

**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 on Tuesday, April 11, 2023, at 10:00 a.m. at 1856 SW Newport Isles Blvd., Port St. Lucie, Florida 34953.

Present and constituting a quorum were:

Juan Azcona
Rohn Timm
Gerald Mirabile

Chairman
Assistant Secretary
Assistant Secretary

Also present were:

Ginger Wald
Paul Winkeljohn
John Jado
Roberto Cabrera

District Counsel
District Manager
Field Supervisor
District Engineer (by phone)

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Organizational Matters

- A. Consideration of Appointment of Supervisor(s) to Fill Unexpired Term(s) of Office – Seat #4 (11/2026)
- B. Oath of Office for Elected/Newly Appointed Supervisor(s)
- C. Electing Officer(s)

Mr. Winkeljohn: Moving on, you do have a vacancy, and I know we've had some discussion but, I'm guessing there's been no interest.

Mr. Azcona: Correct.

Mr. Timm: A lot of people are working at this time, and for people who are not working, I don't think a lot of people know the CDD still even exists.

Mr. Mirabile: Well, we should also consider putting the word out to people that don't work, or maybe if they're realtors, they may have time to put the effort in. I mean, people that work remotely like Juan, who do have the time, or take a little bit of their time to come

to a 10:00 o'clock meeting, realizing that people do work, and don't have that availability, but there are people who do have the availability to come to these meetings. So, I have put some feelers out, I do have feelers out but, we do have to realize that there are some people that are committed to the community, that want to help the community, whether being on the HOA, or the CDD, so don't put a blanket statement out that people work, there are people that can make a 10:00 o'clock appointment. There are retired people that do want to make a commitment to the community, so put your feelers out.

Mr. Timm: Well, I had mentioned to Gerald that one guy before, because he had a lot of experience with insurance but, he's an adjuster and he just doesn't want to do it. One of my other neighbors, I mentioned it to him, he's retired too but, he spent a lot of time on all the port authorities up in New York and New Jersey running Boards, and he said he just doesn't want to do it anymore.

Mr. Winkeljohn: Right, and there's a long list but, we've had years where there was a lot of attention and at this point, it's just not bubbling to the top but, maybe it will.

Mr. Mirabile: So, you can still kind of put your feelers out and see what we can come up with but, we do need a fifth seat on the Board.

Mr. Timm: Yes, I agree.

Mr. Winkeljohn: Ok, so we'll move past that until such time as we get a candidate.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the February 14, 2023 Meeting

Mr. Winkeljohn: The minutes from the February 14th meeting have been circulated, if those are in order a motion to approve would be appreciated.

Mr. Timm: I have a point of clarification, I thought when we were discussing those benches, that we said we were going to go for all four of them, we just get it done, instead of just two.

Mr. Azcona: But let's do that discussion later.

Mr. Winkeljohn: Right, that's a discussion item, not the minutes.

Mr. Timm: Oh, ok because it was in the minutes.

Mr. Winkeljohn: Right, but we need to approve the minutes.

Mr. Timm: Ok.

Mr. Winkeljohn: So, are there any corrections or changes to the minutes, or a motion to approve.

On Motion by Mr. Timm seconded by Mr. Mirabile with all in favor, the Minutes of the February 14, 2023 Meeting were approved.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution
#2023-04 Approving the
Proposed Fiscal Year 2024
Budget and Setting the Public
Hearing**

Mr. Winkeljohn: So, we went ahead and talked about the budget process at our last meeting but, we wanted to go ahead and begin that today. We have your proposed budget before you, and I brought copies for the residents that were anxious to see it. There's no increase, and you all are well financed to absorb a project every year. The short history is when you did refinance you were able to keep a good chunk of your operating account available for such reserve projects and we're very pleased to report you have over \$250,000 in your reserves which is excellent for your size community. There's a little bit of a, there's two things happening that are going to affect next year potentially, or maybe in future years, one is good, one is neutral. The good news is I believe there's a contract on Portofino Court, and you may remember we gave the landowner direction where we adopted a letter basically to them, and I sent that back to them as a copy because if they do the closing, there will be a settlement where they'll pay this District back the unpaid balances. There's a couple of things they're going to do internally that don't affect us but, they'll restart their bond, and you'll start to see on the financials those, and all properties will start to pay a rate into the bond, and then the term of the bond doesn't change, it's a 30-year expiration date, or whatever you want to say but, the point being, is they have the right to do that for the new parcels, which means they just write off the bad debt in essence. The ones that were billed, that have been paying the bonds, those stay the same, so the rates are the same but, they'll restart, and the bondholders being the landowner at the time can do that. So, that's the good news, there could be a financial windfall potentially.

Mr. Azcona: Do we have an estimated number of that windfall?

Ms. Wald: The money actually goes to the bondholders.

Mr. Winkeljohn: Well, there's two parts.

Ms. Wald: Right, that's the bond part.

Mr. Winkeljohn: Right, the bond part but, the operations and maintenance that wasn't paid comes into our operating account to make sure conditions are even greater, but I would warn that with new residents and the buildout of that parcel, there probably will be some service needs that we hadn't really ever had to deal with potentially, so we'll watch that and certainly coordinate with them.

Mr. Azcona: What about monies owed to the CDD?

Mr. Winkeljohn: Other than the ones I just mentioned?

Mr. Azcona: Yes.

Mr. Winkeljohn: There won't be any, it will be clean.

Mr. Azcona: Ok.

Mr. Winkeljohn: So, part of the closing costs, when they sell their parcel is to clean all that up, just like a typical distressed property.

Mr. Azcona: And then moving forward they will start paying.

Mr. Winkeljohn: The ones that are under the SPE, yes, they'll be paid just like every other parcel, so you won't have that shortfall that they've absorbed.

Mr. Azcona: Right, we always absorb it.

Mr. Winkeljohn: Yes, but you're going to get repaid.

Mr. Azcona: So, we have enough money in the budget to tackle an enhancement project from year to year.

Mr. Winkeljohn: Whatever the services, and I don't anticipate it, and we would have been conducting them if knew about any needs.

Mr. Azcona: No, but I'm talking about besides that, any enhancements within reason we can use those funds.

Mr. Winkeljohn: Correct, absolutely. So, the other thing that is coming up is Port St. Lucie has decided to audit if you will, and audit is probably a strong word, they started to review the financial balance between the stormwater fee that we receive and, I don't know if you know this but, they charge based on our assessment. The stormwater fee is like 75% of that number that's why it's a bigger number because of that, and there's competing facts or pieces of information, they're considering lowering it.

Mr. Mirabile: Is that one of the Ad Valorems on the tax bill?

Mr. Winkeljohn: No, on your tax bill, or on the District revenue side, it's revenue that we receive but, it's funded by the commercial parcels, and their fee is based on a rate that the county sets, and they're considering revising that rate. So, the good news is there's more being built so the new parcels are going to come online, the vacant lots paid a vacant lot fee, the improvement properties like Walmart or whatever pay a certain fee, and we've done a really good job of identifying all of our expenses, and almost everything we do is really related to stormwater, and so we use the language like that on purpose. So, step 1 is, let's see what they want to know about our expenses, and if they change the rate, they change the rate. I don't know that it's not going to have such an adversarial effect on you that I would recommend doing anything other than just being cooperative, there's nothing to fight because it does generate a significant portion of your budget, and it funds more than 50% of the whole community's needs because more than 50% of what you do is stormwater-related, directly or indirectly. So, we'll wait and see but, as a budget discussion I just wanted to let you know that is something, and I wouldn't say lower your assessment this year because it may be artificially lowered by default by the government lowering the stormwater fee by 20% or so but, you can afford that.

Mr. Azcona: Have you seen that happen in other CDDs?

Mr. Winkeljohn: You're the only CDD I know that has that fee as a revenue source.

Mr. Azcona: Ok, and then do we know, or do they have 100% control of what they give us, like do they change it to whatever amount they like?

Mr. Winkeljohn: It's an adopted rate so it has to go through some government due process to change it but, they have the right to change it.

Mr. Azcona: And that budget is mostly financed by the commercial properties?

Mr. Winkeljohn: It is 100% financed by commercial properties.

Mr. Azcona: Ok.

Mr. Winkeljohn: So, there's two things, they lower the rate, we have more participants, it may not mean anything to you, but it may be a wash.

Mr. Azcona: Ok, but if for example, and I'm just speculating, if Sam's and Walmart are the same entity, and I'm assuming they're providing a big chunk of it, and they have the capacity to lobby city officials and county officials to lower that, and I'm just speculating, I'm not saying that may happen.

Mr. Winkeljohn: Right, that's a strong theory.

Mr. Azcona: So, they could potentially say, listen we're going to cut this in half and if the city or the county officials decide that's what it is, we have no say?

Mr. Winkeljohn: No, not exactly, I mean we can participate in it, I can ask our engineer to be alert to anything, but if they have that as a request for you, through financing or through engineering answers, we'll certainly make our case, and we have a case that's irrefutable, we know when we hear it but, the value of it, the costs versus the actual revenue may not be exactly right anymore, it may have evolved out of the ratio where we're collecting a little too much in their minds, and they do have the right to make that adjustment. We don't know when their final decision will be, so for this discussion purpose, I'm just asking you to pause and not change anything, not consider any lower rate because you have these outside forces that might affect your budget, so it's not the time to do that. When you adopt your budget, if new information comes, you could lower it then if you wanted to.

Mr. Azcona: Right, lower the rate, meaning to the homeowners?

Mr. Winkeljohn: Yes.

Mr. Azcona: Ok.

Mr. Winkeljohn: So, most of what I described is probably still a net increase to your bottom line because of Portofino Court and the alteration of the commercial parcels, the buildout of those.

Mr. Azcona: Ok.

Mr. Winkeljohn: So, that being said, the real challenge for you as a Board is to, and it's not that big of a deal, is to set when you want to do the adoption hearing. The budget is two parts, you do the proposed budget today, and at the hearing you adopt it, and as you may know, the line items, the things we may choose to spend more money on, all that, we can adjust anytime throughout the year as we see fit, as long as it doesn't force us to increase the assessment. So, that being said, I would suggest a motion to approve, and I'm looking at your calendar to pick a date and time. In your situation you could do this at your June meeting if you wanted to, so as early as your June meeting, or as late as August or September if you so choose.

Mr. Mirabile: August would be good for me.

Mr. Winkeljohn: So, that would be August 8th, does that sound good to everybody with your vacation schedules, because we do only have 4 people on the Board so we want to make sure we have quorum.

Mr. Timm: Well, one thing we may have to consider as an outside item is that there could be a hurricane in August and then we wouldn't be able to meet, so maybe we could try and do it a little bit sooner, maybe in July, and then if we get a storm because sometimes I think we could do it over the phone right, if you weren't here.

Mr. Mirabile: I could do it over the phone.

Mr. Timm: And I'm just saying that because we'll be in hurricane season.

Mr. Mirabile: I know Frank is usually away in the summers because he goes to Pennsylvania, and I'll be in town, and there will be a quorum if I'm in town.

Mr. Winkeljohn: Right, so I agree that August would probably work, if there's a hurricane, we have the right to adjust the meeting date, so we can reschedule.

Mr. Azcona: And then we still have until September.

Mr. Winkeljohn: Right, and you still have your September meeting.

Mr. Timm: Well, and it's not like August is the last month.

Mr. Winkeljohn: No, September would be the last month.

Mr. Timm: Ok, that sounds reasonable.

Mr. Winkeljohn: So, with all that said, staff is recommending approval of resolution #2023-04 with an August 8th hearing date at this time and location. Is there a motion?

On Motion by Mr. Timm seconded by Mr. Azcona with all in favor, Resolution #2023-04 approving the proposed Fiscal Year 2024 Budget and setting the Public Hearing on August 8, 2023 at 10:00 a.m. at 1856 SW Newport Isles Blvd. Port St. Lucie, Florida was approved.

FIFTH ORDER OF BUSINESS

Discussion of Property Landscaping and Fertilization

Mr. Winkeljohn: So, the next item is your discussion of landscaping and I know you wanted to talk about that.

Mr. Mirabile: Yes, so I had a major concern about Brigantine and the landscaping, the side swales, there was no fertilization treatment on the streets adjacent to the swales, there was no trimming, there were dead patches, the center island, wasn't bad, it was

green but, there were still a lot of patches of weeds. Yesterday we met with BrightView, John, and I, to review with the supervisor some of the items of concern and we were pretty adamant about the fact that they were lacking in a lot of items that they were responsible to do. John identified quite a few areas where there were weeds inside the shrubs on the center island, there were cicadas growing in some of the shrubbery, probably one 8' to 10' cicada, and so none of the shrubbery was trimmed properly, a lot of the different shrubs, the crepe myrtles.

Mr. Jada: We did have a stretch of time with the water problem that stressed all of that which let weeds grow but, I've been on the phone with them almost weekly saying, you have to spray it, and you can't change the manager the next week and then it doesn't get done, it takes a month to get it all straightened out but, they need to keep it up and spray it, and spend the extra hours and do whatever it takes to get everything to keep it that way.

Mr. Winkeljohn: So, what do you propose?

Mr. Mirabile: So, John has been pulling the weeds out of the interior of the shrubs and it was really bad, and she admitted that they weren't properly doing their job. So, I drove up there today and at least the side swales were trimmed. They have to have TruGreen come back and fertilize, they're going to spot treat some weeds, and I even said, with these dead spots, are you going to work on getting some turf out there or sod out there if these dead spots don't come back and she said, absolutely.

Mr. Jado: Well, weed control too and it may get worse looking as they kill the weeds and then as it grows together it will look better.

Mr. Mirabile: And she was pretty stunned at the way Brigantine looked.

Mr. Winkeljohn: Who did you meet with, do you remember her name?

Mr. Jado: Yes, it was Abby.

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

Mr. Jado: We have another meeting set up on the 24th to take a look at the progress with a Board member for that, and he can be with us if you want.

Mr. Winkeljohn: I mean that's very fair to let the company have an opportunity to cure things, and if they can't cure, I'm guessing we'll have this discussion again.

Mr. Mirabile: Right.

Mr. Jado: The problem seems to be that they can't keep a manager.

Mr. Winkeljohn: Right, it's a tough market.

Mr. Jado: So, you tell this guy, and he says ok, and he does it, and then we have a new guy that doesn't do it, and then it's very difficult.

Mr. Azcona: Are there any areas that are the HOA property that is affecting CDD landscaping because of the lack of fertilization?

Mr. Jado: These banks on the sides, that Dan put in the hedges, where we have on the inside of the sidewalk it goes about 25' but now the hedges are there and he anticipated that would go over, and it does go over to some degree, and it does slope so the water will seek its own level but, these banks on this side just get cooked by the sun, and they're full of weeds, they look like hell, they really should have something in the middle and they're not fertilizing, remember they fertilize on the other side of the gate, so we have a bad problem there. If you look at that vacant lot out there where the shed is, it's full of weeds.

Mr. Azcona: Just to get involved in the conversation, we are talking about some deficiencies in landscaping for Brigantine in the CDD area we've already addressed that with the landscaping company and there are plenty of deficiencies with the HOA as well. So, if we can work together, and obviously you guys manage the HOA and I'm not sure what you guys are doing about it but, we're going to set it up and hopefully, the HOA is going to be able to do the same.

Mr. Mirabile: So, that's the other thing I wanted to get to was, right now we're paying a nominal fee really, I think this contract was last signed in October 2013 from what I understand from what they gave me.

Mr. Azcona: From BrightView?

Mr. Mirabile: Right, yes, and we're basically paying for what they're giving us.

Mr. Winkeljohn: Right.

Mr. Mirabile: We're getting nothing for what we're paying, we're getting minimal, so I think what they're going to do is they're going to re-evaluate our needs, they're going to re-quote.

Mr. Winkeljohn: Ok.

Mr. Mirabile: So, it might not be a bad idea to work with the HOA and ask them to price it out.

Mr. Jado: This contract goes back to the original landscaping that they kept running from ValleyCrest.

Mr. Winkeljohn: Right, the company changed names.

Mr. Jado: Changed names or bought them out.

Mr. Winkeljohn: Right, then they changed their name to BrightView, and all things might be true, at the same time, their performance but also, we might be out of market for their contract.

Mr. Mirabile: Right, and ask them about TruGreen, I mean I'm not that impressed with TruGreen, and I don't know if anybody else has had any experience with them, and I don't want to badmouth them but, I've had bad experiences with them. They said that they may go in-house, BrightView may, they have the equipment, and the manpower, so they may go in-house, Brightview may have their own fertilization branch so, we just have to wait and see.

Mr. Jado: Gerald wants me to get some more bids, I don't know how the rest of the Board feels, but I would like to work with that.

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

Mr. Jado: It's such a low price that the companies even wonder how they want to handle it, it's such a small account.

Mr. Winkeljohn: Right, but if they're doing a large project, a small add-on makes their project even better.

Mr. Jado: Right, and everything is cut in a couple of day period, and everything looks good, and I don't know if you want to back out of the fertilization and let us do it.

Mr. Winkeljohn: You can do both, usually ask them to price it ala carte so you can pick and choose.

Mr. Jado: So, you can hire an independent.

Mr. Winkeljohn: You can do it with irrigation, fertilization, and basically have the mowing and trimming in one piece, and then you can piece the others, and you can mix and match, and over time, if one is not working out like we might be experiencing right now

you plug it back into the contract because we removed it at one point, they had fertilization here.

Mr. Jado: Well, he has an independent that does it 6 times a year.

Mr. Winkeljohn: That's excellent, that's good.

Mr. Azcona: What if we were to use that same vendor to create a more attractive contract for the vendor that the HOA and the CDD can use?

Mr. Winkeljohn: Yes, there's some scale economy.

Mr. Azcona: Yes, exactly, we can keep separate contracts but let them know that we are hiring them as a group, even though they have your own invoices, we have our own invoices, and maybe that gives us leverage to get better service from them at a better rate. So, if you're looking at proposals, let's share the information, and then by the same token if BrightView has responded in a positive way we can all consider it and maybe we can join forces in coming up with some specifics, and it's not going to be a joint agreement, unless you consider it's appropriate.

Mr. Winkeljohn: Right, and maybe they just have a subaccount or a separate account for us, we have our own agreement.

Mr. Azcona: But for negotiation purposes with that company, we can do that.

Mr. Winkeljohn: Right, and if their price is within range and it helps the HOA, we can say yes just on that.

Mr. Jado: So, they're supposed to fertilize that big open field of grass, and we call it the soccer field over by the entrance side of Rosser, that big open field, it's full of weeds, and I don't think it's been fertilized.

Mr. Winkeljohn: I didn't know that we maintained it beyond that.

Mr. Jado: Oh, they maintain it, they maintain Rosser for us.

Mr. Winkeljohn: I know that but, I meant collectively, I didn't know that we tried to maintain it beyond weeds historically.

Mr. Jado: Oh no, it's a beautiful grassy area, and then the rough area, that parcel that we deeded the green space to them, we just cut that back and we're going to maintain it at 6" height.

Mr. Winkeljohn: No problem but, for our purposes, it sounds like we have a plan, we're going to partner and look at pricing, we're going to give them a chance to cure and we'll regroup.

Mr. Mirabile: Right, and just one other thing on a good note, Abby did say that the very front cap of the island, she said as a courtesy she's going to mulch for us.

Mr. Winkeljohn: Right, the high visibility area.

Mr. Mirabile: Yes, she's going to put some mulch there. One other thing that I just wanted to mention while we're on landscaping is, and I brought it up to John while we were out there, it might not be a bad idea on the island. It might not be a bad idea to have John work on getting some mulch out there.

Mr. Jado: Whatever you guys want to do.

Mr. Winkeljohn: Yes, it should be a routine, it should be like twice a year at the most or maybe once a year at the least.

Mr. Mirabile: Right.

Mr. Jado: Whatever you want, I mean if it's maintained properly, it's sprayed properly and its black dirt, it looks very nice.

Mr. Winkeljohn: And I strongly recommend, or usually the most beneficial time to do mulch is right around late October when your rain starts to go down, you do your seasonal flowers right around then, you do that together, so you get your peak look through Thanksgiving and Christmas.

Mr. Mirabile: Right.

Mr. Winkeljohn: So, you could do some things now, touch up or smaller projects just to get us back into the game but, I would always plan for an early fall to hit everything.

Mr. Jado: Well, he's thinking weed control too on the inside.

Mr. Winkeljohn: Right, and I'm assuming the maintenance is fixed, so in a normal cycle you would plan for seasonal flowers, if you have pressure washing, you try to time it together because most of those services you can do it any time of the year but, you get the most value that time of year in South Florida.

Mr. Mirabile: Right, so it's up to you guys if you want to make at least the outside of the island beds look better, we can just mulch the outsides, it's up to you John.

Mr. Jado: No, it's up to you guys, whatever you want.

Mr. Azcona: Yes, I think I'm up for it, we have money, and we can make some enhancements.

Mr. Winkeljohn: I would do it now and then just knowing you're going to need to redo it in late October.

Mr. Azcona: But that's fine, the seasonal plants that you can use, and we aren't going to change them every month.

Mr. Winkeljohn: And you can use BrightView to do it, you don't have to do it.

Mr. Jado: I don't use BrightView, I use another guy.

Mr. Winkeljohn: Right, ok as you see fit but, it sounds like you have their attention right now, you might get a good deal, I would explore both.

Mr. Jado: Right, well what about Rosser, if we do that I'd like to do the beds at Rosser, we just have that one bed going up against the wall.

Mr. Winkeljohn: Yes, it should be uniform.

Mr. Mirabile: Ok, I make a motion to do some mulch to both Rosser and the island.

Mr. Jado: When do you want to do that, do you want to do it in the summer and one in the fall?

Mr. Winkeljohn: I think you go now.

Mr. Mirabile: I think what we discussed was do it now and make it look nice.

Mr. Azcona: Right, we should do one now and then one in October.

Mr. Winkeljohn: But plan with an October retouch at the very least.

Mr. Azcona: Right, and what plantings do we add, like a seasonal type?

Mr. Jado: I've been adding plantings, I put some hedges in, small little inexpensive ones that we had problems with when the drought came, I'm now using bigger ones, they're \$25 and I showed Gerald yesterday, we're going to have to replace a couple of those smaller ones.

Mr. Winkeljohn: Right, I saw that, there's some gaps, but he does that automatically.

Mr. Jado: Right, and they're not really doing that well so, we'll have to go for the bigger bucks.

Mr. Winkeljohn: So, is there a second on authorizing staff to do a mulch cycle?

Mr. Jado: And then when she cuts back, she's going to have to hard cut some of the stuff in there because inside the island, it's growing like this, the hedges are not growing up when we trim them, they're not pruning them right, it's a mess. So, I think we're going to wind up having to put some oleanders in there too, and we'll have to buy decent size oleanders like 7 to 10 gallons to make it look right. We replaced that 2 or 3 years ago with Dan because we had a drought problem and that water problem, and I had

to put in a bunch of them, and now they're just too leggy and they're not cutting them right, they don't look like a hedge, they look like a wild plant.

Mr. Winkeljohn: Right, and oleanders will respond.

Mr. Jado: Right, so she's going to hard cut them and see how it comes out but, we might have gaps.

Mr. Winkeljohn: It's the perfect time of year for that, so if they do it, they'll probably be ok.

Mr. Azcona: So, who's going to take care of that, BrightView?

Mr. Jado: Yes, BrightView says within a month they're going to correct it, and she'll have everything done and then we can look at it again and decide ok, we're going to need 20 hedges or whatever the fill-in and make it look appropriate.

Mr. Mirabile: And I think they're going to come weekly now?

Mr. Jado: Yes, we have 40 times a year.

Mr. Winkeljohn: Ok.

Mr. Azcona: What about the tree trimming that was needed, have they taken care of that?

Mr. Jado: I've been trimming those trees, where do you see a problem?

Mr. Azcona: We mentioned that there were some that needed trimming.

Mr. Winkeljohn: Some arbor work.

Mr. Mirabile: A lot of the shrubs in the center island.

Mr. Jado: Yes, we're talking about the shrubs.

Mr. Azcona: Ok.

Mr. Jado: I actually just started cutting the ones on Rosser and went out and cut a couple of branches here and there because I have to keep them above 8' or 10' because of the county ordinance.

Mr. Winkeljohn: Ok, so staff will take care of that, and we'll find the best deal.

On Motion by Mr. Mirabile seconded by Mr. Azcona with all in favor, authorizing staff to proceed with mulching beds by Rosser and outside the perimeter islands was approved.

Mr. Winkeljohn: Anything else under that sir?

Mr. Mirabile: No, that's it.

Mr. Winkeljohn: Thank you.

SIXTH ORDER OF BUSINESS

Staff Reports

Mr. Winkeljohn: That brings us to staff reports, Ginger.

A. Attorney – Consideration of Adjustment to District Counsel Fee Structure

Ms. Wald: So, you have in your packet a request for a fee increase, our current fee structure has been in place for only 15 years, since 2008. Currently, you're at a rate of \$250 for partners and \$195 for associates, and in your packet, you'll see we're making a request for \$275 for partners and \$225 for associates, not to go into effect until your next fiscal year which begins October 1st. It really should not affect your budget at all, I had discussed it with District management as to this, and probably you're looking at a total overall of maybe \$200 for the whole year. If we would have went with the CPI increase you would have been looking at \$338 for partners and \$263 for associates, and we're not asking for that amount.

Mr. Winkeljohn: That seems reasonable, is there a motion to authorize?

On Motion by Mr. Timm seconded by Mr. Azcona with all in favor, accepting the adjustment to District Counsel fee structure was approved.

Ms. Wald: Thank you, that's all I have.

Mr. Winkeljohn: Thank you.

B. Engineer

Mr. Winkeljohn: Roberto, is on the call, so Roberto do you have anything for the Board today?

Mr. Cabrera: Good morning everyone, no I don't have any updates.

Mr. Winkeljohn: Ok. Are there any questions for our engineer?

C. Field Manager

Mr. Winkeljohn: Not hearing any, John, any highlights you want to go over?

Mr. Jado: Well, we had a problem with the small fountain at the townhouses, so we brought in the electrician, the meter was out because of some defect in the inspection where they had changed the code after it was already inspected. So, we got that all straightened out. I fertilized all the plants on Rosser and Brigantine and used about 350 pounds of fertilizer. We did some fountain repairs, in fact, I've got 5 lights out that one of the homeowners took a picture that I've already called that in and he'll be out here tomorrow to take a look at it. As Ginger told me a couple of months ago, it's under warranty for 3 years so we shouldn't have a bill on that. Speaking about bills and fountains, we never did get a bill, a split for the HOA on these two fountains, it was like \$3,000 or \$4,000, and they never sent a bill, and I'm not saying anything to them, maybe they think it's all 3 years, so I'm just letting that go.

Mr. Winkeljohn: You mean the repairs.

Mr. Jado: Yes, and one of the other problems with the HOA is, we had the fence repair, and I don't know how you guys wanted to handle that but, we paid approximately \$3,800 to \$4,000, and I don't know if Ginger is putting it through insurance.

Mr. Winkeljohn: I'm taking care of that.

Mr. Jado: So, we don't have to bill the HOA for their portion.

Mr. Winkeljohn: No.

Mr. Jado: Ok.

Mr. Mirabile: And did that go through at all?

Mr. Winkeljohn: I've taken care of it, I've started the dialogue with the police report and the insurance company, and our insurance company and theirs will talk nose to nose and it's in their hands, so I wouldn't worry about it.

Mr. Mirabile: Ok.

Mr. Winkeljohn: So, when you do insurance to insurance, there's no cost, there's no legal fees, that's all-inclusive between the two insurance companies, and I've never seen one not work out.

Mr. Mirabile: Ok.

Mr. Jado: And then we talked about a month or so ago about replacing the bushes on these two entry walls after the guardhouse to the gate, and I talked to John several times and I would like permission to move forward of splitting that, we're probably looking at about 80 plants at about \$20 per plant installed.

Mr. Winkeljohn: Ok, sounds like normal.

Mr. Azcona: And we're going to pay 50% on that?

Mr. Jado: Well, she said yes at one time but, he wants to make sure we verify that, and if that's the case we'll get somebody to put some plants in there, and that's about it for me.

Mr. Winkeljohn: Excellent, thank you.

Mr. Jado: One other thing, the lake conditions are still good, I had them spray for a bunch of weeds about 4 days ago.

Mr. Winkeljohn: So, the cycles will start to switch again.

Mr. Azcona: Ok.

Mr. Jado: You'll see some of the grass start to float, and people think it's from the lawnmowers but it's going to be dead grass that floats up, and we had some of those big lily pads starting to grow but they're healthy for the lake.

Mr. Azcona: Yes, I believe that.

Mr. Winkeljohn: It's required. Ok, thank you. Are there any questions for John?

Mr. Jado: I have one more question on a subject that we were talking about before, if they build that new community over by the townhouses, our responsibility would be to give them water, and we'd be responsible for that?

Mr. Winkeljohn: No, there's no obligation for irrigation. We have no known obligation, and there never has been, if they ask for it, we'd deal with it then.

Mr. Jado: Ok, so I'm still going to try to pursue to get theirs separated from ours.

Mr. Winkeljohn: Absolutely.

Mr. Jado: That's about it, these new entities that are moving in have nothing to do with me?

Mr. Winkeljohn: Not you, our engineer takes care of it.

Mr. Jado: Alright. One thing about the benches, are we just putting the benches in, or are we going to put pavers?

Mr. Mirabile: I'll leave that up to you, I don't know if you want to put a concrete pad and it's surrounded by pavers. I'm thinking maybe a concrete pad, the hardware, and then maybe pavers around that.

Mr. Winkeljohn: For the footpath and the foot area you can use pavers.

Mr. Mirabile: Right.

Mr. Jado: Ok.

Mr. Winkeljohn: For some reason, I thought you already had a plan.

Mr. Jado: We do.

Mr. Mirabile: We have locations, they're directly in front of each fountain, one at Rosser, one at the townhomes, one by this lake, and one by the other lake across the street, there's a spot on the concrete if you stand directly in front of each of the fountains, and roughly you'll see an orange marker on the sidewalk.

Mr. Azcona: On the Rosser one, maybe we could put it a little bit looking at the fountain that way, so instead of putting it dead center maybe putting it a little bit sideways.

Mr. Mirabile: If you go out with John, he can contact you and you can do whatever you want, and the nice thing about a couple of the locations is that there are trees nearby so that will be nice.

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

D. CDD Manager

Mr. Winkeljohn: Moving on to manager, I covered everything under our previous budget discussions. I'm not sure we're going to have any actionable items next month, so I'll keep you posted, if that changes, we can certainly hold the next meeting but, if not I'll let you know.

SEVENTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Winkeljohn: Moving on to financial reports which include the check run, balance sheet, and income statement. If those are in order, a motion to accept would be appreciated.

Mr. Timm: Yes, they look in order to me.

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

EIGHTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

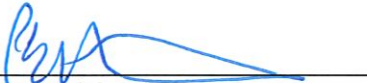
Mr. Winkeljohn: Are there any open items from anyone?

NINTH ORDER OF BUSINESS

Adjournment

Mr. Wilson: Hearing none, is there a motion to adjourn?

On Motion by Mr. Azcona seconded by Mr. Mirabile with all in favor, the Meeting was adjourned.



Secretary / Assistant Secretary



Chairman/Vice Chairman