

MINUTES OF MEETING
POINCIANA WEST
COMMUNITY DEVELOPMENT DISTRICT

The Regular meeting of the Board of Supervisors of the Poinciana West Community Development District was held on Wednesday, July 17, 2019 at 9:30 a.m. in Mosaics, 388 Village Drive, Poinciana, Florida.

Present and constituting a quorum were:

Charles Case	Chairman
Shirley Bzdweka	Assistant Secretary
Peggy Gregory	Assistant Secretary
Roy LaRue	Assistant Secretary

Also present were:

George Flint	District Manager
Michael Eckert	District Counsel
Kathy Leo	District Engineer
Clayton Smith	Field Manager
Residents	

The following is a summary of the discussions and actions taken at the July 17, 2019 Poinciana West Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Case called the meeting to order, called roll, and a quorum was established.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period on Agenda Items

Before opening public comment period Mr. Case noted that Supervisor Lenny Vento, the Vice Chairman of the Board of Supervisors, passed away the week before. Mr. Case spoke about Mr. Vento for a time and expressed his condolences. Ms. Bzdweka spoke next about Mr. Vento and stated he will be very missed. Ms. Gregory expressed her condolences as well. Mr. LaRue

noted that he attended Mr. Vento's celebration of life and stated that it was a testament to Lenny's popularity within the community. Mr. Eckert spoke about the pleasure of working with Lenny since he joined the Board. Ms. Leo noted that she only knew Lenny in a professional capacity but he will be missed. Mr. Flint expressed his condolences. The Board members took a moment of silence in remembrance of Mr. Vento.

Mr. Case asked for any members of the public that would like to comment on agenda items to do so at this time. There were no comments, the next item followed.

FOURTH ORDER OF BUSINESS

Organizational Matters

A. Discussion of Process to Fill Seat #3 Board Vacancy

Mr. Case noted he was not prepared to discuss this item and suggested the item be tabled to the next meeting. The Board agreed the item should be tabled.

FIFTH ORDER OF BUSINESS

Approval of Minutes of the March 19, 2019 and May 7, 2019 Meetings

Mr. Case presented the minutes of the March 19, 2019 meeting and asked for comments, questions, or changes. Mr. LaRue stated his opinion that there should be a live recording, preferably a video recording, of the meetings so everyone can watch. Mr. LaRue noted he had no comments or changes to the March 19, 2019 minutes that were in the agenda.

On MOTION by Ms. Bzdweka, seconded by Mr. LaRue, with all in favor, the Minutes of the March 19, 2019 Meeting, were approved.

Mr. Case presented the minutes of the May 7, 2019 meeting and asked for comments or changes to the minutes. Mr. LaRue noted the second bullet point on page 5 needed clarification. Mr. Eckert suggested they might have meant down instead of done. Mr. LaRue asked for clarification on the third bullet point on page 6, regarding the comment from Mr. Case. Mr. Case noted he questioned the attorney about reviewing the Ethics Law to see if anyone on the Board was involved with any contributions or support of the firm representing Poinciana. Mr. Flint noted at this point in the meeting the issue at hand is if the minutes accurately reflect what was said, and he believed they did. If the Board needs to have a discussion about the content being

talked about and not the accuracy of the minutes, that can be brought up under the attorney section. Mr. Eckert noted he planned to bring it up.

Mr. LaRue noted on page 8 there was discussion on the revised Check Register from March 11th through April 30th. He noted there was a corrected check register that was presented at the meeting for the sum of \$69,727.83 and that should be corrected in the meeting minutes. Mr. Flint stated that was correct and they would get that changed. Mr. LaRue had no other changes. Ms. Gregory voiced her opinion that they should video record the meetings or live stream them. Mr. Flint noted he would discuss the topic of video recording later in the meeting.

On MOTION by Ms. Bzdweka, seconded by Mr. Case, with all in favor, the Minutes of the May 7, 2019 Meeting, as amended, were approved.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2019-06 Amending the Location of the Fiscal Year 2020 Budget Hearing

Mr. Flint presented Resolution 2019-06. He noted the original resolution set the public hearing as being in the ballroom. Because of the renovations that room is not available, and the new resolution is amending the location of the public hearing.

On MOTION by Mr. LaRue, seconded by Ms. Bzdweka, with all in favor, Resolution 2019-06 Amending the Location of the Fiscal Year 2020 Budget Hearing, was approved.

SEVENTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Resolution 2019-07 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations

Mr. Flint asked for a motion to open the public hearing.

On MOTION by Ms. Bzdweka, seconded by Ms. Gregory, with all in favor, the Public Hearing on Resolution 2019-07 and Resolution 2019-08 was opened.

Mr. Flint presented Resolution 2019-07. He noted at a prior meeting the Board had approved a proposed budget and set the date, place, and time of the public hearing for today for the final consideration. Mr. Flint reviewed the revised proposed budget, and noted it was different than what the Board had seen in May. He noted the main difference on the revenue side in the new version of the budget was that they were proposing a Capital Reserve Fund be

created. The assessment line item remains the same, there is no proposed increase in the per unit Operations & Maintenance assessment. The carryforward surplus increased to \$348,853. All but \$33,000 of that will get moved to a Capital Reserve Fund. Page 6 shows a transfer in of \$315,592. This segregates those funds from the General Reserve so they are set aside for any future projects like lake bank restoration, or storm water structure repair, failed pipes, etc. Those would be expensed out of your Capital Reserve Fund. It makes it easier to see what you have in Reserves.

Mr. Flint reviewed the operating expenses in the 2020 budget compared to 2019. The operating expenses are going down by \$46,000. The majority of that is engineering, attorney's fees, etc. As a result of meeting every other month, there's a \$6,000 savings.

Mr. Flint noted it is not a requirement to create the Capital Reserve Fund and the Board could choose to decide to leave it the way it was in the past. In that case, they would change the carry forward to \$33,261 and remove the transfer out to Capital Reserves. Mr. Case asked for any comments or changes.

Mr. Case asked for any comments from the public on the budget. A Resident asked if going forward will future budgets be based on the actual expenditure. Mr. Flint noted they trued up the line items based on what the current year projected actuals are.

Mr. Robert Santiago (1250 Cambria Bend) asked for clarification on Capital Expenditures. Mr. Flint clarified that if they put that number on the General Fund, it would be budgeted twice. The resident asked about attorney's fees, Mr. Eckert and Mr. Flint noted they were suggesting a \$20,000 reduction. Mr. Flint noted they suggested the attorney's fees go from \$50,000 to \$30,000. He also noted that Engineering went from \$20,000 to \$15,000 and Supervisor's fees from \$12,000 to \$6,000.

Mr. Flint stated if it was more confusing to create a new account, they could use the old system if the Board chose to. Mr. LaRue suggested continuing the old method. The Board agreed to Mr. LaRue's suggestion.

Resident (759 San Raphael Street) inquired about the balance sheet, he asked if the \$350,000 is required to be with SunTrust. He noted he receives 2.5%. Mr. Flint noted the types of investments are specifically stated in the Statutes, it includes local government investments pools which the SBA is the primary one. He stated the District is limited in what they can invest in because it needs to be stable. The Board briefly discussed the pros and cons of different

accounts and the risks. The Board noted they would research all their options and choose the option that is both safe and benefits Poinciana West.

Mr. Case asked for any further public comments regarding the budget or assessments. Hearing none, a motion to close the public hearing was requested.

On MOTION by Ms. Bzdweka, seconded by Ms. Gregory, with all in favor, the Public Hearing on Resolution 2019-07 and Resolution 2019-08 was closed.

Ms. Gregory brought up the \$23,000 being used to correct the water systems, and asked Ms. Leo if they are anticipating any other extraordinary expenses. Mr. Eckert stated they will be acquiring two more ponds at some point. Ms. Leo noted the budget estimate for Engineering was a fair estimate. Mr. LaRue questioned if a projection of \$15,000 was necessary if the closeout for 2019 was \$7,000. Ms. Leo noted they had not done an annual inspection this year, and that is an expense they will have next year.

Ms. Gregory pointed out the \$2,000 that Sarah, who attended the meeting in May, charged the Board for 7 hours. Ms. Gregory suggested video conferencing to cut down on travel expenses. Mr. Eckert pointed out that Sarah traveled to the meeting, attended the meeting, and prepared for the meeting and that was all included in the 7 hours. Mr. Eckert stated that travel time is split among other meetings they have in the area. Ms. Bzdweka stated that she was tired of addressing the same topics repeatedly at every meeting.

Mr. Flint noted that Mr. Eckert can participate at meetings via conference calls, if the Board wanted to take that route. Ms. Gregory asked Mr. Flint for clarification about the \$5,000 line item titled assessment administration. Mr. Flint stated they maintain the assessment roll for the District, and in the contract there is a \$5,000 fee to maintain the assessment roll. They maintain the lien book with parcel ID's, how much they pay in debt, how much they pay in O&M, if they have prepaid the debt. It must be certified to the County annually for it to be placed on the tax bill.

Mr. LaRue requested that the travel expenses be broken out separately because they are paying a rate of \$310 an hour for the attorney to travel to the meeting. He also requested to see the legal charges for the last year. Mr. Eckert stated he would provide the information requested and separate the line items moving forward.

Ms. Gregory asked about newspaper advertisement fees. Mr. Eckert noted they did not change the laws and it is still required to be printed and advertised in the newspaper. Mr. Flint stated they have very limited options when it comes to advertising in a newspaper of general circulation.

Mr. Flint continued explaining changes to the budget. He proposed increase the interest earnings up to \$4,500. They would reduce the carryforward to \$39,261 which totals \$335,055. Under expenses in Capital Outlay, they will change that from \$0 to \$10,000. Transfer out will change from \$315,592 to \$0. The Board agreed with Mr. Flint’s suggestions.

On MOTION by Mr. LaRue, seconded by Ms. Gregory, with all in favor, Resolution 2019-07 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations, was approved.

B. Consideration of Resolution 2019-08 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Flint explained this resolution imposes the annual Operations & Maintenance Assessment. He reviewed the attached exhibits, the budget and the assessment roll. The assessment roll lists every parcel ID and what the per unit assessment is. The O&M Assessment is not changing, it remains at \$186.57 per year.

On MOTION by Ms. Bzdweka, seconded by Ms. Gregory, with all in favor, Resolution 2019-08 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

EIGHTH ORDER OF BUSINESS

Ratification of Agreement with All Terrain Tractor Service, Inc. for Stormwater System Repair Services

Mr. Flint noted the Board had previously approved the stormwater repairs and delegated authority to the Chairman to make the final determination based on an NTE. The agreement with All Terrain Tractor Service was brought to the Board to be ratified. The All Terrain Agreement is for \$16,462.

On MOTION by Ms. Gregory, seconded by Ms. Bzdweka, with all in favor, the Agreement with All Terrain Tractor Service, Inc. for Stormwater System Repair Services, was ratified.

NINTH ORDER OF BUSINESS

Ratification of Agreement with Lake & Wetland Management Orlando, Inc. for Stormwater System Erosion Repair Services

Mr. Flint noted the agreement with Lake & Wetland Management is for \$5,000. Mr. LaRue questioned if work would be delayed, Mr. Smith stated work had already started by All Terrain. Ms. Gregory asked why there was no end date for either agreement. Mr. Smith stated there is no set time frame but he will supervise the work and make sure it is being completed in a timely manner. Mr. Flint noted this work is highly dependent on the weather, but they do have a 30-day written termination with no cause.

On MOTION by Ms. Gregory, seconded by Ms. Bzdweka, with all in favor, the Agreement with Lake & Wetland Management Orlando, Inc. for Stormwater System Erosion Repair Services, was approved.

TENTH ORDER OF BUSINESS

Discussion of Landscape Maintenance Agreement with Floralawn, Inc.

Mr. Flint noted this was placed on the agenda at the Board’s request because the agreement with Floralawn is coming up for renewal on October 31st. The Board discussed their options of renewing, extending, or doing otherwise. Mr. LaRue and Mr. Smith discussed the scope of work Floralawn does. Mr. LaRue requested that there be a written description of the scope of work. Mr. Flint stated they would update the map and scope of work and bring the item back for discussion at the September meeting.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Eckert spoke on the ongoing litigation. The next hearing is September 5th at 11:00 a.m. and that is on the people who contested the bond validation’s motion to extend time to respond to the District’s request for discovery to prove the cost they are seeking. It is not a hearing on the Motion to Tax Costs.

Mr. Eckert noted he represents the Board as an entity as a whole. He does not represent individual Board members nor does he give legal advice to individual Board members regarding their own conduct. He stated he has no knowledge that any member of the Board has committed any violation of the Code of Ethics. Mr. Eckert reviewed the Florida Statutes that cover voting conflicts and conflicts of interest.

B. Engineer

Ms. Leo noted that engineering has been quiet, and they are doing maintenance as needed. They are considered ways to decrease their costs as well, including attendance of meetings.

C. District Manager

i. Approval of Check Register

Mr. Flint presented the Check Register from May 1st through July 11th for the General Fund and payroll totaling \$46,739.96. Mr. Flint asked for any questions. The Board had no questions or comments. Ms. Gregory and Mr. LaRue opposed the vote and the motion failed.

On MOTION by Ms. Bzdweka, seconded by Mr. Case, with Ms. Gregory and Mr. LaRue opposed, the Check Register for May 1st through July 11th, Failed to Pass the Motion.

Mr. Eckert noted if they were not going to approve the check register, they would need to provide some direction to the Manager on what process he should have going forward. If check registers are not approved, audits might not be approved. Audits are based on the check registers, and those types of things could cause issues with bonds in the future.

Mr. Flint noted he had no questions regarding the check register prior to the meeting or at the meeting.

On MOTION by Ms. Bzdweka, seconded by Ms. Gregory, with all in favor, the Check Register for May 1st through July 11th, was approved.

i. Balance Sheet and Income Statement

Mr. Flint presented the Unaudited Financial Statements through June 30th, the General and Debt Service Funds. He noted in the General Fund, they are slightly over 100% collected on the O&M Assessments. On the expense side, they are \$75,000 under the prorated budget of \$280,000. The expenses are underbudget and revenue is slightly over. The Board had no questions on the balance sheet and income statements.

On MOTION by Mr. LaRue, seconded by Ms. Bzdweka, with all in favor, approval of the June Financial Statements, were approved.

ii. Approval of Fiscal Year 2020 Meeting Schedule

Mr. Flint asked if the intent of the Board was to meet every other month. The Board agreed. The Board chose to meet the third Wednesday of November, January, March, May, July 22nd, and September at 9:30 a.m. in the Starlite Ballroom.

On MOTION by Ms. Gregory, seconded by Ms. Bzdweka, with all in favor, the Fiscal Year 2020 Meeting Schedule, was approved.

iii. Presentation of Arbitrage Rebate Calculation Report

Mr. Flint noted District is required to have an Arbitrage Rebate Calculation Report done in order to ensure they are not earning more interest than they are paying. The IRS requires this be done. Amtec did the report, the report shows a negative rebateable arbitrage of \$239,832. He noted that a negative arbitrage is what you want to see.

Mr. Flint noted at the last meeting it was requested that he research information regarding having a court reporter attend, and what it would cost to video. He stated they contacted five companies and the hourly rate for the first hour ranges anywhere from \$75-\$100. Every hour after that is anywhere from \$55-\$80. To have the meeting transcribed, it's a per page charge of anywhere between \$4.25-\$6.50 per page. Mr. Flint noted they were easily looking at \$2,000 a year. If the Board wanted to live stream a video, they would have to have closed captions in order for it to be ADA compliant. Price ranges from \$1-\$3 per minute. Ms. Gregory suggested putting the meetings on Channel 732. Mr. Flint noted they would have to discuss that with whoever interfaces that channel. Ms. Gregory noted that she would research more and come up with additional options. Mr. LaRue stated they took videos of the meetings up until September of 2018, he asked who decided they weren't going to videotape anymore.

Mr. Eckert noted the CDD did not orchestrate the videotaping, that was done by someone who was not affiliated with the CDD. Mr. Case suggested putting this item on the next agenda to discuss further.

D. Field Manager

i. Field Manager's Report

Mr. Smith presented the Field Manager's report. Skimmers were repaired on ponds 2, 3, 13, and 20. In progress items are the bank restorations and wetlands. The dry ponds are not able to be mowed due to how wet they are, string trimming is scheduled for July. Spraying and management of aquatic weeds and algae is ongoing, and treatments appear to be working.

Mr. LaRue asked how far the pond bank could be restored? Mr. Smith stated they can go about 15 feet. He noted they recommended bringing in soil because the quality of the soil already there was so bad. Mr. Smith stated that Poinciana West has a hydrilla problem, and Clarke is dealing with the issue. Mr. LaRue stated he spoke with a resident and she said the midges are still an issue, but he did not see her call on the compliant log. Mr. Smith noted he would get with Lauren and see why it wasn't on the log. Mr. LaRue asked if there was a fish kill in pond 6, Mr. Smith stated that five or six fish died most likely from the hydrilla.

ii. Customer Complaint Log

Mr. Smith presented the customer complaint log and the Board discussed putting more fish in the ponds to try to help the midge problem. Mr. Smith noted he will solicit bids for fish in Pond 6.

TWELTH ORDER OF BUSINESS

Supervisor's Request

Mr. Case asked for any Supervisor's Requests. The Board had no requests.

THIRTEENTH ORDER OF BUSINESS

General Audience Comments

Resident (Unidentified) noted the Board should negotiate the attorney or law firms disbursements. The resident brought up the discovery that the Board discussed during the meeting, and stated it was odd that no one had come back with an actual amount of time they would like for discovery. The resident also noted that typically the Chairman requests a motion, that's given and seconded and then voted on. He questioned whether under Robert's Law the Chairman should actually vote on any resolution. The resident asked for clarification on the arbitrage rebate calculation as well.

Mr. Eckert noted that by law, the Board is not required to adopt Robert's Rules of Order. It is in the Board's adopted Rules of Procedure they specifically don't adopt them. He noted the Chairman is entitled to vote and make motions and second just like the other supervisors. He stated those are the Rules of Procedure for all 200+ districts his firm represents.

Mr. Flint stated the arbitrage report is in the agenda, which can be found online on the CDD's website. He noted the website explains why they do it, the requirement, and the detailed calculation. Mr. Flint noted if the resident had questions after reviewing the report on the CDD's website, he would gladly talk with him.

Ms. Trudy Robertson (306 Moorpark Way) asked if the process of electing or replacing a supervisor was stated in the bylaws. Mr. Flint noted anytime there is a vacancy during the term of office, the remaining Board members appoint the replacement through the end of that term. Mr. Case noted if there is a vacancy, they notify the community and request resumes. The Board evaluates the resumes and try to come to a conclusion. Mr. Flint noted that 5 Board members is the limit.

Ms. Sally May (518 San Joaquin Road) inquired about the preserves. She asked if they were walked or checked like the dry ponds. She noted that the preserve behind her house is building with water. She also asked Mr. Smith to check on the vines to see if they were invasive, as it could lead to them losing trees. Ms. Leo noted the wetlands Ms. May was referring to are under a Conservation Easement, and they are not supposed to do anything to them. Ms. Leo noted that Mr. Smith would take a look around the area. Ms. May stated she hoped the Board could learn to work together. Mr. Case thanked Ms. May.

FOURTEENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

FIFTEENTH ORDER OF BUSINESS

**Next Meeting Date – September 18, 2019
at 12:30 P.M.**

Mr. Case announced that the next meeting was on September 18, 2019 at 9:30 a.m.

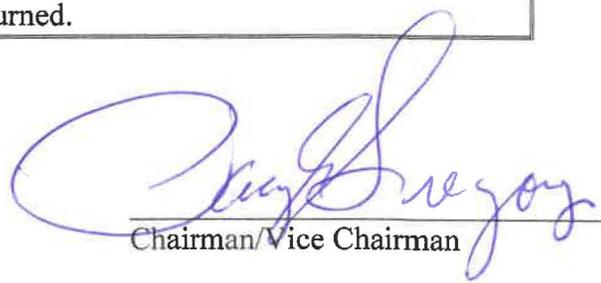
SIXTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Gregory, seconded by Mr. LaRue, with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman