

**MINUTES OF MEETING
CORY LAKES
COMMUNITY DEVELOPMENT DISTRICT**

A Public Hearing and Regular Meeting of the Cory Lakes Community Development District's Board of Supervisors was held on **Thursday, August 20, 2015 at 6:00 p.m.**, at the **Cory Lake Beach Club, 10441 Cory Lake Drive, Tampa, Florida 33647.**

Present at the meeting were:

Dr. A. Cyril Spiro
Joyce Hepscher
Bob Woodards
Jorge Castillo

Chair
Vice Chair
Assistant Secretary
Assistant Secretary

Also present were:

Chuck Adams
Vivek Babbar
Tonja Stewart
Frank James
Carrie Bercan
Rich Carpenter
David Burman
Terrance Perkins
Bob Alajon
George Galeradis
Greg Neilson
Harry Ramphal
A.J.

District Manager
District Counsel
District Engineer
Facilities Manager
Beach Club Administrator
Resident, LAF Committee Member
Resident
Resident
Resident
Resident
Resident
Resident
Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 6:00 p.m., and noted, for the record, that Supervisors Spiro, Woodards, Hepscher and Castillo were present, in person. Supervisor Sheth was not present.

SECOND ORDER OF BUSINESS

Chairman's Opening Comments

There being no Chairman's opening comments, the next item followed.

THIRD ORDER OF BUSINESS**Public Comments on Agenda Items [3
minutes per speaker]**

Mr. Terrance Perkins, a resident, indicated that there was a recent fish kill, due to the intrusion of chlorine in the lake from residents' pools. Dr. Spiro advised that this item will be discussed later in the meeting.

Mr. Perkins questioned the number of boats in the lake over 18' and not registered and if it is the responsibility of the CDD, POA or security to monitor boats. Dr. Spiro indicated that the size of the boat is the responsibility of the POA and the suggestion to have a security gate at the lake was evaluated by the Board and dismissed, due to control and access factors.

Mr. Perkins requested that the Board enforce the rule about the cleaning and inspection of boats prior to launch, which was posted on the bulletin board but was no longer posted. Mr. Castillo suggested revisiting the signage. Mr. Perkins pointed out signage about the towing of illegally parked cars and watercraft. Dr. Spiro indicated that the POA was responsible for towing and writing citations.

Mr. Bob Alajon, a resident, questioned why a large amount of money was spent on a survey for the Fiscal Year 2016 budget and expressed concern about speeding and if stop signs can be installed at every street along Cory Lake Drive. Dr. Spiro advised that the survey will be discussed later in the meeting. Mr. Alajon suggested spending the money on security, so security guards can stop non-residents from bringing their boats into Cory Lakes. Dr. Spiro indicated that boats will be discussed by the Attorney, later in the meeting.

Mr. George Galeradis, a resident, requested restoration of the fountain at Cory Lake Drive, which was damaged by a boat in 2008. He proposed charging boat owners an additional \$30 to fund the restoration and installation of a fence around the fountain.

Mr. Galeradis requested annual trimming of the Washingtonian Palms on resident lots. Dr. Spiro referred Mr. Galeradis to the POA Design Review Committee, as the CDD handles public infrastructure.

A.J., a resident, questioned the possibility of installing better quality street lights at the Beach Club, Cory Lake Drive, Morris Bridge Road and Cross Creek Boulevard. He pointed out that on Cory Lake Boulevard, towards Morris Bridge Road, there are only two street lights, which illuminate the sidewalk, and no others.

In response to Mr. Greg Neilson's question, Dr. Spiro indicated that the Fiscal Year 2015 assessment was \$1,925 for the operational component, which is the same as this year but, last year, a special assessment of \$300 per home was added on top of the operational component for the tennis court and playground. Dr. Spiro noted that prior years' assessments were the same amount for several years.

Mr. Neilson noticed that, every single year, \$200,000 was budgeted for TECO to maintain the street lights and asked if the street lights can be purchased, versus renting the street lights from TECO. Mr. A.S. Forb, a resident, recalled that Hunter's Green purchased their street lights, which was cost effective. Dr. Spiro indicated that the Board discussed purchasing the street lights briefly but not extensively.

In response to a question, Ms. Bercan clarified that there was one small light on Cory Lake Boulevard but an extender can be added to the top of the street light, running along the sidewalk, so they are not replacing or adding poles. Dr. Spiro and Mr. Castillo agreed that the area was dark, as it was difficult to see pedestrians.

Dr. Spiro reported that some items will be addressed at this meeting and requested that the Board discuss items to be addressed at subsequent meetings or not at all.

FOURTH ORDER OF BUSINESS**Approval of Minutes**

- A. April 15, 2015 Regular Meeting**
- B. July 16, 2015 Regular Meeting**
- C. August 6, 2015 Finance Committee Meeting**
- D. August 11, 2015 LAF Committee Meeting**

Dr. Spiro presented the April 15 and July 16 Regular Meeting, August 6 Finance Committee Meeting and August 11, 2015 LAF Committee Meeting Minutes and asked for any additions, deletions or corrections.

On MOTION by Dr. Spiro and seconded by Mr. Woodards, with all in favor, the April 15 and July 16, 2015 Regular Meeting, August 6, 2015 Finance Committee Meeting and August 11, 2015 LAF Committee Meeting Minutes, as presented, were approved.

FIFTH ORDER OF BUSINESS**Committee Reports****A. Landscape-Aquascape-Facilities**

Mr. Rich Carpenter, a LAF Committee Member, requested that the Board reconsider the following Facilities Work Orders:

1. #2015-112, from Landscape Maintenance Professionals (LMP), for the replacement of plants in un-irrigated cul-de-sacs and island beds, in a not-to-exceed amount of \$643.36.

Mr. Carpenter recalled that, at the last meeting, the Board was informed that no warranty was in place and a pallet of native plants that do not require watering, was requested. He indicated that he worked with LMP in the past and they provided a pallet of plants for these areas that meet State criteria; however, LMP did not provide a warranty and will not warranty the plant replacements in these areas. He noted that a line item is budgeted for installing irrigation in these areas but until irrigation was installed, there was no other option but to continually re-place dying plants. Mr. Carpenter recommended the plant replacements, at this time, because there is sufficient rainfall to establish the plants.

2. #2015-113, from LMP, for the installation of 118 plants, to replace freeze damaged plants, in entrance island areas, in a not-to-exceed amount of \$586.55.

Mr. Carpenter recalled that, at the last meeting, this Work Order was not approved because \$8 remained in the plant replacement account; however, according to the August financials, \$155 actually remains. In addition, \$9,000 was budgeted under “Annuals & seasonal plant installation” but the financials show that no funds were spent, even though the Board approved at least three plantings of annuals throughout the year. He concluded that the annuals were erroneously paid out of the plant replacement account and should be attributed to the “Annuals & seasonal plant installation” line item, thereby freeing monies in the plant replacement account.

Based on these facts, Mr. Carpenter requested that the Board re-consider Work Orders #2015-112 and #2015-113.

Dr. Spiro clarified that the August financials are not as accurate as the reports that Ms. Bercan provides every Thursday for his execution, which is due to the transition to the new District Management firm. He pointed out that the plant replacement account is over budget by \$254; \$5,000 was spent for “Annuals & seasonal plant installation” and \$3,300 remains until the

end of the Fiscal Year on October 1, 2015. Dr. Spiro confirmed that the total landscape maintenance budget is currently \$62,000; however, LMP is owed \$28,000, leaving approximately \$40,000.

In summary, Dr. Spiro reported that there is money available in the landscape maintenance budget to cover the plant replacements.

Regarding the irrigation, Dr. Spiro recalled that the irrigation was supposed to be repaired in these areas and money was budgeted for this purpose. Mr. Carpenter noted that the irrigation was installed in some areas, such as the Cachet Isle Drive island but not all areas. Dr. Spiro reported that in the Fiscal Year 2016 budget, "Irrigation - maintenance" was increased by \$2,500.

Ms. Bercan asked which cul-de-sacs need irrigation. Mr. Carpenter replied every cul-de-sac.

In response to Dr. Spiro's question, Mr. Carpenter indicated that Work Order #2015-112 is to replace plants in all cul-de-sacs. Mr. James clarified that the replacements were not for a specific location but throughout the community. Mr. Carpenter noted that only one or two plants died in each cul-de-sac. Dr. Spiro asked if, once established, the plants should be tolerable the rest of the year, even if there is a small amount of rain. Mr. Carpenter indicated that the plants are supposed to be drought resistant. Dr. Spiro preferred having irrigation in the cul-de-sacs before spending money on replanting and stated that there were sufficient funds in the capital expense line item to install irrigation in all cul-de-sacs.

Mr. Castillo asked if \$40,000 was available in the total landscape maintenance budget. Dr. Spiro estimated \$27,000 remaining. Dr. Castillo asked if the \$27,000 can be added to the surplus and be used for capital improvements. Dr. Spiro replied affirmatively and recalled that \$8,000 was supposed to be applied to "Irrigation/repair for select areas".

Dr. Spiro proposed that irrigation be installed in all cul-de-sacs that do not have irrigation as soon as possible and asked if the plants must be killed to install irrigation. Mr. Carpenter indicated that the irrigation is already there but there was no access to water through a water meter.

Dr. Spiro pointed out that, if the plants are replaced now, they will thrive because there is plenty of water and, if the water meter and irrigation are in place before the dry season, the plants will continue to survive. Mr. Carpenter concurred.

Dr. Spiro advised that, for the Board to make an educated decision, the cost of installing irrigation in cul-de-sacs that have flowers should be identified. Mr. Carpenter believed that the cost per meter was \$600. Mr. James recalled that when he purchased an irrigation water meter, the cost was \$2,500 per meter.

Mr. Adams asked if each cul-de-sac previously had water. Ms. Bercan replied affirmatively. Mr. Adams concluded that \$600 was the cost to re-install the meter and provide service versus \$2,500 for the installation of a new water meter, which included the cost to tap the line.

Dr. Spiro suggested that the Board approve Work Order #2015-112 and direct District Staff to provide a cost estimate to the Board to provide irrigation to the cul-de-sacs, a portion of which can be paid out of additional revenues in the landscape maintenance budget.

On MOTION by Dr. Spiro and seconded by Mr. Castillo, with all in favor, Work Order #2015-112 from Landscape Maintenance Professionals, for installation of 123 plants in un-irrigated cul-de-sacs and island beds, in a not-to-exceed amount of \$643.36 and Work Order #2015-113 from Landscape Maintenance Professionals, for installation of 118 plants, to replace freeze damaged plants, in entrance island areas, in a not-to-exceed amount of \$586.55, as recommended from the LAF Committee and authorization for District Staff to provide a cost estimate to the Board, for irrigation in all cul-de-sacs without water, were approved.

Ms. Bercan asked if Mr. James should be authorized to spend a not-to-exceed amount for the irrigation. Mr. Castillo suggested waiting until the Board received the cost estimate. Dr. Spiro noted that additional monies may be remaining in other line items, at the end of the year, which could be used for this expenditure.

B. Finance

Dr. Spiro provided the gavel to the Vice Chair, to serve as Finance Committee Secretary.

Mr. Harry Ramphal, a resident, asked if there were any provisions in the statute precluding the Chair from serving on the Finance Committee. Mr. Adams replied no.

Dr. Spiro recalled that the Finance Committee requested approval from the CDD Board to provide a survey to residents on their opinion of the Fiscal Year 2016 budget, by mail and on

www.SurveyMonkey.com. The website was paid for from the administrative budget and the mailing was paid for by local businesses that paid for inclusion on a one-page advertising page mailed with the letter; \$700 was generated, which paid for the entire mailing. Ms. Berman assisted with the mailing. The Finance Committee Secretary reproduced the Fiscal Year 2016 budget into a 188 page survey, which took eight hours to complete, analyzed the results, which are the basis of the following PowerPoint presentation:

- The purpose of the survey was to analyze what the residents want.
- 143 residents responded out of 950 residents, or 15%.
- The results were assessed for statistical significance. When the result is statistically significant, there is a 95% chance that sample size is sufficiently enlarged to indicate what the entire community would have voted if all 950 residents completed the survey.
- The survey was initially mailed to all residents, followed by two subsequent emails. In the first three days following the mailing, 40 residents responded. After the first email, 45 responses were received in one day, followed by another 20 responses and 45 responses, following the second email. Since residents respond more to emails versus letters and there is no cost associated with sending emails, it should be considered, in the future.
- The survey questions were separate for each budget.

Regarding the Operations Budget:

- In response to the question, under “would you approve this overall budget”, 76% of residents replied “no, I want to see more details”.
- In response to the questions for each category, the majority of residents, in almost all cases, preferred to approve the budget based on knowing the line item amounts.
- With a 15% margin of error, most residents felt comfortable with how the Board was spending money for pool, facility and landscape maintenance.
- 57% of residents were statistically significantly uncomfortable with the amount of money spent for “Field office administration”.
- “Food service plans” received no responses and had a 75% spread, meaning residents were satisfied.

- Residents did not feel comfortable budgeting for “Community events coordinator” and “Community events supplies”, as there was not enough attendance.
- Residents did not endorse the amount budgeted for “Seasonal decorations”, as residents felt “it did not look good” and “Pool & beach club attendants”, as residents commented that the attendants were not actually working.
- Residents do not want to pay for an audit but this is required by law.

Regarding the capital expenses:

- The original capital expense list was created by the LAF Committee and submitted to the CDD Board for approval. The CDD Board opted to include the capital expense list into the survey to receive feedback. No action was taken by the Board on the capital expenses.
- Additional items were added to the capital expense list based on resident feedback.
- If less than \$51,800 is spent on capital expenses, assessments will decrease from \$1,925 but if more is spent, than a special assessment will be imposed to make up the difference.
- Based on the responses, the residents proposed the following capital items:
 1. Canoes for resident use – 50%
 2. Repair and landscape
 3. Fountain installation at Cross Creek Pond
 4. Updating community signage
 5. Additional TVs and headphones in Gym
 6. Gym renovation
- 117 residents responded on the capital expenses; 50% of residents chose items that equated to exactly \$51,800, the average was \$90,000 and 18% did not want to include any capital items in the budget.
- Eliminating or reducing the events budget will increase capital expenses to \$80,000, without increasing assessments.

Regarding the survey as a whole:

- The majority of residents indicated that they are satisfied with the proposed budget, with the exception of specific line items.
- 50% of residents requested capital expenses below \$51,800; the average request was \$90,000.
- By eliminating or reducing the events budget, the Board can decrease assessments below \$1,925, increase operational line items, increase capital expenses to \$80,000 or place in reserves.

Dr. Stark indicated that the results of the survey will be posted on the District's website. He requested that the Board discuss the capital items, in terms of how many and cost.

Mr. Ramphal reported that he made a public records request 30 days ago and did not receive a response; he questioned what was reasonable, under the Florida Statutes, to receive a response. Mr. Adams replied it depends on the volume of the public records request. Mr. Ramphal indicated that he requested six months worth of records, including bank statements, and asked if the copying cost is 15 cents per copy. Mr. Adams replied affirmatively, including administrative time. Mr. Ramphal estimated 15 cents per copy for 150 pages, plus two hours of administrative time. Mr. Adams expected that administrative time would take longer than two hours.

In response to Dr. Stark's question, Mr. Adams indicated that Management received Mr. Ramphal's request and it is in process.

Mr. Ramphal questioned the delay in staff responding to his public records request.

Mr. Adams indicated that based on the volume of documents requested, he hoped to complete the entire request in a couple of weeks, as the transfer of all financial documents from the prior management company was ongoing.

Mr. Neilson asked how the Board will address the line items that the residents were not in favor of.

Mr. Adams indicated that the Board can make a decision tonight and adjust the budget accordingly. He recommended that the Board adopt the budget, as presented, and amend the line items in a budget amendment; providing an opportunity for the Board to absorb the survey information, reach out to constituents and have further discussion at a future meeting. Mr. Adams alluded to the fact that there were no concerns about the assessment level and the

opportunity for the Board to modify the appropriation levels in the budget downstream. He advised the Board to focus on the revenue, tonight.

Dr. Spiro pointed out that, as long as the Board does not spend more than \$51,800 on capital expenses and approves the budget at the \$1,925 assessment level, a special assessment is not necessary and the funds from the elimination or reduction of the events can be placed towards capital expenses. Mr. Adams concurred, noting that the only way to impose a capital assessment is to direct bill, as it was too late to place on the tax bill.

Mr. Castillo recalled that, last year, the capital assessment was on the tax bill. Mr. Adams pointed out that the District had a good collection rate, as a result, and it was too late to impose a special assessment, because of the time to notify residents and transmit the lien roll to the tax collector. At this point, the District's only means of collection is a lien bill, from the District to the property owners, and any non-payers must be pursued individually.

Dr. Spiro indicated that the District spent \$75,000 per year for the tax collector to collect assessments, versus a direct bill. Mr. Adams noted that the District runs the risk of having to chase residents by direct billing.

Mr. Babbar advised that the District has first quarter reserves but, by direct collecting, the money may not arrive as early as collections from the tax bill. Mr. Castillo agreed.

Mr. Ramphal voiced concern about having sufficient funds, prior to the start of Fiscal Year 2016. He anticipated that the District will be short and have to cut services because the Board did not budget properly. Mr. Ramphal did not want budget increases but for monies to be spent wisely. Mr. Castillo believed that the Board was spending its money wisely and being fiscally responsible by recognizing that everything on the capital items list will not be completed in one year.

Dr. Spiro pointed out that the District's assessments are at the same level as last year, due to excess funds; he felt that the Board has been over budgeting for some time and eliminating or reducing the events budget will bring the assessment slightly below \$1,925.

Ms. Bercan asked Mr. Neilson if his question was answered. Mr. Neilson replied affirmatively and agreed with Mr. Adams' recommendation for the Board to adopt the budget, as presented, and amend the budget at a future meeting but eliminate or reduce the events line items, as they were excessive.

Dr. Spiro indicated that several residents recommended having four events per year. Mr. Neilson believed that was a good compromise.

In response to Mr. Perkins' question, Ms. Bercan indicated that the Community Events Coordinator received a salary of \$38,000 and \$40,000 for supplies. Dr. Spiro confirmed that the money was paid to a third party firm. Mr. Perkins suggested that residents coordinate events. Dr. Spiro indicated that a resident volunteered but never followed through.

A resident suggested that the capital items be separated into short-term and long-term items.

C. Other

This item was not discussed.

SIXTH ORDER OF BUSINESS

**Public Hearing to Hear Comments and
Objections on Adoption of the District's
Final Budget for Fiscal Year 2015/2016,
Pursuant to Florida Law**

A. Proof of Publication

Mr. Adams presented the affidavit of publication for today's Public Hearing and Regular Meeting and noted that it was properly advertised.

B. Consideration Resolution 2015-7, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2015, and Ending September 30, 2016; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Adams presented Resolution 2015-7 for the Board's consideration. He reported that the proposed budget was provided, as an exhibit to Resolution 2015-7 and suggested that the Board discuss the budget, if any discussion is required, then entertain a motion to open the public hearing.

Dr. Spiro advised that the Board discussed the budget in considerable detail, in the past, to reach the current level.

Mr. Adams indicated that, the budget was updated, with the adjustments made at the prior meeting, whereby the Board discussed each line item. The budget includes a definitions section, on Pages 5 through 10 and requested that the Board provide any edits or supplementations to ensure accuracy. Mr. Adams noted the "Debt Service" fund budget and amortization schedule,

which reflect the principal and interest requirements over the product types and assessment levels, which are fixed.

Dr. Spiro asked if the Board Members had any concerns about the budget and any line items. Based upon this budget and prior year budgets, he believed that it made sense to reduce the budget for events to \$10,000 or \$12,000 now or was amenable to adjust these line items at a future time.

Ms. Hepscher pointed out the large voice from the community on the elimination or reduction of events. Mr. Adams agreed and suggested that the Board discuss the four types of events, the amount allocated and change the appropriation levels. He noted that the money was there and, in one month or two, when the Board has further information, the Board can address the appropriation levels in a budget amendment and use the remainder for capital items.

Ms. Hepscher suggested that the Board approve the budget, as presented, and take action to terminate the Evergreen contract. She asked if the District was required to provide 30 or 60 days notice. Mr. Babbar recalled 60 days notice and asked if the District's website will be operational in time. Mr. Adams replied affirmatively, noting that the deadline is September 30, 2015.

Mr. Woodards agreed with the budget, as presented, with the assessment at \$1,925 but he wanted to discuss the reduction of some line items, at a future time. Mr. Castillo agreed.

On MOTION by Dr. Spiro and seconded by Ms. Hepscher, with all in favor, the Public Hearing to hear comments and objections on the adoption of the final budget for Fiscal Year 2015/2016, was opened.

A resident recalled that community events used to be free and three or four were held, per year and suggested revisiting this. Dr. Spiro had the same recollection.

Mr. Carpenter asked if available funds, at the end of Fiscal Year 2015, will automatically be placed into reserves. Dr. Spiro indicated that the Board decides at the end of the year but the Board discussed using any available funds for the cul-de-sac irrigation.

In response to Mr. Carpenter's question, Mr. Adams explained that governments are not required to reserve, unlike an HOA, and recommended that the Board establish a policy to not have reserves and deal with expenses at the time of need. Mr. Adams pointed out that most

residents are paying a debt service assessment on infrastructure installed initially and asking residents for reserve dollars to renovate or replace infrastructure is unreasonable because, by the time the renovation actually occurs, these residents will no longer be living in the District and will not benefit from the renovation.

Mr. Adams advised that the revenues may not be sufficient to cover the renovation because a large part of the District's infrastructure, like monument signs and entry features, has an aesthetic value and the CDD has the ability to secure short or long-term financing at low interest rates that are non-taxable. He recommended that the Board utilize their surplus funds, at least 25% of the annual budget, to cover operational expenses for October, November and a portion of December, prior to receiving tax receipts from the property tax bill and use the assigned fund balance to cover uninsurable assets, such as landscaping, in the event of a storm.

In response to Mr. Woodards question, Mr. Adams indicated the District is in a good financial position, as there is a substantial fund balance. Mr. Woodards questioned the amount in reserves. Mr. Adams indicated that, as of the end of June, the District has \$1.7 million in fund balance, which includes \$457,896 in working capital, to cover operational expenses for October, November and a portion of December, \$311,100 in renewal and replacement and \$947,229 of unassigned funds, plus accruals in July, August and September.

A resident stressed that the Board must plan for these renovations such as a roof replacement and repaving the roads. Mr. Adams agreed but pointed out that the Board should not plan to reserve funds for 15 years to make this happen but plan to reserve for three to five years.

