

**MINUTES OF MEETING
PORTOFINO ISLES
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Portofino Isles Community Development District was held Tuesday, January 14, 2020 at 10:00 a.m. at the Newport Isles Clubhouse, 1856 SW Newport Isles Blvd., Port St. Lucie, FL.

Present and constituting a quorum were:

Dan Duncan	Chairman
Ronald Willemstyn	Vice Chairman
Frank Austin	Assistant Secretary
Piotr Trocki	Assistant Secretary

Also present were:

Ginger Wald	District Counsel
Paul Winkeljohn	District Manager
Butch Terpening	District Engineer
Several Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Winkeljohn called the roll and stated we have a quorum.

SECOND ORDER OF BUSINESS

**Approval of the Minutes of the
November 12, 2019 Meeting**

Mr. Winkeljohn: The minutes from November 12th have been circulated, if those are in order a motion to approve would be appreciated.

Mr. Duncan: There are some corrections.

Mr. Winkeljohn: Do you have some corrections? Did you mark it?

Mr. Duncan: I will mark them here.

Mr. Winkeljohn: Ok, so if they're not of substance we can accept those immediately, is there a second?

On Motion by Mr. Willemstyn seconded by Mr. Austin with all in favor, the Minutes of the November 12, 2019 Meeting with the submitted changes were approved.

THIRD ORDER OF BUSINESS

**Discussion on Lake Contractors
and Pricing**

Mr. Winkeljohn: One of the items we can discuss today, but there's no decision factor in front of you because I don't have rough proposals or anything is the lake discussion. Dan and I have been in lengthy discussions and in our last meeting we talked a lot about the mechanical removal part of the equation and some deficiencies that led to that. So, I know John has been working with the contractor and Dan and they can pretty much take the lead on this discussion.

Mr. Duncan: Ok so, there are two parts, one is the maintenance of the lakes, and the other for the maintenance of the natural preserves. We pay together, and it's the same company that takes care of the lakes and the preserve, something like \$2,800 a month, divided in half, I don't remember but one is \$1,200 and the other one is \$1,600. We had a meeting and there was a nice lady that represents a company that does maintenance of the preserves, and she came up with a proposal, and that was 20 times of what we pay today. So, it seems that we got a good deal for that. From Lake Doctors, which are for the fountains, we got an estimate which is very comparable to what we pay today. The only difference is that they actually want to do a major chemical treatment at the beginning of the contract because they think that the company maintenance of the lakes has not been up to their level, and now they neglected the lakes. So, they first want to bring the lakes to whatever standard before they go into the contract and so the monthly cost is the same between the two companies, within 2% of that estimate, but the initial cost for the whole treatment of all the lakes would be like \$3,000, and they strongly suggested that we put these sterile mutant carps in the lakes at about 10 fish per acre, or 5 feet, these were the two conditions. I have not gotten anything but I asked for them to give me the names of some additional companies, but at some point in the future the Board will decide if we should stay with this contractor, or move to a different contractor.

Mr. Austin: Does the \$3,000 cover the lakes and the preserve, or just the lakes?

Mr. Duncan: No.

Mr. Winkeljohn: They are separate topics.

Mr. Duncan: Lake Doctors do not take care of preserves.

Mr. Winkeljohn: It's a different license.

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Mr. Duncan: Yes, at this moment it just happens that we have a maintenance contract with a large company who does both lakes and preserves, and that's an advantage in a way, but the disadvantage is that they took us for granted, and they didn't follow up and we had major problems.

Mr. Austin: But the problem is, if I'm not mistaken in the contract, there was no specifics.

Mr. Winkeljohn: Yes, it was a thin contract.

Mr. Duncan: Yes.

Mr. Austin: So how do you hold his feet to the fire if there's nothing there?

Mr. Duncan: Ok, so there are two problems. If they are the experts, they should have seen the problem and they should have ensured a correct deduction, but they didn't do it, and only when we pressured them, they came up with a mechanical treatment, they've done it, they gave us a very good discount but we still paid another \$1,000 for that, so that was not ok, but we couldn't pressure them because there were no specifics in the contract, and that will change, and they would likely provide a report to John on a monthly basis.

Mr. Winkeljohn: Which we get and it also goes to the HOA.

Mr. Austin: And the amount that we have been paying was based on a 10 year old contract, correct?

Mr. Duncan: It's a contract that was developed by the original contractor that was very sparse.

Mr. Austin: So, we're getting a comparable rating 10 years later, I don't think that's too bad.

Mr. Winkeljohn: And if they'll agree to a new document that spells out the basics that we're looking for it's sort of a win.

Mr. Duncan: The competitor, Lake Doctors provided me with a very specific contract, not a general contract, I take care of this, you pay me this. So, we are still in the process of looking around to see who else might be interested in providing us this stuff, and then some point in the future the present company would provide us with a contract that is far more specific, but they already came back with something that is better, but maybe there's more.

Mr. Winkeljohn: Right, and I have multiple companies now in this area that have specs that we can prepare too, if there's any doubt. The other thing I would say is, all of them can do the fish stocking, all of the larger contractors.

Mr. Duncan: The original, in order to find out how much a mechanical treatment costs, I approached a third party who does that, and they were in the range of \$3,500, but I chose to go to the original company that gave me \$2,500, however, this guy actually has fishery ponds, so he provided me with an estimate, but I don't have it yet, but an estimate of what it would cost to get this.

Mr. Willemstyn: What do the fish actually do?

Mr. Duncan: They eat vegetation.

(At this point several people were talking at one time, and no one conversation could be heard)

Mr. Duncan: The problem that I have is that the type of vegetation that we have, that takes over, it's not very high on their menu, they are very fussy. So, they like some type but we have a type that might not be that.

Mr. Winkeljohn: Well, if that's all that's in their lake they'll eat it, and they won't be as prolific in some lakes.

Mr. Duncan: They said that will happen.

Mr. Winkeljohn: It's a great program, I encourage that we should get a price from them, and start it.

Mr. Duncan: It's not going to break the bank, but there are pros and cons, and I have to read a little more.

Mr. Winkeljohn: Right, and in some settings they become too much of an attracted nuisance, people think they can catch them, and they can't, they'll try to snag them, they'll shoot them, in a high population, a fish traffic area. The other thing is, in the golf communities they've become a no, no because they're noisy and the golfers can't stand the clapping noise while they're trying to play golf. They sit on top of the water and they splash the water while they eat, and they eat like cows.

Mr. Terpening: They're actually a sport fish in Europe, I mean they grow big, and there's like, we have bass pro, they have carp pro, and that's a very competitive sport fishing. I have one, they're wonderful and they're contained, I think we have some areas

I'm concerned with because they are hard to contain, so there are littoral shelves and other areas where they're inappropriate because they eat everything, so we need to look at can we contain them within the areas.

Mr. Jado: I'd like to interject something here. Number one, the lakes got carried away and we've been having a problem, but this year has been the worst we've had. The people who were contracted to do the work, they had employees that were actually taking chemicals.

Mr. Winkeljohn: Right, there was an internal problem that's been corrected.

Mr. Jado: Right, so we weren't getting the proper amount of treatment in the lakes, which let it get carried away, and before we went into the carp I would say let's see what happens in the next season, and maybe an additional spraying in the spring is what I was told by one of the old timers that do the spraying, might eradicate a percentage of the problem.

Mr. Winkeljohn: That's what we used to do, we actually used to do that. Early springs, we would ramp up our treatment, because the factors that control the lakes are the half-life of the chemical, they can only put so much chemical in a certain period of time because it starts to accumulate too much in the lake, and it doesn't dissipate quickly enough, but they can get to that ceiling very quickly in the spring because in the summer the water temperature changes, you have growth that even then you can't go past, the chemical won't keep up with it, so it's a cycle basically. Once the lakes get stable where you're ahead of that cycle you can keep it there usually. So, the thing that fixes it is a mechanical treatment, another thing that fixes it long term if you can't get the cycle handled is to add a carp in there. So, that's the ideal harmony is, no fish, a little bit of chemical and you hit it at the right times with the seasonality, you're fine. Heavy rains, and the variables of our environment shift that out of whack sometimes, so it's a delicate little dance. If the contractor is doing his job, which he slacked, but if he's back on with his toes and working hard, and on top of it, we're fine.

Mr. Duncan: When you see it, it's when it comes to the surface. What's 10 foot down, is what matters, even mechanical too, what they do is they cut 3 feet from the top, and they scoop it up, but you still have that tremendous amount.

Mr. Jado: Although Dan, the mechanical removal of the sludge was magnificent.

Mr. Duncan: Sure, but remember you still have the whole 4 feet that will grow, so we will have to make some decisions when we have all the data, we talk to the environmental people from Butch and we get the best decision that we can make.

Mr. Winkeljohn: Right, but we had great success with the combination of little mechanical, a little fish program, all of the above and John riding and keeping an eye on the contractor so that he doesn't drop off, that will do it, and the good news is we've market tested the pricing. So, no decision recommended from you Dan or John?

Mr. Duncan: The only decision that I would like, I would like you to contact 2 or 3 companies to get an estimate for the maintenance of the lakes and if you find somebody that does maintenance of the natural preserves, I would like to have, because there is something wrong with getting an estimate that is 20 times what we pay today.

Mr. Winkeljohn: Yes that's strange, so yes I can do that, and I have contacted Allstate already and they're the most likely to give you the number that will be helpful and they're large enough to handle both, and they're qualified, they have excellent qualifications, they're very good at this, and that's my first contact. The others have sort of gone out of business or changed ownership that I use in this area, Eco Blue was one of them, and I don't have a sense if they're really somebody I would recommend at this point. The third thing that you have as an option is BrightView is licensed and qualified to do the preserve, and they might have a very sharp pencil if you ask them as an option, and that would be another way to go would be to test that number, because Lake Doctor is not doing the preserve, one scenario could be a tighter number from both of them.

Mr. Duncan: Well, I personally am not tremendously pleased with BrightView.

Mr. Winkeljohn: Ok.

Mr. Duncan: The reason is, it depends on their local manager, and they pay attention or not pay attention.

Mr. Winkeljohn: And their environmental division comes out of more of a corporate circle, so it's a little different crew, so that would be my approach which would be to ask Allstate for both and ask BrightView for an environmental estimate.

Mr. Duncan: And we should consider maintaining the contract, it's a very good price.

Mr. Winkeljohn: And I appreciate that logic that we're not going to give up a good thing.

Mr. Duncan: Right.

Mr. Winkeljohn: And we have the benefit of a field manager who can do the day to day eyes on. Excellent, are there any other comments? I'll pursue that for our next meeting.

FOURTH ORDER OF BUSINESS

Staff Reports

Mr. Winkeljohn: Next item is staff reports, Ginger?

A. Attorney

Ms. Wald: I was contacted by Jacob Ensor from the HOA, their attorney in regards to FPL and a lighting agreement for LED lighting, and I had forwarded it to Butch and to Paul because my question before proceeding and reviewing this because it was really just between the Property Owners Association and FPL, it's for no cost, was whether any of these light poles that they're looking to switch over were located on CDD owned or easement property. We just talked this morning, and they're not sure as well because there's no specific listing of where they're located because obviously the CDD doesn't need to get involved if it's not CDD's property.

Mr. Winkeljohn: Right, we didn't buy the lights, and we don't pay for them so I'm pretty sure they're not ours.

Mr. Duncan: Ok, I think that Brigantine poles, they are privately owned.

Mr. Winkeljohn: Right, those are ours, privately owned.

Mr. Duncan: And those are in contract.

Mr. Winkeljohn: Correct.

Mr. Duncan: Ok.

Mr. Terpening: And everything internal was put in by FPL.

Mr. Winkeljohn: Right, on their own.

Mr. Duncan: Well, the question was if we actually want to change our lights to match theirs.

Mr. Winkeljohn: That was a side question that came.

Mr. Duncan: Right, and that was the only question that would affect the CDD.

Mr. Winkeljohn: Right, that's our understanding.

Ms. Wald: And again, the question was posed and my response back was I need to see if the CDD has any involvement whatsoever as to where these lights are. If the CDD doesn't have any involvement, my response back is the same, that it does not and unless it is specifically identified and advised that the FPL lights that are in question are on CDD owned or easement property, the CDD will not get involved.

Mr. Terpening: Well, we could run it down but they didn't give us a map.

Ms. Wald: This is all I have, is what I gave you.

Mr. Terpening: Right, so there's no map.

Mr. Duncan: Ginger, in the process of designing the project and the lights, my first desire was to actually change some of the FPL lights with better lights, Brigantine entrance all the way to the circle. Unknown to me when I did my research and I look at the contract, they say that they would do it for free but actually they are on a 10 year contract that when I was looking just expired and it's automatically renewed, and you have no way to get out of the contracts if you don't notify them 6 months in advance. When I asked them what would be the cost of removing their poles, I was ready to pay for new poles, they told me that they don't know, but I need to pay \$3,000 just to find out. So, when they change something the contract goes back to zero and you have another 10 years and you agree to that.

Mr. Winkeljohn: You had a question?

A resident: Yes, just a quick comment on this subject. Brigantine originally was supposed to be taken over by the city and we're still worrying about it. I talked a couple of times at the city council meetings about it, and they are interested and they'll talk with me now about actually maybe taking the road over so we wouldn't even have this problem.

Mr. Duncan: It has nothing to do with Brigantine, this is after the gate.

A resident: Yes, I know that but I'm just saying what we're paying for down at Gatlin, the chairman of the town council would be our friend in this matter, and we could actually start, they are looking into it now.

Mr. Duncan: We approached him, and this is another item that has to be on the agenda because we spent a tremendous amount of money on landscaping, they take over, there will be no landscaping in the median, so I would like to ask Ginger if there is a possibility to strike a deal with the city saying, that we will take care of the landscaping and the lights, if they will create a fund out of the taxes for paving and cleaning the sidewalks.

So, we still keep the same thing, we will take care of the landscaping and everything else, but the repairs for the road and sidewalks should be coming out of the city fund.

Mr. Terpening: Mr. Chairman if I may, we've successfully executed that in many Districts where the road, the actual paving, curb, and sidewalk is maintained and replaced by the city, the fee is owned by the city and the CDD has a landscaping maintenance agreement with the city for maintaining all the landscaping.

Mr. Duncan: This is what I would like to see.

Ms. Wald: The city is going to have to accept the ownership too, they're not going to do it any other way.

Mr. Terpening: That's correct.

Ms. Wald: Let me ask you something, in regards to the landscaped areas and our ownership that, do you believe the city, knowing the city, is going to want that ownership as well, and just have a maintenance agreement or just say, you, CDD go ahead and continue?

Mr. Terpening: What we've done in other Districts is that the District basically owns the plants and maintains them, the city has fee to the dirt.

Ms. Wald: Right, that's my question, yes.

Mr. Terpening: We own the vegetation.

Ms. Wald: Right, and that's what I have seen south.

Mr. Duncan: We have a big investment in three areas, almost \$700,000, we have the lights, we actually have the irrigation, and this is a tremendous amount of money if we put in the irrigation and we continue to maintain a huge number of zones.

Ms. Wald: We would have a license and maintenance agreement over those areas for landscaping.

Mr. Terpening: And you're accruing a liability annually on the maintenance. Generally, we'll figure every 10 to 15 years of resurfacing, so generally you're accruing \$10,000 a year in future liability.

Mr. Austin: So, with those new stores that are strip malls, there's going to be increased traffic on that road.

Mr. Duncan: So for this discussion, number one, I inspected the sidewalks in front of the streetlight and they are completely black, and so the question is, so immediately I wanted to ask Butch if, as a part of their permit and at least we can ask them to clean it, to

pressure wash, because everything that you see there, they came for the landscaping after that in the construction, but as I went further down it has never been cleaned or anything and on the side of the Walmart it's the same.

Ms. Wald: Right, because if we haven't done it, it wasn't done.

Mr. Duncan: That's correct, and therefore there is a liability.

Ms. Wald: So, it goes back to and now, kind of transitioning as to what we were talking about, the city was supposed to take ownership, the city never took ownership, it's been requested multiple times to be done, it was never done and so the issue coming back is whether the city again, will take the ownership with the obligation as to the maintenance, the ownership and maintenance for the landscaping along the sides of Brigantine being the CDD's obligation.

Mr. Duncan: Now, the last time that we tried, they came up with a list of requests that were prohibited expenses for the CDD.

Ms. Wald: Right, it was crazy.

Mr. Duncan: So, they will do it exactly the same, but what I'm proposing is actually not a change, we leave it as a public road, with the CDD maintenance, and what we are asking them is to create a fund.

Ms. Wald: But we can't do that, see here's the thing, well, we can do that but they won't do it.

A resident: Well I spoke with Debbie Mueller, she's the chairman, and she's a friend of ours in this situation, she will help us do this, and they realize we've been given the short end of the stick here for a long time, and she's already started looking into it and they are willing to make some kind of a deal with us here right now, so I think it's time to jump on it and actually get something positive done. We have a chance to get it done right now. However you want to do it, I'm not saying one way or the other is bad, but you guys are pretty good with a lot of this stuff, I'll give you credit for that, but now is the time to go back at them, they're ready to listen to you.

Ms. Wald: I agree with you and I think Butch is all for it, but that the political tides have changed, with that, the issue of setting funds that you're asking for, and now I have my city attorney hat on, that you're asking basically for an enterprise fund to be set up by the city for this, and I don't know of any city that's going to be willing to do that for one little area, but that being said, from the CDD's perspective and now I have my CDD attorney's

hat on, and also with your manager from a risk standpoint, the city was supposed to take ownership of the road, the CDD should want the city to take the ownership of the road, that removes that liability and now it's back to the city and their responsibility. It's one of those things, you can ask but you're probably not going to get what you're asking for.

Mr. Duncan: Ok, so I've been to a couple of meetings, and they come with their road maps and say, see it's a public road, you agreed to do it, so that's basically their position.

Ms. Wald: Right.

Mr. Duncan: Now, last time they wrote a letter, and that would have made it completely impossible for us to do that, and they will take that letter again because it does not make any sense for technical people to have that letter and not say, what didn't change, it basically says we will take over everything, you have to bring it to the standards that any other road is, this is their position.

(At this point several people were talking at one time, and no one conversation could be heard)

A resident: The people I talked to down there are willing to talk to us about this, and I think you can get them to take it over. Now, if you think about it for a minute, they take it over and they don't like it, no what you're looking at is, well it's you, we don't like how they mowed the lawn, it wouldn't be the end all, we could run a lawnmower down there, they're going to complain if we take their property.

Ms. Wald: Well, there's two parts to that, the main goal is for, originally and I'm assuming it's still the same from the discussion, is for the city to complete what they agreed to do and take the ownership of the roadway and the sidewalks, and that the District has no problem since the District paid for all of the improvements for the landscaping, is to continue to provide that maintenance, and if that can be accomplished now with a change of the political climate, I would say let's do it.

A resident: I agree.

Mr. Winkeljohn: How would you proceed?

Mr. Terpening: To have a meeting with the representative of the mayor's office, with city staff this time, and Ed, Friday was the old city engineer's last day, we got a new regime in pretty much from top to bottom, a good portion of the components as Dan

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mentioned, maybe cost prohibitive but we've done the repairs to Brigantine, we've done the overlays, a lot of the stuff, the lighting that's been done, although we're not asking them to take that specifically, one of those items as far as the roadway have been completed in satisfaction of that list.

(At this point several people were talking at one time, and no one conversation could be heard)

Mr. Winkeljohn: Just a minute sir, this is our meeting, you're the public and I know you're sitting at the table but you can't interfere with the conversations, so please don't. Thank you.

Mr. Duncan: Let me give you an example, you talk about a new administration, new people, so there was a public hearing on the 7th or 8th of January. I had not heard about it, the public hearing was should we allow air conditioning to be put in front of their stores on our side, and we should have been notified because we own the road. I went there on the 8th and suddenly I saw this big notice, public hearing, about that, and it was a day late, so I could participate.

A resident: Is that why those air conditioning units are in the front?

Mr. Duncan: Well, no they are asking permission now.

(At this point several people were talking at one time, and no one conversation could be heard)

A resident: Gentlemen, I was at that meeting, I know exactly what they said. What they said was very simple, nobody ever thought about putting air conditioning in there but the city people didn't even think about it, I guess it's not that popular anymore, I don't know, but at any rate, it was supposed to be done according to the code, it was supposed to go on the roof, and the builder just put it there because that's where he put it, he did one in Vero Beach and he did it that way, so he did the same thing and 2 of the people on the Board thought it was really bad that he was just getting away with this, and the other 5 voted for it and they said you can just leave it there. So, that's basically what happened, he just did it on his own and the city didn't even look at it.

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Mr. Duncan: We went to the city and said, everything that's illegal from the adjourning property you should notify Butch or Paul.

Mr. Terpening: And do you know what their written response to me was, I get a generic email from the city on all governmental activities, and I get a lot of them. They said, since Culpepper Terpening is on our general distribution list, we've notified you.

Ms. Wald: But are you receiving it?

Mr. Winkeljohn: I get a similar notice.

Mr. Duncan: If it's a public hearing and the only thing that you do, you put a white board saying, public hearing on the date of.

Ms. Wald: Well, they have to do that.

Mr. Duncan: You know, I just happened to walk back there, you couldn't see from the car.

(At this point several people were talking at one time, and no one conversation could be heard)

Mr. Winkeljohn: Excuse me sir, again, you have to be recognized to speak, thank you. If you didn't interrupt 3 times, I would never say a word to you but you're interrupting us.

A resident: I know that and I understand it, go ahead.

Mr. Winkeljohn: Sir, this Board is supposed to conduct its business.

A resident: Alright.

Mr. Winkeljohn: Thank you. So some of us can finish our thoughts, and I want to summarize where we are, and my understanding is, and I appreciate your feedback that you think the temperature of the water is better and Butch you agree with the staff changes and such that it might be timely, would you like to take that?

Mr. Terpening: I'll set up a meeting.

Mr. Winkeljohn: Ok.

Mr. Terpening: I want a representative from the city council present, I don't want just a city staff person.

Mr. Winkeljohn: You're absolutely right, you have to have both.

Mr. Terpening: I have to have the political side of this.

Mr. Winkeljohn: You have to have both.

Mr. Terpening: Right, so I'll set a meeting up.

Mr. Duncan: It is my belief that the liability to the homeowners which I represent is actually too hard to continue this way except, we as the CDD Board, we have not put a fund aside for repaving that, so if I get any agreement with the city, any form that they cover is going to take over that does not include for the city to take over the paving of Brigantine, and there's an additional problem, for some unknown reason in the past the CDD provided to the HOA the ownership of part of Brigantine from the monument to the gate, that's actually at this moment, it also should be on the city that will pave all the way to the entrance in the community. So, we own the land all the way to the old Tire Kingdom.

Ms. Wald: Where the monument is.

Mr. Terpening: Yes, right.

Mr. Duncan: Right, and it was CDD all the way to the gate, originally it was CDD all the way to the gate.

Mr. Terpening: Right, tract E went all the way to the gate, when the replat occurred it pushed out.

Mr. Duncan: Ok, so we gave it to the HOA, but again the HOA should not be liable for paving that.

Mr. Terpening: Well, it should go to the gate, and that's how I measured the cost of it.

Mr. Duncan: Exactly.

Mr. Terpening: 1,750 feet that should go to the city, and in most cases the point of clarification, the sidewalks generally have been maintained by the District, not the city. All the pavement, all the curbing that has been maintained by the city. Pedestrian ways, as they call them, have been more of the CDD of what I've seen in the last couple of years.

Mr. Duncan: So, should I maintain the sidewalks in front of two business? So, if it was a piece of land, undeveloped, but now I have a sidewalk that is 300 or 400 feet long in front of a business. I don't even talk about that Walmart is a sidewalk that is a mile long all the way there, so I understand what you are saying, and we will have an estimate of cleaning and repairing that sidewalk.

Mr. Winkeljohn: Right, and it will be a decision for another time, but if there's a chance, and that's a natural split, the upgrade is what I would describe the lighting and the landscaping with the basis being a road and sidewalk, that is funded by the city.

Mr. Terpening: And as a general rule, if I can Mr. Chairman, just so everybody understands the history about digging through things, and I still haven't gotten one box of information, but at one time there was an agreement with the "Gatlin POA", and this is way back as far as participation on Brigantine and I didn't find that executed agreement.

Mr. Winkeljohn: Right, it was never executed, they never signed it.

Mr. Terpening: Ok, but I'm talking about developers, I'm talking about Gatlin II.

Mr. Winkeljohn: I've never seen an executed version.

Mr. Terpening: But having said that, the actual Brigantine Road was funded by the city, in building Brigantine originally was city funds, I just wanted everybody to remember that. That was not a District constructed road that was built by the city, so it's logical that they would own it.

Mr. Winkeljohn: True.

Mr. Duncan: Well, except that they had an agreement with the developer, and remember the developer says, hey I'm developing all this area if you build me a road, so the city says yes, we'll build you a road, but you own it.

Mr. Terpening: The other part of the report that I wanted to mention, and I noticed this last week in driving through, and it's related to lot 19, it is only going to get worse with the outdoor storage of trailers, equipment, all that's illegal, and I don't know if the District wants to take the position that you have 2 or 3 out there the other day when I went by, along Brigantine and if we don't take the position and push that hard it's just going to continue and continue.

Mr. Duncan: Ok, let me comment on that. One of the advantages of owning Brigantine is the landscaping and everything else is that we have a standing on taking a position. It started when Tire Kingdom left that mall and there is a huge parking lot in the back, which now it's a parking lot for all the people that want to park something there from big trailers to small ones. There's another discussion we can actually talk to the owner of that mall and they're starting to change hands.

Mr. Terpening: Yes, it changed hands.

Mr. Duncan: And find out who is the landscaper because I would like the hedges to be allowed to grow to 6 feet to hide some of the mess of the parking lot, but then there is the situation on the new strip mall. The reason that I wanted to enhance the landscaping, and I put some money aside, is actually to hide the parking lot, but then we have to take a position of what you are allowed to park in front of your business.

Mr. Terpening: But the city has curb codes and that parking isn't allowed.

Ms. Wald: To me, if you call the city, and you have code enforcement, they're allowed to enforce it.

Mr. Duncan: It's even worse, one of the air conditioning guys just took one of his advertising signs, so one of the drawbacks is not being a part of Brigantine, has to be an agreement that actually allows us to have a standing.

Ms. Wald: Once you give up the ownership, the city has the rights, and the city is going to be the owner to make that decision, and ultimately the city is, anyway as to their codes, and what Butch was saying is, it sounds like to me without actually seeing it, would be violation of city codes.

Mr. Terpening: It is and I can tell you they enforce those codes. Once you make a call, they very rigorously enforce those.

Mr. Duncan: But I would like, as a part of the discussions because we are maintaining the landscape, we are maintaining the lights, we are paying for the lights, and now we would invest a little more money in the lights in the median, so we have to have an agreement that recognizes even if they own as a participant.

Mr. Winkeljohn: Right, and however it falls we'll get to that detail, that's easy to make sure of.

Mr. Duncan: And they will have no problem, I don't think they will have a problem with that.

Ms. Wald: From the city political perspective, they want to look good, they want it to look nice, they don't want it to be trashy, they want businesses because they want the tax dollars, but they want the businesses to look nice.

Mr. Duncan: And by the way, we also clean, John goes and every week gets bags of garbage that people are throwing in there.

Ms. Wald: Well, unfortunately that's part of bad behavior.

Mr. Duncan: No, but we are actually paying for that service.

Ms. Wald: Right.

Mr. Austin: What if Brigantine, what if there is a decision made to change that intersection, who pays for that?

Mr. Terpening: We do.

Ms. Wald: Well, we own it.

Mr. Duncan: But I already nixed that because you can solve this problem with putting in a right way sign at the exit, instead of me paying \$50,000.

Ms. Wald: The city would still have to approve it anyway.

Mr. Duncan: Now, what I'm asking in this meeting is Butch and Ginger, just start the conversation.

Ms. Wald: Right, so Butch will go ahead and contact his people on his side, I will contact the city attorney's office, and Butch will contact on the side of the city staff, and the council person also.

Mr. Duncan: And I looked in many places and there is nothing coming even close to the beauty of the landscaping that we put in the median.

Mr. Winkeljohn: Right, and that gives you the seat at the table too, because you've already done it, it's already been proven to be maintained and we took it ourselves to do it.

Ms. Wald: It's basically convincing them to do what they were supposed to do, that's really what it comes down to, and if the political climate has changed, this is the time to strike while the iron is hot.

Mr. Winkeljohn: I think we've got it covered. Yes sir?

Mr. Jado: One thing though, as these businesses go in and they develop that front property, we can come in there and landscape and buffer that out, you wanted to see that.

Ms. Wald: You have to be careful about bringing it in.

Mr. Winkeljohn: Right, remember the utility conflicts were a significant obstacle in that area, and they did not like us going too far with landscaping, so just keep that in the back of our minds.

(At this point several people were talking at one time, and no one conversation could be heard)

Mr. Winkeljohn: Alright, I think we've covered it, so we can move on.

Mr. Duncan: But we have a couple of actions, two actions, set up a meeting and I would like Ginger to approach it with some type of email or something that we actually have a record.

Ms. Wald: Well, my first thing is to, what I will do since I know the assistant city attorney, is contact her via conference, have a conversation with her, and basically what I did last time. Have a conversation with her, then follow it up in writing because that's the best way to do it, confirm exactly what was happening and then we have no question, and then from Butch's perspective just set up the meeting.

Mr. Winkeljohn: Ok, got it. In this vein, we asked Butch, just so we understood the costs related to it, do you have a sense of cost, or were you able to calculate the costs?

Mr. Terpening: Yes, I have it, they could come in and mill and resurface, and give it an allowance for city breakage and other repair work, so I would say about \$100,000.

(At this point several people were talking at one time, and no one conversation could be heard)

Mr. Duncan: Who pays for the resurfacing 5 years ago?

Mr. Terpening: We did.

Mr. Austin: How much did that cost?

Mr. Winkeljohn: About \$60,000.

Mr. Terpening: Yes, somewhere in that range, and that was part of the settlement I believe with Syntex and Lennar and all of that, the original developers.

Mr. Winkeljohn: Right, the District didn't pay for it, the developer did.

Mr. Terpening: Yes.

Mr. Duncan: Ok, so 5 years ago is when it was resurfaced, so the developer paid.

Mr. Terpening: We didn't contribute too much as I recall to that overall cost.

Mr. Duncan: Can somebody go and find that out?

Mr. Winkeljohn: I don't have any invoices for the District that related to paving, I've gone through them. We didn't pay for any of that directly.

Mr. Duncan: Ok.

Mr. Winkeljohn: Yes sir?

A resident: It is in the minutes, I have some of your old minutes which I read through and our community was part, paying for having the road repaired.

Mr. Winkeljohn: Right, we were a partner in it, but we didn't pay the bill.

Mr. Duncan: My recollection is that we did not pay, and I wanted to make sure of that, I didn't know who paid.

Mr. Winkeljohn: Right, it was through the developer, we participated in the contract, preparation and administered it.

(At this point several people were talking at one time, and no one conversation could be heard)

B. Engineer

Mr. Winkeljohn: Alright, moving on Butch anything else on your plate?

Mr. Terpening: No.

C. Field Manager

Mr. Winkeljohn: John for our friends today?

Mr. Jado: Pretty much we've been cleaning up some of the fields over by Rosser, we took out all the undesirables in that open field, those rough cut fields and then we just cut all down, and we'll be doing some on the wall behind the commercial buildings, thinning that out, and we've got about 2 more segments to do over there before summer comes.

Mr. Winkeljohn: Very good.

Mr. Duncan: So, I got the proposal from Palm City Ponds, and as a part of the amount of money that we got from the developer, it was to enhance the southern border with trees and plants to try to cover up, and make a buffer. They've done a good landscape design, so the question that I was asked which was an interesting question was, Palm City Ponds, things we can get a grant to actually develop the piece of land that we have there for water management into a park at no cost. I have mixed feelings because if you do a park you allow outsiders to use the park, but I just wanted to bring it to the Board's attention that area can be just formed into a park if the Board decides that they want to do that. My thought would be, no let's leave it wild like that because we will not have people from outside the community.

Ms. Wald: Right because it's public, it has to be public access.

Mr. Duncan: And also, there is a liability with public access.

Ms. Wald: Yes, there's always a liability.

Mr. Duncan: So, I just wanted to make sure that I would forward this information.

Mr. Winkeljohn: On the palms, the planting, did you have a sense of timing?

Mr. Duncan: I have to wait for them to finish everything in order to make sure that the location and everything gets done.

Mr. Winkeljohn: Ok, because late March early April is ideal.

Mr. Duncan: My ideal might be next year.

Mr. Winkeljohn: Ok, that long.

Mr. Duncan: But we will the design and the drawings ready and the cost estimates.

Mr. Winkeljohn: Ok, great.

D. CDD Manager

Mr. Winkeljohn: Under manager's report, just to let you know the tax revenues are almost all received early again this year which is a good thing, so no issues with that. The SPE owners, I spoke to them briefly on Portofino Court, and I still believe there's a deal forthcoming, they're in their due diligence and it's not in a big rush, but it's still on the table and they're still working through it is my understanding.

Mr. Duncan: You provided the information that they required?

Mr. Winkeljohn: I answered every question they had but I talked to the person who runs that division directly at another meeting I had with Ian and he thinks it's still moving forward but it will be slow, so no news, but no negative news either which is good.

FIFTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

Mr. Winkeljohn: Supervisors requests or audience comments?

A resident: I have one quick comment.

Mr. Winkeljohn: Yes sir.

A resident: Ok, I want to apologize for interrupting you 3 times, I did it on purpose because you did it to me 3 times. When you get a guest here from the community that wants to talk, you give permission to talk, you should just let them finish talking, I only had about two sentences to go and it took me a half hour to get it in.

Mr. Winkeljohn: Very good, thank you, I appreciate that. Are there any other comments?

SIXTH ORDER OF BUSINESS

Financial Reports

- A. Approval of Check Register
- B. Balance Sheet and Income Statement

Mr. Winkeljohn: Your financial reports are in the packets, and I already mentioned the tax revenues which is not reflected in those reports, but it has been received.

Mr. Duncan: I looked at them, everything checks out.

Mr. Winkeljohn: Is there a motion to approve?

On Motion by Mr. Austin seconded by Mr. Duncan with all in favor, the Check Register, Balance Sheet and Income Statement were approved.

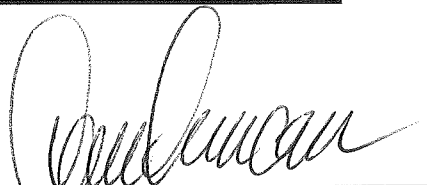
SEVENTH ORDER OF BUSINESS

Adjournment

Mr. Winkeljohn: With nothing else, a motion to adjourn would be in order.

On Motion by Mr. Trocki seconded by Mr. Austin with all in favor, the Meeting was adjourned.


Secretary / Assistant Secretary


Chairman/ViceChairman