

MINUTES OF MEETING
DEER ISLAND
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Deer Island Community Development District was held Wednesday, August 22, 2018 at 7:00 p.m. at 448 Community Club, 16024 County Road 448, Tavares, FL.

Present and constituting a quorum were:

Paul Shiver	Vice Chairman
Lonnie Skibitski	Assistant Secretary
Raquel Coe	Assistant Secretary

Also present were:

Patricia Comings-Thibault	District Manager
Jere Earlywine	District Counsel
George Flint	GMS-CF, LLC (Incoming District Manager)

The following is a summary of the discussions and actions taken at the August 22, 2018 Deer Island CDD Board of Supervisor's Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Comings-Thibault called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

Ms. Comings-Thibault opened the floor to members of the audience with comments regarding items on the agenda. No residents provided comments.

THIRD ORDER OF BUSINESS

Vendor Reports

A. Yellowstone Grade Sheet

Ms. Coe stated that Yellowstone received a score of 93, and that they were doing much better. Ms. Coe noted that irrigation was the biggest problem, and that has mostly been taken care of. Ms. Coe stated she met with the manager and the crew, and now everything is running smoothly. A resident asked why the grass was cut so low by Yellowstone and if it was a concern

to anyone on the Board. The Board replied that the height Yellowstone cuts the grass is the standard in the industry.

FOURTH ORDER OF BUSINESS

Administrative Items

A. Approval of the Minutes of May 23, 2018 Meeting

Ms. Comings-Thibault presented the minutes of the May 23, 2018 meeting and asked for comments, questions, or corrections. The Board members did not have any comments or corrections to the minutes.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Minutes of the May 23, 2018 Meeting, were approved, as presented.

B. Approval of the Unaudited June 2018 Financials

Ms. Comings-Thibault asked for questions or comments from the Board on the Unaudited June 2018 Financials. The Board had no questions on the financials.

On MOTION by Mr. Shiver, seconded by Ms. Coe, with all in favor, the Unaudited June 2018 Financials were approved.

C. Acceptance of Chairwoman Kim Pennington Resignation

Ms. Comings-Thibault presented Chairwoman Kim Pennington’s resignation.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the resignation of Chairwoman Kim Pennington, was accepted.

D. Consideration of Resolution 2018-05, Designating Dates, Times and Location for Meetings

Ms. Comings-Thibault presented Resolution 2018-05 and noted the meetings would be held at Club 448 on the fourth Wednesday of every month at 7:00 p.m. A resident asked why the schedule was changing back to monthly meetings, to which Ms. Comings-Thibault replied they could always cancel meetings if they needed to but they needed a schedule due to statutes. The resident also asked why July’s meeting was canceled with little notice. The Board

Members explained they did not have enough Board Members to form a quorum due to members being out and personal matters.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, Resolution 2018-05 Designating Dates, Time, and Location for the Fiscal Year 2019 Meetings was approved.

FIFTH ORDER OF BUSINESS

Business Matter

A. Fiscal Year 2018-2019 Budget Public Hearing

Ms. Comings-Thibault requested a motion to open the public hearing for the budget.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Public Hearing was opened.

Ms. Comings-Thibault presented Exhibit 6, the Fiscal Year 2018-2019 budget. Ms. Comings-Thibault reminded the Board at the May meeting they voted to increase the budget approximately \$50,000. Ms. Comings-Thibault walked the Board through the budget. She noted as they develop the budget, they look at the Florida Statute 189.418 which stipulates the total amount available from taxation and other sources, including any balances brought forward from prior fiscal years, must equal the total of appropriations for expenditures and reserves. Ms. Comings-Thibault noted during the development of the budget they look at the actual expenditures of the prior fiscal year, they review any contracts and services provided, and they consider any future service needs. She also stated for the expenditures for 2019, the budget currently stands at \$269,166. Ms. Comings-Thibault noted field operations comprises 63% of that overall budget. She noted that administration is 32%, the insurance is at 3%, and the Capital Projects is at 2%. Ms. Comings-Thibault stated the general administrative is about \$86,236. She noted the slight decrease in the budget of around \$600 from the prior fiscal year and that was due to the meeting rental location. She noted the insurance is at \$8,116 and there is only a slight increase of \$302. Ms. Comings-Thibault noted field operations is at \$169,814 and pointed out an increase of \$50,298. She stated the small capital project budget is about \$5,000. She stated that leaves them in the assessments with slight annual increases for the ‘old assessed’ properties, in the total of \$153. She noted for the new properties it is \$164.57 and the golf course is \$5,175.37. Ms. Comings-Thibault then asked audience members for any questions on the proposed budget.

A resident asked what moss control is, and asked why they spend \$1,500 on it. Ms. Comings-Thibault stated it is for an herbicide spray that is put on the trees to keep the moss from growing. She noted that if they did not spray there would be much more moss growing on the trees.

Mr. Shiver stated that he was not at the last meeting, and he wanted to express his thoughts that they did not need to raise the assessments at all. He suggested they stay with the current budget and still have the reserves.

On MOTION by Mr. Shiver, seconded by Ms. Coe, with all in favor, the Public Hearing was closed.

B. Consideration of Resolution 2018-06 Adopting the Fiscal Year 2018-2019 Budget

Ms. Comings-Thibault presented Resolution 2018-06 adopting the Fiscal Year 2018-2019 budget. She stated the budget included in the agenda package was the budget at \$263,000 which represented the increase of \$50,000. Ms. Comings-Thibault asked the Board if they would prefer to go back to the adopted Fiscal Year 2018 budget of \$215,000.

Mr. Shiver suggested the Board adopt the budget from Fiscal Year 2018 totaling \$215,000.

On MOTION by Mr. Shiver, seconded by Ms. Coe, with all in favor, Resolution 2018-06 Adopting the Fiscal Year 2018-2019 Budget as presented, was approved.

C. Fiscal Year 2018-2019 Assessment Public Hearing

Ms. Comings-Thibault asked for a motion to open the public hearing for assessments.

On MOTION by Mr. Shiver, seconded by Ms. Coe, with all in favor, the Public Hearing was opened.

Ms. Comings-Thibault discussed the package with the budget presentation. She noted because there was no increase in the budget, the assessments would remain flat from the prior fiscal year. Ms. Comings-Thibault stated the FY18 assessments were at \$663.29 for the old, and \$709.72 for the new and \$22, 319.71 for the golf course. Ms. Comings-Thibault asked for audience comments about the assessments.

A resident asked for the definition of old and new. Ms. Comings-Thibault stated that it had to do with the parcel size.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Public Hearing was closed.

D. Consideration of Resolution 2018-07 Providing for the Collection and Enforcement of Special Assessments for Fiscal Year 2018-2019

Ms. Comings-Thibault presented Resolution 2018-07. Mr. Earlywine explained that Section 1 clarifies that the lots are benefitting from the services provided and that they are fairly reasonably allocated across the two categories and golf course. Section 2 levies the assessment. Section 3 speaks to the method which those will be collected and Section 4 established the assessment roll. Section 5 provides amendments.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, Resolution 2018-07, Providing for the Collection and Enforcement of Special Assessments for Fiscal Year 2018-2019, was approved.

E. Construction Impacts Rule Public Hearing

Ms. Comings-Thibault asked that the public hearing be opened for the construction impacts rule.

On MOTION by Ms. Coe, seconded by Mr. Shiver, with all in favor, the Public Hearing was opened.

Ms. Comings-Thibault stated that she would let Counsel walk the Board through the draft of the construction impacts rule. Mr. Earlywine noted the Board had talked about this issue at four to five different meetings now. He stated this was finally approved for rule-making purposes. Mr. Earlywine noted they provided a rule development notice and rulemaking notice that went out to the newspaper for publication. He stated this rule was unchanged from the preliminary form at the last meeting. Mr. Earlywine noted the concept is that anyone who is doing work, that might impact the District's infrastructure, needs to let them know before they do that. He stated there is legal authority set forth in Section 2. Section 3 says that homebuilders and other individuals or entities conducting construction or other activities within the District shall take precautions to avoid damage to District property and shall be responsible for any damage. Mr. Earlywine also stated

that open cuts in the District roadways are prohibited and instead contractors must connect utilities with the right of way line, or use other methods that do not damage the roadways. Mr. Earlywine stated there was an issue with certain lots caused by the replat, and the Engineer was working with the County to take care of that issue. He noted in the rule there is a provision for methods that won't damage the road, in case there is a plat issue. Mr. Earlywine noted Section 3B says that any contractors conducting work within the District that might impact the roadways or property, are to notify the District Manager. He stated there is a provision in Section 4 for variances, which deals with the replat issue previously described. Mr. Earlywine stated Section 5 addresses enforcement, and Section 6 follows along the same lines with legal action and criminal prosecution. Mr. Earlywine asked for any questions or public comments on the rule.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Public Hearing was closed.

F. Consideration of Resolution 2018-08, Adopting the Construction Impacts Rule

Ms. Comings-Thibault presented Resolution 2018-08.

On MOTION by Mr. Shiver, seconded by Ms. Coe, with all in favor, Resolution 2018-08, Adopting the Construction Impacts Rule, was approved.

G. Consideration of District Manager Proposals: GMS

Ms. Comings-Thibault stated that DPGF was stepping down as the District Manager effective as of August 31st. She stated that they advertised for a new District Management company, and GMS provided them with a proposal. She noted the proposal was Exhibit 11. Ms. Comings-Thibault introduced Mr. George Flint who was representing GMS. The Board asked Mr. Flint to introduce himself to the Board and the residents. Mr. Flint explained that he is the Vice President with GMS – Central Florida. He explained they have offices all over the state of Florida, and his office is in Downtown Orlando. Mr. Flint stated GMS manages approximately 150 Community Development Districts in Florida. He noted in his office they manage close to 40 CDD's in the Central Florida area including Lake County, Orange County, Osceola County, and Polk County. Mr. Flint summarized the proposal that was submitted to the Board. He explained that GMS's fees are competitive with other management companies, and slightly lower than what

their current budget is for those services. Mr. Flint stated he would be happy to answer any questions on the proposal. Ms. Comings-Thibault asked for any questions on the proposal. A resident asked if they received any other proposals, to which Ms. Comings-Thibault replied that GMS was the only proposal.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the District Manager Proposal from GMS-CF, LLC, was approved.

H. Consideration of Proposal for Aquatic Systems

Ms. Comings-Thibault presented the midge-fly and mosquito services proposal for \$290. She stated this service was done last year for a specific resident, who is saying that she will reimburse the District for this service because it is done behind her house.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Midge-Fly and Mosquito Services Proposal for \$290, was approved.

Ms. Comings-Thibault noted that on Exhibit 12 there is a Hyacinth spraying proposal for \$1,660 per month. Mr. Shiver suggested that they should not approve the proposal for Hyacinth spray. A resident stated that the Hyacinth is going to spread if they do not spray.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Proposal for Spraying Hyacinth for \$1,660, was NOT approved.

A resident asked a question about the drainage system and maintaining the ponds. The resident asked the Board if the hyacinth was part of that permit. Ms. Comings-Thibault answered the resident and stated that Rey Malave, the District Engineer, analyzed the permits and told Aquatic Systems what the level of service needed to be on those ponds. Ms. Comings-Thibault noted they are in compliance with the stipulations of the permit. Ms. Coe stated that it is technically not the CDD's job to spray the Hyacinth, the CDD is currently following the permit. Mr. Shiver stated he would like to see them sprayed, but it is not a CDD responsibility.

I. Ratification of Executed Proposals

Ms. Comings-Thibault presented the All Terrain Tractor Service storm water repair proposal totaling \$3,875. She also presented the second proposal from Outdoor Cut and Clean Pressure in the amount of \$125 for cleaning the guardhouse.

On MOTION by Mr. Shiver, seconded by Ms. Coe, with all in favor, the All Terrain Tractor Service Storm Water Repair Proposal for \$3,875 and the Outdoor Cut and Clean Pressure Cleaning Proposal for \$125, were approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Manager

Ms. Comings-Thibault advised authorizing an officer’s resolution for the new District Manager, as well as a delegation of authority resolution.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the Delegation of Authority for Officer’s Resolution, was approved.

B. Attorney

Mr. Earlywine thanked the Board and stated this would be his last meeting. He stated he had an enjoyable experience getting to know everyone and be at their service. He wished the Board luck going forward.

SEVENTH ORDER OF BUSINESS

Audience Comments on New Business

Ms. Comings-Thibault asked for any audience comments on new business. A resident asked about the sand piles that were back in the cul-de-sacs. Mr. Shiver told the resident if he saw those in the cul-de-sac, he should send a picture to them and they would reach out to the developer. Mr. Shiver noted they had already sent them multiple letters about that. A resident asked about spraying of the roads for weeds, and if the CDD was still doing that. Mr. Shiver responded that is not the CDD’s responsibility, it is up to each landowner. Mr. Shiver stated they can ask Yellowstone about the impact spraying for weeds would have on their fee. A resident asked the Board if anyone had considered dissolving the CDD. Mr. Earlywine stated it was not as easy as many people assume. He noted there are processes to dissolve a CDD, but if you have assets it is

harder. Mr. Earlywine stated in order to dissolve, they would essentially need to transfer their assets to the Homeowner's Association and whether you can do that or not is questionable. Mr. Earlywine noted there are different legal opinions on that subject, because essentially you are taking public property and giving it to a private entity. He noted you also have platting issues, and you would need to get a replat. Mr. Earlywine explained the advantages and disadvantages of having a CDD. He explained collecting assessments on the tax roll is an advantage and that the CDD is also able to get FEMA money, in the event of a natural disaster. He noted they can issue tax exempt bonds if in the future they needed to upgrade the stormwater ponds or roadways. Mr. Shiver answered the resident and said yes, the Board had considered dissolving the CDD but it is not easy.

EIGHTH ORDER OF BUSINESS

Supervisors Requests

Ms. Comings-Thibault asked the Supervisors for any requests. Mr. Shiver thanked Ms. Comings-Thibault for her help, guidance, and leadership during their time working together. Mr. Shiver also thanked Jere for his service.

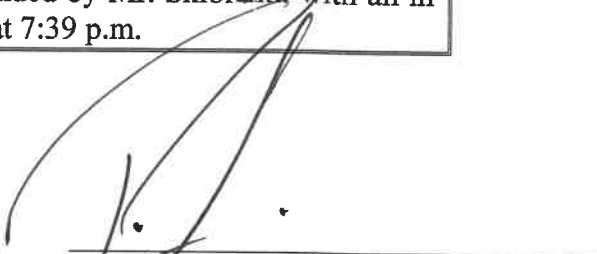
NINTH ORDER OF BUSINESS

Adjournment

Ms. Comings-Thibault adjourned the meeting at 7:39 p.m.

On MOTION by Mr. Shiver, seconded by Mr. Skibitski, with all in favor, the meeting was adjourned at 7:39 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman