

MINUTES OF MEETING
MONTECITO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Montecito Community Development District was held on Wednesday, August 1, 2018 at 5:00 p.m. at the Montecito Beach Club, 208 Montecito Drive, Satellite Beach, Florida.

Present and constituting a quorum were:

Ed Henson	Vice Chairman
Tanja Glynn	Assistant Secretary
Larry Bradshaw	Assistant Secretary
Catherine LeCesne	Assistant Secretary

Also present were:

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

The following is a summary of the discussions and actions taken at the August 1, 2018 Montecito Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Marilyn Buckley, a resident, 723 Ventura Drive, voiced concern that the District was paying too much money for pool cleaning, as the pool water was dirty and there was mold around the sides. Mr. McGrath stated that the pool company was here today; however, it rained more this year than last year and the pool gets dirty after it rains. The pool contractor could not

clean the pool when it was lightning. Ms. Buckley stated that the District should receive a reduction for days that the pool cleaner did not clean the pool. Mr. McGrath noted that the District was paying \$795 per month for three times per week cleaning. At Mr. Henson’s request, Mr. McGrath would observe the pool cleaner.

Dr. Jim Bourdeau, a resident, 137 Clemente Drive, noted that residents were removing palm fronds and throwing them onto the banks of Pond 6 and next to mailboxes, which were CDD property. Mr. Showe and Mr. Scheerer asked BrightView to remove palm fronds as part of their regular cleaning in CDD areas. Mr. Scheerer asked residents to notify Mr. Showe about residents who improperly dispose of palm fronds, so that they could be educated.

THIRD ORDER OF BUSINESS

Approval of Minutes of the June 25, 2018 Meeting

Mr. Showe presented the minutes of the June 25, 2018 meeting. Board Members submitted changes, prior to the meeting, which were incorporated.

On MOTION by Mr. Bradshaw, seconded by Ms. LeCesne, with all in favor, the minutes of the June 25, 2018 meeting, were approved, as amended.

FOURTH ORDER OF BUSINESS

New Business Items

A. Review and Acceptance of Fiscal Year 2017 Audit Report

Mr. Showe presented the draft Fiscal Year 2017 audit and referred to Pages 30 and 31, the Report to Management. The audit was clean, with the exception of a finding since 2009, where the District was in default of the bonds. This finding would remain until all remaining parcels were developed and the bondholders write off the remaining debt. Mr. Pawelczyk stated he would review the Settlement Agreement, to confirm that the property owner would pay the delinquent assessments.

On MOTION by Mr. Bradshaw, seconded by Mr. Henson, with all in favor, the Fiscal Year 2017 Audit Report, was accepted.

B. Public Hearing

On MOTION by Mr. Bradshaw, seconded by Ms. Glynn, with all in favor, the public hearing was opened.

i. Consideration of Resolution 2018-08 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations

Mr. Showe presented and reviewed Resolution 2018-08, Adopting the Fiscal Year 2019 Budget. He noted that only the projected amounts changed, all comments provided by the Board were incorporated and there was no increase in assessments.

On MOTION by Mr. Bradshaw, seconded by Ms. Glynn, with all in favor, Resolution 2018-08 Adopting the Fiscal Year 2019 Budget and Relating to the Annual Appropriations, was adopted.

ii. Consideration of Resolution 2018-09 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Showe presented Resolution 2018-09, which was the second part of the budget process. The Adopted Budget and Assessment Roll, which listed every property in the community to levy the assessments on individual tax bills, would be attached and provided to the Property Appraiser and Tax Collector. There were no audience comments.

On MOTION by Mr. Bradshaw, seconded by Mr. Henson, with all in favor, Resolution 2018-09 Imposing Special Assessments and Certifying an Assessment Roll, was adopted.

On MOTION by Mr. Bradshaw, seconded by Ms. Glynn, with all in favor, the public hearing was closed.

C. Discussion Items

1. Revised Proposed Rules

Ms. Glynn noted changes to the Amenity Center Rules included increasing the non-resident Annual User Fee from \$2,500 per year to \$2,750, adding an exhibit to specify the ages allowed to use the amenities, with or without an accompanying patron, and changing the age requirements for the swimming pool, Fitness Training Room, Clubhouse, Game Room and around lakes.

A resident asked if smoking was permitted at the pool. Mr. Bradshaw confirmed that no smoking was permitted on any CDD property. Mr. Henson stated that Ms. Glynn did a great job on the Amenity Center Rules and asked if they could be published separately from the Parking Rules. Mr. Showe advised that every time the rules were changed, there must be a rulemaking process, which included advertising.

Ms. Glynn presented the Parking Rules, which were discussed at last month's workshop. There was Board consensus, to allow on-street parking to:

- Guests and visitors, for no longer than six continuous hours in any one day.
- Commercial vehicles with work and tool racks, visible equipment, and/or having letter, graphics and logos, as long as work was being performed at a residence.
- RVs for loading and unloading only, for no more than eight continuous hours.
- Individuals working in the District, if they were in an area actively under construction.

Ms. Glynn noted that the language in the reminder letters and on the Master Declaration of Covenants, Conditions and Restrictions for Montecito, were incorporated into the Rules. Mr. Henson appreciated all of Ms. Glynn's hard work.

Residents asked about enforcement by residents parking RVs in the street. Ms. Glynn stated that any issues should be brought to Mr. McGrath's attention, so he could send a reminder letter or warning; however, it was difficult to tell whether the vehicle belonged to a resident or guest. Ms. Glynn noted two methods of enforcement; to suspend or terminate resident access privileges and towing. Mr. Henson approved of the Parking Rules and the enforcement mechanism. A lengthy discussion ensued. Mr. Showe stated he received several calls from individuals receiving letters. Many did not know that their vehicle was illegally parked. Ms. Glynn noted that the majority of violators were cars parked too close to residential mailboxes and tires parked on the grass.

Mr. Pawelczyk stated that before the Public Hearing, District Counsel would review the Rules, particularly regarding the enforcement and any appeal process. Once the Board was satisfied with the content, they would authorize GMS to advertise a Public Hearing. The advertisement would appear twice in a newspaper of general circulation and posted on the website, along with the Rules. At the Public Hearing, the Board would adopt a Resolution

approving the Rules. At this meeting, the Board could either authorize it at the Public Hearing or place on the next agenda for further discussion.

Mr. Patrick Buckley, a resident, 723 Ventura Drive, asked about overnight guest parking. Ms. Glynn recalled a provision allowing for parking at the Amenity Center for up to 72 hours; however, temporary authorization may be granted by the Supervisors for exceptions. Mr. Pawelczyk had Districts that suspended the rules, particularly during holidays. Discussion ensued. Mr. Buckley felt that the Board was restricting the freedom of 700 people from parking on the street when they needed to, especially in the townhome area where a driveway could only accommodate one car at a time.

Ms. LeCesne asked who was abusing the on-street parking. Mr. Bradshaw indicated that residents who had four members of a household driving and used their garage for storage, parked on the street. Mr. Henson recalled that when the community was first built, on-street parking was prohibited and since a few were parking in an unsafe manner, the Board was trying to find “a happy medium” by establishing rules that could be easily enforced. Discussion ensued.

Mr. Showe requested that the Board authorize him to set the Public Hearing on the Proposed Rules on September 24, 2018, advertise the notices and post the Proposed Rules on the website. Ms. Glynn proposed setting the Public Hearing on October 29th, which was an evening meeting.

On MOTION by Mr. Henson, seconded by Ms. Glynn, with all in favor, authorization for the District Manager to set a Public Hearing on the proposed rules on October 29, 2018 at 5:00 p.m. at this location, advertise the notices and post the Proposed Rules on the website, was approved.

2. 2019 Contracts

Mr. Showe requested that the Board review the 2019 contracts in preparation for the September meeting; however, the American Ecosystems lake contract expired immediately after this meeting. The BrightView contract expired on December 31st. Mr. Scheerer stated that the American Ecosystems lake contract was \$425 per month, to service the ponds once a month, and felt that they were doing a better job, compared to eight months ago.

Mr. Buckley asked if American Ecosystems was maintaining the fountains. Mr. Showe stated that they used to, but a fountain company was now maintaining them. Mr. Henson

questioned the salinity levels. Mr. McGrath was informed that the water in Pond 6 was good enough to drink. Well #2 was turned off, due to high salinity levels, but due to the rains, the level decreased tremendously. Dr. Bourdeau stated that there was improvement since the fountain company was hired. Mr. Showe stated he would bring an amended contract to the next meeting.

3. Hurricane Shutters

Mr. Showe stated that GMS was tasked to obtain quotes and reached out to several vendors, but had not received any quotes, at this time. Mr. Henson felt that the existing windows were satisfactory. Mr. Showe stated that the vendors were tasked with looking at what was currently in place and what could be improved.

4. Perimeter Wall Painting/Shed Colors

Mr. Showe presented color schemes for the perimeter wall from Sherwin-Williams and a color chart for the shed from alansfactoryoutlet.com. Mr. Bradshaw asked Sherwin-Williams to provide three color schemes. The current perimeter wall only had one color scheme and Sherwin-Williams recommended three to add more character. *After further discussion, the Board choose August Moon for the outer walls, Paper Lantern for the columns and Summer White as the main accent for the perimeter wall, and Beige with a lap siding door for the shed.*

5. Irrigation Report

Mr. Showe presented the revised Irrigation Analysis from Insight Irrigation. The only change was Hoover's cost for the pump, which was not in the original report. Mr. Bradshaw proposed holding a public Town Hall to present the report to residents and discuss the recommendations. Mr. Showe would ask Hoover to attend. Mr. Henson was disappointed with the recommendation to replace Pump #1. Mr. Showe stated that Hoover was only one of the few companies in the State manufacturer this type of equipment, and the cost to repair was more than purchasing a new pump. Mr. Scheerer noted that the new pump station had features that Pumps #1 and #2 did not, such as greater control over the irrigation system.

Mr. Bradshaw requested estimates for an irrigation repair company, which was recommended by Insight Irrigation, as the current people working on the irrigation system were not qualified. BrightView was only doing wet inspections, and any additional work for the irrigation system was on a per cost basis. Discussion ensued. *After further discussion, there was*

Board consensus, to schedule a Town Hall/workshop for October 3, 2018 at 5:00 p.m. and for Mr. Showe to post the Irrigation Report to the website.

6. Pump Station #1 Fence Installation

Mr. Showe recalled that the Board recommended a fence for Pump Station #1. Mr. McGrath confirmed that fence for Pump Station #2 was completed yesterday and if approved, the fence for Pump Station #1 would be installed on Friday. This was a safety issue, because of children playing in these areas. Mr. McGrath received an estimate from Superior Fence & Rail for \$2,640, which in his opinion, was a good price. Mr. Henson asked if the fence should be approved for the third pump station. Mr. Showe felt that it could wait, because there were no current issues. Mr. Bradshaw suggested placing this item on the Capital Projects List. Mr. Henson asked about access to the fence. Mr. McGrath stated that there would be a lock and all necessary people would have keys.

On MOTION by Mr. Bradshaw, seconded by Mr. Henson, with all in favor, the proposal from Superior Fence & Rail, for the installation of a fence at Pump Station #1 in the amount of \$2,640, was approved.

Mr. McGrath stated that “*Danger High Voltage*” and “*Authorized Personnel Only*” signs would be posted on each pump station.

D. Approval of Fiscal Year 2019 Meeting Schedule

Mr. Showe presented a draft meeting schedule. Mr. Bradshaw suggested scheduling a workshop/Town Hall in between meetings. Mr. Henson felt that three months in between meetings was too long. Ms. Glynn noted that the September and October meetings were held in the morning and one should be held in the evening. After further discussion, Mr. Showe stated he would provide a revised schedule in September, including workshops on Wednesdays at 6:00 p.m. for November, January, April, June and July, a Town Hall meeting for October 3, 2018 at 6:00 p.m., changing the regular October meeting time to 5:00 p.m. for the rulemaking hearing and emailing Mr. Bradshaw for comments, since he was not attending the next meeting.

Mr. Henson asked if the City was meeting here and whether it was approved by the CDD Board. Mr. McGrath noted that the City was meeting on August 9th. Mr. Showe stated that the City was treated the same as the HOA and this was a Town Hall meeting for the benefit of the

residents. Mr. Bradshaw received a postcard saying that the City was having three meetings, one in Montecito, one at the Community Center and another at a different location. According to Mr. McGrath, there were no private functions that night. Mr. Pawelczyk stated that the Board could set a policy if it became an issue.

FIFTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Pawelczyk reported that the agreements pending at the last meeting were approved. He stated he would work with Ms. Glynn on the Club and Parking Rules, prepare the Resolutions and send redline copies to the Board showing any changes.

Mr. Bradshaw asked about the upcoming elections and when the new Board Members would serve on the Board. Mr. Pawelczyk stated that the new members would be sworn in on the second Tuesday following the General Election, which was on December 5th. Mr. Bradshaw asked when Mr. Wellman's term officially ended. Mr. Pawelczyk indicated that it ended on the second Tuesday following the General Election.

B. District Engineer

Mr. Malave reviewed the Irrigation Report and the Board's request to have a speed bump at the main entrance. The cost to put a speed bump on pavers was \$2,000, including installation, and asked whether it was warranted, because the road was not large enough for a car to generate sufficient speed. Mr. Henson was against speed bumps.

Mr. Malave reported a settlement at the main entrance on the exit side. It was minor, but ponds an inch of water. The pavers could be removed, so that the hole could be filled up with dirt to raise the pavement.

Mr. Malave stated that Pump #1 had two motors, which were rebuilt and in storage. Mr. Showe suggested using the motors as a backup. Mr. Bradshaw requested that staff clarify which pumps were being paid for when the work was completed, so that when an irrigation company was engaged, they would know what zone was always having problems. Mr. Henson asked about the washout of the slab at Pump Station #1, due to deterioration underneath the pump station. Mr. Showe stated that he received a proposal from BrightView. Mr. Malave stated that washouts should not happen and would evaluate it.

Mr. Bradshaw resumed the discussion about the speed bumps. Ms. Glynn was against them. Ms. LeCesne was opposed aesthetically, but in favor of its functionality, because residents went through the stop sign without stopping, when the gate opened. Due to the opinion of the Board, including his opinion, Mr. Bradshaw requested that this item be removed from further consideration.

C. District Manager

1. Consideration of Check Register

Mr. Showe presented Check Register for June, in the amount of \$37,170.81.

On MOTION by Ms. Glynn, seconded by Mr. Henson, with all in favor, the June Check Register, was approved.

2. Balance Sheet and Income Statement

Mr. Showe presented the Balance Sheet and Income Statement. No action was required by the Board. All on-roll assessments were collected and he was following up with the developer regarding their payments.

Ms. Glynn asked what qualified as a capital project. Mr. Bradshaw felt that there should be a definition for clear guidance. Mr. Showe stated that there was no rule and it was a source of funding, and the Board could authorize that anything over \$25,000, be designated as a Capital Project. Further discussion ensued and Mr. Showe stated he would include the Capital Projects List, with the status of each item, in future agendas.

D. Facility Manager

Mr. McGrath reported that the Pool Technician turned off the automatic field pump during maintenance of the equipment, causing the level of the pool to drop three inches below the fill line, over the weekend. Brevard Pools would perform another dye test. He suspected that there was a crack in the fiberglass shell of the reservoir and asked A1 Quality Fiberglass to provide a proposal to resurface the inside of the shell, versus replacing the entire unit, which was costly. The pool resurfacing would be placed on the Capital Projects List for January or early February when the weather was cooler.

Mr. Henson asked if the black algae was getting worse. Mr. McGrath stated that it dissipated with the cooler weather. Mr. Henson wanted to get one more swim season and then

handle all issues, prior to the resurfacing. If they get through this pool season, he felt that they would be in good shape.

Mr. McGrath reported that the fence company requested a deposit of \$1,320 for the Pump Station #1 fence. Mr. Showe suggested having a check cut for the entire amount, which would be sent once Mr. McGrath confirmed that the project was completed. Mr. McGrath would speak to the fence company. Mr. McGrath was thankful that GMS assigned Mr. Scheerer and his team to this District, as projects were getting completed.

Mr. Showe asked for an update on the street lights. Mr. McGrath stated that lights were staying on continuously in Pump Station #3, and suspected a wiring issue, as the lighting circuit should only be operating the lights, but when the breaker was shut off, it shut down the entire pump station. Mr. Bradshaw stated that it was the developer's responsibility to repair it. Mr. Showe clarified that the pump and street lights were owned by the CDD. Ms. LeCesne believed that the developer was paying the electric bill for the lights in Parcel 2C. Mr. McGrath stated he was unaware of that until now. Mr. Showe confirmed that it was turned over to the District. Mr. Henson stated that there were LEDs, which provided a savings. Ms. Glynn noted that the cost was under \$40 per month. McGrath reported lights out at the Shearwater Parkway entrance and on Clemente Drive. The electrician cannot come out until late next week.

Mr. Henson asked about the inspection process when there was turnover to the District before final acceptance. Mr. Showe explained that once the developer was completed with the project, the District Engineer inspected the facilities. It was the District's responsibility to take over that facility, per the agreement with the SPE. Mr. Henson asked about cracked sidewalks. Mr. Malave stated that there was a contingency, but when there was a payout request, a percentage was taken out on the contract. Mr. Henson noted that the sidewalk where the far mailboxes were on Redondo Drive, was disintegrating. Mr. Malave would see what the concrete looked like when the sidewalks were installed. Mr. Bradshaw noted that the County was jackhammering the Redondo sidewalks. Ms. LeCesne requested emails regarding the sidewalks so there was documentation. Mr. Malave stated that there were mechanisms in place for approving sidewalks, such as the City not issuing the Certificate of Occupancy until all work was completed. Discussion ensued.

Mr. Henson asked Mr. McGrath to put a warning letter on a vehicle parked in Phase 2C that has been there for months. It was noted that the owner of the home was renting out rooms.

Mr. Bradshaw suggested either deactivating their access cards or contacting the City of Satellite Beach, as there was an ordinance not allowing for weekly rentals. Mr. Bradshaw reminded residents to utilize the ticket system for reporting issues. As of today, the Fitness Center and Clubhouse had new Wifi. Signage would be posted with the password. There was Wifi for the CDD public and Wifi for the CDD office. Mr. McGrath was installing shelves for the modems. Once the Wifi was working well, the \$90 per month cost to Spectrum for rental of the equipment, would be removed.

E. Field Manager

Mr. Scheerer indicated that the Board approved the installation of three new fountains. The over basin pump went down and was replaced; however, they were losing water from the basins, so the company that installed the pumps, coated the bottoms of the basins. There was a direct water source at the Shearwater Parkway entrance. There were some issues at the S. Patrick Drive entrance, because the equipment was in homeowners' backyards and notice must be provided to residents 24 hours in advance. BrightView was providing a cost to tap into the main line, which he estimated not exceed \$500.

Mr. Scheerer continued to meet with BrightView. At the last meeting, 30 tasks were noted for remediation. The next site visit was on Monday. He asked BrightView to focus on trimming branches from the walls and they provided a proposal, which he approved, along with Mr. Showe and Mr. Bradshaw, which would be completed, prior to the pressure washing and paving. The work is supposed to be performed on August 8th and 9th. Mr. Scheerer approved the proposal for the sidewalk remediation for sunken, chipped or cracked sidewalks, within the next 30 days. The roundabout sign was installed by Mr. McGrath, as well as the pool deck pavers. The new bench was installed outside of the entrance.

Mr. Bradshaw asked about the pool landscaping. Mr. Scheerer was obtaining quotes. Mr. Henson received complaints from residents about the landscaping and asked if BrightView had a major change in personnel. Mr. McGrath stated that an entire crew was fired and a new crew was onsite. Mr. Henson asked if he could meet with BrightView when Mr. Scheerer met with them. At Ms. LeCesne's request, Mr. Scheerer would email the remediation list to the Board.

Mr. McGrath obtained a quote from Tree Tech Pros, to trim 73 Oak trees for \$4,300 and forwarded it to Mr. Showe. BrightView quoted \$5,000. Mr. Showe stated he was contacting

Tree Tech Pros to confirm that it was for a Class 2 pruning. Ms. Glynn asked if the wall tree trimming was part of BrightView's contract. Mr. Scheerer stated that it was not included, but would be included going forward. Mr. Henson asked if the leak on the pump was repaired. Mr. Scheerer stated that there was an issue with the filter, which was repaired.

Mr. Scheerer introduced Mr. William Viasalyers, of GMS, who would be working at Montecito on a regular basis, effective on Monday, in place of Mr. Scheerer, who would be working on other accounts in the Central Florida area, due to the unexpected death of a Field Manager. Mr. Showe noted that Mr. Viasalyers has been in the community for three weeks, to get up to speed.

SIXTH ORDER OF BUSINESS

Supervisor's Requests


There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Adjournment

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


Secretary/Assistant Secretary


Chairman/Vice Chairman