pond turnover before transitioning out of the District. Ms. Carpenter believed that at some point TM would realize they owned the ponds, but there was no way to force them to come to the table until they choose to. The attorney representing TM was no longer representing them.

**ii. Approval of Check Register**

On MOTION by Mr. Luddy seconded by Mr. Reed with all in favor the August 13, 2020 through October 13, 2020 Check Register in the amount of \$174,232.54 was approved.

**iii. Balance Sheet and Income Statement**

Ms. Adams reported the direct bill assessments were satisfied for this year.

On MOTION by Mr. Zimbardi seconded by Mr. Luddy with all in favor the Financial Statements through September 30, 2020 were approved.

**D. Field Manager**

**i. Field Manager’s Report**

**ii. Customer Complaint Log**

This item was discussed.

**EIGHTH ORDER OF BUSINESS**

**Supervisor’s Requests**

Mr. Reed assumed the HOA and the developer had wetland maintenance contracts as three men were spraying brown foliage in a wetland and questioned whether the CDD had contracts for wetland maintenance for property owned by the developer that would be turned over to the District. Ms. Epstein was told wetland maintenance was part of the SWFWMD

permit requirements each year to limit the amount of exotic vegetation. After further discussion, there was Board consensus for District Management staff and District Counsel to see if Taylor Morrison has information regarding future transitions, potential costs and the CDD’s obligation and to coordinate with the District Engineer. Mr. Brian Brunhofer of Taylor Morrison will be asked to attend the next meeting.

**NINTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**TENTH ORDER OF BUSINESS**

**General Audience Comments**

Resident Debbie Ainslie thanked Mr. Smith for removing the tree on Pond B-16, acknowledged there were midge issues and voiced concern about Taylor Morrison placing a construction trailer and septic tank behind the basketball court, close to Pond B-16. Mr. Smith viewed the trailer. There appeared to be a tank, but it was small and was on HOA property. There would be no impacts to CDD property. Regarding the midge issues, Mr. Smith stated Clarke performed a courtesy spray. Ms. Epstein recommended having Mr. Smith treat the pond and see if there were continuing complaints and if so, the pond would be added to the Midge Management Program.

**ELEVENTH ORDER OF BUSINESS**

**Next Meeting Date - November 18, 2020**

Ms. Epstein announced the next meeting would not be until at least January.

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

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

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman