

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, April 21, 2020, at 5:02 p.m. Via telephonic conferencing due to the COVID-19 Executive Orders 20-52 & 20-69.

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| Bob Da Silva | Chairman | (via phone) |
| Kam Shenai | Vice-Chair | (via phone) |
| Kyle Scholl | Assistant Secretary | (via phone) |
| John Lynaugh | Assistant Secretary | (via phone) |

Also, attending:

| | | |
|-----------------|---|-------------|
| Jennifer Walden | PFM | (via phone) |
| Lynne Mullins | PFM | (via phone) |
| Amanda Lane | PFM | (via phone) |
| Kevin Plenzler | PFM | (via phone) |
| Tucker Mackie | Hopping Green & Sams | (via phone) |
| Jeff Newton | Donald W. McIntosh Associates, Inc. | (via phone) |
| Larry Kaufmann | Construction Supervisor & Construction Committee Member | (via phone) |
| Scott Thacker | District Landscape Supervisor & Construction Committee Member | (via phone) |
| Chris Wilson | Tavistock | (via phone) |
| Trudy Evans | Public | (via phone) |
| Marsha Leed | Public | (via phone) |

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Walden noted for the record there were no public comments at this time.

THIRD ORDER OF BUSINESS

Discussion Regarding Executive Orders 20-52 and 20-69

Ms. Mackie explained Executive Orders 20-52 and 20-69 suspended the Sunshine Law requirement that there be a physical quorum of three Board members to convene a meeting. The District provided information in the advertisement as to how the public could access the meeting. Ms. Walden also made her information available if anyone should have any issues accessing this meeting. This situation may continue for future meetings.

FOURTH ORDER OF BUSINESS

Consideration of the Minutes of the February 18, 2020 Board of Supervisors' Meeting

Board Members reviewed the minutes from the February 18, 2020, Board of Supervisors' Meeting.

On Motion by Mr. Shenai, second by Mr. Da Silva, with all in favor, the Board of Supervisors for the Myrtle Creek Improvement District approved the Minutes of the February 18, 2020, Board of Supervisors' Meeting.

FIFTH ORDER OF BUSINESS

Consideration of Appointment to Board Vacancy for Seat 1

Ms. Walden explained the Board will consider the appointment to Board Vacancy for Seat 1 for which the term expires in November of 2020. As discussed at the last meeting, the District put out a request for all interested parties and those six resumes have been provided for the Board's consideration.

The Board members discussed each of the resumes. Ms. Leed and Ms. Evans provided their background. Mr. Lynaugh nominated Ms. Evans. Mr. Scholl nominated Ms. Evans. The Board looked to District staff on how to hold an election for the position. Ms. Mackie stated the Board would not have an election but would appoint via motion. Ms. Evans and Ms. Lee dropped off the call. The Board discussed their professionalism in doing so. A discussion took place about the two nominees.

On Motion by Mr. Da Silva, second by Mr. Scholl, with all in favor, the Board of Supervisors for the Myrtle Creek Improvement District appointed Marsha Leed to the Board of Supervisors.

Mr. Da Silva asked when Ms. Walden reaches out to the other candidates that she lets them know there could be other openings in the future.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2020-08, General Election

This resolution states that Seat 1 held by Marsha Leed and Seat 2 held by Kam Shenai are up for election through the General Election this November. Included as an exhibit is the ad that will be placed notating the qualifying period for candidates with the Orange County Supervisor of Elections.

Mr. Shenai asked about the qualifying period. Ms. Walden will verify with the Orange County Supervisor of Elections and keep him up to date on the qualifying period.

On Motion by Mr. Da Silva, second by Mr. Lynaugh, with all in favor, the Board of Supervisors for the Myrtle Creek Improvement District approved Resolution 2020-08, General Election.

SEVENTH ORDER OF BUSINESS

Appointment of Auditor Selection Committee

Ms. Walden stated the Board needs to appoint a committee to select an auditor. Past practice has been that the Board of Supervisors has served as the Auditor Selection Committee. She recommended a motion to designate the Board as the Auditor Selection Committee.

On Motion by Mr. Da Silva, second by Mr. Lynaugh with all in favor, the Board of Supervisors for the Myrtle Creek Improvement District appointed itself as the Auditor Selection Committee.

EIGHTH ORDER OF BUSINESS

Consideration of Appointment to Construction Committee

Mr. Kaufmann stated the Board needs to appoint a member to the Construction Committee as Troy Davidson is no longer able to serve. He recommended that Chris Wilson assume his position on the Construction Committee.

On Motion by Mr. Da Silva, second by Mr. Shenai, with all in favor, the Board of Supervisors for the Myrtle Creek Improvement District appointed Chris Wilson to the Construction Committee.

NINTH ORDER OF BUSINESS

Discussion Regarding Lake Nona Blvd Landscape and Irrigation Damages

Ms. Mackie explained she is continuing to monitor communications regarding the damages that have been made to the District's landscape and irrigation improvements within Lake Nona Blvd., as a result of the ongoing utility work by Orange County Utilities. Since the last Board meeting, the District sent out a cease and desist letter as District staff has seen some significant damages to the irrigation system. It was helpful in arranging a meeting between Mr. Thacker, Cepra, and Mr. Stephens. Orange County Utilities and Felix Associates were also present. It was discussed who was responsible for existing damages and how future damages will be addressed.

Mr. Thacker had another meeting in the field this morning with Felix and the County's Representatives for another update. Felix and Cepra are aligned now and working well together. They both have things to do over the next few weeks and will meet again to review the progress as the project nears completion. Ms. Mackie discussed invoicing and the overall accounting of the landscaping loss suffered by the District to be reviewed in more detail prior to completion of the utility work. Mr. Shenai had a few questions which were addressed. Mr. Scholl asked about project completion. Mr. Wilson stated the Contractor's schedule has been running 90 days behind. The first Lift would start in about 30 days and about 30 days after that they would start the final lift.

TENTH ORDER OF BUSINESS

Review of FY 2021 Operations & Maintenance Budget

Ms. Walden explained today's purpose is to answer any questions, address any line items the Board would like to see adjusted or look in to including any new items the Board would like to see in the budget. The plan is to take those items, work with the Construction Committee at the next Construction Committee meeting to adjust the budget and then bring back a final proposed budget for the Board to approve in preliminary form at the May Board Meeting.

When the Board approves the preliminary budget in May, they will not be able to increase it later.

Ms. Walden explained the District staff discussed keeping the budget the same as last year and in doing that there is about \$166,000.00 for the Board to consider going into Contingency, Reserves, or additional items in the budget, or another item to be added.

Mr. Shenai stated there are three things the Board should consider. He asked if the overall amount is enough to keep the District looking pristine. The Board should consider if the District has enough contingency set aside for unforeseen circumstances. The Hurricane Cleanup was taken from \$30,000.00 to \$50,000.00, \$20,000.00 was set aside for Capital Reserve and a landscaping contingency for \$20,000.00. He feels comfortable there are enough contingencies. The third question was if there were adequate reserves on the balance sheet. There is \$156,000.00 in the general reserve account which is 23% of the District's proposed Field Ops Budget. He also felt that was adequate. Mr. Plenzler did an analysis to show the impact on assessments and it suggested a lowering of assessments.

Mr. Lynaugh raised a question regarding other physical environment irrigation repairs. It is expected for the District to spend \$70,515.00 in irrigation repairs in Fiscal Year 2020 and the District is only allowing \$30,000.00 for Fiscal Year 2021. He recommended adding more to that line item. Mr. Shenai replied for the month of March the District spent \$20,175.00 and on an average the District has spent around \$3,000.00 per month until that point. When he reached out to Mr. Thacker, he was informed it was the damage that was caused by Orange County's contractor. Mr. Lynaugh asked if the money allocated for the rest of Fiscal Year 2020 will take care of the irrigation issues. Mr. Thacker responded he does not anticipate any of the construction related irrigation issues to extend into the Fiscal Year 2021 Budget. A lengthy discussion took place regarding the overall budget and if it is too low. The District cannot raise it once approved. Ms. Walden added if projects are not used and money is left over it is used as carry forward. Some line items may spend more than initially planned. The District does not get assessments at the start of the fiscal year and the District needs to ensure they are able to cover 3 months' worth of bills until assessments are received. Mr. Lynaugh stated he would like more than three months' worth of bills in the carry forward amount. A discussion took place regarding increasing the budget to be comparable to last year. This budget is currently \$167,000.00 less than it was last year. The Board reviewed the flower and plant replacement line item.

Mr. Shenai reviewed the increases and decreases to the line items. A discussion took place on the trail line item. Mr. Da Silva asked about how much the District increased the assessments last year. Mr. Shenai stated in 2019 the ERU was \$352.00 and in 2020 it went up to \$488.54. Mr. Da Silva noted the District burned through the reserves in an effort to delay raising assessments and it came as a shock when the assessments were raised for Fiscal Year 2020. He noted if the District cuts the assessments for fiscal Year 2021 too much the District will not be able to get more money. A discussion took place about putting more in contingency. Mr. Scholl recommended earmarking it for future capital improvements. Mr. Da Silva proposed budgeting more money for trail repair. Ms. Walden stated that what the Board approves next

month is the cap and they cannot go over, but they can always bring it down. The District has several months to review it prior to the final adoption in August.

Mr. Shenai asked how to figure out the right amount of money for the reserve. Mr. Da Silva suggested taking an average amount from the unforeseen expenses and use it as a benchmark to hold in reserves. Ms. Walden noted the District staff can add that back in and look at some of the line items such as the reserve and the trail repair. A discussion took place about the trail repair and the amount spent on the trail could be a recurring cost due to root damage. Mr. Da Silva noted the trail might need replaced every 15 years and the District should set up the reserve with that philosophy. Mr. Shenai proposed increasing the reserve by \$80,000.00 and revisit it in May. No action was required by the Board. The Board thanked Mr. Shenai for his research.

ELEVENTH ORDER OF BUSINESS

**Ratification of Operation and
Maintenance Expenditures
paid in February 2020 in an
amount totaling \$143,071.98
and Operation and
Maintenance Expenditures
Paid in March 2020 in an
amount totaling \$86,667.64**

Board Members reviewed the Operation & Maintenance Expenditures paid in February 2020 in an amount totaling \$143,071.98 and Operation and Maintenance Expenditures Paid in March 2020 in an amount totaling \$86,667.64.

On Motion by Mr. Da Silva, second by Mr. Shenai, with all in favor, the Board of Supervisors for the Myrtle Creek Improvement District ratified the Operation & Maintenance expenditures paid in February 2020 in an amount totaling \$143,071.98 and Operation and Maintenance Expenditures Paid in March 2020 in an amount totaling \$86,667.64.

TWELFTH ORDER OF BUSINESS

**Recommendation of Work
Authorizations/Proposed
Services**

Mr. Kaufmann stated that there were no work authorizations for this Board.

THIRTEENTH ORDER OF BUSINESS

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

Board Members reviewed the Statement of Financial Position and Budget to Actual through March 31, 2020.

FOURTEENTH ORDER OF BUSINESS

Staff Reports

District Counsel –

Ms. Mackie noted in appointing Ms. Leed to the Board it might be difficult to notarize documents in the current situation. Ms. Leed may be able to take her oath of office to a UPS store. In the event she is unable to get her oath notarized she will not be able to participate at the next Board Meeting.

District Manager –

Ms. Walden noted the Auditor Selection Committee is meeting just after the Board of Supervisors' meeting today. The next Board of Supervisors meeting is scheduled for Tuesday, May 19, 2020.

District Engineer –

No Report

Construction Supervisor –

No Report

District Landscape Supervisor – No Report

FIFTEENTH ORDER OF BUSINESS

Supervisor and Audience Comments & Adjournment

Mr. Shenai noted he met with Sherry Bagee from KPMG, Tim Cass from USTA, John Embry from USPTA, Laura Bowin from USTA of Florida, and Jim Grey the Commissioner. There are five takeaways he shared. The individuals were appreciative of the fact that the District approached them and would like to participate in the District meetings to update the Board on what is happening in their areas and to strengthen the relationship between themselves and Myrtle Creek. They were keen on the budget discussion. They expressed a strong desire in maintaining the landscape. Mr. Grey planned to go to last month's meeting.

Mr. Shenai asked if the Board had seen the District's Mission Statement. He suggested Ms. Mackie review it from a legal standpoint and that the Board decide if they want to go through with having a Mission Statement.

Mr. Da Silva stated the previous meeting minutes, the Eleventh Order of Business, he had questioned whether the District should exclude Jr. Davis from future work in the District. He is formally withdrawing that discussion and he thinks they are qualified and capable of performing work for the District in the future.

There were no audience comments. Ms. Walden requested a motion to adjourn.

On Motion by Mr. Shenai, second by Mr. Da Silva, with all in favor, the April 21, 2020, meeting of the Board of Supervisors for the Myrtle Creek Improvement District was adjourned.



Secretary/Assistant Secretary



Chair/Vice Chair