Mr. Adams suggested that the Board start planning for the multi-million dollar projects such as the roof replacement and road repaving and finding a financing method.

In response to Mr. Castillo's question, Mr. Adams indicated that the true unassigned fund balance is approximately \$500,000, beyond the working capital and renewal and replacement. Mr. Castillo asked what happens in January. Mr. Adams indicated that the Board will have used up the working capital and the appropriations now cover all expenditures and replenish the working capital, as long as the budget remains the same; if the budget exceeds the expenditures, the unassigned fund balance will decrease.

Mr. Woodards asked if revenues arrive in January. Mr. Adams anticipated December, as residents have until the end of November to pay their tax bills to receive the 4% discount and all

the taxing authorities on the tax bill receive a portion; typically, 70% to 80% of revenues arrive in December but others pay their tax bill in March. Mr. Woodards questioned the amount of reserves on December 1, 2015. Mr. Adams estimated \$1.11 million.

Hearing no additional questions or comments,

On MOTION by Dr. Spiro and seconded by Mr. Woodards, with all in favor, the Public Hearing to hear comments and objections on the adoption of the final budget for Fiscal Year 2015/2016, was closed.

Dr. Spiro thanked the residents for their attendance and feedback.

Mr. Castillo asked if additional funds are being allocated towards reserves for Fiscal Year 2016. Dr. Spiro indicated that, in November, the Board will discuss the use of the funds carried over from Fiscal Year 2015. Mr. Adams confirmed that \$600,000 will remain, based on the June 30, 2015 "Balance Sheet".

On MOTION by Dr. Spiro and seconded by Mr. Castillo, Resolution 2015-7, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2015 and Ending September 30, 2016, Pursuant to Florida Law, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2015-8, Imposing Special Assessments and Certifying an Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Adams presented Resolution 2015-8 for the Board's consideration. He explained that this resolution authorizes the levying of assessments on the benefitted units consistent with the adopted budget and is the same assessment levied every year for operations and maintenance (O&M) and debt service.

Ms. Bercan noted no increase in assessments.

Mr. Adams indicated that this resolution also directs Staff to finalize and certify the tax roll and submit it to the tax collector for placement of the assessments on the tax bills.

On MOTION by Mr. Woodards and seconded by Dr. Spiro, Resolution 2015-8, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2015/2016; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing for a Severability Clause; and Providing an Effective Date, was adopted.

****The meeting recessed at 7:56 p.m.****

****The meeting reconvened at 8:07 p.m.****

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2015-9,
Adopting the Annual Meeting Schedule
for Fiscal Year 2015/2016**

Mr. Adams presented Resolution 2015-9 for the Board's consideration.

All Board Members were amenable to the meeting schedule.

On MOTION by Dr. Spiro and seconded by Mr. Castillo, Resolution 2015-9, Adopting the Annual Meeting Schedule for Fiscal Year 2015/2016, was adopted.

Ms. Hepscher requested posting of the meeting schedule on the District website.

NINTH ORDER OF BUSINESS

**Discussion: Outdoor Storage Facility
Closing Existing Gate and Installing New
Gate Off of Cory Lakes Boulevard**

Dr. Spiro reported that this request was on behalf of the POA and the owner of the property owner stated in a letter, that they did not object to the installation of a gate between their property and CDD property.

Mr. Woodards explained that this gate is necessary because someone cut the lock off of the back gate and stole a boat trailer. He indicated that the POA is requesting a gate on Cory Lake Drive and completely closing the back gate of the boat storage facility.

Ms. Hepscher mentioned that she was not aware of the existence of this storage facility.

Mr. Woodards noted a boat storage area behind Phase 7, off of Cory Lake Drive. The property belongs to Mr. Gene Thomason; the POA leased it from Mr. Thomason and, in turn, leases it to Cory Lakes residents for boat storage. No one is using it because it is not secure.

Ms. Hepscher asked if the POA is requesting that the CDD Board grant access for a gate on CDD property. Mr. Woodards replied affirmatively.

In response to Ms. Bercan's question, Mr. Babbar indicated that the property will remain under the ownership of the CDD.

Mr. Castillo asked if the District is responsible for the expense of the gate, surveillance cameras, etc. Mr. Woodards advised that the District is not responsible for the gate.

It was noted that there is lighting for the storage facility but the lights are not on.

Dr. Spiro recalled the POA meeting where the gate was requested and the POA Board denied this request, due to liability issues. Mr. Burman explained that the issue was that the residents living around the gate did not want traffic coming in and out of the property onto Cory Lake Drive and the POA asked the CDD Board to close the gate and place landscaping in front of the gate. Mr. Burman noted that opening the gate will entail removing the landscaping and building a road. Ms. Hepscher recalled that there was a curb. Mr. Burman stated that the curb must be removed.

In response to Mr. Castillo's question, Mr. Woodards indicated that the residents utilizing the boat storage facility are asking the community to open the existing gate and completely block off the back gate.

Ms. Hepscher asked if Mr. Thomason granted approval to block off the back gate. Mr. Woodards replied affirmatively.

Mr. Woodards pointed out that the POA collects money for the boat storage facility and the POA wants to use this money to install lights and block off the back gate and the CDD should help their residents by granting access.

Mr. Castillo voiced his opinion that Mr. Thomason is not receiving rent money from residents who would have used the facility because they do not feel their boat is secure and, as the owner, Mr. Thomason should spend the money to do whatever it takes to attract residents and it should not be the CDD's responsibility. Mr. Woodards believed that the POA should pay for the gate, since residents are paying the POA for storage.

A resident believed that 950 homes should not pay for the gate, landscaping, etc., when only 38 people rent space and suggested that the CDD and POA coordinate to ensure that the area is aesthetically pleasing. Mr. Castillo agreed.

Dr. Spiro questioned the mechanism for securing the gate.

Mr. Woodards proposed that the CDD develop property that the CDD owns, in Phase 7, for a boat storage facility and charge a fee, if it is legal.

Ms. Hepschers suggested that the Board request further details from the POA before the Board takes action on this matter.

Dr. Spiro voiced his opinion that the boat storage facility must be run properly and secure and having a storage facility with no illumination and a padlock fence abutting a county road is not good business. He felt the CDD taking on the responsibility of running this business is an expensive endeavor, as the CDD would not make a profit and it would be a public service. Dr. Spiro recommended that the POA reconsider the security of the area by providing cameras, lights and the mechanism to lock the gate, as there are liability issues and regulations on who can have access to this area.

Dr. Spiro requested a comprehensive plan from the POA to address all issues. Mr. Castillo agreed.

Mr. Burman clarified that the incident occurred in the boat storage area and was reported to the Sheriff's Department; they are investigating. The suspect entered through the TECO entrance. He suggested that a resident storing in the facility ask the POA to discuss this matter, as a request was not made for the POA to have discussions.

Mr. Woodards reported that this item will be placed on the next POA agenda.

Dr. Spiro indicated that this item will be tabled until the POA makes a decision.

TENTH ORDER OF BUSINESS**Continued
Committee****Discussion:****Security**

Dr. Spiro reported that the Security Committee dissolved and a request for a resident to lead a new committee will be placed in the newsletter.

Ms. Bercan noted that a resident named A.J., who served on the prior committee, expressed interest to serve as Chair.

Discussion ensued regarding the process for appointments to the committee.

Dr. Spiro requested an opportunity to inform the public that positions were available, prior to appointing the resident.

In response to Dr. Spiro's question, Ms. Bercan indicated that the item will run in the newsletter in the first week of September.

Dr. Spiro proposed hearing why A.J. wanted to serve as Chair of the Security Committee and hear further appointments at the September meeting.

A.J. indicated that he has lived in the community since 2002 and was knowledgeable about the community and the security issues. He works for the Occupational Safety and Health Administration (OSHA) at the University of South Florida but he was not a security expert. He wants to work with residents who have a security background, with the CDD and the POA, so sensible decisions can be made.

This item was deferred to the September meeting.

ELEVENTH ORDER OF BUSINESS

Continued Discussion: Landscape Maintenance and Landscape Maintenance Report

Mr. Adams reported that this item was deferred from the last meeting, at the request of the Board, as the Board wanted LMP to present a monthly report of their activities.

Mr. James indicated that he spoke with LMP about their report and it will be similar to the report submitted by OLM, Inc. (OLM). LMP will not provide a report until OLM is terminated.

Mr. Adams requested that the Board take action to terminate OLM, effective October 1, 2015 and he will provide the termination notice. Dr. Spiro recalled that Mr. Adams was supposed to speak to OLM after the last meeting. Mr. Adams stated that he wanted the Board to adopt the budget first.

On MOTION by Dr. Spiro and seconded by Mr. Castillo, with all in favor, termination of OLM, Inc. and authorization for District Manager to send a notice of termination, were approved.

TWELFTH ORDER OF BUSINESS

Consideration of Tennis Court Facility Agreement with Welch Tennis Courts, Inc.

Dr. Spiro indicated that the Tennis Court Facility Agreement with Welch Tennis Courts, Inc., (Welch) has been discussed for a long time and the contract amount is \$50,000 less.

In response to Dr. Spiro's question, Mr. Babbar indicated that he drafted the agreement after the last meeting and that there are items that the District is responsible for and additional costs, which are reflected in Section 4, including permit fees, providing electricity and electrical supplies and a dumpster. The District is also responsible for preparing the site, prior to Welch's arrival.

Ms. Stewart recommended including a contingency for unknown situations, such as a geotechnical engineer performing sub-grade compaction testing.

Dr. Spiro questioned if Mr. James and Ms. Stewart are amenable that the District can provide these items.

Mr. James did not foresee a problem and agreed with the recommendation from the Engineer.

Ms. Stewart suggested that the Board consider installing under drain systems, at a future time.

Mr. Adams believed that the savings of \$50,000 will be absorbed by bringing in other service providers and issuing Change Orders, as an amendment to the agreement.

Dr. Spiro asked who will be managing the service providers. Mr. Adams indicated that he will manage them, along with Mr. James and Ms. Stewart, who will be onsite and locally available.

Mr. Adams pointed out that Welsh is known statewide and has a great reputation.

Mr. Babbar noted that termination language was included in the agreement.

In response to Dr. Spiro's question, Mr. James advised that LMP is providing the landscaping and provided a sketch; they estimated \$18,000 for plants, irrigation and topsoil. Dr. Spiro requested that Mr. Carpenter review the sketch, on behalf of the LAF Committee.

Dr. Spiro asked what will be completed by the next meeting. Mr. James indicated that this depends on Welch's schedule. Dr. Spiro anticipated a plan by the next meeting.

Mr. Babbar reported that the agreement is for a not-to-exceed amount of \$106,230, and site work, in a not-to-exceed amount of \$3,500; however, the Board can decide to omit the \$3,500 if someone can perform the site work for less. Mr. James did not foresee anyone completing the site work for less than \$3,500. Mr. Castillo agreed.

On MOTION by Mr. Castillo and seconded by Mr. Woodards, with all in favor, the Tennis Court Facility Agreement with Welch Tennis Courts, Inc., for the construction of two 120'x120' all-weather tennis courts and a LSI Courtsider metal halide lighting system, in a not-to-exceed amount of \$106,230, and site work, in a not-to-exceed amount of \$3,500, were approved.

THIRTEENTH ORDER OF BUSINESS**Discussion: "The Islander" Content**

Mr. Babbar reported that this item was placed on the agenda based on discussion by the Board, at the last meeting, regarding the reviewing of content for "The Islander".

Dr. Spiro indicated that Ms. Louise Burman, a resident, volunteered to review the content in advance for grammar. He suggested that when an item is submitted for "The Islander" that it be forwarded to Ms. Burman for review.

Ms. Bercan asked if meeting notes can be included in "The Islander". Dr. Spiro stated that a summary of each meeting was included but it was not include in the August issue, as it was not received in time for inclusion.

Mr. Burman suggested including a link on the District website to "The Islander". Mr. Adams advised that there will eventually be a requirement to post newsletters on the District website; everything in the record of proceedings will be on the website, including the audios from each meeting.

Ms. Bercan requested that a request for new members of the Security Committee be included in "The Islander", along with the request for a resident to lead the committee. It was noted that the September issue was printed and it will be included in the October issue. Dr. Spiro suggested sending an email.

FOURTEENTH ORDER OF BUSINESS**Other Business**

Ms. Bercan reported that the dirt at the playground was excavated to install the shade structure but the contractor hit a water line and staff was under the impression that the subcontractor was going to take care of the cost; however, this is the District's responsibility. She noted that, when the water line is re-routed, on Tuesday, the project can proceed.

Ms. Hepscher questioned the purpose of the water line. Ms. Bercan indicated that the water line was for the irrigation and the shower. During installation, the water in the bathrooms was shut off for a short time, on Saturday.

In response to Dr. Spiro's question, Ms. Bercan indicated that she not know the cost of the repairs. Mr. James estimated no more than \$3,000. Mr. Castillo asked if this was included in the contract. Mr. Babbar indicated that the contract stated that the owner was responsible for any private drainage infrastructure. Ms. Stewart pointed out that this was part of the contingency. Dr. Spiro suggested informing Welch that there is drainage around the tennis court area. Mr. Babbar noted that the site plans should show drainage lines. Mr. Castillo commented that the contractor should have seen on the plans that there were drainage lines. Mr. James indicated that this was a last minute change in a footer for the shelter.

Dr. Stark mentioned that he has lived in the community for four years and none of their projects have been constructed without problems. Mr. Castillo pointed out that at some point the Board need to say "No". Dr. Stark agreed, going forward, and stated that the Board has to enter into these situations assuming that the contractors have been provided all information, in full clarity. Mr. Castillo suggested having something in writing, prior to construction.

Mr. Babbar advised the Board to obtain a certification from the contractor stating that they reviewed all site reviews and plans that the District provided and had no additional questions. He suggested that the Board negotiate the amount of the final payment, due to the problems. Mr. Castillo requested verbiage in the contract to protect the District. Mr. Babbar agreed, which is what he considered when drafting the Welch proposal.

Dr. Spiro alluded to the fact that the contract stated, "*The District shall determine and inform the contractor of the physical location of the facilities*" and that the Board should be doing this, so that the next time a contractor hits a pipeline, instead of being angry at the contractor, the Board should question why it happened. Mr. James noted that there are unforeseen conditions. Ms. Stewart pointed out that she and her firm always shoots for 100%

perfection with any project but they only received 75%. She indicated that the contractor has a business and they want more business and the Board should negotiate a 50/50 split on the cost.

Dr. Spiro understands that errors are made but he takes responsibility for them and he felt that the contractor should take responsibility for hitting their water pipes. He stressed that this cannot happen again.

Ms. Bercan reported that the pool pump broke again, last night, and the pool is closed. This also occurred in June and the pool had to be closed.

Dr. Spiro recalled that, when the pool company installed the pump, they informed staff that a basket could not be placed on the pump because it would decrease the flow but, with the activity this summer, the impeller broke. He proposed two options; one is to have the pool company install a new impeller, under the warranty; however, it will take a week and the pool will not be open until after school starts. The second option was to pay another vendor \$500 to install a new impeller in a couple of days.

Mr. Castillo asked if a basket can be installed. Ms. Bercan was quoted \$200 to \$300 for a basket but the pool contractor states that it will affect the water flow. Ms. Stewart suggested that the Board allow her to handle this matter and all warranty issues because, if the contractor built the pump per the design, the designer should be contacted to find out if the basket should have been installed and why the contractor was worried about the flow rate. Mr. Castillo agreed.

Mr. Castillo stated that the Board spent \$500 to get the impeller tomorrow, they can still obtain an impeller through the warranty process, as a backup.

Ms. Stewart will speak with the designer to find out why the impeller is breaking and how to prevent it from re-occurring.

On MOTION by Dr. Spiro and seconded by Mr. Castillo, with all in favor, authorization for the Facilities Manager to replace the pool pump impeller, as soon as possible, in a not-to-exceed amount of \$550, was approved.

Ms. Bercan indicated that she will pick up the new impeller tomorrow morning.

Mr. Adams reported that there were emails with the lake maintenance company regarding dying fish. All of the fish were Shad, which are a breed of fish that are stressed easily, whether due to a drop in oxygen or toxicity. He indicated that the call was placed to the lake maintenance

company on Sunday, they responded and fished out 40 to 50 dead Shad. They took readings in several areas of the lake and the oxygen readings were at good levels, except for the ski area, which is where the dead Shad were situated, which had a borderline reading of 3 parts per million. Mr. Adams indicated that a reading of 3 to 3.5 parts per million is when Shad will start to die.

Mr. Adams explained that the oxygen was low because of the large amount of rain, overcast days and dying vegetation. He noted that, clearly, there was a tremendous amount of fresh water, through rainfall events, during the past couple of weeks, much cooler water temperatures and overflow from pools. Mr. Adams pointed out that introducing the amount of chlorine from a pool into fresh water and onto fish that are already stressed because of borderline oxygen and water temperature changes caused the Shad to die. He indicated that the Shad had agitated gills and blown up stomachs, which is a sign of toxicity.

Mr. Adams reported that the lake maintenance company will continue to pick up the fish until this event subsides. They had three different crews onsite yesterday, six people in two-man crews, in three boats, picked up fish for two hours until they were rained out.

Ms. Hepscher reported that she received a large amount of emails and texts about the dead fish.

Mr. Babbar reported the exact same issue in his community.

Ms. Hepscher indicated that she spoke with the lake maintenance company and was told that this is a service they are providing and there will be an additional bill for clean-up. She asked if the lake maintenance company is covering the pond area at the Cross Creek entrance. Mr. Adams replied affirmatively.

Dr. Spiro requested that securing the boat ramp and requiring owners to wash their boats be placed on the agenda for the next meeting.

Dr. Spiro asked if security can stop people from accessing the community if the boat does not have a sticker. Mr. Babbar indicated that if the sticker is on the car, the District has no enforceability.

Discussion ensued regarding gate access, enforcement, speeding, stop signs and striping changes.

Dr. Spiro requested agenda items for speeding, capital items, events and street lights on the September agenda.

A suggestion was made to include the LAF Committee in the street light discussion, regarding the purchase of the street lights. Mr. Adams reported that some communities rent street lights but others purchase decorative lights. He stressed that, if the District purchases the lights, an electrician was necessary to replace broken lights and highly recommended LED lights. Dr. Spiro asked Mr. James to contact TECO regarding tips for better lighting on sidewalks.

FIFTEENTH ORDER OF BUSINESS**Staff Reports****A. Facilities Manager****i. Facilities Activities Report: August 2015**

Mr. James presented the Facilities Activities Report for August 2015.

ii. Consideration of Facilities Work Orders

- **#2015-106 Regulation Stop Signs at CLD and CLB Intersections**

Mr. James explained that the LAF Committee requested an additional stop sign at each of the Cory Lake Drive and Cory Lake Boulevard intersections.

Dr. Spiro reported that there is only \$71 in “Monument and signs” and this expenditure is \$1,750.

Ms. Stewart advised that the District has a striping and signage agreement, which is enforced by the city traffic enforcement and, if the Board decides to change the striping and install stop signs, an engineering study is required, to ensure that they are warranted.

- **#2015-115 Purchase New Kitchen Equipment for Restaurant**

Ms. Stewart noted that the restaurant was actually a café.

Dr. Spiro indicated that this expenditure will be paid out of “Building maintenance and repair”, which currently has \$14,000.

On MOTION by Dr. Spiro and seconded by Mr. Castillo, with all in favor, Work Order #2015-115 from Central Florida Appliance Service, Inc., for the purchase and installation of kitchen equipment for the restaurant, in a not-to-exceed amount of \$6,800, was approved.

- **#2015-116 Holiday Lighting Proposal**

Dr. Spiro recalled a power issue. Mr. James reported that TECO is supposed to provide a proposal to the electrician for a power source across Cross Creek Boulevard, which could be costly. Dr. Spiro felt that \$17,000 for holiday lights was costly. Ms. Hepscher suggested placing the lights in one area, rather than disbursing the lights. Mr. Adams recommended LED lights. Dr. Spiro agreed.

iii. Unfenced Area Map

Mr. James provided an unfenced area map to the Board, which was discussed.

iv. Security Summary Report

Mr. James provided a Security Summary Report to the Board, which was discussed.

A. District Counsel

Mr. Babbar completed the tennis court agreement and affidavit for family members to complete for caregivers to have 30-day temporary access to the pool.

B. District Engineer

Ms. Stewart reported that she is working with the owner of the café for additional parking. Mr. Adams reported that the owner provided a \$5,000 deposit, to offset any expenses that the District may occur. In response to Dr. Spiro's question, Ms. Stewart reported that an appraisal will be submitted after she prepares the legal description.

Regarding the tennis courts, Ms. Stewart received approval from the Southwest Florida Water Management District (SWFWMD) on the incremental plan. She advised that the parking capabilities and impervious areas were maxed out, which could have an impact on extending the basketball courts.

Ms. Stewart requested an increase of \$2,500 in the engineering services line item, due to providing multiple services for the tennis courts. Mr. Adams noted that the budgeted items for engineering and attorney services are based on historical data and not actuals.

Dr. Spiro suggested leaving engineering services at \$10,000, as some line items will have excess funds.

Mr. Adams will place this item on the September agenda for the Board.

C. District Manager

i. Approval of Unaudited Financial Statements as of June 30, 2015

Mr. Adams presented the Unaudited Financial Statements as of June 30, 2015.

ii. NEXT MEETING DATE: September 17, 2015 at 6:00 P.M.

Mr. Adams advised that the next meeting is scheduled for September 17, 2015, at 6:00 p.m.

SIXTEENTH ORDER OF BUSINESS

Public Comments (*non-agenda items*)

There being no public comments, the next item followed.

SEVENTEENTH ORDER OF BUSINESS

Supervisors' Requests

Ms. Bercan reported an issue with the St. Lucia sidewalk and requested the Board's approval to repair an indentation in the sidewalk.

In response to Ms. Hepscher's question, Mr. James indicated that only the portion of sidewalk in front of a home will be repaired. He received a proposal.

Dr. Spiro reported \$6,500 available for the St. Lucia sidewalk repair.

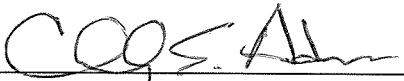
On MOTION by Mr. Castillo and seconded by Mr. Woodards, with all in favor, authorization for the Facilities Manager to repair the St. Lucia sidewalk, in a not-to-exceed amount of \$6,500, was approved.

EIGHTEENTH ORDER OF BUSINESS

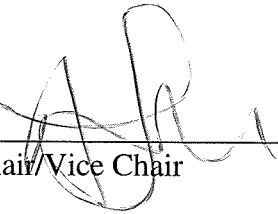
Adjournment

There being no further business to discuss, the meeting recessed at 10:51 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair