

**MINUTES OF THE JOINT MEETING  
OF THE POINCIANA & POINCIANA WEST  
COMMUNITY DEVELOPMENT DISTRICTS**

The joint meeting of the Board of Supervisors of the Poinciana and Poinciana West Community Development Districts was held on Wednesday, April 20, 2016 at 1:00 P.M. at Freedom Park Veterans Memorial, 354 Village Drive, Poinciana, Florida.

Present and constituting a quorum of the Poinciana CDD Board were:

Robert Zimbardi	Chairman
David Lane	Vice Chairman
LeRue "Skip" Stellfox	Assistant Secretary
Richard W. Kellogg	Assistant Secretary

Present and constituting a quorum of the Poinciana West CDD Board were:

Charles W. Case III	Vice Chairman
Bill T. Brown	Assistant Secretary
Leonard Vento	Assistant Secretary
Sidney Rosenberg	Assistant Secretary

Also present were:

Gary Moyer	District Manager
Michael Eckert	District Counsel
Kathy Leo	District Engineer
Brian Smith	Severn Trent Services

*The following is a summary of the discussions and actions taken at the April 20, 2016 joint meeting of the Poinciana CDD and the Poinciana West CDD Board of Supervisors.*

Mr. Moyer called the joint meeting of the Poinciana and Poinciana West Community Development Districts to order.

**FIRST ORDER OF BUSINESS**

**Call to Order and Roll Call**

Mr. Zimbardi called the Poinciana CDD roll call.

Mr. Case called the Poinciana West CDD roll call.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There not being any, the next item followed.

**THIRD ORDER OF BUSINESS****Consideration of Revised Funding Agreement with Avatar Properties**

Mr. Eckert stated the revised funding agreement is between Poinciana CDD and Avatar Properties related to the funding of the expenses necessary for the District to conduct the due diligence on the proposed acquisition of the Recreation Facilities. This Board approved a version of the agreement at its last Board meeting. Some changes were requested by Avatar; specifically three areas that we were working through. The District is currently protected in this agreement and to the extent the Board wants to move forward on adopting it, this is in a form Avatar is agreeable with, but still protects the District. He recommended if the Board wishes to proceed, to approve this Funding Agreement.

Mr. Case noted this version of the agreement is different from the red-lined copy.

Mr. Eckert noted he had a much older red-lined copy. Item 1C provides the District gets to retain the consultants of its own choosing and incur the costs it feels are in its own best interests. If we exceed the amounts in the exhibit, we have to obtain the Developer's consent to pay those additional amounts. AV was concerned the District may incur expenses that were unnecessary and did not want to advance fund those expenses. We can still do that, but we would have to do that on our own dime. They would have the opportunity to come and object at a Board meeting. If they did object, they would have the opportunity to terminate the agreement. This is not budgeted funds we have right now. The Inspection amount in the agreement of \$35,000 is based on preliminary discussions Ms. Leo had with some inspection firms, which may or may not be adequate. We bring proposals to the Board at the next meeting.

Mr. Case had a question on Item 1B, Provision of Funds where it states the "Developer and the District agree that all fees, costs or other expenses incurred by the District for the services of the District Engineer, District Counsel (excluding Bond Counsel), Financial Consultant (excluding the Underwriter), Valuation Consultant or other professionals for the work contemplated by this Agreement shall be paid solely from the funds provided by Developer pursuant to this Agreement". Mr. Eckert addressed this provision of the Revised Funding Agreement.

Discussion ensued regarding the mark-up of calculation of the expenses listed in the exhibit to the agreement.

On MOTION by Mr. Kellogg seconded by Mr. Stellfox with all in favor the Revised Funding Agreement with Avatar Properties was approved by Poinciana CDD subject to changing from a line item by a line item maximum to a total maximum of \$593,000 relative to anticipated District expenses set forth in the exhibit.

*Due to the tape being cut off in mid-sentence, items missing and muffled voices, some parts of the recording may not be included in this summary of the April 20, 2016 joint meeting.*

**FOURTH ORDER OF BUSINESS**

**Consideration of Contract with Environmental Financial Group**

Mr. Zimbardi asked if AV Homes had Atkins Engineering, done work prior to this?

Mr. Iorio responded no, not for us. It was done independently.

Mr. Zimbardi asked so this is the only time this company has done work for AV Homes?

Mr. Iorio responded correct.

Ms. Leo noted also asked them the same question.

Mr. Iorio noted it was to be an independent appraisal.

On MOTION by Mr. Kellogg seconded by Mr. Stellfox with all in favor the agreement for amenity valuation consulting services with Environmental Financial Group, subject to changes in the dates in Section 4 and also clarifying the charge for travel time to and from Solivita was approved by the Poinciana CDD Board subject to the District obtaining a Funding Agreement executed with AV Homes.

**FIFTH ORDER OF BUSINESS**

**Consideration of Proposals for Commercial Property Inspection**

Mr. Eckert stated if you are approving something today, you may not be approving the whole scope of what they are going to have the inspector do, which is why he has concerns that getting everything done at the Board's May meeting when you have a scope and before bidding apples to apples and to make sure that is exactly what the evaluation expert needs is better than just choosing one today and then being hit with another \$20,000 to \$30,000 of inspection fees. His recommendation is not to proceed on this today.

**SIXTH ORDER OF BUSINESS**

**Discussion of Need and Timing for Additional Inspections (Pool and Pool Equipment, Restaurant Equipment, Fitness Equipment)**

Ms. Leo noted the feedback she received from all these inspectors is the pool, restaurant and exercise equipment is a specialty area. We will need to bring a contractor in to inspect those facilities, but they should be able to identify major deficiencies.

Mr. Iorio noted the exercise equipment is all leased. They are repaired as part of the lease.

Mr. Kellogg noted we will need some scope of reference from Evergreen because they do all the club work, as to what type of service contracts they have. Some of the items may be covered under different types of agreements. Do you intend to go building by building so we have a total understanding of what is in every building?

Ms. Leo noted we need an asset table that is broken down by each facility and property, what is there and what we are acquiring. That has not been developed yet. She definitely needs to work with AV to put together. We are asking inspectors at this point to go to the website and figure it out.

Ms. Sheri Wollschlager noted Evergreen is in the process of doing inventory of all facilities and all equipment at this time. They will try to get the information within one month when it is completed. The contract should be on the website for the equipment.

**SEVENTH ORDER OF BUSINESS**

**Discussion of Personal Property Inventory Process**

Mr. Zimbardi noted we heard from Ms. Wollschlager that it is in the works.

**EIGHTH ORDER OF BUSINESS**

**Discussion Regarding Retaining a Consultant for Active Adult Amenities and Activities to Conduct a Survey**

Mr. Stellfox noted he requested this item be placed on the agenda. He noted residents should have input as to what kind of facilities the District should have. He recommended getting a consultant.

Mr. Moyer noted we do routine surveys in the Villages, but it is a consulting company. He can ask people there if they have any suggestions.

Mr. Iorio stated we listen to focus groups and the residents.

Mr. Stellfox stated I want to address the fact this is an active adult community and many residents are getting older. What is sorely needed and should be considered and has been addressed to Avatar in many different ways, is additional parking for handicapped people, access to buildings and so on.

Mr. Iorio noted several requests have been made, for example, additional meeting rooms, a dedicated spinning room, tiki bar and others.

A long discussion ensued on amenities for the facilities.

Ms. Leo noted when we get major infrastructure projects that involve the developed communities, we'll often have several public meetings with the Boards listening to input that way they can have an exchange back and forth, with a series of several meetings, so that there are not too many people in the room. That can get the same feedback at very little cost.

Mr. Rosenberg felt that was a great idea, but was concerned about timing. If we spend any money doing that, then the decision has already been made. I would rather wait until we have made our decision on whether we are going forward with this.

Mr. Eckert noted the District would be issuing bonds to purchase and renovate the amenities and would be creating a construction account of about \$11,200,000. My understanding of whatever re-construction that would occur, restaurants or new facilities, would come in under that \$11,200,000. That would be part of the District's bond issuance. I want to make sure we are on the same page.

Mr. Kellogg stated except for the Grill because we will not own that.

Mr. Eckert stated except for the golf course, the pro shop; that is not part of this acquisition at this point.

Mr. Case stated we talked about the Sales Center also being transferred over when AV Homes leaves the community. Is that something we should be looking at now because it is outside the bond issue?

Mr. Eckert responded this will be addressed when we have an agreement for an acquisition. Whether we are having an inspection now, I am not sure that we get much bang for our buck for that. It will be several years before that is deeded over to us.

Mr. Moyer requested Mr. Eckert repeat the motion regarding the Funding Agreement.

**NINTH ORDER OF BUSINESS**

**Consideration of Rule Making Proceedings for Tunnel Traffic**

**A. Rule regarding Use of Tunnels**

**B. Rule regarding Use of Tunnels – Redlined Version Showing Changes since March 2016 Meeting**

Mr. Eckert noted in the agenda package was the proposal regarding the use of vehicles in the District's tunnels. In the agenda package was also a redlined version based on changes that

were made between the last meeting and today. One change was imposing a speed limit of 10 miles per hour in the tunnels. The rules should be consistent with the rules the HOA has adopted and according to State law. You are not adopting these rules today; all you are doing is starting the process so we can notice a public hearing 30 days out from today. You can make changes to the rules between now and when we have the hearing.

The Board of Supervisors had questions and comments on rules regarding use of tunnels.

It was noted as far as registration of golf carts as of March 1<sup>st</sup>, any resident who has not registered their golf cart, is being fined by the HOA \$15 per day. If they are not being fined now and an issue comes up with that resident, they will have to pay those fees retroactively.

On MOTION by Mr. Kellogg seconded by Mr. Stellfox with all in favor Poinciana CDD authorized a rulemaking hearing on the adoption of the proposed tunnel rules.

**C. Notice of Rule Development**

**D. Notice of Rulemaking**

Mr. Eckert noted by approving this rule, I took the motion means you are authorizing staff to publish the notice of rule development and rulemaking.

**TENTH ORDER OF BUSINESS**

**District Manager’s Report**

Mr. Moyer noted at the May 18<sup>th</sup> meeting, he will present the proposed fiscal year 2017 budget for both Boards, which starts the budget process. The budget public hearing will be in July. He asked both Boards how they want to proceed with their joint meetings in May.

It was suggested Poinciana West CDD meet at 12:00 p.m., then a joint meeting at 1:00 p.m. followed immediately after by the Poinciana CDD meeting.

**ELEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There not being any, the next item followed.

**B. Engineer**

There not being any, the next item followed.

**C. Field Manager**

Mr. Smith noted for this meeting, there is no Field Management Report, however, he would answer any questions.

Mr. Case pointed out there is a midge problem around the lakes. He noted after observing a treatment, he did not see any improvement.

Mr. Smith noted Clarke was invited to come visit tomorrow. Looking at the Scope of Services for midges, maybe increased preventative measures can be added, for example, adding fish and aeration systems.

Mr. Case will meet tomorrow with Mr. Smith and the Clarke representative.

Mr. Smith noted he had someone come out this week to look at all the storm structures.

**TWELFTH ORDER OF BUSINESS**

**Supervisor Comments**

Mr. Case asked Mr. Eckert for the status of the Storm Water Management Agreement.

Mr. Eckert noted he received a response from Mr. Kraig Carmichael and this will be followed up at the next Board meetings.

**THIRTEENTH ORDER OF BUSINESS**

**Audience Comments**

An audience member commented on input from residents.

Mr. Ed Gross spoke about the pickle ball courts and safety issues associated with them.

An audience member had a question about mulch.

**FOURTEENTH ORDER OF BUSINESS**

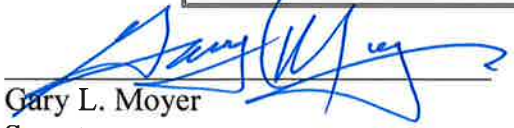
**Adjournment**

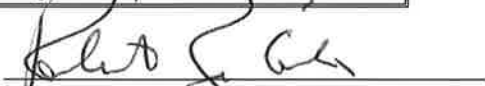
**Adjournment (Poinciana CDD)**

On MOTION by Mr. Kellogg seconded by Mr. Stellfox with all in favor the joint meeting was adjourned by Poinciana CDD.

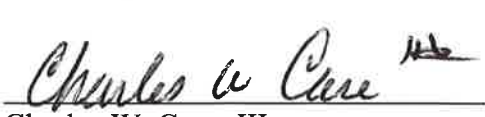
**Adjournment (Poinciana West CDD)**

On MOTION by Mr. Vento seconded by Mr. Rosenberg with all in favor the Joint meeting was adjourned by Poinciana West CDD.

  
Gary L. Moyer  
Secretary

  
Robert Zimbardi  
Chairman, Poinciana CDD

  
Gary L. Moyer  
Secretary

  
Charles W. Case, III  
Chairman, Poinciana West CDD