



OLD PALM COMMUNITY DEVELOPMENT DISTRICT

Robert Pietrangelo – Chairman

Gary Walker – Vice Chairman

Jim Motta – Assistant Secretary

Daniel Robert – Assistant Secretary

Robert Lyons – Assistant Secretary

March 16, 2017



Old Palm

Community Development District

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Phone: 954-721-8681 - Fax: 954-721-9202

March 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 **March 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 February 16, 2017 Meeting
3. Consideration of Proposal from The Mathis Group for Consulting Services
4. Staff Reports
 - A. Attorney
 - B. Engineer - Update and Status of the Reclaimed Water Project
 - C. Manager
5. Financial Reports
 - A. Approval of Check Register
6. Supervisors Requests and Audience Comments
7. Adjournment

Enclosed for your review is a copy of the minutes from the February 16, 2017 meeting.

The third order of business is consideration of a proposal from The Mathis Group for consulting services; a copy of which is enclosed for your review.

The fourth order of business is staff reports. Enclosed under the engineer's report is information regarding the status of the reclaimed water project.

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 regular meeting of the Board of Supervisors of the Old Palm Community Development District was held on Thursday, February 16, 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 (by phone)
Daniel Robert	Assistant Secretary
Bob Lyons	Assistant Secretary

Also present were:

Bill Capko	District Counsel
Luis Hernandez	District Manager
Oats Reis	District Engineer
Thomas Carr	Bowman Consulting
Lee Bladen	Old Palm Golf Club
Sharon Caputo	Old Palm Foundation
Linda Roman	Old Palm Foundation
Don Beers	Alan Gerwig and Associates
Several Residents	

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
January 25, 2017 Meeting**

Mr. Hernandez: Moving on, the second item on the agenda is the approval of the minutes of the January 25, 2017 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. Walker seconded by Mr. Robert with all in favor, the Minutes of the January 25, 2017 Meeting were approved.

THIRD ORDER OF BUSINESS

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

Mr. Hernandez: Next we have a presentation from the Foundation, and just to bring everybody up to speed and since no one from the Foundation was here last time, part of what the Board is trying to understand is, what is being done as far as the maintenance for the CDD, and by gaining that understanding the Board will gain some comfort in how that is being handled. With that being said, I believe that Sharon will be the one taking the lead.

Ms. Caputo: Yes, ok. I'm going to start off with the preserves. We have preserves that surround Old Palm, 30 acres approximately are maintained by a company called Allstate Management, and just so everyone is aware, they come twice a month and they maintain approximately 30 acres of the preserve and what they're looking at is they want to make sure they take care of the exotic vegetation, invasive weeds, and they maintain the brush, they remove any debris and they provide reporting, and after they're here we get a full report which identifies what they encountered when they were here, what they had to address, if there was any challenges they were facing. They're doing a very good job. We put it out to bid in 2015 and we did a very detailed RFP and we found that to handle those 30 acres this company provided the highest level of service. We went and we looked at other communities that were using them and we found that they did a very nice job. The remaining preserves are maintained by Lee

Bladen, he's in there at a minimum 30 times a year and he's following the same scope that is general for preserve maintenance.

Mr. Pietrangelo: Did you say Allstate?

Ms. Caputo: Yes, Allstate, and I have copies if anyone wants to look at anything, we have everything here. The one that Allstate maintains is 29.64 acres to be exact, and that's on the north end just so you know. Lee, I don't have your acreage but I can find that, but everything other than these 30 acres which are on the north end, Lee takes care of everything from Central, PGA, along the Turnpike.

Mr. Pietrangelo: And they don't take care of the lake?

Ms. Caputo: No, the lakes, just so you know Allstate has a division that does lake maintenance, we're not using them for lake maintenance, we only have them employed to do the preserves. Lake Masters is our lake maintenance company.

Mr. Robert: Do you inspect any of the work they've done?

Ms. Caputo: Yes, our onsite manager, before we had onsite, before Eric I would go around, we'd go into the preserve, many times I've gone in just with Lee just to take a look and get a second opinion, if there was anything he saw. In fact it was Lee Bladen who noticed prior to Allstate and prior to World Class that the original company, I think it was Lake and Wetlands, they were missing certain areas so we tried to get them to improve and they didn't so we made a change. So I think that right now we're getting a very good level of service and we're all checking it, and I have my RFP which details in extreme detail what our expectations were, so everyone bid off our expectation which ties to what the county expected. Now the next thing is our lake.

Mr. Lyons: Excuse me for a second, we discussed the lakes 2 or 3 meetings ago, it had an engineering report.

Ms. Caputo: Yes I have it here.

Mr. Lyons: And I think we're fine with the lakes.

Ms. Caputo: Ok, do you want to just touch quickly and go?

Mr. Pietrangelo: Well what Sharon is talking about it the maintenance program.

Mr. Lyons: Correct.

Ms. Caputo: Right, just maintenance, and I do have your report that was generated by Oats, and that was distributed and I have it, and you had asked for a copy so I brought you a copy.

Mr. Lyons: Ok and we did talk about maintenance before, but that's fine if you want to go over that some more.

Ms. Caputo: Ok I'll just go as quickly as I can, we have 15 lakes, 33.44 linear feet, we have about 5.10 total acres of littorals, I can make if anyone wants me to send them detail after the meeting I will. Basically they treat for the algae, the aquatic weeds, they maintain the border grass and brush, they perform the littoral shelf maintenance and that's important because the littoral shelf has to be maintained specifically under certain standards, they test our lakes of PH temperature, dissolved oxygen, and they provide a full report. We do go look at all the lakes, and if anyone has questions since you've covered it I won't take up your time here.

Mr. Robert: How often do they do that?

Ms. Caputo: They're here 48 times a year.

Mr. Robert: Ok.

Ms. Caputo: So if you have any questions after this meeting I will be happy to answer them.

Mr. Pietrangelo: Do they look at the pipes that connect the lakes?

Ms. Caputo: No, they do not.

Mr. Pietrangelo: So that's not fully inspected.

Ms. Caputo: No, they feel and I've had this conversation because when we went out to bid, and I also did a RFP for this as well, what we found out is all the companies responded with, first of all we have a report stating the lakes are in very good condition and I have it here with me, but what the companies have said is that if you start to notice a drop in the lakes, that's the first sign that something is not right and then we would have to go further. That is not the case here, the lakes are in very good shape.

Mr. Walker: Well Bob's question in reference to the pipes though, you have another contractor that does that service of the pipes.

Ms. Caputo: Well if we find that we have an area, and Lee and I worked on, which was behind the cottages by the clubhouse and we found that there was something that was not draining properly, we had to go in and have a company dive in and go into the connection, and that was a different company, but we have that. If we need it, we do it, but right now all the lakes are at the right levels and everything is good so there's nothing to do.

Mr. Walker: But it's part of the drainage pipe, so you did a bunch of those right?

Ms. Caputo: That's the next section.

Mr. Walker: Ok so that's your drainage, and that's the next section.

Ms. Caputo: Yes. Now we're talking about the drainage. What we've done every year is we have created, we took all of the drainage plans for Old Palm, and I have them here if anyone wants to look at them, and what we've done is we created a RFP, and we had companies come out and check all the catch basins. They checked 410 catch basins and what they've done is they put a tube or something.

Mr. Pietrangelo: The catch basin is the space underneath the sewer.

Ms. Caputo: Yes, where the water collects, correct.

Mr. Pietrangelo: Ok.

Ms. Caputo: And what they do is they check to make sure that they are draining properly, that there's no sediment, and sometimes you have debris in them, leaves, landscape debris, and they have to make sure that you're getting the correct drainage so that in a storm event, you wouldn't have water that is remaining in the roadways. So what we did is we went out to companies such as Shenandoah, which is a very large and well known and respected company, and we've spoken about this with the CDD, and we had a company come out called Cobra, and we made a spreadsheet and we found out who's the best price, who's giving us the best level of attention. So we ended up using Cobra this year, and we did Shenandoah in the prior, and what we've done is we've mapped out which catch basins they've done, so we are not doing the same repetitive work. We have every catch basin inspected every year now and I have all my backup if anyone wants to see it. So the catch basins were vacuumed last year, and they

come back this year prior to hurricane season starting and then we call Luis and we tell him that we've done this service and that everything is in order. So everything is on catch basins and if anyone wants details after the meeting or wants to see any of our scopes of the RFP just let me know.

Mr. Robert: You said that you do certain catch basins every year?

Ms. Caputo: Well what they do is, they went through all of them, and one year they found a certain amount, like 154, they look at them and decide which ones need it, they come back and tell us, ok association, 154 need it this year. They look at 410 total, and they're not going to do them if they're flowing, but if there was debris and sometimes you get one that just gets more debris, it's just the way it is. So they cleaned them out and then we met with them, they gave us our maps and reports and then they come back next year. What we do as an association to make sure we're not paying for the same thing, and not tracking and monitoring the process, is we map out which ones they do, so next year we can make sure that they don't come back and give us the same ones, so we have to keep our eyes on it too.

Mr. Robert: Ok good.

Ms. Caputo: So if anyone has questions I can answer those, and if not I'll go to the wall which I know was the important subject. Ok, so the wall, the association has since I've been involved, at least since 2009 has been maintaining the wall from a perspective of cleaning and painting as needed. We have not embarked in a full overall 100% painting because it wasn't needed but what we had are areas, certain areas I did some touch up work and whenever we found an area which I inspected and found to be dirty or pressure cleaning wasn't fixing it, especially along Old Palm Drive, we went and we painted it. We have recently and every year, and I have all my invoices here, we have painted along Central Blvd., we've painted along Old Palm Drive, we have painted columns, we have painted in every area, we have not ignored any areas, so we look at it every month to see if there's an area that needs attention and our painters come and take a look but I did have a conversation with Bob Pietrangelo who has a history and a background with painting. He had mentioned that Benjamin Moore is a very good

paint, it's a quality paint and we all know that. So what I did is I went and I met with the representatives of Benjamin Moore, and I had them come to Old Palm and I can just hand these out, these are painting samples if you'd like, and what we've done is I had them come out, they looked at all the walls and I asked them to develop specs for me to work on with Bob because he has the background of painting and see what he thinks of their specs. I did have a conversation with him relating to what he thinks about the vines because that came up in a recent meeting. He said that it's his opinion that the vines when we move forward should be removed. When we undertake the painting, a full painting from the association, he thinks that the vines should be removed because they will eventually encroach into the wall and make it more difficult. Now that's an aesthetic, I know homeowners wanted the vines but he said if you're going to go and do an overall painting, that's something that you and your new Board should talk about because that would be our recommendation. If not, you'd have to paint inbetween and not remove those vines at any time because you will create a problem.

Mr. Lyons: There's a lot of staining on Old Palm Drive going into the tunnel.

Ms. Caputo: Yes I know.

Mr. Lyons: It doesn't look very good but the question was whether we could leave the vines, somebody had mentioned that the vines could be left and you don't need to paint the wall. I think that came up at the last meeting, so we need some expert to look at it.

Ms. Caputo: I asked him that very question and he said to me, here is the best answer I can give you. If you're looking for a native look and you don't want a wall that looks naked and cold and they're looking for an aesthetic look, then my recommendation would be never pull or remove the vines at any time, do not even remove them to paint, just paint where you can and the best you can, so we can do that. So what I told him is, when he has 3 companies that are going to come out to embark once we agree on the spec which I have to work on, once we agree on the spec, then what he said is 3 companies will come out, they'll give you a price to remove the vine,

the vines will be removed and you'll fill in the cracks and seal it and paint it, or paint around the vines, so I'm going to get both to present to the Board.

Mr. Lyons: So have they been repairing the cracks in the walls as part of your maintenance?

Ms. Caputo: Yes, when my people have come out and the association has gone, wherever there was a crack it was part of the scope.

Mr. Pietrangelo: Can we go over that a little bit, the vines?

Ms. Caputo: Sure.

Mr. Pietrangelo: My personal view is that the vines are destructive and they should be removed.

Ms. Caputo: Ok.

Mr. Pietrangelo: Now, do we disagree with that?

Ms. Caputo: Now again, this is one person.

Mr. Pietrangelo: And this is aesthetics, but do you think the community wants us to keep them? Lee, what do you think? They were specifically requested to be removed.

Mr. Walker: Recently, within the last 3 months or so. There were areas that were exposed and a homeowner said, we prefer that you have some vines removed.

Mr. Lyons: Well the CDD never approved any vines being put on the wall, we could never find any records of that. So that's an issue in itself of who's going to be responsible for the cost of removing these vines if we go that way. I don't know but we need some professional to tell us, if we leave those vines on there and they continue to grow will they crush the wall.

Ms. Caputo: Here is what his comment was, he's a painting professional, he's not an engineer.

Mr. Lyons: But he's not a structural engineer.

Ms. Caputo: No but I'm just going to read what he said and then we can ask our structural engineer. He said this specification should be performed every 8 years, painting every 8 years, to minimize future budgeting costs for repainting and masonry deterioration. We recommend having the Old Palm landscaping contractor keep the

vines and vegetation off the perimeter walls during their routine maintenance. Now, we have always maintained the vines because that is what was here when we came on board, and we were instructed that's something the homeowners wanted to keep and that we should make every effort to work around them but we were told by everyone not to pull them off, not to cause any future disturbance to them. So if we decide we want to remove them that would be a Board and community decision, if you decide you want to go that way, we'll do it.

Mr. Lyons: But there's no record of the HOA authorizing any vines, there's no record of the CDD authorizing it, so when you say the homeowners, I've been a homeowner here for 13 years, and there was never a discussion about vines, so maybe we have to find out if we can leave the vines on there, are they going to damage the wall is one thing but we need a structural engineer I think or somebody. I think Stantec reported that at least cut the tops of the vines so they don't get into the cap, so they don't get inside the wall, so I don't know enough about it but it is an issue.

Mr. Carr: I believe that's something Mr. Beers is going to touch on once we get to the engineering portion.

Mr. Lyons: Ok.

Ms. Caputo: Ok so I covered now the catch basins, the drainage, which we maintain, the lakes which we maintain, the preserves which we maintain, and now the wall, which I know we're going to have an opinion and findings from your structural engineer. Is there anything else that you would like me to touch on?

Mr. Pietrangelo: Are those functions covered by the \$346,000 in the budget?

Ms. Caputo: Under the R&M?

Mr. Pietrangelo: Yes.

Ms. Caputo: Yes, well the painting of the wall would be reserves, if you're going to paint the entire perimeter wall we have accounted for that in the reserves.

Mr. Walker: There's a very specific reserve for perimeter wall, and I don't remember the budget but I think it's like \$143,000.

Ms. Caputo: Yes. The portion you're thinking about maybe there's a wall maintenance portion in the CDD component of the budget but that's just for pressure cleaning and just routine maintenance, it's not for the overall painting.

Mr. Pietrangelo: No I'm saying we've got three contracts for maintenance of various assets, what do those three contracts cost us?

Ms. Caputo: The preserve maintenance that I'm paying is for Allstate, just to give you that one is \$900 a month, just to give a perspective. My lake maintenance is, oh here I have my budget right here, your lake maintenance a year is running approximately, we have \$25,000 budgeted and in 2016 we spent on lake maintenance \$22,920, approximately \$23,000. We leave \$2,000 just in case we ever have to add mosquito fish, or something if we have hydrilla or some episode. The preserve, just to give you an idea about that, I have in here, well my drainage maintenance for the catch basins is \$10,000 and this year in 2016 we spent \$17,875 because we had some additional catch basins, some years you have less and some years you have more. My landscape, I do a portion and my landscape for the buffers we have \$40,000 for landscape, and the CDD portion of that was \$11,000 for the preserve area that we maintain. Now my wall maintenance, and you spoke about that, I have \$12,000 that's just for like a touch up, or a minor repair, so we have as I said \$12,000 and we spent \$15,000 in 2016.

Mr. Walker: Do you have the report there, what you have for the reserves for the wall?

Mr. Pietrangelo: That leaves around \$300,000 in the budget.

Mr. Walker: Now our CDD budget, what was the total budget and how much did we spend, so this is showing that the budget was \$418,000 of which we spent \$315,000. I think in 2017 it was reduced based on historical actual.

Mr. Pietrangelo: Well what we just did is less than \$100,000.

Mr. Walker: Ok well here is your whole list then, this whole section right here is CDD maintenance.

Ms. Caputo: I can go over every line with you after the meeting if you want.

Mr. Hernandez: Bob at the last meeting I provided you with a copy of the latest budget, and if you look at that there is a clear description of all the line items.

Mr. Walker: So every year as part of our budget process we look at that and we look at historical actuals, and we either increase various line items or reduce others.

Ms. Caputo: Does anyone have any questions for me on the wall?

Mr. Walker: But in addition to that Bob though there's a reserve for in essence painting the wall.

Mr. Robert: What about the sidewalks outside?

Ms. Caputo: That's our responsibility.

Mr. Walker: That is a Foundation, it's not a CDD asset.

Ms. Caputo: Right it's Foundation, and we have just recently, if they're stained we clean them, if they are a tripping hazard we take care of them, and I have all the records for that.

Mr. Lyons: The biggest part of that Bob is the irrigation and landscaping of the reserves?

Ms. Caputo: Well that and we also have an area that carves out at the entrance that goes along to the right of the roadway on the entrance of PGA.

Mr. Lyons: I thought that was turned over, according to Palm Beach Gardens, it's been turned over to the HOA, the Foundation.

Ms. Caputo: Not that I know of, not that sliver, right Luis, that has not been turned over.

Mr. Hernandez: Correct.

Ms. Caputo: Ok.

Mr. Lyons: So it's \$210,000 for open space, isn't most of that heavy growth?

Ms. Caputo: Yes but there's areas that run along it that fall under the CDD so I have to make sure that a portion goes to that. Can you just show the entrance, is there a CDD ownership map that we can see? There's an area along the entrance, how big an area would you say that is Oats that I maintain from the front of our community up to the guardhouse, if you had to estimate it?

Mr. Reis: I don't know the exact amount.

Ms. Caputo: Ok, well there's an area and every time Lee sends an invoice we go over the invoice, if it's irrigation and we code that percentage.

Mr. Lyons: So that \$210,000 is going to Lee's group?

Ms. Caputo: Yes for the areas that he maintains, yes.

Mr. Hernandez: Everything you see in red, is owned by the CDD.

Ms. Caputo: So there's a lot of areas that just border in there and we have under our lawn service in your Foundation, that's all we code all the irrigation but we need a small component and that's not a lot for a community of 640 acres.

Mr. Lyons: Well I thought there was some sidewalks outside the gates, are there?

Ms. Caputo: No.

Mr. Hernandez: There are some yes, on PGA Blvd. and there is one that runs from here to PGA Blvd.

Mr. Lyons: But that's not CDD property.

Mr. Hernandez: Yes it is because it would be right adjacent to the property, so it would be within this property.

Mr. Walker: Well the interesting thing, the CDD component that's within the Foundation is actually shared, it's 316 homeowner units and the club pays a portion of that correct?

Mr. Hernandez: Correct.

Mr. Walker: And the club portion is what?

Mr. Hernandez: \$14,600 is what the club is paying.

Mr. Walker: But it's based on a unit equivalent of how many?

Mr. Hernandez: A total of 316 for the Foundation and 13 for the club.

Mr. Walker: So the sensitivity of it being a CDD maintenance item or just a Foundation item is the fact that if it's CDD the club pays us a portion of it. The club pays a portion of the Foundation as well, it's 3% of the overall Foundation budget.

Mr. Lyons: Ok, and that 3%, how do they establish that 3%, we talked briefly about that before.

Mr. Walker: Well it's in the declaration.

Ms. Caputo: Yes it's in the recorded declaration for your community.

Mr. Lyons: Then Lee's maintaining all that \$210,000?

Ms. Caputo: With the exception of the \$900 a month that we do to Allstate.

Mr. Lyons: Right.

Mr. Walker: There's a contract with in essence Lee's department between the Foundation and Lee's department and it spells out exactly what he does on a weekly basis and that would be one of the components within there.

Ms. Caputo: We have a separate sheet just as Gary said, when they entered into the agreement with Old Palm Golf Club every single zone, for instance, and I'm not going to go into too much detail but there is a separate sheet called zone 6 and it details out everything that they do and what the contract is and this contract which is at the bottom if you look at it you can see it exactly matches right to what the expenditures are for the year. So everything that Lee does in the preserve is billed per matching line item for line item with our zone 6 in the agreement. So we're able, when I get the invoices, they're detailed, everything matches to these line items, we check them off and the unit costs are here and how many times they do. So everything matches back to everything, it's not just haphazard, and we keep spreadsheets and everything is detailed.

Mr. Walker: So Sharon as it relates to the perimeter wall, what you got there, he didn't show a price even though he's giving the options.

Ms. Caputo: No what he did is he did the specs, they did not charge us for that, and then what I have to do is go through them now and then in the email that covered it he said that he will have 3 companies come out and bid it, but he wanted to make sure that the Board was pleased with the scope, and if we want to meet with and discuss the scope we can but I didn't do that yet.

Mr. Lyons: And on the west side of the CDD wall there's plantings all the way down, that's a mile long, is that part of this maintenance?

Ms. Caputo: No, that goes under the Old Palm Foundation, that is on the roadway because that's Foundation.

Mr. Lyons: But those plants are right up against the wall.

Ms. Caputo: The ones that, if it's the trees, those are Foundation, the ones that border the line of the wall, that is Foundation.

Mr. Walker: So the CDD is only the perimeter wall.

Ms. Caputo: Yes, the perimeter, everything from the inside of the wall, right Lee, Lee and I have gone through this many times.

Mr. Hernandez: If I may make a statement, part of the reason why there was an agreement with the Foundation is because it's just such a gray area that is between the Foundation and the CDD. If you were to have two separate entities trying to provide the service, it would be a nightmare.

Mr. Lyons: Right, so the CDD contracted with the HOA for the maintenance of their assets.

Mr. Hernandez: Correct.

Mr. Lyons: But did not weigh in on any specs or any ways they wanted.

Mr. Hernandez: It has never been requested. If it were to be requested like she's claiming right now, that should not be a problem. Part of the intent when this was being done and once again I'm just specifying intent, is that both entities are servicing the same homeowners.

Mr. Lyons: I agree.

Ms. Caputo: Under one assessment.

Mr. Hernandez: So what we try to do is make our work as efficient as we can so that you don't need to waste any funds.

Mr. Lyons: Right.

Ms. Caputo: And remember, if you spend less in the CDD budget then it becomes the surplus and you sometimes spend much more in the Foundation. We have spent a huge amount in the Foundation, look at your landscape replacements, look at the enhancements we've done, so it balances out.

Mr. Pietrangelo: Why don't we don't segway into the engineering?

Ms. Caputo: Ok, that goes to the engineer.

Mr. Hernandez: So thank you very much Sharon.

FOURTH ORDER OF BUSINESS Staff Reports

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

A. Attorney

Mr. Capko: The only mini report I've got is that we're still completing the research on the title for the perimeter wall, and plats 2 and 4, it's pretty clear that the ownership interest is in the CDD for those, and we should have the results on the other plats any day now.

Mr. Walker: And when I had looked at that it looked like it was just a function of the common area that was adjacent to it. If it was CDD area, then it was lumped in with that asset, if it was a Foundation item for purposes of the deed it was just put in that ownership name.

Mr. Hernandez: Alright. Unless anyone has any questions for Mr. Capko, we can move on to the next item.

B. Engineer

1) Discussion of the Additional Site Visit by the Structural Engineer

Mr. Hernandez: Now entering into the engineer, I will pass it on to you sir.

Mr. Beers: Ok, I'm Don Beers, I'm with Alan Gerwig and Associates out of Wellington, Alan Gerwig is a full service civil structural engineering company. My background is, I was the engineering construction manager for Rinker Materials which is now Cemex for approximately for 30 years. Cemex, during the time I was there I probably constructed or reconstructed every concrete batch plant or block plant in the Cemex zone which Cemex is the largest producer in the world, Rinker Materials was the largest in the state. My background is concrete block, that's what I do, troubleshooting for Rinker Materials over the 30 years that I was there, along with engineering their projects. So I did bring some pictures, I was not contracted to do a report, so I'm here to answer whatever questions that you have. I did put some of the

pictures, I took numerous pictures of the wall when we went through and looked at the wall and documented what were the apparent problems with the wall, and I'd be happy to answer any questions. If this doesn't look like an engineering report, it's not, because I have not been contracted to do an engineering report. I think this would probably be the best way to see this and I just wanted to just give a couple of pictures of what would be a real foundation, severe cracking that we would encounter that would indicate real movement of the foundation, the supporting structure of whatever it was, a building or a wall, or whatever. So you would start to see this type of cracking which is probably 1/4" or 3/8".

Mr. Robert: Now that's not our wall right?

Mr. Beers: None of these pictures that I'm going to show you are your wall, I'm giving you as a perspective, I'm just giving you some indication of what we would be looking for if we were looking at major problems. Ok, so here in this type of cracking actually the corner of the wall, the foundation has failed and so you have a substantial enough movement to create a physical distance. This is not your wall, but these are pictures of real foundation, what would be considered a foundation failure. Again, this would be a corner of a structure where the foundation has failed and the two parts of it are physically moving apart with some substantial distance. Again that is a standard stair step crack which is what we commonly see where you have particular foundation failures where part of the building is actually dropping down and the 45 degrees is mother's nature way of picking the weakest area to fail the wall in.

Mr. Robert: But if it had stucco over it would it still appear that way?

Mr. Beers: Well there's a direct bonded stucco which is what you have on your wall, typically it moves with the wall, so we call the wall itself the sub-straight and stucco will simply reflect whatever cracks occur in the sub-straight so typically where the cracks are propagated directly through is the stucco. When the stucco was bonded to the wall, it can't get away, it can't do anything to the wall, the stucco itself is 1/2" to 3/8" thick and has not strength of its own, all of the strength is in the wall.

Mr. Robert: So would it follow that step pattern?

Mr. Beers: If this was stucco'd you'd see that right through the wall.

Mr. Walker: And with our wall you would see it, it would follow the pattern as well.

Mr. Beers: And you do, yes. Whatever cracking occurs in your stucco I can pretty much guarantee you, one of the things that I did when I was out there was sounded the wall for the bonding of the stucco. Your wall has direct applied stucco and it's a little 3 oz. ball hammer that you just rub over the wall and when you hit an area that de-bonded where the stucco is not locked to the wall, it's sings, you can really tell the difference. I found that your wall has an excellent bonding between the stucco and the wall, I found no areas that were de-bonded between the stucco.

Mr. Pietrangelo: Question, clearly when it goes that far, it's a problem, but suppose it just happened between two blocks, two or three courses of blocks?

Mr. Beers: Typically that's telling me that it may be problem in the stucco if it's a small crack and it does not extend very far.

Mr. Pietrangelo: Ok so if this happened, and we have 6 blocks that did it, but suppose just two did it, what would that tell you?

Mr. Beers: Well most of the time these two planes are still locked together that if they would separate there has to be some physical distance, it has to slide, it has to physically move for that to occur.

Mr. Pietrangelo: Understood, but like I said, the length of that would indicate a serious problem clearly, but suppose it only occurred in two courses of block? What would that tell you?

Mr. Beers: So you're saying it would just be from here to here?

Mr. Pietrangelo: Yes.

Mr. Beers: I've never seen a crack that wide in just being that short of a distance because you would also have an extended cracking this way where it would have had to have moved apart.

Mr. Pietrangelo: So your criteria is not only in length but the size of the crack.

Mr. Beers: Yes, the length of the crack of where the crack extends to.

Mr. Pietrangelo: Because the cracks that we saw here were in the stucco in that pattern.

Mr. Beers: Right and I'm going to show you some pictures that we took of the cracks that you have here. One of the most important parts of assessing, did you want to see some pictures of the wall where the impact was out there, or is that not part of this discussion?

Mr. Walker: Well let's focus on just the impacted area.

Mr. Hernandez: On the wall.

Mr. Beers: Ok so I will skip over that then. So Thomas you might want to tell them exactly where we were, we started, this is one of the initial drives.

Mr. Carr: We started on Wild Orchid Drive, and worked our way north and then we went around to Plantation Way as well.

Mr. Beers: And you can see that this is a classic serious step of cracks, it does do similar to what you say, it extends down but then it also extends up and in assessing the crack what we want to know is we really want to know the width of the crack.

Mr. Pietrangelo: The problem I think you're going to have is that most of, if not all of the cracks that occurred have been caulked and painted.

Mr. Beers: Yes, many of the cracks have been painted in the past, the size of this crack, this is a little gauge that we use to assess the size of the crack. One of the problems is that there has been sort of a material, the water has come out carrying like a deposit on the face of the crack, so some of the cracks look substantial but when you move that aside or brush that material off is that you end up with the real size of the crack and in that case that cracking, the maximum size was .005, that's 5,000s of an inch. Normally, your cracks are considered hairline when they're anywhere basically in the range of this gauge. So the 5,000s of an inch is an extremely small crack. Those types of cracks are generally because of shrinkage of the wall, the wall must have some control joints because concrete shrinks, that's one of the things that all concrete shrinks and the shrinkage is because of water loss from the time that it's produced, the water goes out of the concrete and then it's sort of like a sponge that's sitting there, it shrinks up, you

don't really think of it like that but all concrete shrinks and so we experience the wall actually gets smaller typically as it gets older and so you can get some what we call shrinkage cracking, and if there's not control joints or regularity in the wall to control that, is you can get mother nature to pick the locations of your cracks where the stress is at it shrinks where the stresses are relieved, and that's pretty much my assessment of all of the cracks that I saw in the wall, really is simply from minor shrinkage. A 5,000 of an inch crack I just have to tell you is extremely, even in a structure, even for water penetration from the inside to the outside structure that would be a very minor crack.

Mr. Lyons: So you inspected what Stantec had identified?

Mr. Carr: Yes, the caps as well, and just comparatively the cracks we were looking at before were in what size range, $\frac{3}{4}$ "?

Mr. Beer: 200,000s, 300,000s, or 400,000s, you're talking about 5,000s as compared to a $\frac{1}{4}$ " crack which would be 250,000s, so it's 5,000s to 250,000s, and these are what is considered minor hairline cracking. It in no way that any of these cracks indicate an actual problem with the foundation itself. Again, many of the cracks look larger, that crack is 100th of an inch, once you brush away the deposit of material on the outside. Again, this is where the water had seeped into the crack and a mold had actually grown in the crack which doesn't hurt anything other than it makes the crack look much larger. When the mold was wiped away, and let me find one that had it, that was another stair step crack in the wall, and that crack was 7,000ths of an inch. Again that is what we would consider extremely minor cracking due to shrinkage, you can control that if you have sufficient control joints in your wall, or you can put horizontal steel of a very large amount in the wall to make sure that type of cracking doesn't happen, your joint reinforcement that you see in masonry, the wire will help that type of cracking, but cracking that small is visible and almost every masonry wall that you would inspect you would find. All of your homes have cracking that is similar to that, you may not have noticed it but if you inspect the house carefully you find that masonry does crack.

Mr. Oats: So these control joints, it would still crack on the control joint, it just would be cracking along that line.

Mr. Beers: Yes and I have a picture of where I believe is really a control joint and control joint cracking but the control joint, it doesn't keep it from cracking, it just controls the location of the crack so that you can put then a reveal at that location and so the crack occurs in the reveal and if it's in a structure where you don't want water to get through then you can caulk over that and you'll all set, you've bypassed mother nature picking the crack location because none of us like where mother nature picks the crack location.

Mr. Robert: Were most of the control joints next to the columns, the control joints?

Mr. Beers: The plans did not specifically call out for control joints, but that wall was very well constructed, that is one really well constructed wall. I find it impossible to believe that the designer or the builder did not know what a control joint was and would be build a mile long wall without a control joint in it, and actually your cracking I suspect would be worse, and I think that probably all of the movement locations that were planned are adjacent to columns.

Mr. Pietrangelo: So basing your assessment on the visibility of these cracks.

Mr. Beers: Right.

Mr. Pietrangelo: Most of them have been concealed with caulk and paint.

Mr. Beers: Right.

Mr. Pietrangelo: How do you determine the condition of the wall when you can't see the indicator that you're looking for?

Mr. Beers: Well the paint that was used is typically, the patching that was done on the crack was obviously for the size of the crack since the time that it was repaired is so minor that the crack was minor so they really just spread some material over it and painted over it and that was it. You get a reflective, if you don't specifically, the proper way, these cracks all are moving, they're moving in very small amounts but an acrylic paint simply painted over a crack will take virtually no movement whatsoever for the

crack to reflect through the paint, and the paint is within 1,000ths of an inch and it's adhered to both sides and soon as you get any kind of movement that crack will re-establish itself through that. In order for that not to happen, typically what you do is you grind out the crack to create an actual width of crack, you don't just patch over a crack, you grind it out so that there is a physical width and then you fill that and a lot of times you put a small backer rod to keep it from binding in the back of the crack and then you caulk over the top of that and then you use a special paint that has some give to it that will allow that crack to move.

Mr. Pietrangelo: Has that been done to the wall?

Mr. Beers: My assessment of the repairs is that it was basically the cracks are so minor that they were repaired in just a standard crack repair where you just basically paint over it and put a little putty over the top of it.

Mr. Carr: There are areas where you can see that had been done in the past.

Mr. Beers: And there are areas where it was clear that was done in probably 50% of these cracks that had been at some point repaired, just not aggressively repaired, just not repaired in a way that you don't want to see this crack again and so you don't just spread material over it, you grind it out.

Mr. Lyons: Of the mile long wall how much of it did you inspect?

Mr. Beers: Everything that was visible.

Mr. Lyons: Including the outside?

Mr. Beers: No, in this wall I would expect the outside to look exactly the same, I don't physically as an engineer, I physically don't know how the outside could be any different than the inside.

Mr. Lyons: Ok. Then what's your opinion on painting the wall and having the growth on the wall?

Mr. Beers: It's strictly an aesthetic problem, your vines are not going to damage that wall.

Mr. Lyons: Ok.

Mr. Beers: The idea of the cap, if the vines actually grew under the cap I suppose they could over 30 or 40 years lift the cap up, if you eventually then clean vines off, you may have to grout cap back on to the top of the wall which would be a fairly minor repair.

Mr. Lyons: Does cement need to have paint on it, or can we just, where the vines are just not paint?

Mr. Beers: The cement does not need the paint, the paint is strictly aesthetic.

Mr. Lyons: Ok.

Mr. Beers: I agree with your painter, and to answer structurally, those vines are not going to hurt that wall, maybe 10,000 years from now but not in any of our lifetimes.

Mr. Lyons: Ok great.

Mr. Beers: Ok so this crack was 5,000ths of an inch and again this is a different fountain, a different crack, that crack looked particularly bad, I thought well now we have one, now here's a crack and when I cleaned the crack off this was actually a mold growth and the sediment that we had at the face of the crack and once we had cleaned the crack off, the crack was actually or virtually almost undetectable, 3,000ths of an inch which is much smaller than a human hair, so there's the material. The problem is it looks bad but there really is nothing here.

Mr. Reis: Can you go back one slide Tom? So that area that looks blank inbetween the two cracks, that's where you cleaned it?

Mr. Beers: Yes I cleaned, in other words, this is just sediment where mold has grown in the sediment on the face of the crack and I simply cleaned the sediment, in this little section right there, and the width of the actual crack was 2,000ths of an inch which is much finer than a human hair. So those types of cracks are part of, in an exterior wall that's exposed on both sides, they're smaller than what you would even be concerned about for moisture migration in a structure from the outside to the inside.

Mr. Robert: So what's the inspection process? Do you do it once a month?

Ms. Caputo: We go once a month but we have a company that comes in two times a year, we do it in October and we do it in April, and they pressure wash all visible areas, they do the caps, they do the wall wherever it's visible, they do the columns, and everything and that's on the inside. On the outside they'll do anything visible, so they clean wherever we need it to be cleaned.

Mr. Robert: So they inspect the whole wall?

Ms. Caputo: Well as managers, we go through and we note any areas that we see that's just inbetween the cleanings that we may just have to hit, but they are done twice a year and when the men are here and the crews are here, management is checking every day on what they're doing, and then before they get paid we inspect all the work to make sure it's clean, but in rainy season just so you know, we can clean all the caps and we can even clean the curbing in April and then within 12 or 14 weeks you'll still have from the irrigation, from everything you'll have sediment but you can't clean, it's just an expenditure, so it's very expensive it do it 4 times a year, so we do it twice, and many communities do it once, but we do it twice a year.

Mr. Robert: Ok but you inspect the outside as well as the inside?

Ms. Caputo: Yes we go through it.

Mr. Walker: So as far as the fix where we're actually grinding the cracks and doing the procedure of that, you indicated that's something that would be spelled out in your report as far as the material and the process? So what you're doing is you're creating a permanent fix in theory, so that area should never crack again, it may crack right beside it.

Mr. Beers: Well actually the crack will continue to move in very small amounts, it's just that the way that you fix it will account for that movement without it showing at the surface because there will be give.

Mr. Walker: Ok.

Mr. Beers: So with no give even 1,000ths of an inch it pulls your paint apart, and a lot of the caulking will, if it's just the surface will harden over time.

Mr. Walker: So you're not creating a bigger issue by grinding this crack and doing this perfect repair?

Ms. Beers: Well the perfect repair is not my words, but it's a more durable repair of cracks because you have to anticipate those cracks, or once it cracks then it has relieved the stress and so between summer and winter really the wall is no longer getting smaller or shrinking because of moisture loss, it's changing size because of temperature. So between the coldest day in winter and the hottest day in summer you might have almost 70 or 80 degrees, maybe 100 degrees of temperature difference of that wall and that will move that crack forever, you're not going to piece it back together, and it doesn't make any difference because if you can't see it then as far as aesthetically it doesn't exist. It's not considered a structural crack, there's no structural damage from a crack of 7,000ths of an inch or 100th of an inch.

Mr. Walker: So in the event that we just continue to paint or caulk and paint over it, are you creating additional issues in the future or it's just that it's going to crack and you're going to see a visible crack?

Mr. Beers: Yes you're going to see it again, and what you are probably missing from your specifications which you can hire me to write for you is a durable or a complete crack repair speck that you would then get a price from a contractor who would come out and inspect your walls and give you a price to grind these cracks out and to fix them, hopefully not just for this year or for a few months but for 10 or 15 years.

Mr. Walker: And you could also provide us with a list of preferred vendors that do this kind of work?

Mr. Beers: The vendor part is really not in our field of expertise.

Mr. Hernandez: To describe what work needs to be done.

Mr. Beers: Right, I can describe what work needs to be done and I think there are lots of vendors out there, your painting contractor, or Benjamin Moore will give you the list of vendors.

Mr. Walker: Ok.

Mr. Hernandez: A certified vendor that will support any problems that they have with the vendors.

Mr. Beers: Right. This here, was a crack that occurred at the interface of the column and so just to give you some idea it was also cracking the wall, and next to it the crack was 5,000ths of an inch and typically in general range. This one looked particularly bad, and again, it was the same, it was the mold growth on it.

Ms. Caputo: Can you go back to that picture for one minute, the one with the mold?

Mr. Beers: Sure.

Ms. Caputo: Just because I'm trying to ascertain the width, that's blown up, am I looking at something this wide?

Mr. Beers: About the width of your glasses.

Ms. Caputo: Ok so about a 1/4"?

Mr. Beers: 1/8"

Ms. Caputo: Ok.

Mr. Beers: But it's black, an 1/8" it's black, it looks like that wall has really cracked where when you clean it off, it hasn't, and if you clean that off it's going to be back, I'm just saying you have cleaned it off, I'm sure it's cleaned regularly, and so that is probably about 3 months-worth of mold growth in that crack.

Ms. Caputo: So now you were here, they did it in April, and then they did it October, so now it's February, ok and when did you come out in January?

Mr. Carr: Yes.

Ms. Caputo: Ok, and now they're coming back in April to do it again, so we'll keep an eye on that. It is what it is, we can't control the mold.

Mr. Lyons: Well you can control it if it's repaired properly.

Mr. Hernandez: Correct.

Mr. Lyons: So we're going to get some specs and then you can bid it out.

Ms. Caputo: Ok.

Mr. Beers: So it goes on like that, I found nothing worse than what it is that I have shown you, and so I won't belabor the point to show the other 500 pictures that I took of your wall.

Mr. Lyons: I have one question on the fountains, somebody realized that some fountains were hung on the wall and they were pulling on the wall?

Mr. Beers: Right and that is a difficult foundation detail. First of all I found no cracking in the fountains themselves, in the wall of the fountains which indicates that there is no location of the fountain. The plans itself do call for a substantial foundation underneath the fountains and I found nothing that indicated the fountains were rotating or the pouring of the crack in the wall.

Mr. Reis: So the foundation is reinforced underneath the fountain areas.

Mr. Beers: It is yes, there's a reinforced foundation. I just want to say this is one of the best built walls I have ever inspected and the idea of tearing this wall down to me is just a really ridiculous idea, it's not something you would want to do. This is a well-built constructed wall, the contractor who built this wall was very competent and did a really good job, and the type of cracking that you're experiencing is really visible and just part and parcel of masonry work.

Mr. Lyons: Well that's great to hear.

Mr. Robert: Is that footing on the entire wall?

Mr. Beers: No this is just the fountain.

Mr. Robert: No the footing at the bottom.

Mr. Beers: The footing at the bottom, this is a footing detail at the fountain, the footing under your wall in other locations is actually a little bit narrower than that and almost 3' thick, it's a big foundation underneath this wall.

Mr. Lyons: Is this on all the fountains?

Mr. Beers: No there are several different fountain details, this is just one of the fountain details, there are a couple of different types of fountains that were created.

Mr. Lyons: I guess the other engineering report talked about a fountain being hung on the wall and that was creating a problem.

Ms. Caputo: The lion fountains along the left side of Wild Orchid.

Mr. Carr: I believe that is the detail of one of the fountains that is hung as opposed to self-supporting?

Ms. Caputo: Correct.

Mr. Beers: Right a little thing that's hung on the wall that your wall does not care about that.

Mr. Pietrangelo: The ones that would cause us concern are the ones that are hanging out 2' from the wall.

Mr. Beers: Those have a separate foundation underneath that portion of it.

Mr. Pietrangelo: No, they're cantilevers, 6 of them are sitting on the ground, and 6 of them are just hanging on the wall and they stick out a good 2'.

Mr. Beers: Right ok, yes and I probably have pictures of it, but I am totally comfortable that there is none of the cracking that I saw was caused by the fountains actually trying to rotate the wall over, that just wasn't the kind of cracking that was visible. The kind of cracking that was visible was very minor hairline cracking due to typical concrete shrinkage.

Mr. Carr: Essentially those cantilever sections, the foundation was designed with that in mind.

Mr. Beers: There's a huge foundation underneath that wall.

Mr. Carr: I think this would be a good segway to approve the scope of the report which I provided the proposal for, the report will include the repair details and specifications sufficient for bidding, address contribution of fountains to the cracking, address potential damage to the wall from the vines and foliage growth, and include a recommendation for ongoing maintenance.

Mr. Hernandez: Is that the one that was dated February 3, 2017?

Mr. Carr: Yes, Old Palm Perimeter Wall Crack Report.

Mr. Hernandez: Ok, and the total amount is for \$4,000.

Mr. Carr: Correct.

Mr. Hernandez: It's for the Board to consider. Basically what I understand is that this report is going to put in engineer terms what it has just been described.

Mr. Pietrangelo: What are you describing as an ongoing maintenance program?

Mr. Lyons: They're going to develop one right?

Ms. Caputo: Yes, that's what they're going to do with the specs.

Mr. Carr: So it will be outlined by Mr. Beers.

Mr. Beers: Basically doing exactly what you're doing but I would say maybe every other year going through and looking for any new cracking at all and then utilizing the specified repair on that.

Mr. Robert: Right.

Mr. Lyons: And then paint.

Mr. Beers: Right, the painting is good.

Mr. Hernandez: So we have a consideration for the Board to approve the agreement for the wall crack report in the amount of \$4,000.

On MOTION by Mr. Pietrangelo seconded by Mr. Robert with all in favor, accepting the Old Palm Perimeter Wall Crack Report dated February 3, 2017 in the amount of \$4,000 was approved.

Mr. Hernandez: Do you want to talk about the other one as well, because that one is the one that pertains to the wall evaluation for the exterior of the wall.

Mr. Lyons: Yes.

Mr. Carr: It was brought up last meeting that the Board felt that there was still some evaluation needed so we wanted to hold on approval until Mr. Beers was able to give his evaluation.

Mr. Lyons: That was on the west side?

Mr. Carr: On the preserve side. So if the Board feels that's still needed.

Mr. Robert: That wasn't part of his report?

Mr. Lyons: No because I think he said that the outside would be about the same.

Mr. Beers: Yes, and I hate to cut myself out of work, but Alan Gerwig wouldn't care for it very much but I just have to tell you that the outside of that wall looks exactly like the inside and I wouldn't spend the money to have me inspect that and not only that I didn't bring my snake boots with me. What I would recommend is, and I don't know if the outside wall is painted.

Mr. Lyons: Yes.

Mr. Hernandez: It is.

Mr. Beers: Ok because you would want to keep the outside painted because of moisture migration through the wall.

Mr. Pietrangelo: Does anybody know how many miles of wall we have?

Mr. Lyons: Linear feet?

Mr. Pietrangelo: No, miles.

Mr. Carr: I know this section alone on Wild Orchid is just over a mile.

Mr. Pietrangelo: So we have a total of about 2 ½ miles right?

Mr. Carr: Maybe.

Ms. Caputo: I think you have it in the insurance, I think the insurance because they insure the wall, they would have the linear feet of how much they're insuring, so if you can check with your agent that would be great.

Mr. Hernandez: I will get you the answer.

Mr. Lyons: So Bob what do you think about inspecting the outside or just letting it go?

Mr. Robert: Well you are inspecting it right, so you didn't see anything, you said you inspect it every year, or twice a year?

Mr. Pietrangelo: Well to clean it.

Mr. Hernandez: Yes.

Mr. Robert: But I mean for cracks.

Mr. Lyons: It's going to be addressed when we get the bids in.

Mr. Robert: Right.

Mr. Lyons: So it is what it is.

Mr. Robert: But they've inspected and looked and fixed cracks on the outside of the wall right?

Mr. Lyons: I think we take Don's recommendation and not do it.

Mr. Robert: Right.

Mr. Reis: So in other words, there will be hairline cracks on the outside similar to what we're seeing on the front side when we go to repair those cracks on the outside we should use the same procedure that we do for the inside.

Mr. Lyons: Correct.

Mr. Robert: But you have been inspecting them and patching them I presume right, that's what you said, is that right?

Ms. Caputo: I'm waiting for the specs and then we'll do that right now.

Mr. Walker: But when you do your maintenance Sharon and you do the painting and such someone obviously is looking at the wall.

Ms. Caputo: Yes, I have all the scope of what he does, I was just reading it when you were speaking.

Mr. Walker: So in other words, if there was a significant crack to the exterior of the wall somebody would have seen it.

Ms. Caputo: Yes. They prepare it, they paint it, and I'm just reading what he's been doing, they take pictures, they look at everything, if there's anything that they note, an anomaly, anything that's significant they call us right away, they have not, everything has been very minor and aesthetic.

Mr. Pietrangelo: I'm assuming that they have to treat a crack, they're going to want to charge for that crack.

Mr. Walker: And they'll tell you and Linda will look at the perimeter walls and make an observation if she sees anything that would be significant.

Ms. Roman: Yes, absolutely.

Mr. Pietrangelo: So we're going to keep track of the cracks they fix?

Mr. Lyons: They do here it looks like.

Ms. Caputo: Yes in other words I'm just looking at some of these, and in each area they've done something a little different, like on a side column they specifically, they had the vining trimmed back, they didn't pull it out, they just trimmed it back, sealed, patched and painted to match the existing color. Each one is with sealing, and I looked at each one it's different.

Mr. Lyons: So it's going to need a total inspection of the wall with these contractors to bid it.

Mr. Hernandez: Correct.

Mr. Lyons: So we'll get it covered.

Ms. Caputo: They use certain time enamels for tighter molecules, more resistant to fertilizers, chlorines and pesticides. A lot of our wall surfaces had oxidation, so these people came out and walked it and if there's anything it's all on here, so I have records.

Mr. Lyons: Once we get the repair specs you're going to bid it out.

Ms. Caputo: Well they're going to give me the names, they have a list of vendors they use as Luis said, they're going to come out, they're all going to evaluate it, they're going to bid it out per the RFP which will be created but once I have what we're going to have from the engineer then you're going to create a RFP as part of that correct?

Mr. Carr: Yes.

Ms. Caputo: So once I have the engineer's RFP then that will go out and they will come, they will go through a full walk through of the community, they'll send it back and everything will be per RFP, it's a very professional methodology.

Mr. Lyons: Ok.

Mr. Hernandez: Alright, thank you very much for that.

Ms. Caputo: Thank you.

Mr. Robert: It appears though that the vines are aesthetic not structural.

Mr. Hernandez: Correct.

Mr. Lyons: I think we wait for the engineers report and the bids to come in.

Mr. Robert: Ok.

Mr. Lyons: I'm still open on which way to go but let's wait for the next meeting to get the specs in and see.

Ms. Caputo: Are we going to reclaimed water because I know there are people here for the reclaimed.

Mr. Hernandez: Yes.

Ms. Caputo: Ok.

2) Update and Status of the Reclaimed Water Project

Mr. Hernandez: Not hearing anything else, and just for the Supervisors to know, there are two portions of the reclaimed water and I'm trying not to mix them together.

Mr. Lyons: Can we invite these people into our meeting?

Mr. Hernandez: Sure. Good afternoon everybody, so we're going to start talking about the reclaimed water. The part and the statement that I was starting to make before calling you in is that, the reclaimed water is divided in two separate portions. One is the portion that was being done by the CDD which is the public infrastructure, the main pipes, the main lines, that would allow for the private homeowners to come and tie up to the system. The first part that we're going to be talking about today in the CDD meeting refers just to the CDD side, it has nothing to do with the connection to the homeowners. So with that being said, and then we will talk about the other side, so Oats what is the status of the reclaimed water project as far as it pertains to the CDD?

Mr. Reis: Well the CDD embarked as part of the public portion of the project to upgrade the pump station at the pump house that serves both the common areas and these new homes, and also to extend main lines down Charisma Way, Tillinghast Circle, Tillinghast Way, and Hautree Court to allow service to 66 of the homeowners, and terminate all the lines at the meter box at the property line. All that was completed back in November and once that was completed in November we started the process and all those permits got closed to allow homeowners to connect to those lines. As we approached the period that the connection was going to be ready, we were asked by some of the homeowners to assist in coordinating the effort of these connections

because the CDD wasn't going to be involved in the private properties and the individual connections of the homeowners. So at that point that's how the CDD and ourselves became involved in the individual connections to each of the homeowners. Basically the tasks that were funded by the CDD bonds and the scope of the project to provide a point of connection at the property line of every house had been completed at that point. So as part of that we developed a set of plans and specs for what was going to be required at the connection point and when we went to meet with Seacoast, they advised to us and said no, we now need only to upgrade the irrigation portion of it but also your potable water connection to it, and they pointed us back to their operational permit that was renewed as part of their ongoing reclaimed water service to all of the communities in Palm Beach County and that permit in 2014 had an additional requirement that if they are going to provide reclaimed water to all houses that they now need, that the potable line has to be protected by a backflow preventer, it's a new regulation that DEP enforced as part of their operating permit for supplying reclaimed water.

Mr. Pietrangelo: Let me inject a point, I don't know how many but, many homes did not have backflow preventers.

Mr. Reis: Right, correct, and this was because in Old Palm we weren't serving the homeowners directly with reclaimed water so there was no requirement for that, but even in communities like my house where I do have reclaimed water, I don't have a backflow preventer because it was all installed before 2014.

Mr. Bladen: Let me say this, the reason why the majority of the houses on Tillinghast, they were outside of the wells zone from Seacoast, so they were allowed not to be C.O'd without a backflow. Once the reclaimed was put in, now they are required to have a backflow and the reason was because of the well fields.

Mr. Joseph: But didn't you say that this was the one requirement in 2014?

Mr. Reis: Yes.

Mr. Joseph: So it shouldn't have been part of the specification. So why wasn't it part of the specification?

Mr. Reis: Well, we weren't aware of that when the project started because our project started before 2014 but throughout the process of the project being constructed we're now in 2016 where I think maybe we should have known that but Seacoast never advised us that this change in their operating permit happened.

Mr. Joseph: When did the project start, officially somebody digging something or doing something?

Mr. Walker: That was the main line project which didn't have that requirement. The CDD responsibility was just the main line so you wouldn't have focused on the design.

Mr. Reis: Right, and I guess I'm going back to this because we set up the budgets for funding and determined the cost of connections and what the homeowners would be required to install before 2014 because we had a whole funding process to go through and so when we originally devised the operating installation costs for the project and how the rates would work out there was not a requirement to have this additional backflow preventer. Now by the time we went to actually install and making the connections, that requirement was in place so there was an additional process and cost that hadn't been contemplated in the original project even though installation began in 2016 and by the time we got to connect, and before we actually connected we determined that this backflow preventer for the potable was going to be needed.

Ms. Caputo: What was the cost variance to now for the backflow?

Mr. Pietrangelo: It doubled it.

Mr. Reis: It was another \$1,500 I think, it depends on the size of the house, but that included that backflow preventer and the filter for it and in conjunction with the point of connection cure that we needed and in the specification that was required, and all this was done before the homeowners actually signed up for the project.

Mr. Pietrangelo: But the other complications was that it seems like every house had a unique set up and because of that Seacoast wanted to inspect every one and that caused us to go back.

Mr. Reis: Right and this was the first community where we have existing homes that are now being converted to a reclaimed irrigation system underneath their new operating permits that they have through DEP so you have for Seacoast this is their first attempt at doing this conversion. We start off and discuss with them where we would have one inspection, there would be a drawing inspection between Palm Beach Gardens and Seacoast to allow that connection. After we tried doing the first set of houses, Seacoast came back and said no, in order to make sure they were fulfilling all the requirements of our permit we're going to need what ended up being a total of 5 inspections, 2 from Palm Beach Gardens and 3 from Seacoast in order to get the connection done. So unfortunately it was a process that was evolving while we're trying to connect these homeowners and the requirements kept changing as we were trying to connect these homes.

Mr. Lyons: So the original design you put out to bid to the contractors was without the backflow requirement.

Mr. Hernandez: Correct.

Mr. Reis: Now by the time we asked the contractors to bid, which was now 2016 we knew that we were going to be required to have that backflow preventer, but when the project was originally budgeted and funded back in 2014 when we told the homeowners you're going to have \$1,500 to connect, now it's \$2,500.

Mr. Lyons: And then you had to add the braces too.

Mr. Reis: Right so the braces was something separate from all of this discussion and the braces are specifications to the contractors and we started working with the contractor that had been involved in the project the whole time, Horizon. Then we were asked to do a set of specifications so more contractors could bid and we ended up with two contractors, Horizon and another contractor. So we had worked a lot of these details with these two contractors, both of them ended up falling off and not being interested in the project once we were ready to bid so we had to get a third contractor involved and so through that process where it fell through the cracks we ended up not having in our plans the braces that they needed for that.

Mr. Pietrangelo: There were two other complicating factors, once we finish the trunk line, AT&T came in to bore for cable.

My Lyons: Fiber optics yes.

Mr. Pietrangelo: And they punctured a line in these two places.

Mr. Reis: Three times.

Mr. Carr: Three times.

Mr. Pietrangelo: Ok so three places which got sand in the system which we're still struggling with, and the other complication which is that a number of the homeowners have wells, and we couldn't tell where the pipes were for the wells. So that's a complication that we're wrestling with.

Mr. Reis: So that was one of the problems that Seacoast then increased the number of inspections before they would allow the connection because in some cases the contractor cut off the irrigation but the sprinklers were still running and so we had to determine how that water was still feeding the various sprinklers that were running and Seacoast came up with a procedure then.

Mr. Lyons: Right but there was a gap between cutting off the water, and they shut off the water way too long, and we were losing plants and there's a lot of homeowners that are upset about that. So the bottom line is we have a cost overrun and there's some homeowners upset about it and I know Michael you wanted to talk.

Mr. Joseph: Well I'm upset, because first what I'd like to say, the communications to the residents, I came to a meeting I think it was June or July, 2015 here and I asked a question, what is it going to cost for us to hook up into the system. I was told \$400, so it must be documented or mentioned somewhere, you were there Bob.

Mr. Robert: No I wasn't there.

Mr. Joseph: Greg was there, so \$400. First of all the communications have been, there haven't been any communications. I had learned from Lee yesterday, and am I allowed to say what you told me?

Mr. Bladen: Sure.

Mr. Joseph: That I'm hooked up, but I'm not officially hooked up, that's the first time I heard that, which is ridiculous, that's the first point. The second point is, the cost and I'll come back to that. The third point is the delay in this project. We were expecting to be up and running way before November. Nobody said anything to us, nobody spoke to us about the difficulties, nobody has told us until November or December, that it would cost \$2,500, but I think that thing is still going up to connect. Now, why were these problems? Who's responsible? Is there any financial recourse? All I can say to you is as a resident I am angry, full stop. If I'm being unfair please say so.

Mr. Pietrangelo: The only comment or correction I would make is that, I don't think the number was ever \$400, somebody may have said that.

Mr. Joseph: Somebody gave me that in this meeting, but I can't remember who it was, I didn't take any minutes.

Mr. Pietrangelo: But it was more like \$1,500.

Mr. Walker: Yes I think it was around \$1,500.

Mr. Pietrangelo: And the additional cost was because of the requirements that Seacoast is putting on us.

Mr. Joseph: But wait a minute, if we knew the backflow or whatever it's called, was required or was a condition in 2014, come on, we're talking about, and it may not have been put in the original spec which people quoted on, but if it was known afterwards, well it should have been incorporated and we should have been informed of the additional costs.

Mr. Pietrangelo: The backflow requirement may have been put in 2014 but I don't think we realized it until this year.

Mr. Walker: One of the points though is the agreement that we had with our original contractor and with the District engineer was to put in the system which is the main line system, which took the pipes to each individual's lot. It was not envisioned that the District was going to be involved in the work actually on a homeowner's lot. Similar to any other utility type stuff, that is a burden that should be on the homeowner

but we felt that obviously it was needed that we help with the process. So at the beginning it was not envisioned that the District engineer was going to be involved with the stuff on the lot. So some of that may have come, that we actually encourage them to try and help us with the process, if not, each individual homeowner would have been doing the design on their lot, and going through the process with Seacoast.

Mr. Joseph: But this was discussed at that meeting in June or July of 2015, I don't have the exact date, but it was said that in order to avoid each individual house owner contacting a plumber and goodness knows what, you guys would give us a couple of companies that could do the job, so that was back in mid-2015, but that was definitely discussed at that meeting.

Mr. Lyons: But doesn't Seacoast have the specs on their website for the contractors, or for you to look at? That's what I was told.

Mr. Walker: I don't think they've ever done it before is the issue.

Mr. Lyons: Ok well I thought the specs were available and we just missed the specs.

Mr. Reis: Right, I mean it's part of their operating permit which is publically available but it's not easily found because it's a permit that they have between them and DEP, we've had I'm going to say about 30 meetings with Seacoast over the last 3 years and we were only informed by them, then back in 2016 that this was going to be a requirement, and that's a new requirement.

Mr. Pietrangelo: The thing that surprised me, and the thing that I didn't understand then, until recently is that a lot of our homes didn't have backflow preventers because I couldn't understand why we wanted another one, and it was clear that most of us didn't have backflow preventers, so that was a surprise to everybody to find out that we didn't have them.

Mr. Lyons: Well this was Seacoast's first project, who wrote this?

Mr. Pietrangelo: Retrofitted.

Mr. Reis: Yes to convert an existing residential system to reclaimed water.

Mr. Lyons: And then we got involved to connect with the homes because we were asked by the homeowners.

Mr. Pietrangelo: For the reasons that Mike was talking about.

Ms. Caputo: How many of the homes right now are successful and have reclaim water out of all of them?

Mr. Reis: Right now we have 23 houses that are operating and I just want to make clear that Lee when he provided the meters, that was completely legal, all the inspections at that point, including your house have been done by Seacoast to allow for that connection but they're not installing meters without the proper authorization from Seacoast to do the work.

Mr. Bladen: And I didn't know when they put the white tag on the backflow that you were able to set the meter, I thought that there was another inspection that was needed but obviously that wasn't the case.

Mr. Reis: At that point they had already done the inspection.

Ms. Caputo: Oats, to respond to the concern, or the issue of a lack of adequate communication, going forward, instead of waiting for each month when we meet as the CDD, would it be ok if every week you send us, the association, an update status of exactly what's going on, where we are, whatever challenge you've had and we will send it out to 66 homes, it's 66 homes that are participating right?

Mr. Pietrangelo: But Oats wouldn't be the right guy to do it, that information comes from Lee.

Mr. Reis: No, we've been tracking with the contractor.

Mr. Bladen: Right, they've been tracking it with me.

Mr. Lyons: I think the communications definitely would have helped, and there's a lot of people who come to us because we're CDD and there's a lot of concerns.

Mr. Bladen: You know the other part of it is, although we sat in a meeting with Seacoast and we talked about that there would be a 2 day lag between an inspection and then setting a meter and getting that back up and running. In reality that's really not been what's happening. We're really at the mercy of Seacoast and the plumber will

call in 10 inspections, and they come out and do 4, and don't come back for several days, and that's still going on. So in reality, they're driving the bus and we're just basically picking up the pieces behind them.

A resident: Thanks for facilitating the plumbing connection, so far I was one of the homeowners that asked not to get caught in that, having to hire a plumber, so that was helpful. It would be helpful if we knew what date we hit, I got my first Seacoast bill and I don't know what date, I know I'm on, but I don't know what date it started, and we're just trying to look at and evaluate what the benefit is.

Mr. Reis: What the savings is?

A resident: Yes.

Mr. Pietrangelo: It's probably going to take a month or a month and a half before you know.

A resident: That would be my guess too.

Mr. Walker: But you have the ability to measure the meter at your home, so you'll know your reclaimed usage.

Mr. Pietrangelo: It's still going to take a month.

A resident: Ok. Will the plumber be coming back on to the property each time until each homeowner decides?

Mr. Bladen: What the plumber has said is that he won't come out unless we have at least 5 people to hook up because it's not feasible or profitable for him to come out here and do one at a time, so we're trying through Linda, she's making phones calls, trying to gather 5, 6, 7 or whatever the number is, people that want to sign up so he can come back out, but as of right now everything that he's done, we've been inspecting, we've got basic meters on everything. There might be one or two that I think we need to do.

Ms. Reis: Right and I guess there's 26 homeowners that signed up through this program, and 23 of them right now are irrigating and I think there are a couple that are on hold just because there are landscaping issues on the property that's preventing Seacoast from releasing the meter.

Mr. Joseph: So looking forward, and I've heard today that some people have got water pressure problems, what does that mean?

Mr. Pietrangelo: It's the sand.

Mr. Joseph: So it's the sand in the air?

Mr. Pietrangelo: No it's the sand in the pipes.

Mr. Bladen: Well you're talking about two different issues, we've had issues with sand in the irrigation side, and as of this morning what my people were telling me is that things have gotten 300% better, they're not finding deposits of sand anymore in the filters. With regard to the pressure on the potable water side, what we've talked about with Oats this morning, and he's saying that the backflow preventer will knock the pressure down on the potable side, but 5 times PSI on the reclaimed water side, to where you never had it on the house before and now all of a sudden you have a backflow preventer so you were used to one pressure at a house and now all of a sudden you might be having something different.

Mr. Pietrangelo: They should both be running around 50 or 60 PSI.

Mr. Lyons: Greg Smith reported this morning that he had a big drop in pressure.

Mr. Reis: Now it could be at a specific house because it's not happening to everyone that maybe that backflow preventer is stuck or got something clogged in it so we could look at that.

Mr. Joseph: Who's going to maintain the filters? Does Seacoast do that?

Ms. Caputo: Lee.

Mr. Walker: The filter is the responsibility of the homeowner.

Mr. Bladen: Yes, so if you have a landscape contractor, it's his responsibility during his irrigation checks to do that.

Mr. Joseph: And he knows how often to check it?

Ms. Caputo: Yes, they know.

Mr. Reis: So we're basically going through some I guess teething problems as we start up the system again, the lines have been dormant since November, they got hit 3 times, sand got into them, air got into them, so for the first week that we've been

operating these systems we've had sand show up at the filters, we've had air locks in filters, but that was initially we had to do almost every day checks on the systems, now has basically settled down and we're not seeing sand anymore in the homeowners filters, nor the air locks. So I think as more people get connected and we start flowing water we'll see less and less problems. We do have an opportunity if we need to re-flush all the lines to remove any of the sand but it looks like the problem is abating itself just fine.

Mr. Walker: So you had actually gotten proposals to do that.

Mr. Reis: Yes to re-flush the line, but at this point I would just keep monitoring.

Mr. Joseph: What happens if it goes down for a couple of days, the line? What does a homeowner do?

Mr. Reis: Well if the line goes out for a couple of days we're going to be in the same problem because all the common areas and all the 69 homes will be down without irrigation, so we've had the system that handles the common areas installed for the last 10 or 15 years, we have Gary Sullivan maintaining the pumps there and he's the one that is maintaining the pump system so it's been very reliable to date. As a matter of fact, that pump which was about 15 years old got replaced by a brand new state of the art pump, so our pumps are newer than anything Seacoast has.

Mr. Pietrangelo: So we're comfortable with the maintenance pressure that we're seeing. I was told that there could be a time where the demand is not optimized and the pressure will drop.

Mr. Reis: It could be, we've installed some flow meters, we haven't started to monitor them because right now we have maybe a third of the people or half the people hooked in and I don't expect that the demand would be even a thought.

Mr. Pietrangelo: Well that was the problem that was described to me, that the pressure could be low when demand is low.

Mr. Reis: No, the pumps, they are variable speed drive and they adjust to the lower conditions.

Mr. Bladen: And we went from 2 pumps to 3 pumps and we've increased the size of the pumps so the only way they're going down and nobody has water is if the whole pumphouse is out.

Mr. Reis: We could have a lightning strike that hits something and blows a panel or something like that, but Gary Sullivan is the pump contractor and he's local and he's been managing our pumps for many years.

A resident: On the potable side Oats, is that something you guys will check or do we go to Seacoast, and it's not egregious but it's noticeable, the pressure drop?

Mr. Reis: Well we added the backflow preventer to that so that will create the pressure drop.

Mr. Lyons: Is that inside the house, the pressure?

Mr. Pietrangelo: Well Joe had a backflow preventer, they didn't change anything.

Ms. Caputo: So then why would his pressure be different?

A resident: It's de minimis but it's noticeable.

Mr. Lyons: Is that inside the house?

A resident: Right.

Mr. Reis: We could visit your house and see what the problem is.

A resident: Ok, yes it's inside the house.

Mr. Reis: Most houses operate at around 60 PSI so now maybe they're at 55 PSI.

Mr. Lyons: Have you noticed a drop?

Mr. Joseph: At this point in time, not really, but I don't know how many days we've been connected. I have one last comment to make, I think I know it's going to take somebody a little bit of time, but it would be nice to have a summary of what happened and what hasn't happened and why from the beginning of the project until today. I think the homeowners have the right to expect it.

Mr. Reis: We can do a close out report.

Mr. Hernandez: That's fine.

Mr. Joseph: Is that fair?

Mr. Hernandez: I think so.

Mr. Joseph: It doesn't have to be a 20 page report.

Mr. Pietrangelo: What happens to the cost of the installation when somebody already has a backflow preventer like Joe?

Mr. Bladen: He doesn't get charged for the backflow install, he just gets charged for the potable water, or the irrigation.

Mr. Pietrangelo: Do we now have any situations like that?

Mr. Reis: Well Tom did do a survey of all the houses and we only found 1 house that had a backflow preventer on it, and there may have been a second one but they had already replaced the backflow preventer on that one.

Mr. Pietrangelo: So only 1 house.

Mr. Robert: How many people had wells?

Mr. Bladen: We currently don't know, I know there's a few, 5 or 6 I think.

Mr. Reis: Yes but of the 66 the ones that we have, I think it's just the ones up on Hautree right, and even those were installed, we're not providing reclaimed water for anyone that's in the well field zones.

Mr. Robert: I know they had a private well, several people had private wells dug.

Mr. Pietrangelo: That's a different problem, there are wells that were registered, there were wells that weren't registered.

Mr. Bladen: The word from the contractors is they're not comfortable working on any house that has a well, an undocumented well especially.

Mr. Lyons: Are you looking to get reimbursed?

Mr. Joseph: I don't know, I don't have the facts.

Mr. Lyons: Ok.

Mr. Hernandez: You want to understand what the issues are so that you can see what is taking place.

Mr. Joseph: Yes I would just like to understand, I don't feel comfortable.

Mr. Lyons: There's other homeowners that couldn't make it today that are traveling but they have landscaping issues that they want discussed.

Mr. Joseph: But I think until we have that information it's difficult to determine whether somebody has neglected or be responsible, and whether there should be some potential reimbursement, I don't know but I'd like to be able to be in a position to determine that and probably some of the other homeowners and residents would like to be in the same position. Then we can decide, have a meeting ourselves and say, this should be covered or whatever, I don't know if there's any money left in the budget or anything.

Mr. Pietrangelo: Do you think you're incurring expenses that you shouldn't be?

Mr. Joseph: Well I'm incurring expenses that I was not expecting, yes and I'm not saying there shouldn't be.

Mr. Pietrangelo: You mean the increase in the connection.

Mr. Joseph: Yes the increase in the connection, and the fact that I've been paying Seacoast extraordinarily amounts of money for about an extra 4 or 5 months, so has everybody else probably, or nearly everybody else. If you haven't got the facts, if you haven't got an audit of what took place, why, when, how, you can't really make a decision.

Mr. Hernandez: I think that the request that you're making is fair, so let us work on it internally and we will provide something to the homeowners, and we understand what you want.

Mr. Walker: And I think Oats touched on a bunch of those points.

Mr. Joseph: Ok, fine.

Mr. Walker: The good news is it's working now.

Mr. Reis: If I could just finish with a positive note because I know it's been very traumatic especially once our part has competed the connections. We ended up doing this main line project under very difficult conditions, not only because Seacoast was changing their criteria but also we're going into an existing community, a high end community and so I'm proud to say if you drive around today in Old Palm, you don't

see that we've been there, we tore up and installed miles of pipe in front of everyone's house and I appreciate the patience that the homeowners have shown throughout the process but I'm glad to report that we came in under budget and the CDD portion of it is looking very good and now that we have gotten through these teething problems I think the homeowners are going to be very happy with their reclaimed water moving forward.

Mr. Walker: I'll agree, putting in the main line was pretty remarkable.

Mr. Carr: On the third party landscaper, and Lee is a landscaper so he knows about the screens, but are the third party landscapers, if they're not doing it, is it a threat to the overall integrity of the system, or just the homeowners?

Mr. Reis: Their irrigation will start losing pressure.

Mr. Carr: At that home.

Mr. Reis: Yes.

Mr. Hernandez: Alright are there any questions for Oats? Not hearing any we can move on to the next item.

C. Manager

Mr. Hernandez: As for the manager, I have only two statements to make. Number one is in regard to the incident we had on the wall. The part that I need to remind the Supervisors is that the insurance company is not Allstate, it's State Farm. I just went back and I contacted State Farm and what I have been assured by State Farm is that if we need to get an engineer to evaluate and provide us with a scope that will be added as part of the cost of what they need to reimburse the CDD. So they don't have a limit as to what we need to spend, the only thing they will see is that whoever we use in order for us to get the reimbursement, meaning the CDD, they will see that the CDD has actually paid that engineer for the work that is being claimed. At the last meeting we had a proposal for \$5,800 and I was asked to get a second opinion, and I was able to obtain an engineering firm that is local, which is JW Engineering, and the price they are providing includes not only for defining what the scope to do the repair will be but also

includes everything that will be required to obtain the permits with the city which I found to be very interesting it's going to be alleviating that, and we will not be depending on the vendor, rather it will be a matter that will be taken care of by the engineer.

Mr. Joseph: Can you send us minutes of this please?

Mr. Hernandez: As soon as they are approved, and let me give you my business card, and you can email me, and at the same time I can promise you that I will look for the minutes of the meeting that you attended.

Mr. Joseph: I think it was July, but I can't remember exactly.

Mr. Hernandez: I will find it and I will email that to you.

Mr. Joseph: Ok fantastic.

Mr. Hernandez: So as I was saying, and coming back to the issue, the options that the Board has at this point is the prior item, which it was with the engineer that is helping us with the wall, they will be doing the entire scope and they will help with the entire process for \$5,800. Here we have a second option which is JW Engineering and they will do it for \$2,850.

Mr. Walker: I missed the conversation, the insurance company is saying they're going to reimburse you 100%?

Mr. Hernandez: Yes.

Mr. Walker: And the procedure is you do not go through the insurance company directly and they handle it all?

Mr. Hernandez: No what they're asking us, the procedure that I've been asked by them is to get them what the scope of the work is, get them two proposals indicating what would be the cost for the repair to take place, and then they will get back to me to let me know whether they're going to hire a professional to do it based on the scope that we have provided or if they're going to give the funds to us for the CDD to take control of it.

Mr. Roberts: So we have the two quotes.

Mr. Hernandez: But in order for me to get the two quotes, I need to have an engineer define what needs to be done with the wall. So it's either \$2,850 for one engineer or \$5,800 for the other engineer, and what either one is going to be doing is defining what needs to be done to fix the wall.

Mr. Walker: And that's the question of our engineer, obviously there's a pretty significant disparity, are you familiar with both engineers, well you're obviously familiar with one, but JW Engineering?

Mr. Reis: I'm not familiar with them but that doesn't mean that they can't provide a fair scope.

Mr. Lyons: The \$5,000 is that Don's?

Mr. Hernandez: Yes, Don.

Mr. Lyons: Well Don knows walls and cement, I don't know.

Mr. Hernandez: If you're going to be looking for a comfort I believe that we have seen someone that has proved to the Board that he has the experience.

Mr. Walker: So our exposure as a CDD is that we're fronting the \$5,800 but we're going to get reimbursed 100%?

Mr. Hernandez: That's what they claim, yes sir.

Mr. Robert: Well we don't have to have two bids for the engineering firm, just two bids for the insurance?

Mr. Hernandez: No, we already have one from other engineer that we provided last meeting which was \$5,800 and now we have a second one that is a local engineer and they will do it for \$2,850.

Mr. Robert: But State Farm is not going to ask for two bids?

Mr. Hernandez: No, State Farm, they just said, go and pick whoever you believe is the right engineer and provide us with a proof that you have paid them and they will include that as part of the total cost that we need to reimburse the entity.

Mr. Robert: Ok.

Mr. Reis: And State Farm probably goes to the driver's insurance and collects from them right?

Mr. Lyons: Correct.

Mr. Hernandez: State Farm is the driver's insurance.

Mr. Lyons: Right, we're the third party, and when it comes to fixed property, they call these losses, they just want to get rid of it right?

Mr. Hernandez: Correct.

Mr. Lyons: So they'll tell us to go fix it, they don't have any expertise in this.

Mr. Hernandez: Mostly likely that's the case sir.

Mr. Lyons: So it's either Don who we heard today, or somebody we don't know.

Mr. Robert: I propose we go with the one we know.

Mr. Hernandez: That's fine. So the motion would be to authorize Alan Gerwig and Associates proposal in the amount of \$5,280.

On MOTION by Mr. Robert seconded by Mr. Lyons with all in favor, accepting the proposal from Alan Gerwig and Associates to repair the wall and authorizing staff to proceed with the repair in an amount not to exceed \$5,280 as stated on the record was approved.

Mr. Hernandez: Now the second item that I just need to report to keep the Board posted and informed, I have made a connection with Mr. Don Mathes in regard to the potential expansion to I-95. I was joined by Mr. Robert Lyons in a conversation yesterday and part of the concern is trying to understand what is being done and what could be done from the CDD in a more proactive action trying to oppose the expansion of I-95. I had a really good conversation and as a result of that conversation there are several items that are being done right now that are being funded by other entities and part of what Don was telling us is that anyone who participates will make the will to move faster and more likely have a better effect to what potential could be taken on I-95. He's going to be sending me a letter of intent and the purpose is that at the next meeting I will bring that letter for you to consider. Part of what is going to be offered as

far as I understand is that, the CDD will be hiring him, Don Mathes, the lobbyist that has been used in the past by the Foundation and at the same time he has been privately used by some of the homeowners to try to change some of the events that have been trying to take place in the community.

Mr. Pietrangelo: So how would our joining with them help?

Mr. Lyons: Well the HOA is not going to do it anymore, they're going to move it to the CDD, so all the homeowners participate, that's what we proposed the last time, and there's turmoil that's come in place with Palm Beach Gardens, so there's a lot of turnover in the city council and there are 3 city council members running who are opposing the I-95 expansion, so if we have the right lobbying efforts we also create a pack which has nothing to do with this, but they will have a vote to move the I-95 expansion off their agenda and recognize that the state funds get moved to PGA corridor. So it's important that we have Don on board.

Mr. Walker: But from a Community Development District perspective, historically we've always said we would be looking more for the interest of the CDD.

Mr. Lyons: Correct, and we have land next to this project that they want to take.

Mr. Pietrangelo: Well why does the HOA want to give it back to the CDD?

Mr. Lyons: Because the HOA, it's being funded by a number of homeowners, it's not being funded by the HOA.

Mr. Pietrangelo: Is it the HOA or the transition committee?

Mr. Lyons: No it's not the committee. Listen, we want to either approve Don or not, because we don't want it in the HOA. We talked about it before that the land they're going to take if this I-95 expansion comes in is this land. We have a very good interest in it and it's just moving it from the CDD from a bunch of private homeowners.

Mr. Walker: But the Foundation has different interests that the CDD doesn't have, so it's seems as if this is not going to be all inclusive agreement with the Community Development District because the homeowners certainly have something that obviously we recognize preserving the land but they have other interests, so I think there's always a disconnect that's why the District engineer had always attended those

meetings on behalf of the Community Development District to monitor in essence items that we thought would be of concern to the District which was separate than whatever the homeowners were interested in.

Mr. Lyons: Yes you're right and the homeowners are going in a different direction with a pack and it's a completely different approach.

Mr. Walker: So the agreement I guess that we're going to be presented with is something that's going to be very specific to looking to the Community Development District to preserve lands and then the other question is, obviously that's a non-budgeted item.

Mr. Hernandez: And that's the reason why I wasn't ready to ask for any motion from the Board today because we don't have a consistent document showing what would be the obligation from the District. Part of the intent and the reason for me to show it is that when you see it at the next meeting it will not be a surprise. So the intent at this point and Mr. Lyons can correct me if I'm wrong, is to receive from Don this letter of intent and at the same time the Supervisors will have the time and the ability to define how these services will serve best, if doing through the CDD, or doing it through the Foundation.

Mr. Walker: But do we have that liberty where we can make that determination Bill?

Mr. Capko: Well it would have to be related specifically to the CDD, yes.

Mr. Lyons: Which it would be.

Mr. Hernandez: It was being reminded yesterday and it has been said in other meetings that the current plan is going to be affecting the portion that limits I-95 and there is even some plans that it shows that they're going to probably need to take some of the portion of the preserve, and the intent from DOT at this point, and the fact of what was being explained is that they do have it for the calendar 2022 for this project to take place but there are movements within DOT to try to speed up and at least start getting to acquire lands and so on sooner than that, and they are just looking for the

funding. So if they were to define a reason for the CDD to be interested in it, that would be the main concern.

Mr. Lyons: Yes they want to buy the land way before the project is built and so they've targeted our preserve.

Mr. Walker: But then you are aware that previously that some of the plans that you had looked at Oats had.

Mr. Lyons: Yes.

Mr. Reis: Yes and every conceptual plan that we've seen that DOT has put forth impacts our preserves and we've been currently just limiting our comments saying that they should evaluate other options that don't impact our preserves but that's a fairly weak comment because at the end of the day if they do move forward with a conceptual plan and they move into acquiring the right-of-way, they have a lot of powerful methods that they can obtain that right-of-way, eminent domain and things like that, so our best chance may be to prevent them from taking our right-of-way would be to have the project canceled or modified or something and then that may be more of a political solution rather than trying to work out a design that doesn't impact us.

Mr. Walker: I guess the other sensitive thing is retaining this specific individual as opposed to someone else.

Mr. Lyons: He's on the project about 2 or 3 years, and he's highly regarded, he's tight with the county as well. Luis you got a briefing from him yesterday and he's got a good grasp of the problem we have.

Mr. Hernandez: Yes, exactly, he knows the problem and not only that, part of his concern right now is that the new group who is running the city does not have experience. So by having a group that doesn't have any experience they could be easily affected by whoever comes and presents a good case or a bad case. That's when it becomes more crucial to have someone speaking on your behalf.

Mr. Lyons: Right.

Mr. Reis: So this lobbyist, the things that he's bringing up I guess the project will be noise, traffic, costs, things that don't necessarily relate to the CDD but as part of a process to try to modify the project so that it doesn't impact the CDD.

Mr. Lyons: Well and one of the things he's arguing is it doesn't belong in a residential area, there's no exit on I-95 that dumps into a residential area and that it should be preserved as residential and open space. They've also determined that it doesn't relieve PGA Blvd., and so he's been working with the DOT and other entities to convince them to re-look at the PGA interchange and take the monies that were allocated for this project and put it into PGA. So it doesn't belong here, it's a big impact beyond our preserve to our community when you see the designs.

Mr. Pietrangelo: If we're going to take this project on, we need to raise the level of our paying attention to how quickly should we be signing this agreement, can we wait until next meeting?

Mr. Hernandez: It can wait until the next meeting, he said that the crucial time is going to be coming in March, or April, so it's not going to affect us. It seems like we're contacting him at the right time based on our phone conversation.

Mr. Lyons: And there's a few paying him right now just to stay on it, and he's recovering from serious back surgery so he's limited right now, but March and April is the real key time where they're going to be really pushing.

Mr. Pietrangelo: How much money do we need to support this?

Mr. Hernandez: At this point I would rather wait to receive the letter from him, but as a matter of communication it was said that his fees run around \$2,500 a month.

Mr. Lyons: Right.

Mr. Hernandez: That's more or less what he anticipates that it's going to take, but I don't want that to be set as the ground rule based on the fact that we have not received anything in writing, so let him present what it is that he wants to say. I don't want to speculate what would be the argument that he's going to use to go against the project but the main part that was being said based on our conversation yesterday is

that some of the points that DOT are showing as to the reason for having this widening does not resolve the real concerns of the traffic, so therefore why do it.

Mr. Pietrangelo: Do we have, can we move monies around to support this, I assume we can?

Mr. Hernandez: Once we define what it is that we're facing, it is my role to come back and tell you what we will have to do financially.

Mr. Lyons: Right, he could do less for us, he could do more for us but that's the current fee he has.

Mr. Robert: Well that's going to impact the traffic on Central too, so that's a major issue.

Mr. Lyons: Right.

Mr. Reis: Well it's not an issue on Central for the CDD, it's an issue for the homeowners.

Mr. Robert: Right.

Mr. Lyons: And which we are addressing that.

Mr. Walker: So I think everything needs to go to Bill whatever it is prior to our meeting and he's going to inform us whether or not it's legal to the CDD.

Mr. Capko: And if it's not, what changes would make it legal.

Mr. Lyons: That would be great.

Mr. Hernandez: So once that I have a consistent document for him to review, he will be able to provide that information.

Mr. Reis: I think if DOT had come back and said we found a design that doesn't impact the preserve that would have muted our concerns but they really didn't. We've now had two rounds of designs and every design that they've come back has impacted our preserves.

Mr. Walker: Oats but then what happens in the event the design comes in and it doesn't impact the preserves then you're going to have a difficult time using the CDD as a forum.

Mr. Lyons: Right we'd address it then, but what my understanding with the conversation with Don yesterday is that only one design works by taking the land, they've eliminated the other ones. I can't tell you the difference of a flyover versus some other design.

Mr. Hernandez: Yes he was trying to describe something to us that is difficult for us to understand.

Mr. Robert: Is there anything on the map there that shows the preserve area that's impacted or no?

Mr. Reis: Yes.

Mr. Lyons: Yes.

Mr. Hernandez: It's the intersection of I-95.

Mr. Reis: So the improvement is in this area here, and the impacts would be on the preserve area that's along the golf course, it doesn't impact anything on the main residential portion but we do own this sliver of preserve along I-95 here and they would have to take a portion of that.

Mr. Lyons: And our maintenance facility.

Mr. Walker: You mean up on the top there.

Mr. Lyons: Right.

Mr. Reis: I thought it was only a small sliver through here, but I haven't seen the latest design.

Mr. Lyons: And how about the one on the west side there, there's nothing impacting there?

Mr. Reis: The northwest side, no, they can fit it all within the existing area.

Mr. Walker: Oats what was the impact as far as width?

Mr. Reis: What I recall again, the last time I saw this plan was about 4 or 5 months ago, was this.

Mr. Walker: Right but the actual width of it was intruding on the property, but it wasn't significant was it?

Mr. Reis: No.

Mr. Walker: So it was like how much?

Mr. Reis: I'd say about 100 feet.

Mr. Walker: Right so I thought it was pretty minimal in the corner there.

Mr. Robert: What's the land that county owns that they're talking about building a park?

Mr. Lyons: Oh that's over the other side, it's down further where the lakes are.

Mr. Hernandez: Yes south of the lakes.

Mr. Lyons: And along the road, that's a separate issue.

Mr. Reis: That's not our property though right?

Mr. Lyons: No it's owned by the county, there's 88 acres there and the county bought it and they own it and they had just contacted Palm Beach Gardens that they want to build a park and an amphitheater there, so that's a separate problem. That's where the stadium was going to go before.

Mr. Hernandez: Alright, unless anyone has any questions for me, we can move on to the next item.

FIFTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Hernandez: The item that I have for the Board's consideration is financial reports which you will find those in section 5. Tab A contains the check register and tab B has the balance sheet and income statement.

Mr. Walker: The balance sheet Luis, maybe that's a good update to show us what is basically available as far as unallocated funds, like you've got the reserve for capital projects at \$80,000.

Mr. Hernandez: Yes.

Mr. Walker: And then it has on reserve \$96,361.

Mr. Hernandez: Yes but the on reserve is the portion that the District uses to exist through the 3 months that we do not receive collections, so I would not

recommend to touch that. Right now basically what we have that the District could be using would be the \$80,000.

Mr. Walker: The \$80,000 which in previous meetings it was discussed that was going to be utilized for drainage enhancement on the water feature #1.

Mr. Hernandez: Right now yes, we have it in an open format that it could be used for any matter, but it was discussed and that was one of the potential uses of those funds.

Mr. Walker: Ok so we shouldn't be doing anything, we shouldn't earmark those funds that are contracted for that purpose.

Mr. Hernandez: Correct.

Mr. Walker: So other than that though, the \$96,000 I recognize you need a reserve.

Mr. Hernandez: Yes there are 3 months that the District is going to be running without any funds.

Mr. Walker: So how much is that approximately?

Mr. Hernandez: It would be approximately \$45,000 to \$55,000.

Mr. Walker: Total?

Mr. Hernandez: Yes in total what you need to have. So out of the \$90,000, almost half of it is something that you could potentially use.

Mr. Walker: Your concern obviously as the manager is if there's a shortfall there's no other mechanism, and what I'm trying to understand is what's actually available because these funds are defined.

Mr. Hernandez: Correct, and it doesn't grow.

Mr. Walker: Right, and the reason we have some of these funds is, well some, the \$80,000 was a function of unspent deferred obligations dating back to 2005.

Mr. Hernandez: Correct.

Mr. Walker: The other funds were accumulated over time when you have a variable variance in your administrative costs.

Mr. Hernandez: Correct, all those un-incurred expenses that were decided to be kept for those rainy days and that's part of the concern at this point, that whatever actions, whenever we define them, it will be my role to describe to the Supervisors what is the bottom line of what we have so we don't have any surprises.

Mr. Walker: The reserve capital projects that came out of the deferred obligation fund, in theory that can be utilized for what and who dictates that?

Mr. Hernandez: That would be for the original engineers report and the one who dictates that would be between the developer and the engineer.

Mr. Walker: So would you be permitted to take funds out of that for something such as a consultant like we were discussing previously for the I-95 corridor?

Mr. Hernandez: As long as the developer sees the interest in that, yes. Keep in mind that the \$80,000 is part of the deferred obligation that existed with the developer who was obligated to terminate everything that was per the engineers report. So as long as the engineers report shows and could be declared to be competed, and the funds are available, and there is no one claiming those funds, I don't see a reason why those funds can't be used.

Mr. Walker: Other than we're saying that the drainage enhancements that we've done, and we've actually spent those funds previously for punch out on Seacoast items.

Mr. Reis: Which is still ongoing.

Mr. Walker: Yes which is still ongoing.

Mr. Hernandez: And that's the part that making open statements sometimes does not help because the District does not have full control of everything that is being spent, the only part that the District will know is when invoices come and the engineer can certify that the work was actually done, those funds are being saved for that purpose.

Mr. Walker: Ok.

Mr. Hernandez: Are there any other questions in regard to the financials?

Mr. Lyons: The insurance premium, is that required by the bondholders, or do we just have it?

Mr. Hernandez: No, we have what is required by the statute is to have a certain kind of insurance that is not too expensive. What we have done in Old Palm is that we included in our insurance like the wall, and other improvements that belong to the CDD so that it can be covered under our umbrella. Typically our insurance is cheaper than the one the Foundation can get, so that was part of the reason it took place that way.

Mr. Lyons: Ok, so it goes beyond the wall?

Mr. Hernandez: Oh yes. Are there any other questions in regards to the financials? If not, a motion to approve the financials would be in order.

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

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

Mr. Hernandez: Are there any Supervisors requests at this time?

Mr. Reis: I just have one item, and I'm sorry I already spent an hour on the reclaimed water but as we move forward now, the CDD is a utility company, it has assets that need to be maintained, be managed, operated, and so we're an operator now of reclaimed water, as much as we don't want to be one. We have a budget as part of the rates that we charge our homeowners for maintenance of the lines, and I think it's about \$25,000, and we also have a budget of about \$12,000 for management of the system but we don't really have the management organization in place, so we need to start thinking as to how we're going to structure that to address things like homeowners questions and if someone breaks a line how we get that resolved and fix our existing contracts, the utility locates, if something is wrong with the pump that we can address that quickly, and just communication with the homeowners that seems to be a big problem.

Mr. Hernandez: If you shoot me an email with the amounts that you estimate to take place, part of what I'm going to try to do so that everybody knows, is that based on the current maintenance agreement that we have the Foundation, technically we could go ahead and pass on that to the Foundation. The part that will have to be done is to establish the mechanism so probably your company will have an agreement with the Foundation to do the oversight of the engineering side, and those will be the details that I will be working with, but the understanding that's a responsibility of the CDD, I will bring that back to the Board to see if they agree, that needs to be passed on to the Foundation as part of the agreement, or if they want to keep it inside and how that will affect our budget or how that will affect the Foundation's budget.

Mr. Walker: And in essence potentially it's an amendment to that Foundation agreement that exists currently.

Mr. Hernandez: That's correct, but once again, I'm just hearing the item now, so if you would just let me know the specifics I will be able to go ahead and discuss it with the Foundation.

Mr. Robert: Will you outline all the responsibilities of the management, which includes interfacing with the homeowners and everything?

Mr. Hernandez: Correct what that implies.

Mr. Lyons: So the CDD would pay the HOA to maintain it because it's only a limited number of people that benefit, the HOA doesn't want pay for just the 62 homeowners.

Mr. Hernandez: That could be one option.

Mr. Walker: It's probably already in the Foundation budget, today there's a separate cost center that's very specific to the 69 homeowners and it does include this budget of \$25,000 for repairs and maintenance and \$12,000. So they actually run that counting on that very independent, so in the event there's a surplus it will go to the benefit of those 69 homeowners in the future. So they'll have their own, in theory, balance sheet and income statement.

Mr. Lyons: In the HOA.

Mr. Walker: Right, in the HOA's budget because that's where they're currently collecting those funds.

Mr. Lyons: And then they would be assessed differently.

Mr. Walker: They are.

Mr. Lyons: Ok.

Mr. Walker: So in the event that the determination is made that this responsibility is going to be within the District, the Foundation would transfer those funds to the CDD.

Mr. Lyons: That makes sense.

Mr. Pietrangelo: But the monies are part of the quarterly assessments.

Mr. Walker: Correct.

Mr. Pietrangelo: So the monies are actually going to the HOA now.

Mr. Walker: Correct, so they would transfer it to the District.

Mr. Robert: But these are additional costs right?

Mr. Reis: They're ongoing costs to the future.

Mr. Walker: Right, if we had an issue of a break in the line and someone has to go and repair it, there's \$25,000 in there.

Mr. Reis: But now at least that portion has always been part of the rate and the budget calculations.

Mr. Lyons: Right.

Mr. Walker: So that's already in the rate, so we're collecting for that as we collect for usage and the reservation fee.

Mr. Lyons: Ok.

Mr. Reis: So we'll have ongoing costs of that matter, we have 30 some people connected, and maybe 5 years from now another 10 people will connect and whatever, so as we go on we need to have some mechanism in place.

Mr. Walker: And I think once you get over the hurdle hopefully it's not as bad, but United will do the billing, etc. but somebody needs to keep track of the meter readings which typically Lee Bladen would be doing that now.

Mr. Pietrangelo: Which he's doing now.

Mr. Walker: But now at the individual's homes just the master meter.

Mr. Hernandez: Alright.

Mr. Bladen: I think in essence though when we get started now I think it would behoove us to check individual meters now so we get a feel as to really what's going on.

Mr. Walker: But some of the natural questions that people are asking is, how much am I really saving? Now they're going to want to know, how much as I using, so maybe you need to instruct them on how to read their meter.

Mr. Pietrangelo: Most of them, incrementally are \$145 a month.

Mr. Robert: Right. The water too?

Mr. Pietrangelo: Yes.

Mr. Walker: And that's predicated on like 100,000 gallons of water a day. Now we do have the opportunity per that agreement to downsize that capacity.

Mr. Hernandez: Alright is there anything else to be said?

SEVENTH ORDER OF BUSINESS Adjournment

Mr. Hernandez: If not a motion to adjourn would be in order.

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

Secretary / Assistant Secretary

Chairman / Vice Chairman

The Mathis Group

February 21, 2017

Luis Hernandez
GMS-SF, LLC
5385 N. Nob Hill Road
Sunrise, FL 33351

The following shall serve as a binding contract for professional consulting services to be provided by The Mathis Group, 146 Thornton Drive, Palm Beach Gardens, FL to Old Palm Community Development District (CDD), Palm Beach Gardens, FL.

The Mathis Group shall provide as requested by the CDD a variety of professional activities in the areas of public relations, public affairs and community outreach. The work will be targeted at the elimination of the proposed I-95 interchange on Central Blvd. immediately adjacent to Old Palm CDD property. These activities shall include but not be limited to key transportation contacts, public affairs contacts and executive consulting and planning.

All work will be performed under the direct supervision and at the request of CDD. Any lobbying registrations required for city, county or state official contracts will be filed and in complete compliance with statutory requirements.

The Mathis Group agrees to complete confidentiality associated with all information directly related to CDD and its critical issues gained under this consulting agreement. The Mathis Group will consider all information, documents and literature obtained in this effort the property of the CDD and will not provide or communicate this information with any other parties or individuals except as approved by CDD. At the expiration of this contract, all original confidential materials of a usable nature will be returned to CDD.

CDD agrees to indemnify, defend and hold The Mathis Group and its employees harmless from and against any and all claims, suits, losses, injuries, liability and damages (including the cost of defense) arising or alleged to have arisen out of any act or omission of CDD representatives involved in performance of duties under this contract. The company agrees that CDD shall not be obligated to defend or indemnify the company for any claims, demands, suits, liabilities, defenses, etc. in whole or in part that arise out of The Mathis Group's negligence or willful misconduct. In the unfortunate case that any resulting legal activity might arise from activities associated with this contract, all legal filings and functions will take place in Palm Beach County Florida.

Scope of Services

- Will continue efforts to secure the “no build” option as the final solution in FDOT’s plans associated with the proposed interchange.
- Will provide current updates to the staff and board members of the CDD.
- Will work neighboring community developments in support of our efforts
- Will work with the Palm Beach County MPO to secure the CDD’s desired outcome.
- Will include contacts with city, county and state officials.

The terms and conditions of this contract will be considered to be effective starting February 1, 2017 for a minimum period of one year. The contract can extend at the same rate and conditions for additional months on written signature of both parties. All work performed will be done under the agreement stated above and performed at the following rate:

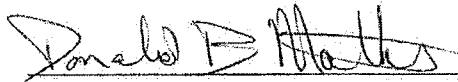
General Consulting Services
\$2,500 per month for a year period

Other Extraordinary Expenses

In addition to the above rate, any unusual expenses directly related to the CDD effort including but not limited to official record purchases, unusual office expenses and other miscellaneous expenses will be billed at the actual cost for the performance of those consulting services for CDD. Any significant amount of expense will require the approval of CDD representative prior to the encumbrance of those expenses.

The first month payment will be considered due on February 1, 2017. Billing will be provided via email on the 25th of the month for future monthly periods. Payment will be required on the 10st of each month.

Conditional with the signing of this agreement, CDD will provide all pertinent billing information to ensure timely payment.



Donald B. Mathis
President
The Mathis Group

Luis E. Hernandez
for the Old Palm CDD

Luis Hernandez

From: Octavio Reis <oreis@bowmanconsulting.com>
Sent: Tuesday, March 7, 2017 5:07 PM
To: Luis Hernandez
Cc: Thomas Carr; Lee Bladen (lee.bladen@oldpalmgolfclub.com)
Subject: Old Palm - Reclaimed Water Performance

Dear Luis,

Mr. Smith is correct in that the homeowners have been experiencing problems with their reclaimed water systems upon connection to our mainlines. There have been three main issues:

1. Upon disconnection of their irrigation system from the potable water supply, in some cases it has taken several days to reconnect to the reclaimed water supply, leaving the property without irrigation for an unacceptably long time. This was due mainly to coordination issues with obtaining all the required inspections, testing and certifications through Seacoast and the Palm Beach Gardens building department.

We have been working in conjunction with the various contractors and inspectors of both agencies to minimize the disruption and believe that everyone is now on the same page to minimize the delays without water. Lee Bladen has been instrumental in facilitating this process, though sometimes we are at the mercy of the inspector's schedules.

2. The filters installed at each house have been plugging due to sediment in the water. When the filters plug, the pressure in the homeowner's system drops to the point that the sprinklers don't pop up. We had expected that the filters would have to be cleaned every 2-4 weeks depending on the amount of irrigation being applied, but they are plugging almost daily, which is unacceptable.

Initially we were finding sand in the filters that were a result of the reclaimed water main being damaged in three locations by the ATT contractors. We flushed the lines and the sand issue was minimized. To ensure that the sand was not coming from the lake, the pump supplier took apart the pump station filter to confirm that it was operating correctly. They reported the filter to be working as designed.

However, whereas there was no longer any sand showing up in the homeowners' filters, a finer sediment has been accumulating on the filters, causing them to clog on a daily basis. On Monday, we inspected the pump station filter again and have determined that the wrong filter screen had been installed at the pump station from the factory, and that the finer sediment was likely coming from the lake and not being filtered out at the pump station. The pump supplier is working on sourcing a replacement screen with the correct mesh size. Once the new filter screen is installed, we will be able to flush the lines again and will greatly reduce the problem at the homeowner's filter.

We have also commissioned a diver to inspect the intake of the pump to ensure that we are not sucking silt from the bottom of the lakes. The intake is supposed to be from 3-4 feet above the bottom.

In the meantime, for the homeowners that do not have drip irrigation, their systems can be run without a filter screen at the house, the fine sediment will blow out through the sprinklers. For those with drip, the filters will have to be cleaned on a daily basis until we have improved the water quality being supplied to the houses by replacing the filter at the pump house.

3. Pressure regulator settings at each house.


The reclaimed water system operates at 80 psi, which is higher than recommended for residential systems. The pressure regulators at each house should have come pre-set at 50 psi, however Lee has verified on site that some regulators were set at lower pressures, he has seen some at 46, even 38 psi. He has recommended and we concur that since there is a pressure drop through the filters, that the individual systems will work better if the regulator is set at 60 psi, and we will be setting and testing the pressure at each regulator.


Please note that we have not had pressure problems in the supply of the system. The pump station has sophisticated electronic controls that monitor and adjust the pumps to maintain a constant 80 psi output. The pressure issues at the homeowner level have been partly in due to the pressure regulator setting at the house, and by the sediment in the water causing the clogging of their filters, both issues which we are actively working to resolve.

Regards,

Octavio "Oats" Reis, P.E. | Old Palm District Engineer



301 SE Ocean Blvd.; Suite 301, Stuart, FL 34994
Office: 772.283-1413 | direct: 772.678.4330 | mobile: 772.485.0856 | fax: 772.220.7881
oreis@bowmanconsulting.com | bowmanconsulting.com | 

 — Go Green! Please consider the environment before printing this email.

From: Greg Smith [<mailto:gsmith835@gmail.com>]
Sent: Tuesday, March 7, 2017 12:44 PM
To: Luis Hernandez <lhernandez@gmssf.com>
Cc: BOB PIETRANGELO <bobpsr1@gmail.com>; Bob Lyons <rlyons@rplpartners.com>; Larry Brown <larry.brown@brown.com>
Subject: Reclaimed Water Performance - Old Palm

Hi Luis,

Over the last few weeks we have experienced serious performance issues with the irrigation system for our home. Our grass is burning out and plants drooping. When I asked our maintenance firm what the issues were they said that from day to day the system is either not working or the pressure is not sufficient to properly function. I have seen sprinkler heads with only a trickle of water coming out. Our contractor said that they are checking our system each day they service our yard but that in the morning (if they are here to do additional work) our system may not be working again. They don't know if it is sand in the lines, system design or the settings. A last item is that at some homes I hear that the valves have not been properly opened.

I also was told that Lee Bladen said that Seacoast has shut water off for several days at various homes from time to time...but we have never been advised that this was occurring.

I need to understand what the CDD will do to ensure that the system is running properly, that valves are open to the correct pressure, and that sand is out of the system so that we can depend on the system from now on.

I loom forward to your reply.

Regards,

Greg Smith
12408 Hautree Ct.

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Old Palm Community Development District

Summary of Invoices

March 16, 2017

Fund	Date	Check No.s	Amount
<i>General</i>	03/07/17	804-810	\$ 26,883.04
Total Invoices for Approval			\$ 26,883.04

OLD PALM CDD - GENERAL FUND
BANK A OPERATING ACCOUNT

CHECK DATE	VEND#	INVOICE DATE	INVOICE	YRMO	DPT	ACCT#	SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNT	CHECK AMOUNT	CHECK #
3/07/17	00030	1/12/17	8723	201701	320	53800	46000		WALL EVALUATION	*	1,161.11		
ALAN GERWIG & ASSOCIATES, INC.											1,161.11	000804	
3/07/17	00006	1/31/17	227353	201701	310	51300	31100		JAN 17 - ENGINEERING SVCS	*	2,190.00		
BOWMAN CONSULTING GROUP LTD											2,190.00	000805	
3/07/17	00007	2/07/17	56998365	201702	310	51300	42000		DELIVERIES THRU 2/7	*	13.78		
		2/21/17	57148390	201702	310	51300	42000		DELIVERIES THRU 2/21	*	26.19		
FEDEX											39.97	000806	
3/07/17	00009	3/01/17	150	201703	310	51300	34000		MAR 17 - MGMT FEES	*	2,994.83		
		3/01/17	150	201703	310	51300	35100		MAR 17 - COMPUTER TIME	*	83.33		
		3/01/17	150	201703	310	51300	49500		MAR 17 - WEBSITE ADMIN	*	41.67		
		3/01/17	150	201703	310	51300	51000		MAR 17 - SUPPLIES	*	20.00		
		3/01/17	150	201703	310	51300	42000		MAR 17 - POSTAGE	*	4.00		
		3/01/17	150	201703	310	51300	42500		MAR 17 - COPIES	*	136.70		
GOVERNMENTAL MANAGEMENT SERVICES -											3,280.53	000807	
3/07/17	00002	2/07/17	117150	201701	310	51300	31500		JAN 17 - GENERAL COUNSEL	*	3,355.68		
LEWIS, LONGMAN & WALKER, P.A											3,355.68	000808	
3/07/17	00012	3/07/17	TAX REC	201703	300	20700	10100		TRANSFER OF TAX RECEIPTS	*	16,838.35		
OLD PALM CDD C/O US BANK											16,838.35	000809	
3/07/17	00031	2/28/17	148601	201702	320	53800	46000		FEB 17 - TICKETS	*	17.40		
SUNSHINE STATE ONE CALL OF FLORIDA											17.40	000810	
TOTAL FOR BANK A											26,883.04		
TOTAL FOR REGISTER											26,883.04		