

**MINUTES OF MEETING
NARCOSSEE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Narcoossee Community Development District was held Tuesday, **September 26, 2023** at 3:00 p.m. at the Offices of GMS-CF, LLC, 6200 Lee Vista Boulevard, Suite 300, Orlando, Florida.

Present and constituting a quorum were:

Steve Giercyk	Chairman
Peter Wong	Vice Chairman
Kenneth Turner	Assistant Secretary
Isabel Hanze	Assistant Secretary

Also present were:

Jason Showe	District Manager
Lauren Gentry	District Attorney
Rey Malave	District Engineer <i>by telephone</i>
Alan Scheerer	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the July 25, 2023
Board of Supervisors Meeting**

On MOTION by Mr. Turner seconded by Mr. Giercyk with all in favor the minutes of the July 25, 2023 meeting were approved as presented.
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FOURTH ORDER OF BUSINESS

Consideration of Agreement for Aquatic Plant Services for FY 2024 with Applied Aquatic Management

Mr. Showe stated the agreement for aquatic plant services for fiscal year 2024 with Applied Aquatic Management has a slight increase over last year, but it was factored into the budget.

On MOTION by Mr. Giercyk seconded by Mr. Wong with all in favor the agreement with Applied Aquatic Management for fiscal year 2024 services was approved.

FIFTH ORDER OF BUSINESS

Consideration of Proposal for Reserve Study Update with Reserve Advisors

Mr. Showe stated in response to a request from the last meeting we provided a proposal from Reserve Advisors to update the reserve study.

Ms. Hanze joined the meeting during this discussion.

On MOTION by Mr. Turner seconded by Mr. Wong with all in favor the proposal from Reserve Advisors to perform an update to the reserve study in the amount of \$5,500 was approved.

SIXTH ORDER OF BUSINESS

Consideration of Opening Money Market

Mr. Showe stated we currently use the SBA that pays about 2% - 3% and a lot of our district have moved money to BankUnited money market and are getting close to 5% in interest. This would be some of your reserve funds.

Mr. Wong asked what is the magnitude of money would we put in this fund?

Mr. Showe stated you have \$270,000 in capital reserves.

On MOTION by Mr. Giercyk seconded by Mr. Wong with all in favor staff was authorized to open a money market account at BankUnited.

SEVENTH ORDER OF BUSINESS

Discussion of CDD procurement Process

Mr. Showe stated the next item we did add to the agenda, which was part of an email that

we'd sent out about the procurement process. We'll let Peter start on that, if you want to start with your opening.

Mr. Wong stated the whole point of this thing is that I'd like to give know at least an option, not mandatory, to try to get the best deal we can from the bids we get. And the reason I bring up now versus a different point in time is that I would like to just at least address it, get the consensus of the people on the board and what they think. I mean, I'm not tied to any of this stuff, but I just want to say, hey, this seems like an easy do to kind of take a page from how the federal government does things and just take the concept, not their regulations and all that stuff, to drag it into our wheelhouse. But the idea is just, look, if we get a couple of bids back, half a dozen or three on any bid, I just like to be able to, if it looks like there's no clear winner to us, or if one blows the rest out of the field, then there's no need to go through the process of what I'm thinking about. The idea is that if we have a number of deals that are close and we feel like, like we did recently with the Yellowstone with the contract for the outside of Ziani there, we at first looked at the price and wanted to go to one vendor, and then somebody noticed that the terms were different. And so we kind of went to the one with the terms, and I looked at that situation, sort of an example where something like this, if we know that ahead of time, if we say, okay, well, I'd like to save, like, a couple of \$1,000 but on the other hand, the warranty could also make sense. So in those kind of closer situations, depending on what we're allowed to do, at a minimum, I would like to be able to say, okay, let's just send a letter out to, let's say we could downselect from, if we do three or six bids, whatever, narrow down to two or three bidders, and let's send a formal letter out to these finalists and tell them that you are a finalist, and we would like to get a best and final offer, one last round to see if there's any movement. If there isn't, that's fine for the cost of a form letter and getting people a second chance on it, if that's possible. To the extent that that's possible, I thought, hey, it's a risk-free way for us to try to get a better deal. If not, that's fine, too. So that's the concept.

Ms. Hanze stated so we want to throw another chance for them to outbid what they originally have given us, which they know they are in competition with other depends.

Mr. Wong stated yes and again, counsel and GMS can tell us what we can or cannot do. So I'm thinking let's start with the simple concept. Let's say we get six bids and we want to narrow down to two or three bids that we want them to compete. I don't know what information

we can let them know, whether we can identify by name. Okay, ABC have been selected. You are one of the finalists along with ABC. Or whether you can say that or not, I don't know.

Mr. Showe stated I think practically, there's a couple of things. So if you're doing a public bid, which the threshold is about \$200,000, this process absolutely cannot apply. Because we do a public bid, we take sealed bids, and so you can select a vendor and then negotiate terms, but you can't negotiate terms prior to selecting a vendor. Now, if we're talking about smaller projects such as landscaping, we can certainly do something similar. I can tell you, in this case, Alan, for the project that they approved recently, Alan went to both of those vendors, asked them again, is this your final price? We didn't do a formal process. We didn't send them letters out. I think practically, if we start going back to some of these vendors again that we use, I think you may find you're going to get less and less proposals. We've seen that happen in some districts when you keep approaching a vendor and asking them to change their price. We only would bring you vendors, honestly, that we really have a lot of faith in. For the most part.

Mr. Turner stated having worked on the other side, being a contractor to the federal government, I can tell you that BAFOs are normally done with proposals that have in excess of ten bidders, 1520 bidders, and they do a BAFO, and it's right up front they tell you we're going to do a BAFO and half of them drop out because they don't want to go through it's doing the proposal twice.

Mr. Scheerer stated with respect to your latest project, the HOA received a bid and we were asking additional bids. So we did. That was very informal. Wasn't a big dollar amount. Very informal.

Mr. Giercyk stated when we go out and we ask these vendors for a bid, we're working with vendors that we already have knowledge of and have a reputation. We know their reputation, so we know we're going to get decent work or acceptable work from them. If we go with the system that uses a best and final bid and we take bids from anybody, we can then get into a position where somebody just outbids the other people because they know it's the best and final bid. And how do you know what kind of a job you're going to get?

Mr. Turner state these are small dollar amounts. Normally, in a BAFO process, you're looking at a 2 or 3% change in your bids and that's great when you're doing \$6 billion. When you're doing \$1,500, it makes no sense whatsoever.

Ms. Gentry stated if I may, from a legal perspective, for those proposal processes that fall below the formal bid threshold, from a legal perspective, you have quite a bit of flexibility in how you implement that. I do have districts that have implemented different procedures and those sorts of things. I think though you do need to think about the operational piece of this from a practical standpoint. The concerns that have been raised are will you sort of wear out your bidders to the point that they don't bid on your projects? Is it worth the administrative and logistical efforts for low value projects and it will delay your decision making process if you essentially have to bring back bids to two board meetings, first to make an initial cut and second to select a final bidder after the best and final offer. All of those things, those are all logistical concerns. There may be some projects that are below the bid threshold, but still high dollar where it makes sense to do that. In those cases we can discuss what makes sense, but I think there's two sides to this. I would defer to district management and the board on whether you should or not.

Mr. Wong stated to my knowledge, addressing the big bids, I don't know that we've ever gone back after we select a vendor to try to on the big bids to try to get it.

Mr. Showe stated the example of that would be like as a landscaping, say as an example, you go through the bid process like we did, we did a sealed bid, everybody submitted their bids based on the same scope and then you selected your vendor. So we selected Yellowstone. If at that point you guys as a board know we really don't want to do annuals anymore. That's what I mean about you would negotiate, so then we would go, you've already selected them as a vendor. Now we're working out the contract. Mr. Showe stated I think that's just an example of what I would think of as something that you can do and you can change the scope of your contract once it's been bid.

Mr. Turner stated wouldn't that open you up to a lawsuit because you changed the bids on the original bidders that you eliminated with that in?

Ms. Gentry stated no, your formal bid documents typically contain language that reserve the right to change the scope or award only part of the contract. So really, as long as you're not making a cardinal change, which you really get into if you start adding a lot of services that weren't originally contemplated, you can reduce the scope, you can pull out certain services. As long as you score everyone and award a contract based on the original scope, you can then go back and make little modifications to fit your budget or fit your needs.

Mr. Showe stated essentially at that point you would have already selected the vendor and then you get into the contract because then there's a separate portion where you bring back the contract for the board to approve.

Mr. Turner stated these are on bids that are under the bid threshold?

Mr. Showe stated no, this would be on bids over the bid threshold. As your council said, bids under that threshold. You guys have a lot of flexibility on how you do it. And there may be certain circumstances where we bring back five or six bids. It's been tough lately, I'll tell you quite frankly, getting more than two to three bids on anything. But if we had an issue where we brought back six bids and you had some scopes were slightly different on each, and you guys said narrow it down to these three this is the final scope we want. Send that out, ask for their final bid based on this scope, we can certainly do that. I think those things are probably handled in terms of doing it more on a case-by-case basis because as council indicated, if you set policy as a board or you set direction that may, I think you lose some of your flexibility.

Mr. Wong stated I think the whole point of this discussion is just kind of have discussed beforehand so we know what we can and cannot do. That's good. So my last question would just be basically, does anybody have any thoughts about any other methods or how anything, just brainstorm in terms of anything we could do to get better bids for us? If not, that's okay, too. That's all. I just wanted to bring that up.

Mr. Scheerer stated I think it's project by project. I think each project is different. We know the landscapers.

Mr. Giercyk stated I think in order to get the best possible bids on any particular job is to be able to get maybe Alan and whoever's going to do it out there and kind of go over on site what's going to happen or what they're responsible for. That way there's no guesswork in what they're putting into the bid. They don't come back and say, well, we got to do this, this and this, and I'm going to put 20% in for the part they didn't tell me about.

Mr. Scheerer stated on those formal bids, just so you know, like with your landscape bid. We met with the prospective bidders. We do a site review, make sure that the maps, everybody's looking at the same thing.

Mr. Showe stated they all have the same price summary.

Mr. Scheerer stated they all have the same maps, they all have the same scope. But that's one of the critical things in any of the RFP processes for anything that we're going to go out

competitively for is to make sure that they have an onsite visit with myself or whoever that may be, to review the scope and the job site. We do that.

Mr. Turner stated I think it comes down to the number of bidders that if you can get six bidders that a BAFO may make sense.

Ms. Hanze stated there's not a lack of contractors right now. They're pretty much out there waiting.

Mr. Scheerer stated there's not a lot that want to go through what the CDD puts in place.

Mr. Wong stated I'm okay with the end of this discussion here. There's one other point I would just like to make and I want to pass this out. It's an anomaly I noticed from our last big bid. And I think there's a simple solution to what I consider this anomaly. This involves the landscaper bid we did in November with Yellowstone. I guess afterwards I found out that the number one choice for three of the five board members was not for Yellowstone, but instead they were for United Land Services vendor. And the reason it happened, I know we've always used the point scoring system, which is fine, except in this instance it highlighted the fact that you can have the vendor getting most points being different than the top choice for the majority of the board members. And I think one change to correct that would be in the result. It says based on the score sheet, the Yellowstone was ranked number one. Well, the scoring, we still can keep the scoring system as it is because individually each of the individual score sheets, it's already ranked one through four or tie or whatever. So the rank, I think what we should do is keep the scoring system the way it is, but instead choose the rank voting based on number one through three or four. That would solve the problem and still keep the system the way we're doing it currently. And we wouldn't have this anomaly where you count the point score, you get one result, you count the top choice for the board members being a different choice.

Mr. Scheerer stated we have a few years before we go through that process.

Mr. Showe stated we can certainly look at that as we go through.

Mr. Turner stated I'm still struggling with what you're saying, Peter.

Mr. Showe stated I think what he's saying simply is that three board members had united land or united number ones on their score sheets. Correct, but every person also did a score for them. So when you add up all the individual scores, which is how you're asked to rank them, the tabulation was that Yellowstone had the highest score.

Mr. Wong stated basically, when you use the point system to score the vendors, you could basically overweight your number one choice and underweight somebody else's number one choice.

Mr. Turner stated it is incumbent upon the three board members to score their sheets appropriately if they wanted ULS.

Mr. Showe stated and procedurally, there's kind of two steps here. So you guys do the rankings, we score them, and then you guys, as a board, confirm the score. So in that confirmation process is where you can actually make adjustments and change the way you tabulate that.

Mr. Turner stated I'm still lost.

Mr. Wong stated another way of looking at it is that when we do the point scoring system, each vendor, the maximum score is about exactly 100 maximum. But depending on how you decide to score, your methodology, because we don't have a lot of time to think about this ahead of time and try to manipulate the math and try to do this and do that, I would say that in general, you might expect the scores to be in the range of between 80 to 100 for each vendor. In general, if they're pretty close without big differences, but depending on how each person decides to score it, in your case, the max score is like in the 30s. It all depends on how people decide to interpret the scoring system. But what is consistent, though, is that each person's scoring system, what is consistent is your ranking of each vendor. Whether you score 40 points for one vendor or 100 points within that, you're consistent in your ranking for each vendor.

Mr. Turner stated I see what you're saying now.

Mr. Wong stated so either we kind of have a lesson for everybody, so people score more consistently, or we say, okay, score it however you want, because each person has an idea for the ranking.

Mr. Showe stated certainly the next time we'll make a note. The next time we go through the formal bid process with those scores, we can look at it in several different ways.

Ms. Gentry stated we'll make a note of that as well and in your formal bidding processes, as long as you disclose how you are going to score the proposals in your RFP documents, you do have some measure of flexibility there as well. So you want to make sure bidders are aware of how the scoring will be completed. So the next time we have a formal bid, we can make a note to discuss it with the board how you plan to do the scoring processes.

Mr. Showe stated the next time we bring an RFP process back, we can have that so that the language is however the board would like.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being no comments, the next item followed.

B. Engineer

There being no comments, the next item followed.

C. Manager

i. Approval of Check Register

On MOTION by Mr. Wong 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.

NINTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

TENTH ORDER OF BUSINESS

Supervisors Requests

There being no comments, the next item followed.

ELEVENTH ORDER OF BUSINESS

Next Meeting Date – November 28, 2023

Mr. Showe stated the next meeting will be November 28, 2023 at 3:00 p.m. in the same location.

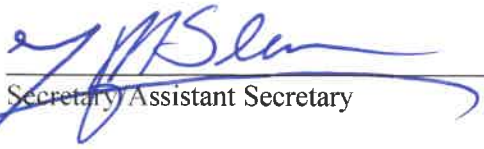
TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Giercyk seconded by Mr. Turner with all in favor the meeting adjourned at 4:02 p.m.

September 26, 2023

Narcoossee CDD



Secretary Assistant Secretary



Chairman/Vice Chairman