



OLD PALM COMMUNITY DEVELOPMENT DISTRICT

Robert Pietrangelo – Chairman

Gary Walker – Vice Chairman

Jim Motta – Assistant Secretary

Daniel Robert – Assistant Secretary

Robert Lyons – Assistant Secretary

February 16, 2017



Old Palm

Community Development District

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February 9, 2017

**Board of Supervisors
Old Palm
Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of the **Old Palm Community Development District** will be held on **February 16, 2017 at 11:00 a.m. at the Old Palm Sales/Information Center at 11089 Old Palm Drive, Palm Beach Gardens, Florida.** Following is the advance agenda:

1. Roll Call
2. Approval of the Minutes of the January 25, 2017 Meeting
3. Presentation from the Foundation describing Maintenance Program as to what has been done in the Past, Schedule for the Future, and Frequency of the Services in the CDD Properties
4. Staff Reports
 - A. Attorney
 - B. Engineer
 - 1) Discussion of the Additional Site Visit by the Structural Engineer
 - 2) Update and Status of the Reclaimed Water Project
 - C. Manager
5. Financial Reports
 - A. Approval of Check Register
 - B. Balance Sheet and Income Statement
6. Supervisors Requests and Audience Comments
7. Adjournment

Enclosed for your review is a copy of the minutes from the January 25, 2017 meeting.

The financials are also enclosed for your review and approval. The balance of the agenda is routine in nature and staff will present their reports at the meeting. Any additional documentation we receive will be provided under separate cover as soon as it becomes available or presented at the meeting. If you have any questions, please contact me.

Sincerely,



Luis Hernandez
Manager

cc: William Capko

Oats Reis

Debbie Stocker

**MINUTES OF MEETING
OLD PALM
COMMUNITY DEVELOPMENT DISTRICT**

The special meeting of the Board of Supervisors of the Old Palm Community Development District was held on Thursday, January 25, 2017 at 11:00 a.m. at the Old Palm Sales/Information Center, 11089 Old Palm Drive, Palm Beach Gardens, Florida.

Present and constituting a quorum were:

Robert Pietrangelo	Chairperson
Gary Walker	Vice Chairperson
Jim Motta	Assistant Secretary
Daniel Robert	Assistant Secretary
Bob Lyons	Assistant Secretary

Also present were:

Bill Capko	District Counsel
Luis Hernandez	District Manager
Daniel Finz	Governmental Management Services
Thomas Carr	District Engineer
Lee Bladen	Old Palm Golf Club
Debbie St. Croix	United Community Management
Larry Brown	Resident

FIRST ORDER OF BUSINESS

Roll Call

Mr. Hernandez called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

**Approval of the Minutes of the
December 15, 2016 Meeting**

Mr. Hernandez: Moving on, the second item on the agenda is consideration of the minutes of the December 15, 2016 meeting. This would be the time to make any changes, corrections, additions or deletions. If there are none, a motion to approve would be in order. Not hearing any then a motion to approve would be in order.

On MOTION by Mr. Lyons seconded by Mr. Pietrangelo with all in favor, the Minutes of the December 15, 2016 Meeting were approved.

THIRD ORDER OF BUSINESS Staff Reports

Mr. Hernandez: Moving on, we have Staff Reports, Mr. Capko?

A. Attorney

Mr. Capko: The only item I have is to give you an update is we were able to enlist the aid of my real estate partner who is a title expert and he had been out of town but, right now he's conducting the title search on the perimeter wall so we expect to have his report very shortly.

Mr. Hernandez: Perfect. With that being said, unless anyone has any questions for Mr. Capko we can move to the next item.

Mr. Robert: I have a question.

Mr. Hernandez: Sure, certainly.

Mr. Robert: I was looking at the original engineering report which itemizes the estimated construction costs for all the assets of the CDD, so this was the original total of \$30 million dollars, was this originally the bond offering?

Mr. Hernandez: No, there are two separate items that are separate and distinguishable, one is the report that lists all the improvements that are required by the District. The second part is for the District to determine which of those costs are going to be absorbed by the bond issuance that the District has and whatever the difference is needs to be put up by the developer.

Mr. Robert: Right.

Mr. Hernandez: So the fact that this report shows you a total amount of \$30 plus million dollars does not correlate with the amount of bonds that the District issued.

Mr. Robert: So are some of these items then eliminated?

Mr. Hernandez: Not eliminated, being paid privately by the developer.

Mr. Robert: Ok. So do we have something that shows that?

Mr. Hernandez: What was being paid by the developer, yes.

Mr. Robert: Out of this \$30 million?

Mr. Hernandez: No, the total is going to come close to the \$30 million. The District issued, and I'm just going by memory, I believe it was \$18 million dollars for the A bonds that the District issued, and any difference was covered by the developer in its entirety. In order for us to be able to finalize and declare the project to be completed, this is the total work that needs to be done in this community.

Mr. Motta: Why don't you explain A and B Bonds so they understand.

Mr. Hernandez: Give me one second. There is a short term and there is a long term bond. The short term bonds typically are assigned and being paid by the developer. The long term is issued and assigned to the individual lots and units, and those are passed on to the final homeowners or property owners. The short term bonds, as the developer sells units they need to pay an amount back to the allocated debt that was put on those units.

Mr. Robert: Ok.

Mr. Lyons: At the last meeting I think it came up, I'm not sure if it was Gary who mentioned that some other assets outside the gates may be owned by the CDD, he was talking about pavers or as you arrive to the gates, did we verify that because I think Palm Beach Gardens is showing that it's owned by the developer.

Mr. Motta: I think he was talking about this, correct?

Mr. Hernandez: The entrance.

Mr. Motta: Right the entrance to the gate.

Mr. Lyons: Yes, but that I think Palm Beach Gardens is showing it's owned by the developer.

Mr. Bladen: It's owned by the Foundation.

Mr. Lyons: Yes.

Mr. Hernandez: The only part I think the Supervisors or homeowners need to know is that, as the development of a community takes place, it moves in different stages. As the developer finishes the improvement of lands, at that point the developer

defines to who they're going to convey some of those improvements. At the same time it's not unusual that whenever or whoever is making those deeds to pass ownership sometimes there have been mistakes, and in the past, part of what we have done and it's the reason we have the colored map is that the CDD is constantly checking who the ownership is being passed to and if anything doesn't match with the intent, then we go back and we correct it.

Mr. Lyons: Ok, so it's probably then conveyed to the Foundation.

Mr. Hernandez: And it's seems to be fine, it doesn't seem to affect anyone, but the part that we did include through the engineer's office is that they go back to the plats to see who was the rightful entity that any of those improvements were supposed to be passed on to. Are there any other questions?

B. Engineer

Mr. Hernandez: With that being said, we can move on to Thomas.

Mr. Carr: Yes sir. So we'll start off with the reclaimed water project. We are moving forward slowly as of right now, we've come across another minor speed bump with Seacoast. I'm actually meeting with them today. They have provided us with a check list survey of what they're going to be looking for in order to pass our homeowner connections on the potable water side. So the way it works is Seacoast is going to come out and inspect each potable water connection, and then after they pass that inspection then the irrigation will be connected. So it's basically two separate things that need to happen. So like I said, we're going to meet with them today and outline everything that they're going to require for one last time because it seems in the past that things have kind of popped up unexpectedly so we're going to get everybody on the same page.

Mr. Pietrangelo: Do they want to inspect every home or one as a prototype?

Mr. Carr: Well the basis behind that was, they do want to inspect every home. The basis for doing the one inspection first was to make sure that we were all on the same page and that they were installing and testing them correctly, and now that we've

found out that they had this list of criteria that they will be looking for we can use that as the framework and I believe your house was the first one that they inspected and that's how they developed this survey, they call it a survey. It's basically a check list of what they're looking for and from there on out, once that first one is passed they will still have to have each individual home inspected but they are going to allow the contractors to schedule them in groups as opposed to one at a time which would be very time consuming.

Mr. Pietrangelo: Why are we just now getting these criteria after all this time?

Mr. Carr: That's what I've been wondering myself, the contractors and myself have had several conversations with Seacoast and it seems like, whether their regulations have changed since the project started, or whether there was just miscommunication.

Mr. Pietrangelo: We had a similar conversation with them regarding the use of two backflow preventers, and their reaction to that was, we were supposed to know. It was up to us to know what the regulations were.

Mr. Carr: Right well they have their standard regulations, but this is something that I think they developed based on this specific inspection. So this wasn't really a part of their standard because it outlines specifically this reclaimed irrigation service and the private wells, it also addressed those, and those may come to be a problem for some of the homeowners that have those. So that's something to keep in mind that may need to be addressed when it comes across. I know Lee has had quite a headache of dealing with those.

Mr. Pietrangelo: Can you be specific, what are they concerned about?

Mr. Carr: I believe the legality of some of the wells, that they were done incorrectly.

Mr. Robert: They're going to want to make sure you shut your well off if you have one.

Mr. Lyons: I think everybody wants to shut the wells off, they're awful.

Mr. Bladen: It goes deeper than that, they need to make sure that, for their protection you're not pumping well water into the potable water system, and to date really nobody knows how the wells are tied in, so what ends up happening is that they have to be cut off but if you go back to the DEP in order to evacuate a well they're supposed to be grouted, so we're trying to get around those kinds of issues so that we don't have to go to that extent, but the primary is that they have a liability issue of well water being in potable water. The other issue is that it's on a private piece of property and what jurisdiction do they have telling somebody what they can do or what they can't do.

Mr. Motta: This is their last chance to take care of this problem, which might not be a problem to the people living here but to them, they view it as a problem.

Mr. Bladen: And I don't think the well issue is going to end up being as major an issue, but that might have changed since the last time I talked to them.

Mr. Robert: A lot of people had to go back on their wells because when they got switched over they shut off the city water. I know people that lost a lot of plants, so I think we just need to get this thing moving forward and not beat it up.

Mr. Motta: Yes.

Mr. Robert: I think everybody wants off the wells and everybody wants off a \$1,100 water bill too.

Mr. Carr: And the problem with the wells is that they are currently connected to the potable irrigation system which is not safe and it's highly illegal.

Mr. Pietrangelo: Are they going to require these connection areas be dug up so they can see the piping underground?

Mr. Carr: They will require that it be opened outside of the meter, directly outside of the meter, they require 30" of copper piping before going to the backflow.

Mr. Pietrangelo: Yes and that sounds reasonable in terms of their request, what doesn't sound reasonable from my standpoint is that we're hearing about this now. That ground has been dug up and dug up, and it looks like we don't know what we're doing.

Mr. Carr: I absolutely agree with you and that's part of the coordination issue with Seacoast is that they tell us one thing, and then once it comes time to take action on that, they tell us something else.

Mr. Pietrangelo: Well I'm going to be at this meeting this afternoon, he's going to say we should have known better.

Mr. Carr: We'll see.

Mr. Pietrangelo: He's going to point fingers at the engineers.

Mr. Carr: We'll see.

Mr. Robert: Well hopefully you can push it along. Is there any other help we can give you?

Mr. Carr: I don't believe so, not at this moment.

Mr. Robert: I heard there was some sort of problem with them when they went to connect the stuff up, the pipe blew or something like that?

Mr. Carr: There was one instance of that, and the next point I'd like to make was, some bracing looks like it's going to be required after that instance occurred. Hello, how are you Gary?

Mr. Walker: Good.

Mr. Hernandez: I just want to indicate for the record that Mr. Gary Walker has joined us. So Gary just bringing you up to speed, Thomas was starting to let the Board know that there has been a hiccup with Seacoast at the time of pulling the permits for the private home side who are trying to tie up to the reclaimed water system, and he was indicating that there was going to be a meeting this afternoon Thomas, correct?

Mr. Carr: Yes sir at 1:00 o'clock.

Mr. Hernandez: And there are some items that right now are being questioned as to why Seacoast seems to be changing what has been in discussion for almost a year with them.

Mr. Walker: Ok, and the items are items that are particular to a homeowner's lot or is any of it off property?

Mr. Carr: It is all private.

Mr. Walker: Ok.

Mr. Carr: So it's all related to the private homeowners and the biggest concern is checking for cross connections, which would be a connection between the reclaimed irrigation and the potable water system.

Mr. Pietrangelo: Again are they're going to require to dig up every home?

Mr. Carr: No not the full system, they have their own way of checking, they can watch the meter and then turn on various zones of the irrigation while the water to the house is shut off, the potable water. So that's how they check to make sure that there are no cross connections.

Mr. Pietrangelo: Let's go back to that pipe exploding, it had nothing to do with the bracing.

Mr. Carr: You're right.

Mr. Pietrangelo: Apparently the system was turned on without being bled, but they ended up getting a very big water hammer that broke the pipe.

Mr. Carr: That could be, I'm not exactly sure as to what caused it exactly, it could be a number of things. It could have been a slight vibration, it could have been a hairline crack in the material, so exactly what we don't know but we have adjusted the installation to beef up those two sections on either side of the pressure regulator and the filter so that doesn't happen again.

Mr. Pietrangelo: Well they decided to use a bigger pipe, is that what you mean by beef up?

Mr. Carr: No, it's a different material, a little bit stronger material, a stronger PVC pipe, and they are correcting, the contractor had previously installed a smaller size piping.

Mr. Pietrangelo: Right.

Mr. Carr: So they've corrected that now, that was addressed.

Mr. Pietrangelo: Several houses where they actually set up the system, the system is too close to one another, they weren't supposed to do that. It was supposed to be 2' and some of them are less than a foot.

Mr. Carr: That came after the fact, and on private property there really is no regulation on separation.

Mr. Pietrangelo: Is that your understanding Lee, there's no requirement for separation?

Mr. Bladen: Yes but what they were saying was, on that Friday is that they're looking for, I thought what they said was that they were looking for a separation between the potable water and the reclaimed water would need a minimum of 2 ½' so that they were able to work on the backflow if they needed to.

Mr. Carr: Right now that's a specific Seacoast requirement.

Mr. Bladen: Yes.

Mr. Carr: So being that Seacoast is going to take over the backflow they're going to work with us to provide enough space around that for their guys to work around it when they need to service it and maintain it, but as far as the DEP regulations on private property there is none. So that was our initial indications for hooking up the backflow and the pressure regulator side by side, it was to keep everything in one concealed location, preferably behind landscaping to ease the aesthetic view. So with the addition of the bracing, and it's a little bit of a gray area, somewhat overlooked by the contractor but it wasn't specifically called out in the specs for the connections, so what Oats has requested is for those additional funds to be taken out of the remaining project balance, and I have that number here. He gave me \$45,695.55 is what we have remaining, and the bracing costs for the 28 homes currently under contract will be \$3,500 which would bring the remaining cost to \$42,195.55.

Mr. Walker: That work is done off property?

Mr. Carr: No that is on the individual homeowner lots.

Mr. Walker: Can we utilize those funds on a homeowner's lot?

Mr. Hernandez: It's going to be done to the entire 69 units.

Mr. Walker: Well I know there is regulation as far as when you do for qualifying the bonds as municipal bonds. I was always under the impression that you're not permitted to do any work on lots.

Mr. Capko: You can do offsite improvements that are part of the system as a whole that you can still pay for with tax exempt proceeds.

Mr. Walker: Ok, so that would not be a problem.

Mr. Capko: That should not be a problem.

Mr. Carr: Ok.

Mr. Lyons: Do you have to do it on all of the lots, or it's the subcontractor that's doing it?

Mr. Carr: The subcontractor is doing it.

Mr. Lyons: So they're charging the homeowner.

Mr. Carr: Correct.

Mr. Lyons: So why do we need these funds?

Mr. Carr: Because it's an additional cost that we didn't want to put on to the homeowner after we had already specified a set assignment of cost.

Mr. Lyons: Ok.

Mr. Walker: But what happens to the remaining homeowners, this will not be an issue there?

Mr. Carr: That's a question I'm not exactly sure about because they're not currently under contract.

Mr. Walker: Well I guess my thought is, are we just giving this benefit to these 28 homeowners and the remaining 40 plus homeowners will not get this benefit because it's already going to be in their cost.

Mr. Carr: Well no, if they sign up to do the connections through the CDD versus through the Foundation and through the provided contractors, then they will get the benefit.

Mr. Walker: So the \$3,500 could be potentially double that.

Mr. Hernandez: \$8,000.

Mr. Carr: Correct.

Mr. Walker: I just want to make sure we don't have any issues using the funds.

Mr. Capko: Right and then there also is another provision in tax law that provides for what we call 5% bad money, that otherwise wouldn't be able to use tax exempt proceeds for.

Mr. Walker: Ok.

Mr. Motta: How much money is left?

Mr. Hernandez: Roughly \$45,000.

Mr. Motta: Ok.

Mr. Pietrangelo: Thomas for clarification, what's the cost to brace each house?

Mr. Carr: It was \$125 per unit, and right now we have contracted 28.

Mr. Walker: So for the record, Bob, if we use these funds it's fine apparently we can, those funds were going to be set aside in our reserve account for the benefit of those homeowners as it's related to the main line I think was the thought, whatever funds were left over after the project was complete.

Mr. Pietrangelo: Not to be too critical but, I can't imagine that this was originally designed to not be braced.

Mr. Carr: It was, you could say not specifically called out on the plan.

Mr. Pietrangelo: So you think it should have been included but it wasn't?

Mr. Carr: Well on the potable water side the contractor, it seems that he had included that within his bid and that's something that the irrigation contractor did not, but being that it wasn't specifically called out on the plan it's a little bit of a Catch 22, but it's something that will be beneficial to the homeowners.

Mr. Pietrangelo: Shouldn't we go back to the contractor, is there reason to go back to the contractor and say it's an expectation, not an extra charge but to include it.

Mr. Motta: But if it's not on the plan that's the problem.

Mr. Carr: Right, no because he has installed everything per the plan.

Mr. Pietrangelo: Well it wasn't in the plan for the potable side either.

Mr. Carr: Right.

Mr. Pietrangelo: So they included it but the other guys didn't, and we're going to allow them to charge us extra to brace the work?

Mr. Carr: Well it's something that we need and I see where you're coming from.

Mr. Pietrangelo: Did you see that system unbraced?

Mr. Carr: Yes.

Mr. Pietrangelo: Did you at that point determine that is was unacceptable?

Mr. Carr: That was a conversation that Oats had, so I think he would be able to give more insight on that.

Mr. Pietrangelo: Because I can tell you that they wave like this.

Mr. Carr: Yes it was a little bit flimsy.

Mr. Pietrangelo: And the contractor was going to leave that as a finished job?

Mr. Hernandez: Yes.

Mr. Carr: Yes.

Mr. Motta: That's what he bid on, you can ask him.

Mr. Hernandez: And let me just try to go ahead and shift things a little bit to see if that helps. It is not unusual either for a contract or contractors to face a situation that as they finalize things they discover something was missing, so that's not unusual. At the same time, part of what we're trying to do at this point is to see what would be the most beneficial financial solution to provide to it. You have been given \$125 by another contractor to do it for the 69 units, and so probably my question would be, why not go to the initial contractor and ask them to do it for all the 69 units taking into consideration that they should have known that it was supposed to be put in. So it was basically a negotiation, and typically what you face is that they will do it for cost that is going to be something less than the \$125, and then we're going to be putting it in all 69 lots and resolving the problem.

Mr. Motta: Tom has Oats talked to the original contractor?

Mr. Carr: Yes he has.

Mr. Motta: And what did those guys say, they're done? In other words they don't have an interest in doing it, bracing them?

Mr. Walker: Just for clarification, the original contractor is not the guys that put in the main line, we're talking about the guys that did contracted work on the lots? The CDD's obligation in essence ended once the main line was completed.

Mr. Pietrangelo: I get that.

Mr. Walker: But we, to assist homeowners, the Foundation in theory got involved and found a couple of contractors, one being a plumber and one being an irrigation guy.

Mr. Carr: Correct.

Mr. Walker: And because the District engineer was involved in the process, they continued to be involved in the process. So when we make reference to the main line, the original contractor, the guys that were employed by the CDD, that work has been completed.

Mr. Motta: The guys that we got the pressure test on.

Mr. Walker: Right. So this is a new group of contractors that in essence is not retained by the CDD, they've actually been retained through the Foundation for the benefit of the homeowners.

Mr. Robert: Yes I think the homeowners should pay.

Mr. Walker: So a homeowner, they don't have to use those contractors, they can use their own contractors.

Mr. Motta: How many people have signed up for that?

Mr. Hernandez: 28.

Mr. Carr: 28.

Mr. Motta: So 28 out of the 69.

Mr. Carr: Right and that's the reason why it would be difficult to include all 69 or 63 lots.

Mr. Walker: Right, so the issue that you have is, you could have 10 homeowners now that they go to their own contractor and they get the work done but they're not getting the benefit of the \$125, that's where I wanted to make sure that wasn't a problem.

Mr. Lyons: Or unless we notified the homeowners to tell their contractor they're going to get \$125 from the Foundation. I just think the Foundation ended at the street.

Mr. Walker: Well the CDD ended at the street, the rest was really to assist the homeowners so they didn't have to do this on their own. You'd have 69 homeowners trying to meet with Seacoast, trying to design their system, and that's why the Foundation got involved, which it still seems like it's beneficial but there are variances and now we have a variance of \$125. So the easiest way is just to have the homeowners pay it unfortunately because in theory they're going to pay it anyways because the funds are for their very specific benefit, and it makes it cleaner because we don't know who's going to use the contractor and who is not.

Mr. Hernandez: Yes.

Mr. Bladen: From a logistic standpoint, the HOA is writing the contractors a lump sum check to do whatever once they've done, and then billing the homeowner, so now what ends up happening is the contractor has to go to all 28 individual homes and say, you owe me another \$125.

Mr. Walker: Well I think what would happen in practicality is the contractor would go back to the Foundation and explain that to them, and they would notify those 28 individuals and tell them there's another charge of \$125.

Mr. Motta: Who is the contractor that is giving you \$125 price to fix it? The plumber, or the irrigation guy?

Mr. Carr: The irrigation guy, because it's related to the irrigation connection.

Mr. Lyons: Who designed the system, why didn't it have braces in it in the first place?

Mr. Pietrangelo: Right.

Mr. Carr: Well it was kind of an afterthought because like Gary had said, the original project was only up to the meter and so that really wasn't included in the whole scope of the project, what were the individual connections. Then when it was requested that we help facilitate the connection process, it was a little behind the ball of trying to

get these things pulled together of Seacoast requirements, Palm Beach Gardens permits, and back and forth for several months.

Mr. Walker: Right, it wasn't in the original scope of the District.

Mr. Lyons: But you might have more claims on landscaping issues than anything else when those water systems were shut off, and we were hung out to dry for a while. I experienced it and mine was ok but I know some people on Charisma who lost their water for a couple of days over a weekend.

Mr. Carr: Right and that's one of the things where that was more or less a coordination issue between the contractors.

Mr. Lyons: Right and the Seacoast inspection.

Mr. Carr: Right.

Mr. Walker: I'm sorry, what was that situation?

Mr. Lyons: Well Seacoast was supposed to inspect the same day that the switch came.

Mr. Carr: I think it was more scheduling that they had installed the potable and disconnected the irrigation.

Mr. Walker: So as part of your meeting today, maybe some of that can be discussed.

Mr. Carr: Absolutely.

Mr. Lyons: But I don't think we should beat this up too much. Bob, you're more involved in it than anybody in the private side.

Mr. Pietrangelo: Well I was involved in it to a point and then stepped out of it. Once we got the homeowners to agree that they wanted to have it done, I stepped out of it and the CDD ran with the ball, up until the time now that I got on the Board.

Mr. Robert: The question is whether it's a CDD issue or a homeowner issue.

Mr. Pietrangelo: I think the homeowners are looking to the CDD to manage this thing and put it through to completion.

Mr. Walker: I think it's beneficial for the Foundation, along with assistance from the CDD to help the homeowners through the process, but if the cost is \$125, I think

they should just bill it directly to the homeowners is my opinion because it just simplifies it.

Mr. Carr: Ok.

Mr. Walker: Unless someone is going to tell me it's going to create a massive issue.

Mr. Carr: I think the original thought from taking it from the funds was that we didn't want to have to go back to the homeowners, some might be unhappy that a certain price was provided and now it's become more.

Mr. Walker: Right, and I don't have a problem taking it from the funds but we have to do it for all 69 lots.

Mr. Hernandez: Correct.

Mr. Robert: Right.

Mr. Walker: So I don't know how we manage that.

Mr. Hernandez: It is not unusual, and once again I'm here just to provide ideas, that once the project is finalized they can come back to the District to ask for a refund. So the 28 homes can be provided with information from the District and then we can process the \$125 checks.

Mr. Walker: And everyone else gets a rebate in that sense.

Mr. Hernandez: Correct.

Mr. Walker: Ok, I don't have a problem with that.

Mr. Hernandez: That's another option to offer if that is going to help the process. What we could do is since we already have 28 that is basically a bundle, it would be faster and simpler for the District just to pay for those up front and then moving forward anyone who wants to go privately and choose whoever, they already know they can get up to \$125 in credit once the work is done, if that helps the process.

Mr. Walker: Bob does that work?

Mr. Pietrangelo: I think either way, the amount of funds involved are so small.

Mr. Walker: Right but for \$125, we also don't want to create a riot.

Mr. Motta: Just get it done.

Mr. Pietrangelo: Exactly.

Mr. Motta: This is the reason in the beginning we didn't want to be involved because he said, as soon as you've got everything built it's a cluster no matter what you do, every good intention in the world, and actually I think it's going much smoother than I thought. I know you don't think that.

Mr. Walker: Well if you think it's easier for the CDD to make those payments on behalf of those 28 homeowners, that's fine and then what they'll have to do is give credit to the remaining homeowners and they can do it through the Foundation as well.

Mr. Hernandez: Correct.

Mr. Walker: Ok.

Mr. Robert: So there is an updated spec to give, if someone hires a contractor locally, there's a spec.

Mr. Pietrangelo: We're not building it to the spec.

Mr. Carr: Yes we can provide that.

Mr. Walker: Ok, so you'll give a revised spec in case someone wants to do it on their own.

Mr. Pietrangelo: Well and we need to give a revised spec to the people who are doing the work now, because this is not the way to do it now.

Mr. Carr: They have been provided with the revised drawing.

Mr. Pietrangelo: Do you have a copy of it?

Mr. Carr: I believe I do. What size do you have?

Mr. Pietrangelo: Well let me see both of them.

Mr. Carr: I have all 3 of them. Well they're all the same, some of the wording of the meter, we added a little bit more information on the materials.

Mr. Robert: Now if they do this privately do they have to get a separate permit?

Mr. Carr: Yes.

Mr. Walker: So each homeowner has to get a permit in essence right?

Mr. Carr: They're going to have Seacoast come out, basically the same process.

Mr. Motta: They should all do it while Seacoast is out there doing it.

Mr. Walker: So they go through the process on their own.

Mr. Lyons: Right the contractors get the permits.

Mr. Robert: Ok.

Mr. Bladen: Then once the backflow is set, then they call for an inspection and the inspection has to pass on the backflow, then Seacoast then says ok now come out and test the backflow to see if it's working properly, and once that inspection is done, then they say ok hook up the landscaping.

Mr. Walker: But we do have homeowners now operating on the system?

Mr. Pietrangelo: I know mine is.

Mr. Walker: Ok.

Mr. Bladen: Yes.

Mr. Carr: Yes.

Mr. Robert: So that whole process should be documented and given to the homeowners that don't sign up so at least they know what they have to do.

Mr. Walker: I would give that information to the Foundation so in the future if they're not signed up they can hand them that and at least they'll have the information.

Mr. Pietrangelo: Point of clarification, my opinion is that the reason that the number for signing up is so low is because people weren't notified, or I should say they were notified but they didn't get the notice.

Mr. Walker: So I think what should happen is once we go through this round and then it will be easier the second time around, we'll have the Foundation send out another notification.

Mr. Pietrangelo: We sent out 2 or 3 but even at that it was over the summer and they may not have received the notification.

Mr. Hernandez: So I think that based on what is being discussed it would be appropriate for the District to have a motion authorizing to allocate and I'm taking the \$125 times 69 units for a total of \$8,625 to be allocated to be held for this particular expenditure. So we will be paying the 28 units that we have right now, but the entire

amount of the funds will be held in the trust account to be used as homeowners potentially come back to request the \$125 to be reimbursed.

Mr. Motta: Is this it?

Mr. Hernandez: At least that I know today. So with that being said, a motion to approve as I have just stated would be in order.

On MOTION by Mr. Motta seconded by Mr. Lyons with all in favor, authorizing staff to allocate \$8,625 to be held in a trust account to be used for the homeowners as they request the \$125 reimbursement for all 69 units relating to the additional bracing at the meters regarding the reclaimed water project as stated on the record was approved.

Mr. Hernandez: Back to you Thomas.

Mr. Carr: Thank you very much, I appreciate it. A few last items, the wall report, we have proposals from our engineering consultant for lump sums for both the fountain cracking and for the accident, and we're in the process of working on getting a rough estimate from the structural consultant to use as, I understand there's a negotiation going on between the Foundation and the insurance company?

Mr. Hernandez: No it's the District and the insurance company, and it's not the District's insurance, it's the car insurance.

Mr. Motta: How hard did he hit it?

Mr. Hernandez: Well you can see it from the outside, but I have not personally seen any inspection being done.

Mr. Walker: He hit it pretty hard.

Mr. Hernandez: Yes.

Mr. Walker: Because he was even airborne I think.

Mr. Hernandez: But the part that I do need to report and just taking advantage that you're including that item is that, what the District has done as we were informed by the Foundation that the event took place, is the District contacted our insurance

company, and what the insurance company did is they put us in contact with the insurance company of the vehicle which is Allstate and Allstate at this point all they're requesting from the CDD is to provide them with two quotes as to what would be the cost to repair and fix the damages and that's where I'm at now.

Mr. Walker: Ok so it's not handled by the District's insurance company.

Mr. Hernandez: No, and right now we're just passing on the information and if that negotiation doesn't come out to an amount that would satisfy the District then we go back to our insurance company and they will be handling all the repairs and then whatever legal matters need to be addressed with the insurance company we will deal with that then.

Mr. Walker: So the cost for the proposal for the engineer and all the work to be completed will be paid by Allstate or the District's insurance company?

Mr. Hernandez: Eventually yes.

Mr. Walker: Ok.

Mr. Pietrangelo: Luis, for everybody's sake including mine, could you review what happened?

Mr. Hernandez: What I understand because I was not involved, it was a gentleman who was driving a vehicle and it was early in the morning, like 3:00 a.m. in the morning or something of that nature, and the individual hit the wall.

Mr. Pietrangelo: On Central Avenue, not inside the community right?

Mr. Hernandez: It's the wall right when you're entering the community and if you look to your left hand side, you will see that some of the landscaping is missing, so coming from PGA Boulevard and turning into the community and this is where he hit the wall that belongs to the CDD.

Mr. Motta: So he came across the road, came into the entranceway, went over the curb and smashed through the landscaping into the wall, and you can see it. So when you come in the community off of PGA just look on the right, you'll see it.

Mr. Walker: They did a good job putting the landscaping back but he took out a fire hydrant and he went airborne.

Mr. Motta: So there has to be a police report right?

Mr. Hernandez: Yes.

Mr. Robert: I guess he had a medical issue.

Mr. Walker: Yes, that's what we were told, and he actually was trying to drive himself to the hospital.

Mr. Hernandez: And just keeping everybody posted, the only excuse that the car insurance could use if a person is having a heart attack they're basically exempt for some of the expenses, and if that is the case, the one that will be kicking in will be the District's insurance.

Mr. Motta: Well more importantly it's probably going to take a while so is the wall going to be fixed?

Mr. Hernandez: As soon as we know, yes. We typically separate that into two separate items, one is fixing it, and the other one is the collection of the funds.

Mr. Motta: Ok.

Mr. Hernandez: At this point I have not even received a quote as to how much it would be to fix it, therefore it doesn't make any sense for us to be discussing it, and not only that, that question even needs to be divided into two separate issues, who is going to pay for that, will it be part of the regular maintenance that the Foundation has funds for, or is it going to be something that the CDD is going to enter and cover as not being a normal maintenance item as it has typically been discussed, so none of that discussion has taken place.

Mr. Walker: It seems to me though that you would have to get the funding from the insurance company and then you do the repairs.

Mr. Hernandez: Keep in mind they will be paying whatever is the portion minus the deductible.

Mr. Walker: Well in theory if it's going through Allstate it shouldn't be our expense, I'm kind of surprised because I always thought with insurance it basically went through your carrier and they dealt with it.

Mr. Lyons: It can go either way.

Mr. Hernandez: Yes.

Mr. Walker: Because if there's an issue it's going to come back to them, so you'd think they would want to handle that.

Mr. Motta: If it was your car insurance that's probably right.

Mr. Walker: Right, ok.

Mr. Motta: My only two cents is, it's going to take a long time to get the money from Allstate, so I would at least go get ready to fix the wall so you know what it costs.

Mr. Hernandez: What I have done is I have already requested it from the Foundation and I know that they are in the process of getting me some prices, so hopefully we will be able to get that taken care of sometime soon.

Mr. Motta: Is the guy alive or woman?

Mr. Hernandez: It's a gentleman and it's my understanding that he's alive and he's fine, yes, that's my understanding as of the latest that I have heard.

Mr. Lyons: My understanding is that from the last meeting that we voted on this engineering report which was to have another set of engineers look at the standing.

Mr. Robert: Right and that's the second proposal he's discussing.

Mr. Carr: Well not necessarily the Stantec report, it was actually more or less a second opinion, and that's what we were approved for, \$6,000 which we have, I have a breakdown for the wall cracking repair, that's where we have the accident repair and then the cracking of the fountain repair.

Mr. Walker: Two separate proposals.

Mr. Carr: Correct, and we have the proposal for the actual report itself of \$4,000 plus our invoice for the site visit which was \$1,161, so that comes under our approved \$6,000.

Mr. Walker: So they've actually done the complete site visit already?

Mr. Carr: Yes, and I believe these need to be processed by you?

Mr. Hernandez: You just send them to me, that's fine.

Mr. Robert: So they've done the site visit?

Mr. Carr: Yes.

Mr. Robert: So what's left to be done? Write the report?

Mr. Carr: Yes.

Mr. Hernandez: When do we expect to have that report?

Mr. Carr: If the proposal is approved, as soon as we approve it, then I can send it back to him.

Mr. Lyons: So are they going beyond the fountain issue and you're looking at the structural issue of the wall?

Mr. Carr: Yes.

Mr. Robert: I was interested in them assessing the maintenance process in terms of looking at the historical repairs, how they were addressed.

Mr. Carr: Well we didn't really, I couldn't pull up too much documentation on the wall, it seemed like whether the plans were misplaced.

Mr. Robert: Are you talking the HOA maintenance?

Mr. Walker: You're talking about the maintenance that took place historically?

Mr. Robert: On the wall.

Mr. Walker: I don't think that was being addressed there. Well can you give us, what was the inspection?

Mr. Carr: Yes he went out and took several pictures, he measured the cracks, he was listening for any delamination of the stucco from the wall and he didn't find any which was a good thing he said. So the stucco was well adhered and his indications throughout his site visit was that the cracks were not structural. He thought the Stantec report was very severe in saying that the foundation needed to be stabilized and the entire wall needed to be reconstructed.

Mr. Pietrangelo: Did he check the level?

Mr. Carr: Of the wall?

Mr. Pietrangelo: Yes.

Mr. Carr: No, the cracks are so superficial that there's no real crumbling on either end of the wall.

Mr. Pietrangelo: Well if we're concerned about foundation issues, which would be settling right, it would affect the leveling of it, so how would they check for foundation integrity?

Mr. Carr: I don't exactly know that. If he determines in his report that additional testing will be needed, then they would have to do geotechnical testing for the soils.

Mr. Walker: But he's a structural engineer.

Mr. Lyons: Well they have drones now with 3D they can just run a drone along that wall and they'd know exactly what's going on. I can send you some information on it, it's pretty incredible stuff that's out there today.

Mr. Carr: But for the size of cracks, I see what you're saying being off kilter, but it wouldn't even be noticeable for the size of the crack and the amount of settling, if it was attributed to settling, it would be hardly noticeable. He was defining the cracks as the definition of hairline cracks.

Mr. Pietrangelo: When did he do the examination?

Mr. Carr: January 6th, I believe, it was a Friday.

Mr. Pietrangelo: Well have we been filling in the cracks in the last year?

Mr. Carr: I don't believe so.

Mr. Pietrangelo: There was no repair work done in the past 3 months?

Mr. Lyons: I asked at the last meeting for the maintenance records from the HOA on the wall and we can't find any or what?

Mr. Hernandez: Not that I have received, I requested it.

Mr. Robert: But I didn't see that in the minutes.

Mr. Lyons: When I went out and looked at the wall there are areas where they have fixed the cracks in the wall and filled them but, there are alot that they haven't done, that's a big wall.

Mr. Walker: Well I don't think they've done any work since the Stantec report.

Mr. Carr: No.

Mr. Walker: So as part of that report, is he going to give recommendations on how the repair should be made?

Mr. Carr: Yes.

Mr. Walker: Ok.

Mr. Carr: The scope is to prepare an assessment letter or report describing the wall condition, origin and significance of the cracks and recommendations for repair. The report will be including repair details and specifications so finishing for bidding.

Mr. Walker: So this is how he should repair the cracks.

Mr. Carr: Correct and plans we could in theory send out for bidding to a contractor to bid on the repair of the wall.

Mr. Robert: So is he recording all the cracks?

Mr. Carr: Yes, as the cracks that were visible, there were some sections on Plantation Way where the vines and foliage have grown up and you can't see the wall at all.

Mr. Lyons: I'd like to present a few thoughts on what we'd like to see on the engineering. The back side of the wall on Wild Orchid, the Turnpike side, Stantec never got to that so did he look at that side of the wall?

Mr. Carr: No everything was within the property.

Mr. Lyons: Only on this side of the wall.

Mr. Carr: Correct.

Mr. Lyons: Ok, well I think you have to look at both sides of the wall, and then what he thinks it's going to take to bring the wall up to condition because I have pictures, and I went through the Stantec report and there's a lot of visual repairs that need to be done, nothing major but that he gives us a recommendation of repair costs.

Mr. Carr: Right and that's what I reached out to them for, and I'm waiting on that.

Mr. Lyons: And then a plan to maintain the wall going forward because it looks like we left it up to the HOA to develop its own maintenance plan, yet this Board is responsible to the bondholders and the homeowners to maintain the assets. So there

doesn't seem to be any plans anywhere so maybe we should develop a plan and a standard and say ok, HOA, if that who we're going to use, here's the specs that we want you to maintain that wall at.

Mr. Walker: Right so the structural engineer, he'll give us advice on how the repair should be done, and I don't know if he's going to give us advice because some of that maintenance might be landscape maintenance in nature. I'm not quite sure what other information, as far as potentially sealing it, I don't know. Would a structural engineer give that information, or would it be another contractor?

Mr. Carr: I don't think he would give maintenance in regards to landscaping.

Mr. Roberts: I've heard that the vines on the wall could deteriorate the stucco and penetrate the wall, a lot of moisture in the wall which could cause further issues down the road, did he assess that?

Mr. Carr: No he did not.

Mr. Walker: I think what I heard from Stantec was the vines would not create an issue other than they will stick to the stucco, so if you're going to remove them, it's going to pull the stucco off, or if there a crack obviously it will cover it.

Mr. Motta: If you don't like that look and you want to pull it off you'll have to probably redo the stucco on the wall.

Mr. Walker: But it didn't seem like the vine was actually creating the damage.

Mr. Lyons: They said as long as, and I think we would probably agree to this, as long as the vines don't grow into the cap, and you keep it trimmed.

Mr. Walker: Right they trim at the cap.

Mr. Lyons: Right you always trim it at the cap.

Mr. Motta: But they'll still up against the stucco, but it's a look.

Mr. Lyons: Well the question I had was how do you maintain the wall with that ivy on it in the future and we need an answer to that and how do you maintain the wall on Wild Orchid where you have plantings right up against the wall all the way down. So Stantec said the wall should be painted every 10 years, and I think that's what they

estimated and we'd like to know what these engineers think, and how are we going to maintain the wall going forward with those issues.

Mr. Carr: Yes I can reach out and see if they have any suggestions on just general maintenance, and are we talking about every couple of months or every couple of years?

Mr. Walker: Well just the general plan, what should you paint it with, how often should you paint it and as part of that process should you seal it, or whatever it needs to be.

Mr. Lyons: We found through talking to the person that built the wall, the folks that built the wall that there's six of the fountains that are hung on the wall, and six of the fountains were built between the gaps in the wall, right Bob?

Mr. Pietrangelo: Six are on the ground, and six are candelabras.

Mr. Lyons: Right.

Mr. Pietrangelo: They were all built as a separate project, the wall was built and they came in and added the section where the fountains are.

Mr. Walker: The original designs that I have seen, they actually showed the wall and the fountains were all one design by the same person. It may have been built separately but it was contemplated as part of the original design.

Mr. Lyons: And it was different contractors.

Mr. Pietrangelo: What I've been told is that they built a wall, leaving spaces for the section of wall and fountain, so a separate contractor came in. So theoretically they're not connected.

Mr. Lyons: On six of them.

Mr. Walker: I thought it was all block that wall.

Mr. Pietrangelo: I don't know, but we could easily find out what that's worth.

Mr. Walker: Right.

Mr. Lyons: And so he was looking at the fountains as well?

Mr. Carr: He was.

Mr. Lyons: Good.

Mr. Carr: And some of the columns where they meet the wall, they are spaced out a little bit which would be mentioned to him, which would indicate that they were, maybe not built separately but that the construction was stopped and then restarted so they weren't connected.

Mr. Pietrangelo: Right.

Mr. Robert: Well that design, you want expansion joints.

Mr. Carr: Right, that's a good sign which would indicate that the wall, it was a good design so it was thought out to include the fountain, and I have seen a plan which had a fountain design on it.

Mr. Lyons: So there's a lot of minor issues, it's a big wall but there are a lot of painting issues, and cracking issues, so what's it going to take to bring that wall back to the original condition and then maintaining it from that point forward is one of the projects. The other one is to verify whether we have an issue with the fountains or not.

Mr. Carr: You mean the actual fountains themselves?

Mr. Lyons: Well no, Stantec reported that the hanging fountains were pulling the wall or something along that line.

Mr. Walker: I guess what the homeowners are looking for is, are the wall fountains creating those cracks, I guess.

Mr. Lyons: Right. So Thomas these are all the issues with the wall that was in the Stantec report, and we wanted to kind of verify that report, or get a second opinion of that report.

Mr. Carr: Right.

Mr. Lyons: And the fountains are probably the biggest issue and we're just trying to get to the bottom of it, and then the cracks and the settling which you said he's addressed that. So we need to address the fountains whether there's a problem there so we can move on.

Mr. Walker: The problem with the fountains is what?

Mr. Carr: The concern being that the fountain is pulling the wall down?

Mr. Lyons: No that it's creating the fractures on the wall on that side and it's in there, in the report, and then maintaining the wall going forward there has to be a plan.

Mr. Pietrangelo: How would they differentiate between surface cracking and foundation cracking?

Mr. Carr: Well if the foundation was cracking I guess you wouldn't really be able to see it unless that crack traversed all the way up the wall, but what he indicated to me was that the cracks were surficial through the stucco and because they followed a block like pattern for some of them, that would indicate that it was following the pattern of the blocks as they were laid, so it was cracking along the grout of those blocks.

Mr. Lyons: The simplest way to get the whole thing done is use the drone in 3D because it's going to look into the wall. Take a section that we have problems with and just see what it looks like, and those structural engineers should know about this technology, that's what it's used for, and then just get to the bottom of it.

Mr. Pietrangelo: I would think that the biggest concern would be the foundation issue.

Mr. Lyons: Yes absolutely.

Mr. Pietrangelo: Superficial cracking is stucco and paint.

Mr. Lyons: And it looks like the insurance policy is covering that. I looked at the coverage there and I was surprised that they had that kind of coverage, so if that's there, the insurance would cover it.

Mr. Pietrangelo: Cover the foundation or the cracking?

Mr. Lyons: No the foundation.

Mr. Hernandez: Right the foundation, the cracking is not a major item but the foundation is included with the policy.

Mr. Pietrangelo: But I didn't hear a system that would analyze for foundation issues in your engineering report.

Mr. Robert: Right, there is no measurement of structural settling?

Mr. Carr: Not that he indicated.

Mr. Pietrangelo: Well wasn't that the key issue?

Mr. Carr: Well that's what the second opinion is for because Stantec had claimed that there was foundation settling.

Mr. Pietrangelo: And my question to you is, how is he determining if there is or isn't?

Mr. Carr: That would be determined I guess in his report, I don't know, I'm not a structural engineer.

Mr. Robert: Well why don't you let him give us his report and then you can go back and fill in the pieces.

Mr. Hernandez: But the only concern that I have Thomas is, and it's based on what Mr. Lyons is saying, there is a portion, the one that is on the outside part by the Turnpike that has not been inspected. Do you think that it would make sense to ask them to include that and is it included within the price that they're giving to us?

Mr. Carr: On the exterior portion of the wall?

Mr. Hernandez: Yes. At the end of the day for you to understand is, there are a new group of people that are now coming and they recognize that they're responsible for certain items and being one of the most expensive is probably the wall. So the concern and question at this point is the integrity of that wall, so the first question you need to ask is, do we have anything that we need to be worried about, and that's why we're going through all this exercise. The second part of the question so that you can help assist us in getting this resolved is that, maintenance needs to be given but it has never been defined what the maintenance is, so what we're trying to obtain is for these firms to set up maintenance that needs to be given. I don't know if it's pressure wash every year, or every 2 years and painting it every 10 years, or whatever that comes out to be but someone needs to define it so that we as an entity can set those rules, and if the arrangements that we have made for that maintenance are not being followed they will know what to do or not, is that more or less what we're trying to achieve?

Mr. Lyons: Yes and then the HOA can set its budget because once we give them a plan then they can understand and it might be under budget.

Mr. Hernandez: Exactly, and we're not discussing anything about funds at this point all we're trying to define is what needs to be done.

Mr. Motta: You know it's not an engineer that would give you that plan.

Mr. Lyons: Who would give those to us?

Mr. Motta: It would be somebody like a maintenance firm that goes out and does these calls.

Mr. Carr: He might be able to give recommendations.

Mr. Walker: Somebody that probably does painting.

Mr. Motta: Right painting, they would tell you what paint to use, and you probably have some kind of paint for all the structures.

Mr. Lyons: Well right now there's a lot of cracking that needs to be filled.

Mr. Motta: No I understand that.

Mr. Walker: That filling, I think we're going to get that, the repair methodology is going to come out in that report.

Mr. Motta: Right but there are guys that just paint walls, paint infrastructure, and those are the guys that know.

Mr. Walker: Right they understand caulking and painting.

Mr. Motta: Right.

Mr. Lyons: Then the other concern is, how do you paint it, when you have the vines, or do you have to paint, he might say you don't have to paint it.

Mr. Motta: You don't when the vines are on it.

Mr. Walker: Or I think someone would probably tell you, but an engineer would tell you to remove the vines because that's probably going to be the cleanest system to maintain, but that might not be the system you want to operate with.

Mr. Motta: It's not the look you have.

Mr. Robert: I guess I'd like some assurance that the vines are not going to hide an issue, or are not in themselves going to deteriorate the wall.

Mr. Lyons: Well you have orchids that are hiding the wall too, at least you can peek in and inspect it.

Mr. Motta: Those vines are a look, so the day you pull them off, you're going to end up doing a lot of, not structural work but you're going to have to do some stucco work, there will be no way to get them off, so either you want that look, or you don't.

Mr. Walker: And the other look is, you'd plant something close to the wall.

Mr. Pietrangelo: The last time we got together I asked similar questions that I'm going to ask now. What responsibility does the CDD want for the maintenance of its assets? It seems that it's all been pushed to the HOA. Is that the right way to do it?

Mr. Robert: It's been subcontracted to the Foundation.

Mr. Pietrangelo: No the way it's done is everything.

Mr. Lyons: There's an agreement.

Mr. Pietrangelo: Yes, there is an agreement.

Mr. Motta: Bob, can I answer the question? I think the reason it's in the Foundation is because the CDD would not maintain it at the same level that the Foundation probably would because they're doing landscaping and they're doing everything else so it would be symmetrical, and not to take shots, but the CDD would do it much more utilitarian.

Mr. Hernandez: Not only that, it becomes a duplication of efforts. You already have a group that is onsite, so technically common sense would dictate is if they are already onsite, they are the most efficient to provide those services.

Mr. Lyons: So who made the decision of what kind of maintenance program? Do you guys have a written program for HOA?

Mr. Walker: I'm not sure if there is one, I know that the lakes are a part of it in its contract.

Mr. Pietrangelo: I don't disagree with what we're doing from an implementation standpoint, I'm just saying should we participate in any way in the maintenance of these assets? It seems like we should have some responsibility but apparently we've given that all to the HOA.

Mr. Walker: But I think what Mr. Lyons has addressed is, now you're going to give the HOA a very specific maintenance schedule for the wall.

Mr. Pietrangelo: Right, for certain things, so we are assuming some responsibility, that's my point and hasn't that been done in the past?

Mr. Walker: Well it probably has not been done in a formal setting.

Mr. Pietrangelo: Alright, so we're saying that going forward we wish to provide some guidance as to how these assets will be maintained.

Mr. Walker: Right so I think what we could do is have the Foundation give a report as far as what's currently being done, like the lakes is contracted, they have someone maintaining it on a regular basis. She has a maintenance schedule for the drainage system where they have someone going in there and doing the drainage. So we could probably have her for the CDD assets give us basically an outline of the current maintenance program and then you guys can adjust that.

Mr. Lyons: And Gary the lakes are a perfect example, we had a concern coming in that the lakes were an issue, we had an engineering report done, it put our concerns to ease, and we just want to get to the bottom of the other assets that we're now responsible for and then going forward how do we maintain them, besides the ponds, what other assets do we own?

Mr. Robert: Well do we know what the plan for maintaining the ponds are?

Mr. Lyons: Yes, they have this report.

Mr. Walker: It's done monthly and they get a report from them. Then they've given a drainage clean system and they can tell you how they've done over the last year and so on.

Mr. Carr: You actually have our annual report with us as well which suggests those maintenance items.

Mr. Pietrangelo: Is there a point person?

Mr. Walker: There is a report that the District actually prepares annually and that's for the benefit of the bondholders.

Mr. Lyons: Right and we have a responsibility to the bondholders to maintain their assets, right?

Mr. Hernandez: Yes.

Mr. Lyons: As well as our homeowners.

Mr. Pietrangelo: So this has been provided to Luis.

Mr. Hernandez: That's correct.

Mr. Walker: And that's done every year.

Mr. Hernandez: Now, yes it's a requirement. Prior to the refinancing of the bonds the prior note did not require to do it annually so it wasn't being done every year.

Mr. Pietrangelo: So then on our behalf your firm is going to be overseeing what the HOA is doing to these assets?

Mr. Carr: I wouldn't say overseeing, I would say reporting on.

Mr. Hernandez: They will be coming and inspecting it once a year to make sure that everything is in good condition.

Mr. Pietrangelo: We just said that we're going to provide guidance as to what should be done.

Mr. Lyons: Well how do you hold them accountable?

Mr. Pietrangelo: Exactly. How do we communicate that to them, who's the point person, how often do we get reports, and there's a lot that we're not saying that we should at some point.

Mr. Hernandez: We can ask them. In the past I used to contact Ed, now we have Debbie and typically it was just a conversation between them and the District, that being me as the District manager, so what we can ask them once we define what they need to do, we can request on a monthly basis they provide us with that information.

Mr. Pietrangelo: As an example what we would do is, and getting back to more basics, does this go from the CDD to United or the CDD to the engineering company, and the engineering company to whom?

Mr. Hernandez: Typically the most efficient way to handle it is through the District manager.

Mr. Pietrangelo: The District manager is who?

Mr. Hernandez: That would be me, I'm the District manager.

Mr. Pietrangelo: Ok.

Mr. Hernandez: And the reason for that is you have hired and you're paying a lump sum to my firm to provide any services that needs to be given to the District. If we were to do it through the engineer, they are charging us for the time they are consuming. So if they receive information and every time that I pass anything from the Foundation to the engineer, they will be charging the District for all that time. On the contrary, as I collect those documents, I will be passing them on so they will have them at the time they do their report, all the information on what has been taking place throughout the year and not spending any funds.

Mr. Pietrangelo: Ok. This has been coming in drips and drabs.

Mr. Robert: Well I think we need a plan, a maintenance plan which would be reported on a monthly basis.

Mr. Walker: What we get is United would provide Luis with a plan monthly and then whenever we had are meetings we would get that information.

Mr. Lyons: Or maybe quarterly would be better, too much information.

Mr. Walker: Right.

Mr. Robert: Well at least the repairs that are being done.

Mr. Walker: Right.

Mr. Motta: Why don't you just ask United to come to the next meeting, and say this is how our maintenance is going to work?

Mr. Walker: We did have it presented at the meetings before.

Mr. Motta: Right but it doesn't feel like these guys know.

Mr. Walker: But I don't think it was in a report that specifically spelled out all the CDD assets.

Mr. Lyons: I'd like to see the rest of the wall, the outside of the wall inspected and especially the Turnpike side where nobody has inspected it, there's a lot of equipment on that side of the wall from Seacoast and other public works.

Mr. Carr: Now do we know if that is CDD owned yet?

Mr. Hernandez: The outside is, the outside of the wall it has always been the CDD.

Mr. Walker: And that maintenance document with no other information, it indicated that the wall was the responsibility of the CDD.

Mr. Capko: Right.

Mr. Hernandez: Yes.

Mr. Pietrangelo: Say that again.

Mr. Capko: It's at odds with what the engineers report said.

Mr. Walker: You mean the table within the report? Was that the engineers report or was that the offering memorandum?

Mr. Capko: It was the engineers report which was an appendix in the offering memorandum.

Mr. Walker: But one is more of a legally binding document I think.

Mr. Capko: Well as we discussed before, I understand what your opinion of what the language in the agreement is and we can differ on that.

Mr. Walker: So what's the answer?

Mr. Capko: Well we're trying to find out now who actually according to the public records of Palm Beach County owns the wall.

Mr. Walker: And it's multiple parties I think.

Mr. Capko: Well we'll find out.

Mr. Walker: I think it shows the CDD and it shows the Foundation.

Mr. Lyons: But it's the Foundation that maintains it regardless.

Mr. Walker: Per that agreement.

Mr. Lyons: Right.

Mr. Walker: And it's the CDD that's insuring it.

Mr. Pietrangelo: Can we drift off the point just a little bit?

Mr. Hernandez: Sure.

Mr. Pietrangelo: Regarding the maintenance program, how are we going to do it? You seem to have an idea how we should do it. How do we set up, how do we monitor?

Mr. Hernandez: Let me tell you how we have it and the reason why I believe that it's a good system. The way you have it right now is, any maintenance issue is being passed on through the agreement to the Foundation, maintenance. If the maintenance hasn't been properly defined the agreement allows us to pass on to them explaining what are the expectations of that maintenance for those items that belong to the CDD, so what is going to take place is that in the budget that they have, based on the list and said items on maintenance that they need to undertake, it's likely they will have to go and review what they have in their budget, and any corrections that they need to make as to the amount that they need to allocate, they will make those, so that at the time they are charging the homeowners, they are including all those maintenance items that need to be made for the CDD.

Mr. Pietrangelo: Ok, let me come at this from a different angle.

Mr. Hernandez: Yes.

Mr. Pietrangelo: Who's going to lay out what needs to be done to our assets?

Mr. Hernandez: The Board of Supervisors.

Mr. Pietrangelo: Us?

Mr. Hernandez: Yes, that's what we're trying to define.

Mr. Pietrangelo: Do we do it at a meeting?

Mr. Motta: That's what I was trying to tell you, why don't you have at the next meeting, have United come in and say, this is what we're doing, and then you guys can talk about it and say how much do you want of the above. I think it's the right place for it to be done, the Foundation, I don't think the Board wants to do that, but then you'll feel good about what's going on.

Mr. Lyons: And we'll have the engineering report done by then hopefully right?

Mr. Hernandez: Correct, you will be able to confirm that everything is in good standing and then all you need to do is bring it back up to the standards that you want to have and from then on ensure that it's going to be maintained that way.

Mr. Lyons: And we need an estimate of how much it's going to cost to keep that up to standard.

Mr. Hernandez: Yes which is something that we can work on.

Mr. Lyons: Right, or United Community can work on it after they get the engineering report.

Mr. Hernandez: Certainly because many of the items, and that's the part where Jim's idea plays a good role, they have been doing it so they already, and it may not be in writing but they already have what it is that's being done. All they need to do is put it in writing to specify what those maintenance items are and as you review it, if you believe that anything extra needs to be done, they will take notes of that.

Mr. Pietrangelo: Who is our contact at United now?

Mr. Lyons: Cheryl.

Mr. Pietrangelo: Sharon?

Mr. Hernandez: No it's Debbie.

Ms. St. Croix: Well I'm temporary, but Sharon Caputo is the vice president and your new property manager is starting next week.

Mr. Lyons: Oh Sharon.

Ms. St. Croix: But everything you're saying, what we do is very similar to what you're thinking about, and it's a manager's tool, it's a homeowners association tool, you get a reserve analysis done, they tell you every 3 years you do this, every 4 years you do this, and it sounds like, and I'm going to report this back to Sharon but you have so many items, and as management we would want either the engineer or you, specifically, to tell the management so that we can relay it to the Board, these are their specific items that they're going to be responsible for, and then also, how do you do it. You just don't paint, there's a special way of doing it. So to get those guidelines, the Board and management work very closely together, and a plan is put into place.

Mr. Motta: You need to find somebody that does this, and they'll tell you.

Mr. Walker: So why don't we ask United to formulate the plan, and I'll speak with them after this.

Mr. Lyons: But as far as repairing the cracks, the engineer is going to give us a process to do that right?

Mr. Carr: Yes.

Mr. Motta: But you want him to go to the outside and look at the wall before he comes down with this report.

Mr. Lyons: Right.

Mr. Hernandez: Yes.

Mr. Carr: Ok I will contact him about doing that, my expectation is that it will be billed on a time and materials basis. Our last invoice was for \$1,161.

Mr. Robert: And that was just the interior wall.

Mr. Carr: Correct.

Mr. Robert: You didn't look at any exterior?

Mr. Carr: No. They did look at the damage for that which is exterior.

Mr. Lyons: Well that's separate.

Mr. Walker: Right, that was after the fact actually.

Mr. Motta: So he has to spend more money and he says he wants another \$1,000 to come back.

Mr. Hernandez: That's exactly what I was going to be suggesting, so far, the authorized amount was \$6,000, and we only ended up spending roughly \$5,300 but based on what they spent it's approximately \$1,200 and what you need to do is a perimeter inspection of the wall, the recommendation and suggestion at this point is, we still have \$700 so if the Board were to authorize another \$700 that will be more than safe to do the perimeter inspection.

Mr. Robert: And I'll vote for that.

Mr. Hernandez: Ok.

On MOTION by Mr. Robert seconded by Mr. Lyons with all in favor, authorizing staff to set aside an additional \$700 to complete the perimeter wall inspection analysis as stated on the record was approved.

Mr. Hernandez: At least we won't be held up by the funds, and so as soon as we're done here you and I can discuss that.

Mr. Carr: Ok, and what was the approval, I'm sorry?

Mr. Hernandez: We authorized an additional \$1,400 to be set aside for the inspection of the perimeter wall on the outside.

Mr. Carr: Ok.

Mr. Motta: But some of that is in that original \$6,000.

Mr. Hernandez: Correct. Originally we still have \$700 left, and they authorized another \$700.

Mr. Carr: Ok.

Mr. Robert: So he's going to outline all the cracks right that he found, so it's not just \$10,000 to repair, he's going to itemize each crack that he looked at.

Mr. Carr: Well that's what we had discussed and this can be a little bit of back and forth of how to contract that out. We were thinking of, in order to put it in a format to bid for a contractor, saying that the contractor would be responsible for all the cracks within say one column width of each fountain and then to specify the visible cracks along Plantation Way and then along the rest of Wild Orchid visible because of the fact that you have vegetation and vines growing so I don't think you would want to have the contractor ripping all that out just to look for cracks that may or may not be there.

Mr. Walker: But they're going to itemize the cracks?

Mr. Carr: No, I think that would take far too long and if there's one that's not on there and the contractor doesn't fix it then I don't think that would work.

Mr. Walker: But your guy, the structural engineer is going to give a process.

Mr. Carr: Yes and we discussed that a little bit today.

Mr. Walker: So it's when it gets defined when we are actually going to try and contract it is where you're saying the scope may be a little bit fluid.

Mr. Carr: Yes, right, he's going to include that.

Mr. Robert: But how is he going to estimate the cost of repair unless he has the details the contractor can bid against?

Mr. Lyons: He might not be able to.

Mr. Walker: Right I don't think he, was he going to give you a cost to repair?

Mr. Robert: Yes.

Mr. Carr: I've reached out to them but I don't know yet.

Mr. Walker: Ok.

Mr. Robert: I would think you'd have to specify all the cracks, at least Stantec gives pictures of this crack and that crack.

Mr. Lyons: Yes but then they extrapolated certain things too, so I'm sure that's how they would do it.

Mr. Carr: He had a documentation of the cracks, of all the wall cracks.

Mr. Walker: All the ones that he has observed.

Mr. Carr: Yes, all the fountain cracks, and a majority of the hairline cracks that occur along the joint of the columns and the wall sections. A lot of those are typical, where it's the same on every single one, which is why it would be very tedious and difficult to specify a crack, do we reference by address, do we reference by something else?

Mr. Hernandez: Yes you would either have to name them or number them so they can have control.

Mr. Walker: Right but what he means is, for some of these hairline cracks as part of when you repaint the wall, or you paint the wall, this is what you should do, so it would be a general scope that you then give to the painter.

Mr. Carr: Right, he'll provide a repair in detail for the current situation.

Mr. Lyons: I think we should get a price on the radar imaging on the wall, and only maybe do the section where the alleged problem is with the fountains, and see how much that's going to cost to run a drone across there and do it because it's 3D.

Mr. Hernandez: Yes.

Mr. Lyons: And it's designed to inspect walls.

Mr. Motta: When will he be done with the report?

Mr. Carr: Well once we get it approved.

Mr. Motta: Are you going to have him go out, he can probably do the outside of the wall pretty quick.

Mr. Carr: Yes, it will probably be another day's worth.

Mr. Motta: Ok.

Mr. Hernandez: But what he's trying to ask, is that the inspection that they're going to be doing is only visual, so part of the concern that he's raising is, why not use specifically in the area where they have the concerns of the fountains, a device that would allow them to go ahead and confirm that in fact there is no foundation concerns.

Mr. Robert: Right.

Mr. Hernandez: The only limit that we have on the administrative side is that we need to have a not to exceed amount to be able to move forward. So far we have already spent roughly \$6,700 in just getting the inspection of the entire wall and the question would be to the Board of Supervisors, not having a specific quote, what would be that amount that will be comfortable for the Board to approve at this moment so that we don't need to wait for another month. Typically the way it would be handled is, we get a quote, we present what the quote is, and the Board either approves it or not, but right now we don't have that quote. Based on the number that we're running with and making a rough estimate, I would assume that a not to exceed amount of \$2,500 should be sufficient to do the inspection of the limited area that you're defining.

Mr. Lyons: It would be the area that you had concerns with the footing and it would be a few of the fountains that are hung on the wall, and maybe the two fountains that are on the foundation, that would verify whether we have a problem or we don't.

Mr. Carr: And you would want that to occur before the engineers report?

Mr. Lyons: No.

Mr. Hernandez: No, at the same time but the part that we're trying to achieve is, some sort of efficiency in the meeting, so that when we come to the meeting, if we have the report from this engineering firm, but at the same time, this other report coming also, the Board is going to be more comfortable at the time they're going to make the decision.

Mr. Walker: It sounds like the engineer part of his scope of services is that he does not think there is a problem, so this is in addition to.

Mr. Hernandez: Correct.

Mr. Walker: So it's an additional insurance.

Mr. Motta: So he might not be the right guy to do it.

Mr. Lyons: No he's not.

Mr. Hernandez: No it will have to be another company that specializes in that.

Mr. Carr: Yes because I've never heard of that.

Mr. Hernandez: Right.

Mr. Motta: So why don't we get this guy to finish and who's going to contact the other company?

Mr. Hernandez: I will be getting that contact information and Thomas and I will be going over that. We could come to the next meeting and present it to you, and that's once again another way to solve it which is receiving the report from the engineer, and based on that report if there is a need for any additional work or not.

Mr. Lyons: Right.

Mr. Hernandez: So it's up to the Board to define how you believe it should be handled.

Mr. Robert: But I would ask, just on maintenance ask him, I would think a civil engineer, if they design something they've got a spec out what needs to be done to maintain it, so they should have somebody there that says, this is what you need to do to maintain it.

Mr. Motta: Usually on entranceways and stuff like that, there's people that do it, there's certain paint, you have to reserve for that.

Mr. Hernandez: Typically general contractors and for instance you're talking about the painting and so on, it depends on the type of paint that you're using, like you have Benjamin Moore, and the others that will come and tell you what is the expectant life of the paint that you're using and sometimes if you buy it through them, you buy it with a warranty. So when you get the 10 year paint if anything happens within the 10 years, they are responsible and they will cover it, and if there is a need to repaint it, and it's just because of the paint, they will pay for it. Maintenance, as far as cracks and so on typically is not being done through the engineers, it's done through general contractors who specialize on the painting side of the job.

Mr. Walker: Right, and an engineer is going to tell you to remove everything on the wall because that's the least invasive way.

Mr. Lyons: And then we'd have to make that decision.

Mr. Walker: Right.

Mr. Lyons: But it's maintaining the cracks.

Mr. Walker: Right, so I think we can get, hopefully we'll get United to see what information they can present as far as the maintenance of the CDD assets, and they can present it at the next meeting and then we can take it from there.

Mr. Carr: I'd also like to add, Lee and I were discussing earlier, along the lines of these maintenance programs that we'd like to develop to keep in mind that the CDD now has the reclaimed service as part of their assets, the main line. The reclaimed main line that was just installed, so I think that should be brought into the mind for brainstorming of how to maintain that.

Mr. Pietrangelo: That doesn't get turned over to Seacoast?

Mr. Motta: No.

Mr. Hernandez: No.

Mr. Walker: Yes we own that.

Mr. Carr: So the day to day operations if something goes wrong, who do they call and come out and fix it and things like that?

Mr. Lyons: Well you have the open space of maintenance that Lee does right on the CDD?

Mr. Carr: Yes.

Mr. Lyons: And that's keeping stuff off the wall and pressure off the wall.

Mr. Walker: So is that something that you think you could put together, the maintenance for the reclaimed water system?

Mr. Carr: I can look into it.

Mr. Walker: Ok.

Mr. Hernandez: That would be helpful.

Mr. Motta: Well the issue is not with maintenance, it's repair.

Mr. Walker: Yes, and we do have our reserve in our budget.

Mr. Hernandez: Alright, do we need anything else or we have a clear understanding of things? Just to summarize, we're going to be getting at the next meeting an engineer report that is going to define from the engineer's perspective the condition of the wall, and based on that report the Board will be defining if any additional inspection needs to be made. At the same time, I'm going to be getting with United to ensure that the Foundation provides the District with a guidance as to what is being considered to be the maintenance of all the improvements that we have, so that the Board can evaluate if that's enough and sufficient. Then if there are no other questions, back to you Thomas, anything else you have to report?

Mr. Carr: No, I've already distributed the annual report, and if anybody would like that I can provide a copy to Luis.

Mr. Pietrangelo: Do you have this report from last year?

Mr. Carr: No, I'm not sure whether that was required.

Mr. Walker: It was a new requirement after we did the refinance.

Mr. Hernandez: Correct.

Mr. Motta: Right.

Mr. Pietrangelo: So this is the first report.

Mr. Hernandez: I believe there was one prior to this one.

Mr. Walker: Right, there might have been one prior.

Mr. Hernandez: But as far as I know, that's all I have seen. So unless anyone has any other questions for Thomas we can move on to the next item.

C. Manager

Mr. Hernandez: As for the manager, I believe that we have already spoken about the insurance and the issue. I have nothing specific to report at this time. I'm hoping that by the next meeting I will have a better understanding not only of the situation but what would be the cost to repair so that we can finalize that part. The only thing that I want to remind the Supervisors is that based on our regular schedule the next meeting will be on February 16th at 11:00 a.m. at the same time and place. With that being said, unless anyone has any questions for me, we can move to the next item.

Mr. Pietrangelo: Wait a minute.

Mr. Hernandez: Sure.

Mr. Lyons: That wall incident damage, I know that's with Allstate and they'll have what's called fixed property, or third party property loss as far as Allstate is concerned, they're going to want to send contractors out, get some bids on it, and then they'll send it to their internal audit, they run it through some software and then they'll pay you, so it's not going to take that long.

Mr. Hernandez: So far the only part that they are waiting from me is to provide them with a quote from my side, so I think that probably is besides what you have described they're just pending to get mine, and out of that evaluate which one is the most beneficial for them to move forward with.

Mr. Lyons: Right.

Mr. Walker: Did we authorize proposals? Did we have to or not?

Mr. Hernandez: Yes I know what you're saying now, and you're probably right, don't we have an estimated cost from the engineer to do the inspection of the wall?

Mr. Walker: Right he had a separate proposal for the wall.

Mr. Carr: For the damage.

Mr. Walker: Yes do we need to do anything with that?

Mr. Carr: If the Board needs to approve it, it's in Luis name for \$5,280 lump sum.

Mr. Lyons: Why are we engineering that, why don't we leave that up to Allstate?

Mr. Hernandez: That's part of what I was considering when I received that quote. Leave it up to them because right now what we'd be doing is spending those funds and there is no guarantee that anyone is going to cover that cost back to the District.

Mr. Walker: And we just have to make sure Allstate is going to engineer it when they give us their proposal, because you have to engineer it because it has to be cut, because it's currently blocked so you have to cut it.

Mr. Carr: Right, and that's what this proposal would be for, for developing those plans and specifications.

Mr. Lyons: But we have to make sure Allstate will pay that, and who's going to pay that bill, we don't want to pay that bill.

Mr. Hernandez: That's correct.

Mr. Carr: Which is why I was waiting.

Mr. Walker: Right, so Luis you can confirm with Allstate?

Mr. Hernandez: Yes I will confirm with Allstate and that's the one that is January 12th?

Mr. Motta: Luis, see if you can get a local engineer to do it.

Mr. Hernandez: Sure.

Mr. Motta: Somebody that's local here, and then they'll probably end up with the same set of plans.

Mr. Walker: We just have to make sure whatever they have scoped out is going to be satisfying to the Board.

Mr. Hernandez: Correct, to the District. So coming back to the February 16th meeting, are there any concerns with that date, or does it seem to be fine at this point?

Mr. Pietrangelo: The meetings are every third Thursday?

Mr. Hernandez: Right now we have it to be on the third Thursday of each month, yes sir.

Mr. Robert: You can still move it to 10:30 I'd appreciate it.

Mr. Pietrangelo: I was going to say move it back because everyone will be at Naples that morning, 11:00 o'clock is fine.

Mr. Hernandez: Alright 11:00 o'clock on the 16th.

Mr. Pietrangelo: That should be good.

Mr. Motta: Whatever you guys want to pick, we should just pick it, and stay on it. So when do you want it, what day? We have to pick a time and a day because not everybody needs to show up for every one of them.

Mr. Hernandez: Correct and not only that, the intent is to try to set it for the entire year so that it does not come to be an issue every month, so it's something that is convenient for everybody.

Mr. Pietrangelo: The third Thursday looks good.

Mr. Motta: Ok, that's how it's been.

Mr. Hernandez: Yes, the third Thursday at 11:00, yes.

Mr. Pietrangelo: Ok.

Mr. Motta: So then you know and sometimes they send things out and say there's no need for a meeting because there's nothing on the agenda.

Mr. Hernandez: Correct.

Mr. Motta: How many meetings do you think we have in the year?

Mr. Hernandez: Typically in a year somewhere between 4 to 5 meetings in the past.

Mr. Motta: And once you get done with all these questions, you're going to look and say, you won't meet, you'll get a note from him saying there's nothing on the agenda, unless you guys want to meet.

Mr. Walker: Are we done?

Mr. Hernandez: Ok so February 16th is fine, so we're fine with the date.

Mr. Walker: Yes.

FOURTH ORDER OF BUSINESS Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Hernandez: Moving on, the last item that I have is financial reports. You will find those in section 4. Tab A has the check register and tab B has the balance sheet and income statement.

Mr. Walker: Oh we still have \$239,000 showing that it hasn't been paid out in the reserve, as of December, is that right, in the capital projects?

Mr. Hernandez: I'm sorry?

Mr. Walker: There's still \$239,000 listed in the capital projects account?

Mr. Hernandez: At least at the time when the report was done which was December 31st.

Mr. Walker: Ok.

Mr. Hernandez: At the last meeting we authorized \$70,000 plus to be paid. The part that I do know is that at this point the remainder of funds is roughly \$45,000.

Mr. Walker: Ok, alright.

On MOTION by Mr. Walker seconded by Mr. Robert with all in favor, the Check Register, Balance Sheet and Income Statement were approved.

**FIFTH ORDER OF BUSINESS Supervisors Request and
Audience Comments**

Mr. Hernandez: Moving on, are there any Supervisors requests? Not hearing any, are there any audience comments? Yes sir?

Mr. Pietrangelo: Can this report be given out a couple days before?

Mr. Hernandez: You received it last week.

Mr. Walker: It's a part of your email attachment.

Mr. Hernandez: In your email it comes as an attachment that has the entire agenda.

Mr. Pietrangelo: Ok.

Mr. Hernandez: But when we send it to you a week ahead of time, it has this as an attachment. At the same time if you want to receive this, and just for you to know and we can take some steps following what has been done in the past but it can always be reviewed, what has been done in the past, the Board of Supervisors requested to receive it electronically a week before the meeting and then we bring the hard copies to the meeting and by doing so, what we're saving is the funds of what is being paid for mailing. If you want to receive it we can mail it to your household and you can receive it that way.

Mr. Pietrangelo: No I got it, it was the fact that I didn't look at it.

Mr. Hernandez: That's fine.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Hernandez: So unless anyone has any other concerns, a motion to adjourn would be in order.

On MOTION by Mr. Walker seconded by Mr. Pietrangelo with all in favor, the Meeting was adjourned.

Secretary / Assistant Secretary

Chairman / Vice Chairman

**Old Palm
Community Development District**

Summary of Invoices

February 16, 2017

Fund	Date	Check No.s	Amount
<i>General</i>	02/08/17	800-803	\$ 43,758.96
Total Invoices for Approval			\$ 43,758.96

*** CHECK DATES 01/13/2017 - 02/08/2017 ***

OLD PALM CDD - GENERAL FUND
BANK A OPERATING ACCOUNT

CHECK DATE	VEND#INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
2/08/17	00006	12/31/16 225816	201612 310-51300-31100		*	745.00	
		DEC 16 - BOARD MEETING					
		12/31/16 225816	201612 310-51300-31101		*	6,000.00	
		DEC 16 - IRRIGATION DESGN					
BOWMAN CONSULTING GROUP LTD							6,745.00 000800

2/08/17	00009	2/01/17 149	201702 310-51300-34000		*	2,994.83	
		FEB 16 - MGMT FEES					
		2/01/17 149	201702 310-51300-35100		*	83.33	
		FEB 16 - COMPUTER TIME					
		2/01/17 149	201702 310-51300-49500		*	41.67	
		FEB 16 - WEBSITE ADMIN					
		2/01/17 149	201702 310-51300-51000		*	20.00	
		FEB 16 - SUPPLIES					
		2/01/17 149	201702 310-51300-42000		*	8.31	
		FEB 16 - POSTAGE					
		2/01/17 149	201702 310-51300-42500		*	115.10	
		FEB 16 - COPIES					
GOVERNMENTAL MANAGEMENT SERVICES -							3,263.24 000801

2/08/17	00012	2/08/17 TAX REC	201702 300-20700-10100		*	33,558.08	
		TRANSFER OF TAX RECEIPTS					
OLD PALM CDD C/O US BANK							33,558.08 000802

2/08/17	00003	1/16/17 693785	201701 310-51300-48000		*	192.64	
		NOTICE OF SPECIAL MEETING					
PALM BEACH NEWSPAPERS, INC							192.64 000803

TOTAL FOR BANK A						43,758.96	
TOTAL FOR REGISTER						43,758.96	

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT
COMBINED BALANCE SHEET

January 31, 2017

	<u>Governmental Fund Types</u>			<u>Totals</u>
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>(Memorandum Only) 2017</u>
<u>ASSETS:</u>				
Cash	\$103,299	---	---	\$103,299
Investments:				
State Board	\$80,730	---	---	\$80,730
<u>Series 2015</u>				
Reserve	---	\$100,091	---	\$100,091
Interest	---	\$0	---	\$0
Revenue	---	\$811,925	---	\$811,925
Construction	---	---	\$160,985	\$160,985
Cost of Issuance	---	---	\$0	\$0
Due from General Fund	---	\$0	---	\$0
Due from Capital	\$0	---	---	\$0
TOTAL ASSETS	<u>\$184,029</u>	<u>\$912,016</u>	<u>\$160,985</u>	<u>\$1,257,030</u>
<u>LIABILITIES:</u>				
Accounts Payable	\$6,938	---	\$0	\$6,938
Due to General	---	---	\$0	\$0
Due to Debt Service	\$0	---	---	\$0
<u>FUND BALANCES:</u>				
Reserved for Debt Service	---	\$912,016	---	\$912,016
Reserved for Capital Projects	\$80,730	---	\$160,985	\$241,715
Unreserved	\$96,361	---	---	\$96,361
TOTAL LIABILITIES & FUND EQUITY & OTHER CREDITS	<u>\$184,029</u>	<u>\$912,016</u>	<u>\$160,985</u>	<u>\$1,257,030</u>

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Statement of Revenues & Expenditures
For The Period Ending January 31, 2017

	ADOPTED BUDGET	PRORATED BUDGET THRU 1/31/17	ACTUAL THRU 1/31/17	VARIANCE
REVENUES:				
Maintenance Assessments	\$132,756	\$116,777	\$116,777	\$0
Interest Income	\$0	\$0	\$256	\$256
TOTAL REVENUES	\$132,756	\$116,777	\$117,033	\$256
EXPENDITURES:				
ADMINISTRATIVE:				
Engineering	\$15,000	\$5,000	\$6,305	(\$1,305)
Arbitrage	\$1,250	\$0	\$0	\$0
Assessment Roll	\$2,300	\$2,300	\$4,330	(\$2,030)
Attorney	\$15,000	\$5,000	\$8,123	(\$3,123)
Annual Audit	\$4,000	\$3,500	\$3,500	\$0
Trustee Fees	\$9,000	\$5,365	\$5,365	\$0
Management Fees	\$35,938	\$11,979	\$11,979	\$0
Computer Time	\$1,000	\$333	\$333	\$0
Telephone	\$100	\$33	\$1	\$32
Postage	\$500	\$167	\$18	\$149
Printing & Binding	\$700	\$233	\$411	(\$178)
Insurance	\$10,359	\$10,359	\$10,359	\$0
Legal Advertising	\$4,000	\$1,333	\$791	\$542
Other Current Charges	\$500	\$167	\$130	\$37
Website Administration	\$500	\$167	\$167	(\$0)
Office Supplies	\$100	\$33	\$46	(\$13)
Dues, Licenses, Subscriptions	\$175	\$175	\$175	\$0
Contingency	\$500	\$167	\$0	\$167
FIELD:				
Property Insurance	\$23,527	\$23,527	\$21,654	\$1,873
Repairs & Maintenance	\$5,500	\$1,833	\$0	\$1,833
Irrigation Design	\$0	\$0	\$6,000	(\$6,000)
Contingency	\$3,892	\$1,297	\$0	\$1,297
TOTAL EXPENDITURES	\$133,842	\$72,970	\$79,687	(\$6,718)
EXCESS REVENUES (EXPENDITURES)	(\$1,086)		\$37,346	
FUND BALANCE - Beginning	\$1,086		\$139,746	
FUND BALANCE - Ending	\$0		\$177,092	

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

DEBT SERVICE FUND - SERIES 2015
Statement of Revenues & Expenditures
For The Period Ending January 31, 2017

	ADOPTED BUDGET	PRORATED THRU 1/31/17	ACTUAL THRU 1/31/17	VARIANCE
REVENUES:				
Special Assessments	\$904,251	\$774,322	\$774,322	\$0
Interest Income	\$0	\$0	\$297	\$297
TOTAL REVENUES	<u>\$904,251</u>	<u>\$774,322</u>	<u>\$774,619</u>	<u>\$297</u>
EXPENDITURES:				
Series 2015				
Interest - 11/1	\$217,858	\$217,858	\$217,980	(\$123)
Interest - 5/1	\$217,858	\$0	\$0	\$0
Principal - 5/1	\$471,000	\$0	\$0	\$0
TOTAL EXPENDITURES	<u>\$906,715</u>	<u>\$217,858</u>	<u>\$217,980</u>	<u>(\$123)</u>
OTHER SOURCES/(USES):				
Interfund Transfer In	\$0	\$0	\$0	\$0
TOTAL OTHER	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$123)</u>
EXCESS REVENUES (EXPENDITURES)	<u>(\$2,464)</u>		<u>\$556,639</u>	
FUND BALANCE - Beginning	\$233,804		\$355,377	
FUND BALANCE - Ending	<u>\$231,340</u>		<u>\$912,016</u>	

OLD PALM
COMMUNITY DEVELOPMENT DISTRICT

CAPITAL PROJECTS FUND - SERIES 2015

Statement of Revenues & Expenditures

For The Period Ending January 31, 2017

	<u>ADOPTED BUDGET</u>	<u>PRORATED THRU 1/31/17</u>	<u>ACTUAL THRU 1/31/17</u>	<u>VARIANCE</u>
REVENUES:				
Interest Income	\$0	\$0	\$261	\$261
TOTAL REVENUES	<u>\$0</u>	<u>\$0</u>	<u>\$261</u>	<u>\$261</u>
EXPENDITURES:				
Improvements	\$0	\$0	\$78,118	(\$78,118)
Cost of Issuance	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	<u>\$0</u>	<u>\$0</u>	<u>\$78,118</u>	<u>(\$78,118)</u>
EXCESS REVENUES (EXPENDITURES)	<u>\$0</u>		<u>(\$77,858)</u>	
FUND BALANCE - Beginning	\$0		\$238,843	
FUND BALANCE - Ending	<u>\$0</u>		<u>\$160,985</u>	

**OLD PALM
COMMUNITY DEVELOPMENT DISTRICT**

Bond Issue:	<u>Series 2004A Special Assessment Bonds</u>
Original Issue Amount:	\$14,815,000
Interest Rate:	5.90%
Maturity Date:	May 1, 2035
Reserve Fund Requirement:	7.12% of Bonds Outstanding

Bonds outstanding - 9/30/13	\$12,980,000
Less: 5/1/2014	(\$295,000)
5/1/2015	(\$315,000)
8/26/2015	(\$12,370,000)
Current Bonds Outstanding:	<u><u>\$0</u></u>

Bond Issue:	<u>Series 2015 Special Assessment Refunding Bonds</u>
	\$12,910,000
Interest Rate:	3.500%
Maturity Date:	November 1, 2015
Reserve Fund Requirement:	

Bonds outstanding - 9/30/15	\$12,910,000
Less: 5/1/2016	(\$454,000)
Current Bonds Outstanding:	<u><u>\$12,456,000</u></u>

Old Palm
Community Development District
Tax Collections
Fiscal Year Ending September 30, 2017

Date Received	Gross Tax Received	Discounts/ Penalties	Commissions	Interest	Net Amount Received	Net	Debt Service Fund 87.20%	General Fund 12.80%	Total 100.00%
						\$ 904,251.07			
11/4/2016	\$ 5,911.68	\$ -	\$ -		\$ 5,911.68	\$ -	\$ 5,911.68	\$ 5,911.68	
11/7/2016	\$ 18,526.81	\$ 851.15	\$ 176.76		\$ 17,498.90	\$ 14,837.18	\$ 2,661.72	\$ 17,498.90	
11/21/2016	\$ 188,936.78	\$ 7,556.93	\$ 1,813.80		\$ 179,566.05	\$ 156,313.75	\$ 23,252.30	\$ 179,566.05	
12/7/2016	\$ 305,400.82	\$ 12,215.28	\$ 2,931.85		\$ 290,253.69	\$ 251,907.77	\$ 38,345.92	\$ 290,253.69	
12/12/2016	\$ 263,565.91	\$ 10,542.12	\$ 2,530.24		\$ 250,493.55	\$ 224,385.77	\$ 26,107.78	\$ 250,493.55	
12/28/2016	\$ 83,863.60	\$ 3,222.60	\$ 806.41		\$ 79,834.59	\$ 68,391.11	\$ 11,443.48	\$ 79,834.59	
1/11/2017	\$ 70,375.31	\$ 2,153.16	\$ 682.22		\$ 67,539.93	\$ 58,486.30	\$ 9,053.63	\$ 67,539.93	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
					\$ -			\$ -	
TOTALS	\$ 936,580.91	\$ 36,541.24	\$ 8,941.28	\$ -	\$ 891,098.39	\$ 774,321.88	\$ 116,776.51	\$ 891,098.39	

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12/7/2016	\$ 423,058.70	792
1/5/2017	\$ 224,385.77	796
1/12/2017	\$ 126,877.41	799

\$ 774,321.88
 Balance to Transfer \$ -

Old Palm
Community Development District
Series 2015 Special Assessment Refunding Bonds

1. Recap of Capital Project Fund Activity Through January 31, 2017

Opening Balance in Construction Account - Series 2015	\$1,282,112.01
Source of Funds: Interest Earned on Series 2015	\$1,519.03
Use of Funds:	
Disbursements: Cost of Issuance	(\$275,727.00)
Reclaimed Water Improvements	(\$842,529.26)
Transfers Out	(\$4,389.97)
Adjusted Balance in Construction Account at January 31, 2017	<u><u>\$160,984.81</u></u>

2. Funds Available For Construction at January 31, 2017

Book Balance of Construction Fund at January 31, 2017	\$160,984.81
Contracts in place at January 31, 2017	

3. Investments - Wells Fargo

January 31, 2017	<u>Type</u>	<u>Yield</u>	<u>Due</u>	<u>Maturity</u>	<u>Principal</u>
Construction Fund:	Overnight	0.1%			\$160,984.81
				ADJ: Outstanding Requisitions	\$0.00
				Balance at 1/31/17	<u><u>\$160,984.81</u></u>