

MYRTLE CREEK IMPROVEMENT DISTRICT BOARD OF SUPERVISORS' MEETING MINUTES

FIRST ORDER OF BUSINESS

The Board of Supervisors' Meeting for the Myrtle Creek Improvement District was called to order on Tuesday, October 29, 2019 at 5:00 p.m. at the Lake Nona Lakehouse, 13623 Sachs Avenue, Orlando, FL 32827.

Board Members listed below constituted a quorum.

Jeff Macre	Chair
Bob da Silva	Vice-Chair
Kam Shenai	Assistant Secretary
Kyle Scholl	Assistant Secretary

Also present were:

Jennifer Walden	PFM Group Consulting, LLC
Tucker Mackie	Hopping Green & Sams (via phone)
Larry Kaufmann	Construction Supervisor
Jeff Newton	Donald W. McIntosh Associates
Scott Thacker	District Landscape Supervisor & Construction Committee
John Lynaugh	Resident

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Walden asked if there were any members of the public present who would like to speak. She noted that there were no public comments at this time.

THIRD ORDER OF BUSINESS

Consideration of the Minutes of the August 6, 2019 Board of Supervisors Meeting

The Board reviewed the minutes from the August 6, 2019 Board of Supervisors' Meeting.

On Motion by Mr. Macre, second by Mr. Scholl, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District approved the Minutes of the August 6, 2019 Board of Supervisors' Meeting.

FOURTH ORDER OF BUSINESS

**Consideration of the Minutes
of the August 22, 2019 Board
of Supervisors Meeting**

The Board reviewed the minutes from the August 22, 2019 Board of Supervisors' Meeting.

On Motion by Mr. Macre, second by Mr. Shenai, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District approved the Minutes of the August 22, 2019 Board of Supervisors' Meeting.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution
2020-01, Approving an Annual
Meeting Schedule for Fiscal
Year 2020**

Ms. Walden recommended keeping the same schedule which is the 3rd Tuesday of each month at 5:00 p.m. at the Tavistock Office and the Construction Committee meetings every other week at 3:30 p.m. at Donald W. McIntosh Associates office.

A discussion took place regarding holding the meetings at Village Walk for the budget season. District staff will look into this further. Ms. Walden stated that when the Board decides which months to hold the Preliminary Budget and the Public Hearing on adopting the Final Budget they can be moved to Village Walk location assuming there are no restrictions to accessing the site by members of the public..

On Motion by Mr. Scholl, second by Mr. da Silva, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District approved Resolution 2020-01, Approving an Annual Meeting Schedule for Fiscal Year 2020, as presented.

SIXTH ORDER OF BUSINESS

**Discussion Related to Board
Vacancy for Seat 3**

Ms. Walden stated that the Board accepted Mr. D. Tubbs' resignation at the June meeting and that left a vacancy on the Board. The District has received resumes from three interested candidates to fill the vacant seat which expires November 2022.

Mr. Shenai asked if it is a conflict of interest to have a Member of the HOA Board be appointed to the Board of Supervisors' for the District. Ms. Mackie said that is not a conflict and the only potential concern would be if two Board Members of the HOA were District Supervisors as well as it may present potential conflicts under the Sunshine Law. Ms. Walden asked if it was a conflict that multiple Board Members from the District attend the HOA meetings. Ms. Mackie stated that Board Members are free to attend HOA meetings but they should refrain from having conversations with one another on matters that could come before the CDD Board.

A discussion took place regarding conflicts of interest with businesses and investments. A Board Member asked if all three candidates were at the previous meeting. Ms. Walden stated that they all were in attendance. A discussion took place regarding each of the candidates and their resumes.

On Motion by Mr. da Silva, second by Mr. Shenai, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District appointed Mr. John Lynaugh to Seat 3 of the Board of Supervisors.

Ms. Walden administered the oath of office to Mr. Lynaugh. Ms. Walden outlined the Sunshine Law and reminded him not to reply all on emails. She will go over the other forms with him after the meeting. Ms. Mackie noted that her office will send him a new Supervisor notebook with more detail regarding Florida Sunshine Law and Florida Public Records Law. Under the Sunshine Law he is prohibited from having conversations with fellow Supervisors outside of a publicly noticed meeting which relates to emails, texting, social media, Nextdoor, etc. on items that will be decided by the Board publicly. Ms. Mackie reminded Mr. Lynaugh that he does not speak on behalf of the Board and to avoid making the appearance that he does. He should be cautious that any public comments do not look like they are coming directly from the Board if it is something that has yet to be discussed by the Board. Communicating what the Board has decided is well within the purview of a Board Member. She asked him to contact her with any questions he has and he is not prohibited from contacting any member of the District staff outside of a publicly noticed meeting. She discussed the Florida Public Records Law. She asked that if he keeps documents that they be kept separate and apart from personal documents in case of a public record request.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2020-02, Election of Officers

Ms. Walden noted that the current slate of officers is as follows: Jeff Macre as Chairperson, Bob da Silva as Vice-Chairperson, Jennifer Walden as Secretary, Kyle Scholl, Kam Shenai, and Lynne Mullins as Assistant Secretaries, Amanda Lane as Treasurer, and Jennifer Glasgow as Assistant Treasurer.

Ms. Walden stated that the Board is free to revise as they would like but requested that those with the District Manager's office be kept on at their current position to handle matters that arise.

On Motion by Mr. da Silva, second by Mr. Scholl, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District approved Resolution 2020-02, Election of Officers as follows: Jeff Macre as Chairperson, Bob da Silva as Vice-Chairperson, Jennifer Walden as Secretary, Kyle Scholl, Kam Shenai, John Lynaugh and Lynne Mullins as Assistant Secretaries, Amanda Lane as Treasurer, and Jennifer Glasgow as Assistant Treasurer.

EIGHTH ORDER OF BUSINESS

Consideration of FY 2019 Audit Engagement Letter

Ms. Walden explained that the FY 2019 Audit Engagement Letter outlines that the services will not exceed \$4,000.00, which is the amount already allocated in the budget for this coming year. District Counsel has reviewed it and their changes have been incorporated. Ms. Mackie explained the Audit Selection Process for the new Board Member.

Mr. Scholl asked if the fee will come in at \$4,000.00 or if it could be less. Ms. Mackie replied that it will typically come in at \$4,000.00. Mr. Macre asked who the Auditor was last year and if Grau understood the scope of work. Ms. Walden responded that they do understand the scope, they are qualified and are one of the main Auditors that PFM works with on other Districts. Ms. Walden requested a motion to accept the Audit Engagement Letter.

On Motion by Mr. Scholl, second by Mr. da Silva, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District accepted the FY 2019 Audit Engagement Letter.

NINTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures
Paid in August and September
2019 in an amount totaling
\$198,645.36**

The Board reviewed the Operation and Maintenance Expenditures Paid in August and September 2019 in an amount totaling \$198,645.36. Ms. Walden stated that two months of expenses are being considered because last month the District could not meet due to a lack of a quorum.

Mr. Scholl asked about the Irrigation Specialist Services from November 2018 - September 2019 in the amount of \$18,333.00. Ms. Walden responded that it is the individual from Tavistock that the Board voted to utilize and these expenses depict the months that he was working. The budget allocates \$20,000.00 for the year which the total of \$60,000 is split within the three Districts.

On Motion by Mr. Scholl, second by Mr. Shenai, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District ratified Operation and Maintenance Expenditures Paid in August and September 2019 in an amount totaling \$198,645.36.

TENTH ORDER OF BUSINESS

**Recommended Work
Authorization/Proposed
Services**

Mr. Kaufmann stated there are none for this District.

ELEVENTH ORDER OF BUSINESS

Review of District's Financial Position and Budget to Actual YTD

Ms. Walden explained that the District currently has total expenses of \$689,675.00 vs. a budget of \$754,000.00 so the District is currently under budget. The District will have invoices coming in which occurred from August and September and Ms. Lane is working to keep those up to date. The District will have updated financial statements for Fiscal Year 2019 at next month's meeting. She reminded the Board that the budget is different than cash flow of the District.

Mr. Shenai asked if this was an end of the year statement. Ms. Walden confirmed. He asked about irrigation and reclaimed water line items. He specifically asked about the irrigation line item and why we were \$40,000.00 over budget. Mr. Thacker responded that there are three line items for irrigation. The first one came in just under budget and is for actual irrigation repairs. The second line item is for replacing irrigation controllers that the Board authorizing using reserve funds for. The third line item is for Wellspring Drive irrigation which is funded by the Developer. Ms. Walden noted that the District has not received all of the Developer contributions for FY 2019 so the amount expensed and amount collected don't currently match.

Mr. da Silva brought up concerns regarding the contractor performing the utility work within Lake Nona Boulevard and their work methods. Mr. Thacker stated that damages have been documented and a letter has been sent to the County, City, and Contractor putting them on notice. Tavistock has met with the County, the City and Contractor because they have the same concerns regarding the health of the trees. The County has ensured the District that they will hold the Contractor accountable. District staff will continue to document with photos. Board members expressed their concerns.

Mr. Shenai asked if KPMG will be completed soon and stated that he asked Mr. Plenzler what will happen to the residential share of the assessments once KPMG is complete. He stated that once KPMG is complete then the residential share should go down which will mean a decrease in assessments. Mr. Macre responded that in theory that could be the case but we don't know what the expenses will be. Mr. Shenai asked if District staff and the Board could start looking at the Assessments for FY 2021. Ms. Walden stated that it is difficult to estimate the expenses now but they will do so once the budget session starts in May 2020. Mr. Scholl agreed and added that he would like to look at adding to the District's reserves. Mr. Shenai also mentioned the trail and how are we moving forward. Mr. Kaufmann stated that it is a work in progress and something that is still being addressed.

TWELFTH ORDER OF BUSINESS

Staff Reports

District Counsel –

Ms. Mackie stated the Legislation Session starts in January and the Board will receive copies of Capital Conversations. She will also provide monthly updates and she will remove anyone who no longer wishes to receive Capital Conversations.

Mr. Scholl asked what other items could come up in the Legislative Session. Ms. Mackie responded that there is always advancement by local governments to get legislation through that may alleviate the need to provide for public advertisement in newspapers because it is getting more costly but it is always met with resistance and has yet to make it through.

Capital Conversations will highlight items that District Counsel is carefully monitoring for the District.

District Manager –

Ms. Walden noted that the next meeting is scheduled for Tuesday, November 19, 2019.

Ms. Walden stated she did have one item that she needed direction from the Board on. She explained that there are excess funds in the Myrtle Creek 2016 reserve account just over \$1,000.00. Per the Second Supplemental Trust Indenture, excess funds due to income earnings can be applied as directed by the District. Absent direction from the District to the Trustee, the funds will be held in the Debt Service Reserve and continue to earn interest.

On Motion by Mr. Scholl, second by Mr. da Silva, with all in favor, the Board of Supervisors of the Myrtle Creek Improvement District authorized District staff to transmit the requisition notice to the Trustee to move the funds to the District's Reserve Account.

District Engineer – No Report

Construction Supervisor – No Report

Irrigation Specialist -- No Report

THIRTEENTH ORDER OF BUSINESS

**Supervisor Requests,
Audience Comments
& Adjournment**

Mr. Shenai asked if the new landscaping company started. Mr. Thacker replied that they have and are doing really well. Ms. Walden requested a motion to adjourn.

On Motion by Mr. Macre, second by Mr. Scholl, with all in favor, the October 29, 2019 Meeting of the Board of Supervisors of the Myrtle Creek Improvement District was adjourned.


Secretary/Assistant Secretary


Chair/Vice Chair