

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**MONTECITO
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Montecito Community Development District was held on **Monday, February 27, 2017** beginning at **10:31 a.m.** at the Montecito Beach Club, located at 208 Montecito Drive, Satellite Beach, Florida 32937.

Present and constituting a quorum:

Richard Wellman
Ed Henson
Luis Ramirez
James E. Bourdeau
Cathi Baglin

Board Supervisor, Chairman
Board Supervisor, Vice Chairman
Board Supervisor, Assistant Secretary
Board Supervisor, Assistant Secretary
Board Supervisor, Assistant Secretary

Also present were:

Anthony Jeancola
Melissa Dobbins
Ginger Wald
Randy McGrath
Rey Malave
Vivian Carvalho
Jeff Luckey
Paul Norse
Audience

District Manager, Rizzetta & Company, Inc.
Regional District Manager, Rizzetta & Company, Inc.
District Counsel, Billing Cochran Lyles et. al
Facility Coordinator
District Engineer, Dewberry
Leland Management
Security Center USA
Security Center USA
Present

FIRST ORDER OF BUSINESS

Call to Order

Mr. Wellman called the meeting to order and Mr. Jeancola read the roll call confirming a quorum for the meeting.

SECOND ORDER OF BUSINESS

Audience Comments on the Agenda

There were no audience comments put forward at this time.

THIRD ORDER OF BUSINESS

**Guest Speaker – Security Center USA
(Norwill Inc.)**

Mr. Norse and Mr. Luckey introduced themselves and reviewed the services offered by Security Center USA. They were founded in Jacksonville, Florida and have been in business since 1999. They are the largest commercial video surveillance company in the Southeast.

The District was quoted to finance at about \$420.00 per month for 36 months at about a 3% interest rate. There is a 36 month warranty and they also offer a “no money down” option. The life expectancy is 5-10 years as the equipment is dust proof and waterproof. Discussion ensued.

After the 36 month term, a service contract can be executed for a 24 month term with a parts and labor warranty extension. A typical service contract will be ½ of the original monthly charge (ranging between \$50.00-\$95.00 a month).

Mr. Bourdeau inquired if current coverage was adequate or deficient. Mr. Norse indicated that the coverage appears to be adequate, but system as it stands could benefit from an upgrade in materials and resolution.

Mr. Henson asked if the proposed cameras could capture license plates. Proposed cameras would capture at 20% as tags are reflective. If the goal is to capture tags, a LPR camera would need to be installed and the proposal would be revised. The LPR camera could capture 80-90% of tags and would increase the proposal by about \$47.00 per month. The cameras are vandal resistant and can withstand some damage. The weather should not impact them.

Mr. Malave indicated that his firm has a division that can review the security camera proposal layout and materials and can advise the Board if it's adequate enough for the District.

The proposal will be revised to reflect changes.

FOURTH ORDER OF BUSINESS

**Consideration of Minutes of the Board of
Supervisors Regular Meeting held on
December 7, 2016**

The Board reviewed the minutes. Ms. Baglin requested a minor change on page 3, line 106.

On Motion by Mr. Wellman, seconded by Ms. Baglin, with all in favor, the Board of Supervisors approved the Minutes of the Board of Supervisors Regular Meeting held on December 7, 2016, as amended, for Montecito Community Development District.

FIFTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures for November
2016 through January 2017**

Mr. Jeancola presented the Operation & Maintenance expenditures for November 2016 through January 2017 to the Board for ratification. It was noted that the higher expenditures for December 2016 are attributed to the close of the irrigation and landscape split expenses.

On Motion by Mr. Ramirez, seconded by Ms. Baglin, with all in favor, the Board of Supervisors ratified the operations and maintenance expenditures for November 2016 in the amount of \$43,036.76, December 2016 in the amount of \$89,138.57 and January 2017 in the amount of \$38,901.51, for Montecito Community Development District.

SIXTH ORDER OF BUSINESS

**Ratification of Special Assessment
Bonds, Series 2006AB, Requisition #842-
#862**

The Board reviewed the requisitions paid. Mr. Ramirez questioned the District's relationship with UNB Bank and Mr. Jeancola stated that they were the trustee. Mr. Ramirez inquired if construction is within budget. Mr. Malave indicated that it was and that the District is where they need to be. General discussion ensued.

On Motion by Ms. Baglin, seconded by Mr. Bourdeau, with all in favor, the Board of Supervisors ratified the special assessment bonds requisition #842 - #862 for Montecito Community Development District.

SEVENTH ORDER OF BUSINESS

Staff Reports

- A. District Counsel
No report.

Ms. Baglin asked Ms. Wald if the irrigation and landscape agreements were finalized. Mr. Jeancola responded that the final form of agreement is awaiting signature(s). Brief discussion ensued.

- B. District Engineer

Mr. Malave updated the Board regarding the consumptive use permit and that it is in compliance with the January report.

Mr. Malave explained that the consumptive use permit allows the CDD to draw water from three wells (there are only two built) to fill the lakes and then irrigate landscaping. There are limitations to how much water can be consumed from each well.

Mr. Henson asked how often the meters need to be calibrated. Mr. Malave stated that it should be done on an annual basis to ensure compliance. Mr. McGrath indicated it can cost anywhere from \$650.00-\$700.00 to calibrate each meter. There are four meters need to be calibrated. There are meters on the artesian wells and irrigation pumps. The master facilities report is due every ten years and the next one is due in May.

Mr. Malave updated the Board on the Phase 2C and 2D construction and that work should be completed before the end of the summer after final testing. Ms. Wald indicated that the hurricane delayed the process by about a month.

Discussion was raised regarding the pond equalizer tubes.

Agenda item 6I - Discussion Regarding Pond Equalizer Tube(s) was taken out of order

Mr. Malave indicated that it may be beneficial to inspect 5-6 manhole areas for the storm water system. It is the least expensive effort and can be done in a day. Mr. Wellman indicated that the Director of the Department of Public Works came out and opened up one manhole and said that it looked perfect. He also stated that the City may be able to assist and do more if Mr. Malave defined the manholes. Mr. Malave agreed and will come up with a diagram to send to Mr. Wellman. Mr. Wellman suggested that this be an agenda item in the next meeting.

Mr. McGrath asked if anything was put into place to monitor the salt water intrusion issue discussed in the last meeting. Mr. Malave stated that if the District is in compliance with pumping that there shouldn't be an issue. Water sampling is done to know if saline quantity is too high. Discussion ensued.

Mr. Malave discussed the issue regarding the area near the curb and street where the soil is undermining the road. Mr. Malave wants to confirm if a meter is leaking and if this is the City's responsibility.

Agenda item 6A - Consideration of Dewberry Work Authorization Number 2017- 1, Engineering Services was taken out of order

Mr. Malave indicated that the work authorization is updated and that hourly fees are lower. The prior agreement was an old form with Bowyer-Singleton. Discussion ensued.

<p>On Motion by Mr. Ramirez, seconded by Ms. Baglin, with all in favor, the Board of Supervisors approved the Dewberry Work Authorization Number 2017-1, Engineering Services for Montecito Community Development District.</p>

C. District Manager

Mr. Jeancola gave a brief financial overview to the Board. There is \$547,440.00 in between cash and investments. There is about \$97,000.00 in assessments to be collected. The year to date budget has the District at \$125,873.00 in expenses however \$151,352.00 has been used so far. The District is about \$25,479.00 over budget. Discussion ensued.

The Board proposed to hold a budget workshop on March 17, 2017.

D. Facility Attendant

Mr. McGrath reported that the pergola had fallen near the entry way at Shearwater. Ms. Wald stated that work was previously authorized and that items may still be covered under warranty. Construction Soldiers will be assessing the pergola mid-week.

Mr. McGrath expressed concern regarding some concrete hazards such as broken curbing. Ms. Wald noted that this issue was going to be discussed in one of the upcoming agenda items.

Agenda item 6A - Consideration of Dewberry Work Authorization Number 2017- 1, Engineering Services was taken out of order and discussed under Agenda item 5B – District Engineer Staff Report

EIGHTH ORDER OF BUSINESS

Consideration of Security Camera Proposal – Security Center USA

The Board would like to receive a revised proposal with LPR and overhead cameras included. General discussion ensued. This agenda item was tabled until further notice.

NINTH ORDER OF BUSINESS

Consideration of Gate Timer Proposal - FDC

The Board of Supervisors reviewed the proposal received from FDC in the amount of \$1,198.75 for the gate timers.

A motion was made by Mr. Bourdeau, seconded by Ms. Baglin, to approve the installation of programmable gate timers by FDC in a not to exceed amount of \$1200.00, Engineering Services for Montecito Community Development District. Motion passed 5-1 with Mr. Ramirez opposing.

General discussion ensued.

Mr. McGrath indicated that the proposed timing schedule is from 6:00 am until 6:00 pm. However, the timers can be programmed to another timing schedule. Discussion ensued.

TENTH ORDER OF BUSINESS

Consideration of Walkway Repairs – Construction Soldiers

The Board of Supervisors reviewed the proposal received from Construction Soldiers in the amount of \$4,400.00 for the walkway repairs. Ms. Baglin suggested that this agenda item be tabled until after the budget workshop. An issue was raised regarding the property at 449 Montecito where the pavers have settled causing a gap and a possible hazard.

ELEVENTH ORDER OF BUSINESS

Consideration of Termination of Wall Agreement

Mr. Wellman briefly discussed the wall agreement that the District had with the Master HOA in 2011. Mr. Wellman does not believe that it is worth leaving the agreement with the Association. There was a five year agreement with the option to terminate in the fifth year. If not, it would automatically be renewed for another five years. The District missed the termination date in 2016. A ninety day notice of termination would have to be given in order to terminate the agreement. He recommends taking back the responsibility of the wall to ensure that the property owners are in compliance of the wall agreement and to ensure that maintenance is being done properly. Mr. Wellman commented that some owners were not in compliance. Discussion ensued.

Ms. Wald doesn't recommend terminating the agreement. She suggested that a letter be sent to the Association requesting information regarding what has been done to enforce the agreement. Mr. Wellman directed Ms. Wald to draft a letter to be sent by District Management.

TWELFTH ORDER OF BUSINESS

Consideration of Setting Public Hearing Amending District Policies

The Board discussed holding a public hearing to amend district policies. Mr. Wellman proposed setting the meeting for May 3, 2017 at 5:00 pm. Mr. Ramirez will be out of the country that day. An alternative may be to change the June 26, 2017 scheduled for 10:30 am to 4:00 pm.

THIRTEENTH ORDER OF BUSINESS

Discussion Regarding Purchase of Golf Carts for On-Site Staff

General discussion was held for the need to purchase a golf cart. Ms. Baglin would like to research leasing options. Purchasing can cost about \$2,700.00. Ms. Wald will send the Board information on golf cart leases.

A motion was made by Ms. Baglin, seconded by Mr. Bourdeau, to approve a not to exceed amount of \$3,000.00 for the purchase and /or a two year lease of a golf cart for on-site staff for Montecito Community Development District. Motion passed 5-1 with Mr. Ramirez opposing.

FOURTEENTH ORDER OF BUSINESS

Review of January Aquatics Report

The Board of Supervisors reviewed the Aquatic Report for January 2017.

Agenda item 6I - Discussion Regarding Pond Equalizer Tube(s) was taken out of order and discussed under Agenda item 5B – District Engineer Staff Report

Mr. Wellman stated that the roof repair needed to be approved.

Mr. McGrath stated that he had received two quotes in the amounts of \$9,800.00 and \$8,900.00. Discussion ensued.

Mr. Henson suggested that Mr. McGrath obtain additional proposals.

On Motion by Mr. Wellman, seconded by Ms. Baglin, with all in favor, the Board approved a not to exceed amount of \$10,000.00 to retain the services of a roofer and to authorize the Chair to execute an agreement for Montecito Community Development District.

FIFTEENTH ORDER OF BUSINESS

Discussion Regarding District Management Services

The Board expressed concern regarding the cost of District Management services and issues with answering requests. They would like to reduce their cost by about \$15,000.00. Government Management Services (GMS) is offering the same services at \$15,000.00 less. Ms. Dobbins stated that she would appreciate a chance to speak with the Chair.

Ms. Baglin inquired about what other district management companies Ms. Dobbins worked with.

Ms. Wald can assist in reviewing scopes and ensure that the services are the same.

Mr. Wellman indicated that he began attending GMS meetings two years ago.

It was noted that Mr. Wellman and Mr. Henson stated that it may be a good idea to change district management companies after ten years.

On Motion by Mr. Wellman, seconded by Mr. Bourdeau, with all in favor, the Board agreed to terminate the District Management Services contract with a 60 day notice for Montecito Community Development District.

Ms. Wald sent agreement.

On Motion by Mr. Wellman, seconded by Mr. Bourdeau, with all in favor, the Board accepted GMS proposal and authorized the Chair to execute with a 30 day termination effective as of May 1st for Montecito Community Development District.

On Motion by Mr. Wellman, seconded by Mr. Bourdeau, with all in favor, the Board agreed to terminate Rizzetta Technology Services LLC for Montecito Community Development District.

SIXTEENTH ORDER OF BUSINESS

Audience Comments and Supervisor Requests

An audience member named Tonya thanked the Board for holding a budget workshop. She also had a question regarding townhome owners and whether they paid towards assessments. Mr. Jeancola elaborated and stated that they do.

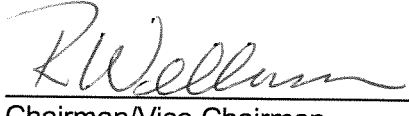
There were no supervisor requests presented at this time.

SEVENTEENTH ORDER OF BUSINESS

Adjournment

On Motion by Mr. Wellman, seconded by Mr. Henson, with all in favor, the Board adjourned the meeting at 1:57 p.m. for Montecito Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman