

MINUTES OF MEETING  
MONTECITO  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Montecito Community Development District was held Wednesday, August 2, 2017 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 (by phone)
Ed Henson	Vice Chairman
James E. Bourdeau	Assistant Secretary
Cathi Baglin	Assistant Secretary (by phone)
Luis Ramirez	Assistant Secretary

Also present were:

Jason Showe	District Manager
Michael Pawelczyk	District Counsel
Ray Malave	District Engineer
Randy McGrath	Amenities Manager
Katie Costa	GMS
Chip Jones	Lennar
Larry Bradshaw	Resident
Tanja Glynn	Supervisor Appointed
Several Residents	

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Showe called the meeting to order at 5:00 p.m.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. Douglas Glass, of 17 Montecito Drive, asked about the on-street parking. Mr. Ramirez stated that a draft of the new policies was provided to District Counsel for review and would be placed on a future agenda for consideration. Dr. Bourdeau stated that a resident police officer posted a poll on Nextdoor about ticketing parked cars.

Mr. Patrick Buckley, of 723 Ventura Drive, posted a letter to the Board on Nextdoor about the on-street parking, and felt that it was a waste of the Board’s time to consider a policy, as Ventura Drive had no more than three parked cars.

Mr. Ramirez clarified that the draft policy included on-street parking, but was for multiple policies. Mr. Showe stated that the Board must have a rulemaking process, including a Public Hearing. The rules would be considered after the budget was adopted.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the June 26, 2017 Meeting**

The Board reviewed the minutes. Ms. Baglin provided a minor change.

Dr. Bourdeau suggested that each Board Member provide comments to the District Manager prior to the meeting. Mr. Showe would try to provide minutes one week in advance of the meeting. Ms. Baglin requested tabling the minutes until the next meeting, so District Counsel could review comments regarding the Settlement Agreement. She preferred summary minutes.

Dr. Bourdeau requested that the audio recording be retained and that the minutes be transmitted to the Board in sufficient time for review.

On MOTION by Ms. Baglin seconded by Mr. Wellman with all in favor changing the format of the minutes to summarized, was approved.

The June 26, 2017 minutes were tabled to the next meeting.

**FOURTH ORDER OF BUSINESS**

**Board of Supervisor Updates**

Dr. Bourdeau stated that information about the ponds would be posted on the CDD website, Nextdoor and in the Montecito Report. The ponds were being supplemented with water from artesian wells, following the limits of the St. Johns River Water Management District Consumptive Use Permit. The salt content of the water was being monitored. Dr. Bourdeau was concerned about erosion on the slopes of the ponds and Hydrilla. He was working with the District Manager on a Hydrilla remediation process.

Ms. Baglin asked about the salinity affecting the irrigation for the new townhomes. Dr. Bourdeau stated that the quality of water was good with the precipitation, solute monitoring and chloride measuring. Ms. Baglin suggested including in the rules that all homeowners can water, if notice was provided. Mr. Ramirez told Ms. Baglin to email rule changes to the District Manager. At Mr. Wellman's suggestion, Dr. Bourdeau will research the cost for a blue dye to prevent evaporation on the ponds. Mr. Ramirez pointed out that funds must be reserved for any capital projects.

Dr. Bourdeau voiced concern about the lack of supervision by BrightView, due to the condition of the irrigation and landscaping, especially the entranceways. He suggested beautifying the entranceways and reviewing BrightView's invoices, to ensure no overcharging and comparison with other companies. Dr. Bourdeau was meeting with Mr. Pilon to define the scope of maintenance.

Ms. Baglin suggested discussing projects for sidewalks and speedways, once the budget was approved, in terms of when and what line items the projects would be paid out of. Mr. Ramirez stated the Montecito Community Advisory Group (MCAG) had recommendations.

Dr. Bourdeau stated that the fountains at the entranceways and wall maintenance were under consideration. Ms. Baglin suggested that the contractor performing the concrete sidewalk repairs, complete the wall repair work. Mr. Malave's inspection did not indicate any structural problems with the wall and that the repairs were cosmetic. Cracks could be filled with caulking.

## **FIFTH ORDER OF BUSINESS**

### **New Business Items**

#### **A. Ratification of the Acceptance and Execution of Plat – Phase 2C**

Mr. Malave reviewed the draft plat, which was submitted 45 days ago. The plat was ready to be recorded, as comments that were provided by him and District Counsel were incorporated and concerns by the City were addressed. Mr. Jones stated that tonight, the City was considering the plat for final adoption. Mr. Pawelczyk indicated that the District was signing the plat because the District was responsible for lands within the platted area.

Mr. Henson asked when the wall would be completed. Mr. Jones stated that there was still ongoing development. Instead of the wall, there would be a construction entrance off of Shearwater Parkway and he was working with the homebuilder on a new one year construction

agreement, with two one year options, for a total of three years, which was the anticipated buildout. If there was a wall, there would be a gap for construction traffic.

Mr. Wellman requested that Mr. McGrath retain a copy of the plat. Mr. Jones would electronically send the draft plans to the District Manager and the final plans by next week.

On MOTION by Mr. Bourdeau seconded by Mr. Henson with all in favor, the acceptance and execution of the Phase 2C Plat, was ratified.

**B. Presentation from Montecito Community Advisory Group - Added**

Larry Bradshaw presented the following:

- A database utilizing all irrigation receipts from 2015 through 2017 was shared with the Tampa Bay area irrigation and lawn company.
  - Over \$100,000 was spent over the last two fiscal years for irrigation and, \$48,000 from January through May 2017.
  - For Fiscal Year 2018, \$25,000 was budgeted for irrigation repairs.
  - According to the Tampa Bay area irrigation and lawn company, the current irrigation system is not sustainable, with a high probability of overpaying for irrigation repairs.
  - The 2016 Reserve Study estimated \$151,000 to replace the entire irrigation system in 2018, including \$100,000 for electrical components.
- Overall recommendations:
  - More realistic budget for irrigation repairs.
  - More oversight and expertise for irrigation repairs.
  - Following the best practices of other communities, i.e. Baytree CDD.
  - Having an experienced Field Manager inspect issues, review current and future vendor contracts, oversee and assess vendor performance. Alan Shearer of GMS was recommended for \$15,000 a year.

Mr. Ramirez recommended asking Mr. Sheerer to appear before the Board and obtain a detailed scope of the Phase 2 irrigation system. Mr. Jones stated that the CDD operation and maintenance was not paying for the installation of the Phase 2C landscaping and irrigation. It was covered by construction funds. Mr. Showe requested a cost estimate from BrightView for a

phased approach to replace the two-wire system. Mr. Wellman suggested using existing working components, versus purchasing new components and felt that Mr. Sheerer was a good investment.

Mr. Robert Mendoza of MCAG, stated that the group interviewed Mr. Sheerer and were impressed with his knowledge and disposition. Mr. Sheerer suggested an independent assessment at a cost of \$1,500, which MCAG supported. Mr. Showe recommended a Landscape Consultant to assess the entire property and provide a scope for \$1,500.

Discussion ensued by the Board and there were audience comments.

There was Board consensus for Mr. Showe to invite Mr. Sheerer and provide Field Manager proposals at the next meeting. Mr. Pawelczyk stated that the GMS contract could be amended to include Field Management series, if the Board so chooses.

### **C. Public Hearing**

On MOTION by Mr. Bourdeau, seconded by Mr. Ramirez, with all in favor, the public hearing was opened.

#### **i. Consideration of Resolution 2017-05 Adopting the Fiscal Year 2018 Budget and Relating to the Annual Appropriations**

Mr. Showe presented and reviewed Resolution 2017-05, approving the proposed budget. It was noted that based on historicals, "District Engineer" increased from \$15,000 to \$25,000 and "Salaries" for the amenities increased from "\$34,000 to \$37,000. The proposed assessment increase for the townhomes was \$800 and \$1,067 for the single-family homes per unit, based on the proposed budget approved at the last meeting. Debt service remains level. Discussion ensued.

Mr. Henson asked why no funds were budgeted for landscape enhancements. Mr. Showe stated that landscape enhancements would be budgeted out of the Capital Projects Fund. Mr. Ramirez wanted to have specific processes on how to spend the money.

There were Audience comments on the budget regarding cost overruns, the assessment increase, amount budgeted for irrigation repairs and deteriorating mailboxes.

Mr. Wellman asked Mr. Showe to speak with the HOA about the mailboxes, since the HOA claims that the mailboxes were never transferred to homeowners and was the CDD's responsibility.

Discussion ensued regarding the assessment increase. A stacked or prorated increase was recommended. Mr. Ramirez explained that the assessment was increased to increase reserves. Mr. Jones asked Mr. Showe to coordinate a presentation about CDDs in October or November.

On MOTION by Mr. Ramirez, seconded by Mr. Wellman, with Ms. Baglin, Dr. Bourdeau, Mr. Wellman and Mr. Ramirez in favor, and Mr. Henson dissenting, Resolution 2017-05 Adopting the Fiscal Year 2018 Budget and Relating to the Annual Appropriations, was adopted. (Motion Passed 4-1)

**ii. Consideration of Resolution 2017-06 Imposing Special Assessments and Certifying an Assessment Roll**

Mr. Showe presented Resolution 2017-06, 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 to the resolution. Mr. Pawelczyk clarified that the resolution, budget and Assessment Roll would be provided to the Property Appraiser and Tax Collector.

There were no audience comments.

On MOTION by Dr. Bourdeau, seconded by Mr. Henson, with all in favor, Resolution 2017-06 Imposing Special Assessments and Certifying an Assessment Roll, was adopted.

On MOTION by Mr. Ramirez, seconded by Mr. Henson, with all in favor, the public hearing was closed.

**D. Consideration of Requisitions #884 - #902**

The Board reviewed the requisitions. Mr. Showe indicated the expenditures related to the construction of Phase 2C. Mr. Malave stated that he reviewed each invoice to verify that the work was complete. Mr. Pawelczyk stated that the District Engineer was required to review the document pursuant to the bond documents.

On MOTION by Dr. Bourdeau, seconded by Mr. Ramirez, with all in favor, Requisitions #884 through #902 were ratified.

**E. Consideration of Small Project Agreement with Brevard Lawns Related to Landscape Installation at Phase 2C**

**F. Consideration of Small Project Agreement with BlueH2O Irrigation & Landscaping, LLC Related to Irrigation Installation at Phase 2C**

Mr. Stowe presented the Small Project Agreements, which were drafted by the Attorney. Mr. Jones would obtain unit prices on the BlueH2O quote for comparison purposes.

Mr. Ramirez stated that BlueH2O quoted \$125,000 for the Phase 2C irrigation installation, and voiced concern about Brevard Lawns planting material that would die without water and paying for replacement material. Mr. Henson asked Mr. Jones for a viable option, such as Zoysia. Mr. Jones stated that the landscape plan was consistent with existing Montecito landscaping. Mr. Showe stated that the agreements included warranties; one year for landscaping and three years for irrigation.

Mr. Henson asked if the irrigation quote was for jacketed two-wire water lines. Mr. Showe understood that it was not jacketed, unless the water line was going over the road. Mr. Henson explained that the jacket was a protective coating that prevented corrosion. Ms. Baglin recalled that Phase 2C would have a newer version of a two-wire system with a coating and sensor. Discussion ensued.

Mr. Malave would have their Landscape Architect review the landscape plans to confirm what was specified. Mr. Wellman stated that no as-builts were submitted, and voiced concern about locating lines. Mr. Malave stated that the proposal did not include a price to provide final as-builts of the irrigation system and would provide a cost. Mr. Pawelczyk suggested that Mr. Malave’s Landscape Architect review the signed and sealed the construction plans, which were more accurate than as-builts.

On MOTION by Dr. Bourdeau, seconded by Ms. Baglin, with Mr. Wellman, Mr. Henson, Ms. Baglin and Dr. Bourdeau in favor, and Mr. Ramirez dissenting, the Small Project Agreements with Brevard Lawns and BlueH2O Irrigation & Landscaping, LLC related to the Phase 2C landscape and irrigation installations, authorizing the Chair/Vice Chair the authority to execute upon receiving unit costs and review by the District Engineer, were approved. (Motion Passed 4-1)

**G. Discussion of Gym Hours**

Mr. Showe stated that according to the District rules, the Board must set the gym hours.

Mr. McGrath stated that there were ongoing issues with residents accessing the Clubhouse through the gym and staying in the game/billiards room until 12:30 a.m., drinking and causing damage. He recommended changing the gym hours to 5:00 a.m. to 12:00 a.m. and installing a lock between the game and fitness rooms. Mr. Showe suggested that Mr. McGrath obtain bids for a deadbolt lock to restrict access. Discussion ensued.

Dr. Bourdeau MOVED to changing the Amenity Center hours to 8:00 a.m. to 10:00 p.m. and the gym hours to 5:00 a.m. to 12:00 a.m., and Mr. Henson seconded the motion.

Mr. Wellman noted that the prior motion did not authorize Mr. McGrath to secure the door. Mr. Showe stated that Mr. McGrath would retain the key and open and lock the door when he was on and off duty. A suggestion was made to place a closed sign on the door.

On VOICE VOTE with all in favor, changing the Amenity Center hours to 8:00 a.m. to 10:00 p.m. and the gym hours to 5:00 a.m. to 12:00 a.m., and authorizing Mr. McGrath to secure the door between the gym and the Amenity Center, was approved.

Mr. Wellman stated that lights were being left on in the Clubhouse at night and suggested installing a motion sensor. Mr. McGrath provided proposals from Executive Electric to install motion sensor lights throughout the Clubhouse.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Mr. Pawelczyk confirmed that, according to the Supervisor of Elections, all Supervisors filed the Form 1: Statement of Financial Interests.

**B. District Engineer**

There being nothing additional, the next item followed.

**C. District Manager**

**1. Consideration of Check Register**

Mr. Showe reviewed the checks from June 1, 2017 to June 30, 2017 totaling \$37,340.56.



Mr. Wellman asked why there was a late payment for IPFS Corporation. Mr. Showe verified that there was no late payment. Dr. Bourdeau wanted to review the American Ecosystems contract to confirm if the regular treatment of Hydrilla was part of their current aquatic management services. Mr. Showe would provide a copy of the contract to Dr. Bourdeau.

On MOTION by Dr. Bourdeau, seconded by Mr. Henson, with all in favor, the Check Register was approved.

## **2. Balance Sheet and Income Statement**

Mr. Showe presented the Balance Sheet and Income Statement, which did not require any action from the Board. All assessments were 100% collected.

Dr. Bourdeau questioned the difference between the on-roll and off-roll assessments. Mr. Showe explained that the off-roll assessments were directly billed to SPE, per their agreement and on-roll assessments were on the tax bill.

Mr. Ramirez proposed expending no discretionary funds for the next three months, unless there was an emergency. Mr. Wellman stated that Mr. Showe should have the authority to spend funds. There was Board consensus.

### **D. Facility Manager**

Mr. McGrath reported that the gutter system was installed; however, water flowed out of the tiles, in a downpour. The cost to remediate was \$650 for a splash shield to divert the water into the gutter.

Mr. Ramirez questioned the legalities of not paying Gutter King. Mr. Showe indicated that if there was a scope of service and they performed the scope, Gutter King should be paid. According to the contract, the splash shield was not in the scope. Discussion ensued. Dr. Bourdeau asked Mr. McGrath to request that Gutter King split the cost with the District, because the Board was dissatisfied. There was Board consensus.

Dr. Bourdeau asked about the damage caused by the downpours. Mr. McGrath stated that there were cracks in the pool deck.

Discussion ensued regarding the motion sensors.

## **SEVENTH ORDER OF BUSINESS**

### **Supervisor's Requests**

Mr. Ramirez resigned, due to job offer in New Jersey, and recommended appointing Ms. Tanja Glynn to his unexpired term. Mr. Ramirez intended to remain a resident of Montecito. Ms. Glynn introduced herself. Mr. Ramirez was appreciated for his contributions to the District.

Mr. Pawelczyk explained the resignation process and the appointment of the unexpired term.

Mr. Ramirez submitted his resignation, effective August 2, 2017 at 7:55 p.m.

On MOTION by Dr. Bourdeau seconded by Mr. Henson with all in favor, accepting Mr. Ramirez' resignation, effective immediately, was approved.

On MOTION by Mr. Wellman seconded by Dr. Bourdeau with all in favor, appointing Ms. Tanja Glynn to fill the unexpired term of Seat 4, expiring November 2018, was approved.

Mr. Showe, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Ms. Tanja Glynn.

Mr. Ramirez was impressed with the interest from residents to serve on the Board. Ms. Baglin thanked MCAg for their participation.

Mr. Showe suggested that the Board appoint Ms. Glynn as an Assistant Secretary, as effectuated by Resolution 2017-07.

On MOTION by Dr. Bourdeau, seconded by Mr. Henson, with all in favor, appointing Ms. Tanja Glynn as Assistant Secretary, through Resolution 2017-07, was adopted.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

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



Secretary/Assistant Secretary



Chairman/Vice Chairman