

**MONTECITO COMMUNITY DEVELOPMENT DISTRICT
BOARD OF SUPERVISORS' MEETING
Wednesday, November 13, 2024
208 Montecito Drive, Satellite Beach, Florida 32937
9:30 a.m.**

Board Members present at roll call:

Catherine LeCesne	Chairperson (joined the meeting in progress at 9:54 am)
Ed Henson	Vice Chairperson
Tanja Glynn	Assistant Secretary
Rich Wellman	Assistant Secretary

Also present were:

Venessa Ripoll	District Manager- PFM Group Consulting LLC	
Vivian Carvalho phone)	District Manager - PFM Group Consulting LLC	(via
Rick Montejano phone)	District Accountant - PFM Group Consulting LLC	(via
Gazmin Kerr phone)	Admin – PFM Group Consulting LLC	(via
Michael Pawelczyk	District Counsel – Billing, Cochran, Lyles, Mauro & Ramsey,P.A. (via phone)	
Kisha Wagner	General Manager – Vesta Properties	
Lea Stokes	Vesta Properties	
Rusty Kahoe	ProGreen Services LLC	
Various Residents		

FIRST ORDER OF BUSINESS

Organizational Matters

Call to Order and Roll Call

Ms. Ripoll called the meeting to order at 9:32 a.m. and quorum was established.

Public Comment Period

James Bourdeau stated that in previous meetings, the Montecito HOA stated it was prepared to sign the Clubhouse Facility Use Agreement barring the property damage insurance language was changed. None of the HOA's have funds budgeted for the

property damage insurance. Once this is resolved, the HOA's will be prepared to sign the amended agreement.

Mark Nehiba agreed with Mr. Bourdeau and stated that Single Family Homeowners' Association is also prepared to sign the agreement once it has been amended.

SECOND ORDER OF BUSINESS

Administrative Matters

Review and Consideration of the Minutes of the October 28, 2024, Board of Supervisors' Meeting

The Board reviewed the minutes.

On MOTION by Mr. Wellman, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors approved the Minutes of the October 28, 2024, Board of Supervisors' Meeting.

Vendor Report

- **Review of ProGreen Services LLC Proposals**

Mr. Kahoe gave the report. He reviewed staffing changes within ProGreen. He introduced Zac Carr, currently the Montecito Irrigation Tech. He has been selected as the new Operations Manager. Mr. Kahoe will be moving to the position of Director of Sales. Mr. Kahoe will be available through the transition, which will take a couple of months. Jose has been promoted to the Montecito Irrigation Tech and will be working with Mr. Carr.

Mr. Kahoe reviewed the quote received regarding several of the properties that are on the single-family homes side. It has been discovered that there are issues with the irrigation. This could have been from previous pools being installed in homes in this area several years ago. From research done, there is no irrigation equipment in those areas, or it has been removed. New equipment needs to be installed. This would include valve boxes, rotors, new pipe, and wire.

There was a brief discussion regarding the ARB requests. It was noted there were no ARB requests, but there were work orders. Through the research done, there is no history of repair or install. It seems this issue is dating back to 2021-2022.

Ms. Wagner stated she could verify if there was an Easement Agreement in place for those homes.

There was another brief discussion regarding investigating who's responsible for the issue and if the CDD is the one who should be covering the bill. Mr. Kahoe noted that Ms. Wagner could investigate further, if possible, but much of this is prior to the current company.

Mr. Kahoe stated he and Ms. Wagner will follow up with Beth Morris, representative from Leland Management, Inc. to see if there was any other information pertaining to this matter.

The Board agreed to table this proposal until further investigation has been done and to bring it back to the December's Board Meeting.

There was a brief discussion regarding the exact location of the issue and the status of the pool installation when the homes were purchased.

On MOTION by Mr. Wellman, seconded by Mr. Henson with all in favor, the Montecito CDD Board of Supervisors tabled the ProGreen Services LLC Proposal until the December meeting, pending further investigation.

Mr. Henson noted there was an increase of ProGreen's service from a 3-day service to a 5-day service and he asked for clarification on who negotiated those terms.

Mr. Kahoe stated the service contract does not define the number of days present within the community. Based on feedback from various parties, it was determined that having a core group of employees that are devoted to the Montecito 5 days a week would deliver the services needed and provide a quality product. There is a bi-weekly schedule for mowing. The off week is inclusive of trimming, spraying, and any of the detailed work needed. There are 4 full-time crew members on property in order to provide consistency. During summer, there may be a supplemental mow crew as it is mowed every week during that season. This does not incur any additional cost.

Mr. Kahoe gave an update on landscape maintenance areas. He noted that two homes in the single-family areas have been completed and three other areas have been sprayed out. The goal is to have this complete by the end of the year. This is completed by the same crew.

General Business Matters

Old Business Matters

Status of Consumptive Use Permit (CUP) Compliance

Ms. Ripoll stated that PFM has contacted St. John in order to be on the email list to receive information. Ms. Wagner is also on this list. Ms. Wagner has reached out to the vendor in order to continue the CUP process. This will continue to be on the agenda.

Status of Parcel Conveyance – Final 11 Parcels from Montecito CDD Holdings

District Counsel gave an update. Mr. Pawelczyk stated the documents are expected to be recorded by the end of the week or early next week in order to complete the conveyances. It was discovered that the water permit had not been transferred to the CDD for Phase 2C, an application has been submitted, and this is awaiting a response. He gave an update on this process. He also noted that the SPD will be dissolving by the end of the year.

Ms. Ripoll recommended having District Counsel formulate this into a report and email it to her to distribute to the Supervisors, due to technical difficulties. Any questions can be addressed through Ms. Ripoll at that time.

Status of Montecito Clubhouse Facility Use Agreement by HOAs' Executed

Ms. Ripoll stated the HOA's would like to remove section 4.4 from the agreement to move forward with execution.

Mr. Pawelczyk confirmed he would make the change and send to Ms. Ripoll.

Ms. Ripoll stated she would obtain all signatures required, bring it before the Board for review, and then distribute the executed agreement to all parties for their records.

Mr. Boudreau asked for clarification on how removal of Section 4.4 affects the CDD.

Mr. Pawelczyk stated this property damage insurance provision is not new and without it, it is a possible liability to the CDD.

Ms. Deems, from the HOA, stated that it has been impossible to get property damage insurance, because the HOA does not own any property. This is an agreement to use the clubhouse for regular community meetings and should not be so difficult to complete.

There was a discussion regarding the provision and the reasonings it was in the agreement initially and how it affects the CDD, should it be removed. District Counsel stated there is no issue with removal. It was noted that the liability insurance is sufficient from the HOA.

On MOTION by Mr. Wellman, seconded by Mr. Henson, with all in favor, the Montecito CDD Board of Supervisors approved removal of Section 4.4 of the Montecito Clubhouse Facility Use Agreement.

**Insurance Update from Egis
Insurance & Risk Management
pertaining to request from Brevard
County Natural Resources
Management Pilot Program**

Ms. Ripoll noted this was a request at the last Board Meeting. She provided the Board with the volunteer insurance information. This would allow up to 5 volunteers to help with the program. The cost is \$745.00 for one year.

There was a brief discussion on workmen's compensation p and how it works within the District. Ms. Ripoll noted any questions can be directed to her to ask the insurance agent. She can then return with those answers at the next Board Meeting.

Ms. LeCesne asked to submit a question to the insurance agent of explanation of workmen's compensation within the CDD and what those protections are.

Mr. Henson questioned who determines the number of volunteers, who determines what their responsibilities are, and who do those volunteers report to.

Ms. Ripoll noted this can be kept on the agenda for the next Board Meeting and she can bring in the Brevard County Natural Resources Program representative in order to ask additional questions.

Mr. Wellman asked for clarification on who would be creating the report and submitting it. He also asked who would be responsible for signing. This can be asked of the insurance agent.

Ms. Ripoll stated she would bring all questions to the insurance agent and bring answers

back to the next Board Meeting.

**Ratification of Don Bo, Inc.
Proposal – Sidewalk Repair**

Ms. Ripoll stated this proposal has been received for the repair brought to the Board's attention by Ms. Wagner.

On MOTION by Ms. LeCesne, seconded by Mr. Henson, with all in favor, the Montecito CDD Board of Supervisors ratified the Don Bo, Inc. Proposal – Sidewalk Repair.

Mr. Henson had concerns with possible future issues should the roots of the trees affect the sidewalk areas again. He would like clarification on if this will be a continuous problem. If the trees are removed, some other shade trees, that are easier to maintain, should be put in its' place.

Ms. Wagner noted that ProGreen did submit a quote as well. However, this is the proposal that was approved. They have suggested to install a root blocker. She will meet with them to see what they suggest for the future and ask them to submit a proposal for that. This will then be presented to the Board.

Ms. Ripoll stated this will be kept on the agenda for the next Board Meeting once that information is acquired.

Ms. Glynn mentioned that there should be a yearly walkthrough done of the entire community to repair all sidewalk issues and address all of it at the same time.

Ms. Wagner confirmed that she would be working on that full assessment report with the vendor.

There was a brief discussion regarding the tree issues and that it is happening in multiple locations throughout the community.

**Update of Transfer of Financials
and Bank Accounts**

Ms. Ripoll stated that the financial summary has been provided to the Board. Mr. Montejano gave an overview. He included information on the General Fund that was transferred from Truist to Valley National Bank. These will now earn interest at a money market rate. He reviewed all the accounts and noted the only checking account being used for Operations and Maintenance is the \$180,000 account. \$5,000 has been left in the Truist bank account for any autopay incurrences that are still pending. Once all autopay

charges have been verified, the remaining amount will also be transferred to Valley National Bank. His overview included all review of all checking accounts, debit/credit cards, accounts payable, capital reserve, revenue, expenses, debt service and the O&M Trust account. He stated on roll assessments should start coming in within the next two weeks. There will also be an additional revenue line for the interest received from Valley National Bank. He noted the debt service payment was made on November 1st with the principal due May 1st. He also noted that a lien book has been created.

Ms. LeCesne clarified and confirmed the information presented. She noted that Darren Mossing with GMS may be the signer that Mr. Montejano needs to contact for information on checking account in question. She requested that outstanding invoices that are to be paid be included in future Board Meeting agendas to keep the Supervisors apprised of the completion.

Mr. Montejano confirmed that everything is good to go. If a resident would like to make payment, in regard to a payoff for the debt service, they can contact PFM to process such payoff request on their lot.

Ms. LeCesne thanked Mr. Montejano and his team for all their hard work in getting everything organized and completed. It was an issue in the past with the previous management company and one of the reasons there needed to be a change.

Mr. Montejano noted that this type of financial report will be updated and available every month. He stated all expenses in the General Fund, at this time, total around \$90,000 with \$180,000 still in the checking account.

Ms. Carvalho stated if there are any issues in identifying the remaining two checking accounts, the Board will be notified. She also noted that when a resident calls in for payoff request, it is provided with the amount for that point in time.

Ms. Ripoll stated she would email Ms. Glynn an updated financial summary, as she did not have the most updated copy.

Discussion Pertaining to Provisions to Vesta Existing Contract

Ms. Ripoll stated there have been exhibits provided.

Ms. LeCesne stated contracts should be reviewed annually in order to maintain the services that are needed and wanted based on the provisions in the contract. She drafted this due to the wording in the original contract not being very clear. The original contract was never reviewed by the Board due to signature time constraints. If items within the contracts are not being done, they should be removed or modified. She provided the

example of uniforms. Staff does not wear uniforms, although they dress accordingly. This is an item that should be removed. She noted several items that do not make sense or apply. By removing these items, the roles and responsibilities become clear.

The Board agreed that they would like more time to review.

There was a lengthy discussion of all the items within the contract that could be removed based on the fact they do not apply or are not being done. This included uniforms, special events, janitorial responsibilities, special qualifications, certifications, licensing and insurance requirements, and the autonomy on hiring vendors.

Ms. Stokes noted there is not a budget for special events. She also noted that with Vesta's proposal did not come the title of Lifestyle Director. It was a job of oversight and maintenance, which has been done. The contract has been amended three times since its' origination. She reviewed the reasons behind those amendments. She noted she would like to meet with one Supervisor on the Board to go over all the questions regarding the contract.

It was noted that the new Board would be coming on December 4th.

Ms. LeCesne stated that reviewing the contract will benefit the new Board. If there are any specific issues, they should be noted within the contract. She noted there needs to be congruency in what is in the contract and what is needed, vs. items that are not needed, but are still paid for.

There was a discussion regarding the contract and why it was not correct from the beginning, but it was noted that all parties reviewed it and signed it. It is possible that this language was originally from an amenities contract with GMS. This was originally brought up by Ms. LeCesne at the PFM introduction meeting about one week ago.

There was a discussion regarding having the new Board commit to reviewing all contracts annually. However, it was decided that there shouldn't be tasks put on the new Board without their input.

Ms. Ripoll stated this would be kept on the agenda for the next meeting and all documentation will be provided to the new Supervisors coming onto the Board.

Ms. LeCesne gave a summary of why she brought this to the attention to the Board and her main reasons were liability, safety and security.

Ms. LeCesne noted that when GMS left and SDS came on board, there was discussion regarding

the General Manager's role vs. the District Manager's role. The contract included a legal description of what Vesta's role was. This was given to the CDD at that time. This can be provided to the current Board to have on file as well.

There was a brief discussion regarding the new Board members. It was noted that there will be 4 Board members to include: Ms. Tanja Glynn, Mr. Richard Wellman, Mr. Mark Nehiba, and Ms. Debbie Reitz. There will be one position open.

Ms. Ripoll reconfirmed this will be kept on the agenda to discuss with the new Supervisors.

THIRD ORDER OF BUSINESS

Other Business

Staff Reports

District Counsel – No report.

District Engineer – No report.

District Manager – Ms. Ripoll noted that the next Board meeting will be December 4, 2024, at 9:30am.

General Manager –

- **General Manager's Report**
- **Review and Consideration of Creative Recreation Products Proposal**

Ms. Wagner provided the GM's report. It included various updates. Two quotes have been received for the playground replacement and one has been received for the repairs. She recommends bringing in an inspector to inspect the playground park area prior to proceeding with the repair proposal, if that is the route chosen. The repair proposal is \$3,500.00. The difference between the two replacement proposals is the size of the equipment. The smaller quote is for about \$90,000 and the larger is over \$100,000.

There was a discussion regarding the cost to open the playground as it is closed right now. This also included determining who would be the one to inspect the playground area.

Ms. Wagner stated she would research to find someone certified to do the inspection. She would start by calling the city and the local schools to see if they have anyone. She noted that the repairs would probably keep the playground running for approximately 5 years, as it would be a long-term repair. Her suggestion is to have the inspection done first prior to repairing or replacing.

There was a discussion regarding the vendor that would be completing the repair proposal. He has done previous work within the playground and those repairs have held.

These repairs would allow the playground to safely open. The other option is to bring newer equipment or replace items that are missing, which would be additional money.

It was agreed to table this until the next meeting and get an inspector in prior to the next meeting to create a report and verify there are no additional items needed to open the playground safely.

There was a discussion regarding the repair vendor as he has done previous work for the community. Ms. Wagner stated no vendor would be onsite or touching the equipment unless they are licensed/certified and bonded. It was noted that the city does have certified people who work on their playground and Ms. Wagner will try to reach out to them.

Ms. Glynn noted there was about \$107,000 budgeted for the playground equipment, but this needs to line up with the capital budget within the 5-year plan. She requested another proposal from another vendor if possible.

Ms. Wagner stated she is working to get another vendor but has not been able to get a quote from a third vendor. There are not a lot of playground equipment vendors in the area. Those that are don't include removal of the old equipment.

Ms. Wagner brought up the issue with the pedestrian gate at Shearwater. She stated that this gate has been fixed almost every single weekend in some way by Victor. However, people are consistently destroying this gate. She has received a quote for a little over \$6,000.00 to install a new gate, replace handles, and do additional repairs. However, if the destruction keeps happening, she is not sure how to proceed.

Ms. LeCesne recommended having the Redondo gate part removed as it would most likely lower the cost. She noted there should always be 3 proposals if possible.

Ms. Wagner stated this would still require a new pedestrian gate installed and have the old one removed. Victor could then replace the knobs with handles to accommodate those with arthritis. She has requested a broken-down proposal in order to see what each part costs and see what can be removed.

There was a discussion regarding the location of the pedestrian gates and what the proposal specifically includes.

A resident living on Redondo noted there is a lot of students coming through that area and flying through on their motor bikes for 10 months out of the year.

There was a discussion regarding the costs associated with the pedestrian gates all over the community. This continued into a discussion on gate ideas for that location or the option to remove the gate completely. It was noted that students have to have that area open to gain passage to school. It can not be closed off at this time.

Ms. LeCesne noted this is an enforcement issue. Things can be put into place, but there is the potential for additional maintenance. Another option is to have the District Engineer look at those areas to see what may be possible.

It was noted this will be brought back to the next meeting for discussion.

A resident asked for an update on the Fountain. Ms. Wagner stated she was waiting to see if the deposit had been made. It was confirmed that it was paid.

Ms. Wagner will contact the vendor to see when it will be installed. She controls the fountain times. It is set for 7-11pm as of now.

Supervisors Requests & Audience Comments

Ms. LeCesne recommended the new Board to bring proposals for the pedestrian gate with just replacing handles and to have the District Engineer come out and evaluate how best to slow traffic in those school areas.

A resident recommended having a no motor bike rule within the community. Ms. LeCesne gave an overview of what that process would be and what the enforcement of that rule would look like.


Ms. LeCesne stated she would submit several issues to Ms. Ripoll for the new Board to review and discuss.

Adjournment

There was no further business to come before the Board.

Ms. Ripoll called for a motion.

On MOTION by Mr. Wellman, seconded by Ms. LeCesne, with all in favor, the Montecito CDD Board of Supervisors adjourned the November 13, 2024, Board of Supervisors' meeting at 11:34 a.m.


Secretary/Assistant Secretary


Chairperson/Vice Chairperson