

MINUTES OF MEETING
NARCOSSEE COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Narcoossee Community Development District was held Tuesday, May 23, 2017 at 3:00 p.m. at the Orange County Library – Southeast Branch, 5575 South Semoran Boulevard, Orlando, Florida.

Present and constituting a quorum were:

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| Jeffrey Smyk | Chairman |
| Steve Giercyk | Vice Chairman |
| Chris Vinton | Assistant Secretary |
| Peter Wong | Supervisor by telephone |

Also present were:

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| Jason Showe | District Manager |
| Roy Van Wyk | District Attorney |
| Rey Malave | District Engineer |
| Alan Scheerer | Field Manager |
| Jason Martin | Nona Preserve HOA |
| Angela Timmons | Nona Preserve HOA |

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Martin stated we have a request for a 15mph sign at our entrance, our covenants state that the speed is 15 mph, it is currently 25 mph. We are looking to place some benches on CDD sidewalks and Alan has the location of those. The third one is requesting a separate vendor outside of Down to Earth for putting Podocarpus along our wall, someone we can source internally instead of spending \$180,000 to put a row of Podocarpus up and down our wall.

Mr. Showe asked on the speed limit signs do you want us to put those up or what is your recommendation?

Ms. Timmons stated we don't mind either way we will pay for it. Obviously, it is your sign.

Mr. Van Wyk asked do we own and maintain those roads?

Mr. Showe responded no.

Mr. Giercyk asked is this outside the gate?

Ms. Timmons stated this is outside the gate.

Mr. Giercyk stated then it is between Narcoossee and the gate.

Mr. Van Wyk stated that is the city.

Mr. Scheerer stated just replace the 25 mph with a 15 mph sign that is similar to what we have done for Nona Crest so we can do that. We will get a sign and swap it out.

Mr. Showe stated if there is no opposition to it we can just direct Alan to take care of it.

Mr. Giercyk stated there is no opposition to it but if you are changing the speed limit there are official stickers that are supposed to go on the back of that sign.

Mr. Scheerer stated they are DOT signs and the company we deal with will put the sticker on.

Mr. Showe stated the next item is the benches. They will have to be put on pads and be ADA accessible and connected to a sidewalk.

Mr. Martin stated all of them are next to sidewalks. If you need a pad that is fine we just need direction from the CDD.

Mr. Scheerer stated we just did three in Brevard County and if you do a six-foot wide bench the pad needs to be 4 1/2 X 10.

Mr. Giercyk asked are they going outside the community?

Mr. Scheerer responded no, they are going to be in select locations within the community on our ponds.

Mr. Van Wyk asked how is this going to be funded?

Mr. Martin responded the HOA will fund it.

Mr. Van Wyk stated then we would just authorize a temporary construction and access easement for construction.

Mr. Scheerer stated we will need the locations so we can get that to the attorney so he can prepare the easement.

On MOTION by Mr. Vinton seconded by Mr. Giercyk with all in favor District Counsel was authorized to draft a temporary construction and access easement agreement for certain locations within Nona Preserve to place the benches.

Mr. Showe stated the hedge is the last item.

Mr. Scheerer stated I received an email from Seminole Masonry that they felt that the job was substantially complete they submitted an invoice and I informed them that we have not yet had an inspection of the work nor have we created a punch list. We have a meeting scheduled for 10:00 a.m. Friday to review the wall, identify any punch list items, once those items have been identified and corrected a subsequent meeting will occur. I think they did a pretty good job on the wall with the exception of a few electrical and tree problems and we are dealing with that internally and we have sent all that information to Seminole Masonry and we expect that the tree needs to be replaced and that cost would be the responsibility of Seminole and I will work through that with them when I'm here on Friday.

One of the suggestions was in order to create a barrier without increasing the height of the wall was to add a hedge. Probably the best plant is a Podocarpus so we had them priced and unfortunately the price for 600, 6-foot Podocarpus, installed, demo, irrigation was \$176,000. What Mr. Martin is requesting is that we get supplemental proposals and I have already reached out to other contractors for that.

Mr. Giercyk stated Podocarpus are fast growing plants. Would it be beneficial to put in 4-foot plants and in two years you will be up to 6-feet.

Mr. Scheerer stated I think where he wants to be is 8 to 10-feet to assist with noise reduction along Narcoossee Road. I can work with Mr. Martin and try to work out something.

Mr. Smyk asked have we thought about the impact to the landscape maintenance contract once we add another hedge?

Mr. Scheerer stated it is a good question. We would have to reach back out to the contractor because they have agreed to keep their prices low for the next fiscal year and if we get to the point where they think it is going to be an undue burden on them and they think there will be additional costs we will ask that question.

THIRD ORDER OF BUSINESS

Approval of the Minutes of Minutes of the March 28, 2017 Meeting

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| <p>On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the minutes of the March 28, 2017 meeting were approved as presented.</p> |
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FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2017-02
Approving the Fiscal Year 2018 Budget and
Setting a Public Hearing**

Mr. Showe stated Resolution 2017-02 approves a proposed Fiscal Year 2018 budget, which will be attached as Exhibit A, it sets the public hearing in this room on August 22, 2017 at 3:00 p.m. and it directs us to transmit this to both Orange County and the City of Orlando.

There will be no increase in assessments, the administrative budget falls in line with what we have had to this point. The only significant change is we lined up insurance with what we anticipate those costs will be. In each of the communities we reached out to the landscaper and lake maintenance provider and they are all holding their price for next year. On the bottom of page 2 is the transfer out to capital reserves for each separate community. On page 10 you will see the assessments by community, pages 11 through 14 are the capital reserve funds for each community. These capital reserve funds are separate and apart from the first quarter operating funds that is set up by community as well and that is to operate the District until assessment receipts come in. The debt service funds are reflected on pages 15, 16 and 17.

Mr. Vinton asked is this the proposed budget and can we adjust it later?

Mr. Showe stated what you are doing today is setting the ceiling on the assessments but there can be adjustments within the account lines.

Mr. Giercyk stated at the last meeting we discussed Parcels G & H. What is our maintenance responsibility on Parcel H?

Mr. Showe responded there is none.

Mr. Giercyk asked what is our responsibility on Parcel G?

Mr. Showe responded none.

Mr. Giercyk asked why are we keeping \$80,000 in a reserve when we have no responsibility?

Mr. Showe stated that has accumulated over time and we haven't had any expenses. What is left in there now and what keeps adding in is what is left over in the admin side because they do contribute to the admin portion but there are no assessments on the operations side. That is their money that has been collected over time.

Mr. Giercyk stated I was thinking it was money that the whole District had put in and it got divided out when we did the division of the different areas and I thought maybe instead of calling it a Parcel G&H reserve maybe it could become a Dowden Road reserve.

Mr. Smyk stated early on there was one giant reserve then because the way things were handled there hasn't been any maintenance responsibility for that area but there was in the very beginning community-wide maintenance so they did get a big chunk of money that was set aside in the initial split of the reserve account. What I brought up at the last meeting is since they are on Dowden Road and we want to improve Dowden Road and they have a large reserve and we have no idea of what improvements to that property and how that would affect the community but we do know Dowden Road improvement would affect the overall community and is there a possibility of using some of their reserve fund improvements to Dowden Road. I would be open to do that to offset that cost. I would like to see if we could do some Dowden Road improvements utilizing some of the G&H reserves to accompany LaVina's.

Mr. Van Wyk stated the key is apportioning that benefit that is perceived amongst all the parcels. If everybody on Dowden Road receives a benefit from it you can give them a proportionate share of the cost you just can't give them the whole thing.

Mr. Giercyk stated I don't think we have to do anything now.

Mr. Smyk stated the way the budget is laid out just a portion of theirs would be applicable.

Mr. Malave stated the pond that is just south of them if it needs a major repair they discharge into that so they could pay their fair share.

On MOTION by Mr. Vinton seconded by Mr. Smyk with all in favor Resolution 2017-02 approving the proposed Fiscal Year 2018 budget and setting the public hearing for August 22, 2017 at 3:00 p.m. in the same location was approved.

FIFTH ORDER OF BUSINESS

Review and Acceptance of Fiscal Year 2016 Audit Report

Mr. Showe stated on pages 31 and 32 of the audit is the management letter and it details all the statutory requirements they are required to look at. There were no prior year findings and it is a clean audit.

On MOTION by Mr. Vinton seconded by Mr. Smyk with all in favor the Fiscal Year 2016 audit report was accepted and staff was authorized to transmit the report to the State of Florida.

SIXTH ORDER OF BUSINESS

Appointment of Audit Committee and Chairman

On MOTION by Mr. Giercyk seconded by Mr. Smyk with all in favor the Board Members were appointed to sit as the Audit Committee and Mr. Smyk was appointed to Chair that Committee.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

i. Consideration of Revised Rate Schedule

Mr. Malave stated in your agenda package is the revised rate schedule. Because of our accounting can we attach it to a work order? I have a work order that is about ten years old and because our work is done on an hourly basis and that is what our contract says it doesn't really change anything. The work order was done under previous ownership of the company and they would like a work order that ties this rate schedule to a work order based on our current scope of work as District Engineer to be paid per this new rate schedule dated August 27, 2016 to end the fiscal year. I think about \$5,000 is left over and I have been setting the budget to what that work order is therefore it is never more than that and we never spend it unless we are authorized.

Mr. Van Wyk asked the work authorizations that we have used in the past, are they acceptable?

Mr. Malave responded yes.

Mr. Van Wyk stated we usually attach to the agreement a form of work authorization. Usually we approve the agreement then we do the annual fee and the work authorization. He is asking for the work authorization and that is consistent.

Mr. Malave stated we will call it the work order for the year 2017.

Mr. Van Wyk stated that is fine we should do one every year.

Mr. Malave stated then attach this new rate schedule to the contract.

On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the work order for Fiscal Year 2017 with the attached rate schedule for engineering services was approved.

Mr. Malave stated we submitted wall concepts as requested. We came up with three options along with the probable cost of each.

Mr. Scheerer stated if you are going to do columns and fencing you are going to need more than this and we discussed this in the past.

Mr. Malave stated we were only authorized to do the concept but it is to scale and he has columns and where they would go.

Mr. Scheerer stated we work with a lot of general contractors and we could hand him this drawing and ask him to get three bids for permitting, installation and whatever else Rey thinks we need to have and make that part of it.

Mr. Showe stated it is not a decision that is imperative to make today. Rey has given you what he believes to be industry costs at this point.

Mr. Malave stated because of the quantity of work that is happening the market will only go up.

The last thing I have is we submitted a public facilities report that is required for all CDDs every five years. It basically describes our public facilities and it is almost a restatement of our Engineer's report. That task order comes to an end.

Mr. Showe stated it is posted on the website per Florida Statutes.

Mr. Vinton asked if we were to do a special assessment for this fence what would be the estimated cost?

Mr. Showe stated it would depend on who you would assess for it. Are you going to assess all the communities or just the ones along Dowden Road?

Mr. Giercyk stated you wouldn't assess all the communities.

Mr. Vinton stated LaVina and G & H.

Mr. Showe stated I would have to calculate that and I can bring that to the next Board meeting.

Mr. Van Wyk stated we would have to notice for that so you would need to know what that number is.

Mr. Showe stated as an example your entire maintenance assessment for the whole CDD is \$300,000 and you are going to double that to do the fence along Dowden. You can tackle that this year or you can keep looking at it. I think Roy is saying if it is something you want to proceed with now we would have to build that into your assessments and do the mailed notice process going into your August meeting. If it is something you want to think about for a bit we could hold it for the next fiscal year.

Mr. Giercyk stated we need to look at this closely before we move forward. I know the people in the community would like to see some kind of fencing because it has been an ongoing issue for Ziani for a long time and I think it has been for Mirabella as well.

Mr. Malave asked if you do an increase in assessments wouldn't it be wise to add the landscaping you were talking about at the same time? If you are going to assess do it for the full package not just the fence.

Mr. Giercyk stated I don't know that Solvino has been on board with this. There has been a little discussion but not a lot. They may say we don't want it and that would take Pond 4 out of the equation completely.

Mr. Showe stated I just did some quick math and it looks like \$334 per unit between LaVina and G & H.

Mr. Smyk stated Ponds 1 and 2 affect Ziani, Pond 3 affects Mirabella and Solvino for Pond 4. We haven't really heard about Solvino and Pond 4 but you both could speak to the urgency or if it is something we would to option C for right away.

Mr. Giercyk stated we don't need to start with option C and later rip it out and put in A or B.

Mr. Vinton stated if you start with C that would need to be added in so it is not ripped out and replaced we could continue to build on top of it.

Mr. Smyk stated it would be huge to try to deal with for this upcoming fiscal year.

Mr. Showe stated we would have to have an answer by your June meeting in order to meet mailed notice requirements. If you are thinking about wanting to refine it you are refining it over the next fiscal year. You would be looking to implement it in Fiscal Year 2019. If you implement Option C we can do that one without public bidding and we can come back to the

next meeting with what the assessment would look like. If you go with Option C there are no limitations, you have funding in your reserves.

Mr. Smyk stated I want assurance that if we went with Option C right away that we would be able to continue with Option A or B and we wouldn't have to tear down portions of it.

Mr. Malave stated the way it is shown it would be torn down. We would design whatever we do to try to maximize whatever we install to be used in the future so we can do that but recognize that you are going to lose a portion of it.

Mr. Showe stated you do have a meeting scheduled for June and you can give us additional direction at that point.

Mr. Smyk stated I would like to mull things over and have a more in-depth discussion in June with the thought of doing everything as one major project with a change in the assessment or a step one with an option C and moving forward in the next fiscal year build it into the budget and having an increase in assessments.

Mr. Showe stated if you are going to do that you may as well look at the landscaping you are going to do.

Mr. Smyk stated bring us back some numbers and get some bids and estimates for an Option C and at least we will have more information and we will have a better understanding and idea and we can discuss that at the June meeting. You can also look at using reserves from LaVina and G & H.

Mr. Van Wyk stated we can do a special assessment and start collecting money and spend it later. You don't have to collect all of it and then spend it. We can also do a special assessment by sending out bills and collecting it all at once, that is difficult for us and the enforcement mechanism is costly and inefficient. If we send out assessment notices and somebody doesn't pay it then we have to move towards foreclosure because it is not collected on your tax bill. If we collect everything on the tax bill it just goes to tax certificate sale if they don't pay, we get our money and the property owner has to deal with the court and tax collector. It is in our best interests to know how much of an assessment you want to have and get that done before we certify the roll to the tax collector so we can get it on the tax bill.

Mr. Vinton stated I don't see Option A or B happening this year at all.

Mr. Van Wyk stated unless you wanted to start the process for the assessment and collect half of it this year on the tax bill and half of it next year on the tax bill and have it sitting in reserves.

Mr. Giercyk stated that has the whole thing going up in 2020.

Mr. Van Wyk stated yes but it gets half your assessment collected this fiscal year then next fiscal year and there are no enforcement costs for us.

Mr. Showe stated we will bring back additional information to your next meeting.

C. Manager

Mr. Showe stated I would like to get Board direction on an issue that Steve and I have been working on over the last month. In late April we received a report that a tree was cut down on CDD property behind a neighbor's home in Steve's neighborhood. We initially sent the owner a letter, Alan documented it, we took pictures, we know the size of the tree and it wasn't until last week that we heard back from the resident on Friday. He is saying and it seems consistent with the aerials we have looked at and Steve's recollection of the community is that the tree was actually on his property and he relocated it when he put a fence up. These trees were at or near the property line and as part of the process of putting a fence around his property those trees were relocated to CDD property. We are looking for direction on what type of enforcement you want to do. We had Roy look at the information, Alan has been to the site and we have a lot of experience in the room. The District incurred about \$350 in costs because we removed the debris of the tree. Going forward we would like him to stay off our property.

Mr. Van Wyk stated we can't prove that we own the tree, it looks like he planted the tree on District property.

Mr. Showe stated the evidence indicates that is the case.

Mr. Giercyk stated when the builder built the community he put two trees in the backyard one of each side of the property and marks the back of the property and was usually placed 2 to 4 feet inside the property line. Clearly, he moved the tree when he put in the fence.

Mr. Van Wyk stated the best thing to do is what Jason said and that is ask for the \$350.

Mr. Showe stated he has indicated that he may be willing to help, he wants to make it right. He is willing to plant some trees I don't think we want any additional trees planted on our property and in lieu of him planting the trees I think it is appropriate for us to ask for the \$350

that we spent and make it clear that we don't want any encroachment onto our property in the future.

Mr. Vinton stated I think it is fair to ask for reimbursement for debris cleanup on CDD property caused by the homeowner.

Mr. Showe stated we will do that and hopefully, that will resolve it and I will communicate with the property owner.

i. Approval of Check Register

On MOTION by Mr. Smyk seconded by Mr. Giercyk with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iii. Presentation of Number of Registered voters – 1, 783

A copy of the letter from the Supervisor of Elections indicating that there are 1,783 registered voters residing within the District was included in the agenda package.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Supervisors Requests

Mr. Vinton stated I have a request for a line item in LaVina for a fountain to get quotes for a 7 ½ hp fountain.

Mr. Showe stated okay.

Mr. Giercyk stated for some reason during the dry spell it has become obvious that water going into the retention ponds is coming from a lot of places other than just street drains. Retention Pond 1 is holding water from Parcel H and there are other areas draining into it as well.

Mr. Scheerer stated the apartments drain into it as well. There are multiple sources of water.

Mr. Giercyk stated I wonder that whatever goes on in those retention areas such as fountains and maintenance and everything else ought to be the responsibility of the CDD. Since we have done all the maintenance on the fountains that are there we pay all the electric on it and if we are really doing maintenance for everyone in the District why should we be doing it?

Mr. Scheerer stated it is not stormwater maintenance that you are performing. You have a cosmetic fountain for the purpose of maybe aeration if you want to do it that way and your fountain has no benefit on the stormwater other than maybe some healthy stuff. I'm assuming if the CDD installs a fountain in the Mirabella pond that the HOA will assume the responsibility for the maintenance going forward.

Mr. Giercyk stated the question that comes up is whose responsibility is the maintenance of the fountain.

Mr. Scheerer stated it is yours.

Mr. Giercyk stated also whose responsibility is it for paying the electric to keep the power on.

Mr. Scheerer stated yours, it is your fountain.

Mr. Giercyk stated right now at the moment I'm saying moving forward maybe we ought to consider since they are all in the District and they serve the District maybe it ought to be part of the District and part of the CDD. That is a suggestion.

Mr. Van Wyk stated basically you want to give the CDD the fountain.

Mr. Scheerer stated you are going to pay for it one way or the other so we will take care of it.

Mr. Giercyk stated if we are going to put in one and maintain one then we should do it for the District.

Mr. Scheerer stated understood and I think Roy just touched on it. He will have to do a bill of sale but the original concept for the Mirabella fountain was the HOA was going to do it but it doesn't appear to be that way now because we actually allocated money in the budget this year for a fountain in the event that the Board wanted to fund the fountain in lieu of the HOA not wanting to fund the fountain.

Mr. Vinton stated that was my confusion at the last meeting. The funds are in the CDD, I assumed that the CDD would purchase and turn over the maintenance and electrical to the HOA but that is not the case so the CDD is not going to sell it to the HOA.

Mr. Scheerer stated it would have to be vice versa.

Mr. Vinton stated right, so the HOA could purchase and sell it to the CDD but since there is a line item budget in the CDD for fountains specifically to approve the overall I think we should, hence the request to get the quote to do the install on that specific fountain, part of that specific water feature pond and also if we are going to maintain one why not maintain the others.

Mr. Scheerer stated the problem is the electric and I assume there is not a separate meter for your fountain.

Mr. Giercyk stated there is.

Mr. Scheerer asked there is a separate meter for both your fountains and they are separate from the one that operates your gates?

Mr. Giercyk stated the one may.

Mr. Scheerer stated the second one doesn't, I think that is a stand alone so it would be the other whether or not you would pay that. The CDD would maintain and pay the bill and transfer the meter for the one that is east on Pond 3 per the previous document, but we can work out the logistics later.

Mr. Vinton stated the north side of that particular water feature there is no electrical existing.

Mr. Scheerer stated everything associated with that would be a separate meter by itself unlike the Tract A that you have with the gate meter.

Mr. Giercyk stated that may be but it may be workable as well. We have been paying the electric on that fountain for the last 12 years. We can work with whatever we decide what we are going to do. I don't have a problem keeping both the maintenance on the fountain and the electrical but we just need to be consistent with all the communities with that concept.

Mr. Van Wyk stated let us know what is decided on the HOA side.

TENTH ORDER OF BUSINESS

Audience Comments

There being none,

On MOTION by Mr. Vinton seconded by Mr. Smyk with all in favor the meeting adjourned at 4:26 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman