

MINUTES OF MEETING
MONTECITO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Montecito Community Development District was held Wednesday, May 2, 2018 at 5:00 p.m. at the Montecito Beach Club, 208 Montecito Drive, Satellite Beach, Florida.

Present and constituting a quorum were:

Richard Wellman	Chairman
Ed Henson	Vice Chairman
Cathi Baglin	Assistant Secretary
Tanja Glynn	Assistant Secretary
Larry Bradshaw	Supervisor

Also present were:

Jason Showe	District Manager
Michael Pawelczyk	District Counsel
Ray Malave	District Engineer
Randy McGrath	Amenities Manager
Alan Scheerer	Field Manager
Katie Costa	GMS
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Wellman called the meeting to order at 5:00 p.m. and Mr. Showe called the roll. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Lode Debrabandere, a resident, 639 Monterey Drive, asked for his access to the Clubhouse be reinstated. His access was denied, due to his renters, which vacated. After further discussion, Mr. Debrabandere agreed not to rent his home for less than one year and to send an email Mr. McGrath when his parents were here.

On MOTION by Mr. Wellman, seconded by Ms. Baglin, with all in favor, reinstating Lode Debrabanderer's access to the Clubhouse, was approved.
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Dr. Jim Bourdeau, a resident, 137 Clemente Drive, voiced concern about the irrigation and water needs of the new development on A1A. Mr. Rick Davidson, a resident of Simeon Drive, in the new phase, introduced himself. Mr. Pat Buckley, a resident, 712 Ventura Drive, reported traffic by the new condos. Mr. Wellman stated he would speak to Mr. Buckley, after the meeting, about this matter, because he promised the investor to not discuss this matter in public.

Ms. Iris Dagani, a resident, 735 Ventura Drive, wanted to replace BrightView, because they did not replace her irrigation in a satisfactory matter, and there were huge dry spots in Ventura, even though it was summer. Mr. Wellman asked the Field Manager to contact BrightView about Ms. Dagani’s concerns. Mr. Henson noted that, currently, a two-wire system was down, which affected a lot of units. Mr. Scheerer stated he would obtain a price to upgrade the irrigation system.

Mr. Bruce Larsen, a resident, 674 Mission Bay Drive, asked why the HOA took a long time to resolve his irrigation system issue. Mr. Showe stated that he forwarded Mr. Larsen’s request to BrightView. Mr. Henson stated that BrightView only performed one wet check per month, and if a broken head was not reported, it would not be detected until the next month. BrightView waits for authorization to repair broken lines and heads.

Mr. Warren Nelson, a resident, 697 Palos Verde Drive, asked why flags were in the ground. Mr. Scheerer stated that the flags marked locations that BrightView needed to address. A resident asked where her sprinklers were located. Mr. Wellman stated that the HOA must pay BrightView to define where the sprinklers were, as most were included for convenience. Ms. Baglin believed that most townhomes had sprinkler heads in the backyard and one or two in the front, depending on the landscaping.

THIRD ORDER OF BUSINESS

Approval of Minutes of the February 26, 2018 Meeting

Mr. Showe presented the minutes of the February 26, 2018 meeting. Ms. Baglin submitted changes, which would be incorporated.

On MOTION by Mr. Wellman, seconded by Ms. Baglin, with all in favor, the minutes of the February 26, 2018 meeting were approved, as amended.

FOURTH ORDER OF BUSINESS

New Business Items

A. Consideration of Agreement with Brevard Lawns to Provide Landscape Maintenance Services

Mr. Showe presented a proposal from Brevard Lawns with a revised pricing sheet, Scope of Services and Landscape Plan for the new phases. For the first month \$500 was required, \$1,250 for the second month and the full \$2,000 by July.

Mr. Henson recalled that the HOA contract specifically states that the landscaper must use a 22-inch push mower. Mr. Showe stated that if a 22-inch motor was needed, the contractor would provide the proper service to meet the specifications. Once the District Engineer determined that a phase was complete, maintenance responsibility would shift to the District. Mr. Pawelczyk stated he would prepare a front-end landscape agreement and include the language about the equipment, as requested by Mr. Henson.

Ms. Baglin wanted to research the financial realities of having a new irrigation system or a new contractor, as there were many complaints. Discussion ensued.

On MOTION by Ms. Baglin, seconded by Mr. Henson, with all in favor, authorizing District Counsel to prepare a front-end landscape and irrigation maintenance agreement with Brevard Lawns for Phase 2C, including the provisions as discussed and the District Engineer’s approval and authorizing the proper District Officials to execute the same, was approved.

B. Consideration of Resolution 2018-05 Adopting Policy for Records Retention

Mr. Showe presented Resolution 2018-05, adopting a Records Retention Policy according to Exhibit A. Discussion ensued. Mr. Pawelczyk recommended including a reference to camera footage. After further discussion, there was Board consensus for Mr. Pawelczyk and Mr. Showe to refine the policy to designate where the records were retained and the method for disposal, and provide at the next meeting.

C. Consideration of Resolution 2018-06 Approving the Proposed Fiscal Year 2019 Budget and Setting a Public Hearing

Mr. Showe presented Resolution 2018-06, approving the Proposed Budget, which was attached as Exhibit A, setting the public hearing for August 1, 2018 at 5:00 p.m., at this location, and directing staff to transmit the budget to Brevard County and the City of Satellite Beach. Mr.

Bradshaw provided comments, which would be incorporated into the final version. Mr. Showe discussed the budget and the following was highlighted:

- *Administrative Expenses* were standard
- *Field Operations* included additional electric services for the new phase
- *Fountain Service Repairs & Maintenance* included the quarterly service
- *Landscape Maintenance* included the new Brevard Lawns contract
- *Landscape Maintenance – Other and Irrigation Repairs* increased

Mr. Henson asked if *Palm Tree Maintenance* would change, based on information from Mr. McGrath and Mr. Jason Pilon, of BrightView. Mr. Showe stated he would increase it.

- For *Capital Outlay*, \$35,000 was budgeted for new landscape project

Ms. Baglin requested additional detail on the capital projects. Mr. Bradshaw suggested budgeting \$25,000 each year, for a disaster reserve. After further discussion, there was Board consensus for Mr. Showe to modify the budget to include a \$25,000 disaster reserve.

On MOTION by Mr. Bradshaw, seconded by Ms. Glynn, Resolution 2018-06 Approving the Proposed Budget for Fiscal Year 2019 and Setting the Public Hearing for August 1, 2018 at 5:00 p.m., at this location, was adopted.

Mr. Wellman requested clarification of the Debt Service Fund for new residents. Mr. Showe stated that the District levied assessments on the tax bill as a non-ad-valorem assessment for operation and maintenance (O&M) and ongoing maintenance. There was also a debt service assessment, which each home was paying based on an Assessment Methodology. Mr. Wellman noted that all bonds would be paid off in 2036.

D. Ratification of Requisitions #930 - #937

Mr. Showe reviewed the requisitions, which were approved by the District Engineer and Chairman.

Mr. Wellman moved to ratify Requisitions #930 through #937, and Ms. Baglin seconded the motion.

Mr. Henson asked if the sod placed around the pond was Bahia or St. Augustine, as the gentleman in charge of installing the sod told Mr. Henson that it was St. Augustine. Mr.

Scheerer believed that it was Bahia. Mr. Wellman stated that the requisitions were paid from the original construction funds, not O&M.

On VOICE VOTE with all in favor, Requisitions #930 through #937, were ratified.

E. Presentation of Number of Registered Voters – 494

Mr. Showe reported that as of April 15, according to the Supervisor of Elections, there were 494 registered voters. No action was required by the Board.

F. Discussion Items

1. Revised Proposed Rules

Ms. Glynn recalled discussion at the last meeting about the parking and towing rules. The HOA rules stated that no vehicles could be parked on the street except for guests and visitors; however, the CDD allowed parking on the streets. Mr. Wellman requested striking this from the HOA rules, since the HOA did not own the roads. Ms. Glynn stated that parking reminder letters were now being placed on the windshield of cars parked in the wrong direction, close to a mailbox and on the sidewalk and grass. Mr. Showe stated that if the Board wanted to proceed, a rulemaking hearing must be advertised for the June 25th meeting. Ms. Baglin asked if the public hearing could be advertised with the budget public hearing. Mr. Showe noted that there were statutory guidelines on the advertisement.

Mr. Henson asked about vehicles that were covered with tarps. Ms. Baglin did not want new homeowners to use the parking lot to store vehicles under a tarp. Ms. Dana Stein, a resident, 152 Redondo Drive, agreed. Mr. McGrath suggested deactivating the amenity access card of any owner who did not comply. Ms. Baglin wanted to speak with the owner first. Mr. Showe stated that he could send a warning letter to the owner before the vehicle was towed. Mr. Pawelczyk advised that if the owner failed to comply, a letter of suspension of usage of the Amenity Center would be issued, and suggested adding a provision to the Parking and Towing Rules. Ms. Glynn would revise the Parking and Towing Rules as stated.

Ms. Glynn stated that there was no provision in the Amenity Center Rules for non-residents using the CDD playground, but there was a \$2,750 non-resident fee for use of the Amenity Center. Mr. Wellman stated that the playground was paid for with public funds. Mr. Bradshaw recommended one fee for all amenities. Mr. Pawelczyk recommended including a

provision in the rules and if someone refused to comply, they were trespassing and the police would be notified. Ms. Baglin suggested changing the definition of “*Amenity Facilities*” or “*Amenity*,” to “*the properties and areas owned by the District intended for recreational use and shall include, but not specifically be limited to, the amenity center, together with their appurtenant facilities and areas, not including the playground area.*” Mr. Larsen questioned the CDD’s liability if someone from outside the community was hurt when they used the playground and sued the District. Mr. Pawelczyk stated that the District was only liable if there was negligence and the District had sovereign immunity, which limited the District’s liability. Including a waiver on the non-resident application was suggested.

Mr. Buckley requested that the provision in the Parking and Towing Rules, banning residents from on-street parking, be removed, as there was no on-street parking on Ventura Drive 40% of the time. Mr. Showe noted that the current draft only allowed on-street parking for guests and visitors, not residents. Mr. Wellman wanted to ban on-street parking in the entire community, not just Ventura Drive. Mr. Buckley noticed less violations, since parking reminder letters were posted on cars. Mr. Wellman asked Mr. McGrath to continue issuing the letters and tracking them. Ms. Glynn would update the draft rules for the next meeting.

2. Capital Projects

a. Discussion of Survey Results

Mr. Bradshaw conducted the survey between April 5th and April 20th and there were 108 responses. Based on the survey and spending \$75,000 per year, over four years, Mr. Bradshaw recommended the following:

1. Repairing entrance fountains
2. Painting interior of the Clubhouse and replacing carpeting
3. Adding low voltage Clubhouse lighting
4. Painting exterior perimeter walls and streetlight poles
5. Replacing Clubhouse security camera system

Ms. Baglin asked why irrigation was not included. Mr. Bradshaw stated that residents were not surveyed on the irrigation, because the District was required to maintain existing property. Mr. Wellman questioned replacing streetlight bulbs with LED bulbs for \$8,000, as his recollection was that each bulb was being replaced when it burned out. Mr. Bradshaw stated that lamps still using incandescent lighting, would be replaced with LED bulbs. Mr. Henson asked if

there were any safety items. Mr. Bradshaw stated that security cameras, gates and keypads were ranked number seven of the overall ranking. Mr. Showe noted that safety concerns were always high priority and were not considered Capital Items.

Ms. Glynn thanked Mr. Bradshaw for developing the survey, following up with residents and compiling the data. Mr. Showe would separately post the results onto the website. Ms. Baglin requested an explanatory memo on why the irrigation system was not included. Mr. Wellman wanted to replace the irrigation system, but it would entail a special assessment. He stated he spoke to the Melbourne Water District about using potable water, versus pond water. Ms. Catherine LeCesne, a resident, 148 Redondo Drive, suggested a letter to residents stating that the Board was aware of the irrigation issue and were working on it, and urging residents to irrigate their own landscaping. Mr. Malave advised that the District could not encourage the use of domestic water.

Mr. Wellman voiced concern with the survey, because residents chose items that they personally wanted and favored painting the light, due to corrosion. Ms. Baglin stated that the point of the survey was to give people a voice, so the Board could ultimately make a decision on what to spend money on. Mr. Bradshaw stated the total amount spent each year was low enough to paint the streetlight poles. According to Mr. Showe, there was \$85,000 through September 30th. Mr. Wellman asked Mr. Showe to obtain an additional proposal for the security cameras and provide at the next meeting. The current quality of the video was blurry and the new system would have license plate recognition. Mr. Wellman asked about the palm tree trimming. Mr. Showe stated \$6,000 was budgeted and there was a proposal from Tree Tech Pros for \$13,855 and from BrightView to add monthly palm tree trimming to the contract for \$1,182.83. Ms. Baglin was not in favor of adding anything to the BrightView contract, due to their current performance. Mr. Wellman agreed and favored Tree Tech Pros performing a one-time palm tree trimming. Mr. Showe stated he will budget \$14,000 for annual palm tree trimming in future budgets.

On MOTION by Ms. Baglin, seconded by Mr. Wellman, with all in favor, approving the proposal from Tree Tech Pros for a one-time palm tree trimming in the amount of \$14,000, the front entrance fountain repair in the amount of \$3,600 and streetlight painting in the amount of \$3,650, were approved.

Ms. LeCesne hoped when the palm trees were trimmed that it was transparent to the residents. Ms. Baglin requested an additional paragraph in the memo, explaining that other additional capital expenditures would be discussed at the next meeting. Mr. Henson wanted residents to understand that the palm trees were CDD trees, not HOA trees. Mr. Scheerer noted that 578 CDD trees would be trimmed. Mr. Showe stated he would draft the memo and provide it to the Board for feedback.

Mr. Bradshaw stated that painting the exterior perimeter walls were a high priority to residents; however, it cost \$32,400. At the request of Mr. Bradshaw, Mr. Showe would provide an explanation on why it cost twice as much to paint the outside as the inside perimeter walls. Mr. Bradshaw stated that the quote was for power washing, repairing masonry problems and painting. The work could be completed in phases to break up the cost. Mr. Bradshaw recommended Clubhouse interior painting and carpet replacement. Mr. Wellman disagreed with replacing the carpet, but when it needed to be replaced, there could be rubber flooring.

Ms. Carlia Cortes, a resident, 694 Mission Bay Drive, noted that her oak trees were overgrown. Mr. Scheerer stated that the quote was for palm tree trimming only, but if there was safety issue, BrightView had an obligation to keep the clearance, so that pedestrian traffic was unobstructed. Mr. Henson asked that BrightView look at Ms. Cortes trees.

3. Business Continuity Planning

Mr. Bradshaw presented a draft to be used as a Business Continuity Plan for the Board's review, which would be implemented if there was a disaster or emergency and Mr. McGrath was not available for an extended period of time. Discussion ensued.

4. Discussion of Storage Building

Mr. Wellman requested a storage building for storing flammable paints and fuel for the generator, near the building next to the air conditioners and pool pumps. After further discussion, Mr. Scheerer was directed to work with the Chair and Mr. McGrath on obtaining quotes for a maintenance shed and provide at the next meeting.

5. Landscaping/Irrigation Proposals

i. Palm Tree Trimming/Removal Quotes

This item was discussed.

ii. Irrigation Consultation

Mr. Showe presented a proposal for an Irrigation Consultant from Insight Irrigation. The consultant would provide an evaluation of every zone, up to 250 zones. Mr. Scheerer stated that according to the recent irrigation report, there were 155 zones. Mr. Showe noted that Insight Irrigation required \$1,440 upfront and would complete the evaluation in 30 days.

On MOTION by Mr. Bradshaw, seconded by Ms. Glynn, with all in favor, the Insight Irrigation Proposal for an Irrigation Consultation, in the amount of \$4,800 to evaluate 250 zones, was approved.

6. Announcement of Qualifying Period

Mr. Showe announced that Seat 4, filled by Ms. Glynn and Seat 5, filled by Mr. Wellman, were up for General Election in 2018. Interested candidates would qualify through a petition, which must be completed by May 21, 2018 or pay \$25 to the Supervisor of Elections Office by Noon on June 18, 2018 through Noon on June 22, 2018.

FIFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Pawelczyk reminded the Board to file their Form 1, Statement of Financial Interest, by July 1; however, those qualifying, should take the form to the Supervisor of Elections. Mr. Wellman asked about notifying residents about the qualifying period. Mr. Showe would post a reminder on the website. Mr. Pawelczyk heard that seven people qualified for Seat 5. Ms. Glynn announced that she would qualify and run for her seat.

B. District Engineer

There being none, the next item followed.

C. District Manager

1. Consideration of Check Registers

Mr. Showe reviewed the checks from February 1, 2018 to February 28, 2018 totaling \$35,100.69 and from March 1, 2018 to March 31, 2018 totaling \$41,704.76. Mr. Wellman asked why the District was paying the electric bill for the pump in the new section. Mr. Showe indicated that the CDD entered into the agreement to install the landscaping, so it needed to supply the water to maintain it. Mr. Bradshaw asked about the Sonitrol invoice. Ms. Costa

stated that it was to replace the DVR. Mr. Bradshaw asked which pump the pumping invoice was for. Mr. Showe stated that it was for Pump Station #2. Ms. Glynn asked what the maintenance agreement for the pumps included. Mr. Showe stated that once a quarter, a contractor would perform preventative maintenance. Mr. Wellman suggested placing security screws on the cover plate to keep people from using the pumps for their personal use. Mr. Pawelczyk would speak to Ms. Glynn after the meeting about rules for using CDD property.

On MOTION by Mr. Wellman, seconded by Mr. Bradshaw, with all in favor, the February and March Check Registers, were approved.

2. Balance Sheet and Income Statement

Mr. Showe presented the Balance Sheet and Income Statement, which do not require any action from the Board. On-roll assessments were at 97% collected. The remaining assessments would be collected through tax certificate sales. Mr. Wellman questioned the large increase for landscape maintenance in March. Mr. Showe stated that the Hoover pump repair was \$9,000; however, \$5,000 was for the annual service agreement. Ms. Glynn asked why the money market account from SunTrust was separate from other accounts. Ms. Costa explained that the District had a money market account with the prior Management Company. A new one was created and the funds were transferred into this account.

3. Facility Manager

Mr. McGrath reported a trip hazard around the pedestrian gates, LED lights being placed on the patio and repairing a hole in the wall at Pump Station #2. It should be painted before the fence was installed. Mr. Wellman preferred pressure washing it. Mr. Henson noticed that the gates were wobbly last night. Mr. McGrath straightened them.

4. Field Manager

Mr. Scheerer presented the Field Manager's Report and highlighted the following:

- There was an ongoing challenge to control Hydrilla in the lakes
- Cascades repaired the damaged control boxes on the fountain
- BrightView trimmed hedges at the end of the townhomes and inside the wall. Landscape improvements were completed. Irrigation inspections were ongoing.

BrightView was asked to clean up around pump stations on a regular basis. Old palm tree stumps at Pump Station #1 were removed.

Mr. Henson noted a trip hazard behind the mailboxes and asked that the concrete be smoothed out. Mr. Showe stated he would follow up. Mr. Henson asked about the sidewalk crumbling from heavy equipment. Mr. Showe stated that the contractor would repair it once construction was completed. Mr. Wellman reported a burned-out streetlight by the mailboxes on Redondo Drive.

- GMS removed the trip hazard on a sidewalk at no cost
- An “Employee Parking Only” sign was delivered to Mr. McGrath and traffic circle signs were purchased for the roundabouts
- Paver companies were providing proposals for the pool deck. Mr. Showe received a quote today and was waiting for an additional quote
- A new bench was ordered and would be installed
- Dow Plumbing replaced one of the shower heads

Mr. Henson received a complaint about a growth on the wall on the backside of the pool. Mr. Showe asked BrightView for assistance. Mr. Henson asked who was spraying on the lawns. Mr. McGrath stated that BrightView was spraying weeds. Ms. Glynn asked why there were signs for the roundabout. Mr. Wellman stated that two large “One Way” signs would be removed and by the yield signs, there would be a small round directional sign. The posts of the removed signs could be reused.

SIXTH ORDER OF BUSINESS

Supervisor’s Requests

Ms. Glynn heard that the Wi-Fi in the Fitness Center was not strong enough. Ms. Costa stated she was looking into it.

Ms. Baglin announced that she was resigning from the Board, effective immediately. Mr. Wellman thanked Ms. Baglin for serving on the Board and hoped that she would attend meetings.


On MOTION by Mr. Wellman, seconded by Ms. Glynn, with all in favor, Cathy Baglin’s resignation, effective immediately, was accepted.

Mr. Showe would announce the open seat on the website and provide letters of interest and resumes to the Board for discussion at the next meeting. Mr. Pawelczyk advised that the Board can appoint anyone to fill the unexpired term, which expires in November of 2020.

SEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Wellman seconded by Mr. Henson with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman