

MINUTES OF MEETING
HIGHLAND MEADOWS II
COMMUNITY DEVELOPMENT DISTRICT

The Regular Meeting of the Board of Supervisors of the Highland Meadows II Community Development District was held on Thursday, September 13, 2018 at 9:00 a.m. at 346 E. Central Avenue, Winter Haven, Florida.

Present and constituting a quorum were:

Rennie Heath	Chairman
Andrew Rhinehart	Assistant Secretary
Lauren Schwenk	Assistant Secretary

Also, present were:

Jill Burns	District Manager
Sarah Warren	District Counsel by phone
Alan Scheerer	Field Manager
Clayton Smith	Assistant Field Manager

The following is a summary of the discussions and actions taken at the September 13, 2018 Highland Meadows II Community Development District's Board of Supervisors Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order at 9:05 a.m. and stated that a quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period (*Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting*)

Ms. Burns opened the public comment period. A resident complained about their key card not working at the gate to the swimming pool and the gate not locking after it was closed. Ms. Burns noted that the latch was currently broken, and the company that originally installed the access card system, Precision Lock and Safe, was working on the issue. Discussion ensued regarding the gate and who was permitted to use the pool. The Board noted that only residents of Highland Meadows II were permitted to use the pool and was working on a solution to stop

people from using the pool without key cards. Ms. Burns urged residents to notify her if their card was not working, as she would issue a new one.

A resident asked about the Access and Maintenance Easement Agreement for the landscape improvements, dead grass around the mailboxes and if residents could have their own mailboxes. Ms. Burns indicated that the agreement was for the District to mow and maintain the landscaping in Phase 4B/C, which was under construction. The Postal Service did not allow residents to have their own mailboxes. Mr. Smith would evaluate the grass and get a quote if the grass needed to be replaced.

Residents questioned the \$500 assessment fee. Ms. Burns noted that all residents paid an annual assessment on their tax bill. If a resident was escrowing their taxes from their mortgage, the assessment would be included.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the August 9, 2018 Meeting

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Minutes of the August 9, 2018 Meeting, were approved, as presented.

FOURTH ORDER OF BUSINESS

Consideration of Security Services Agreement with Community Watch Solutions

Ms. Burns presented a quote from Community Watch Solutions, the new vendor for security services. They will provide security 10 hours per week starting this month; five hours on Saturday and five hours on Sunday in the afternoon. During the summer the hours will increase to 40 hours.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Agreement with Community Watch Solutions, in the amount of \$14,966, was approved.

FIFTH ORDER OF BUSINESS

Consideration of Proposal from Creative Association Services for Phase 4B/C

Ms. Burns presented a proposal from Creative Association Services, Inc. for bi-monthly maintenance of the Phase 4B/C common area and entry feature landscaping maintenance, in the amount of \$12,000.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with Mr. Heath and Rhinehart in favor, and Ms. Schwenk abstaining, the proposal from Creative Association Services, in the amount of \$12,000, for Phase 4B/C common area and entry feature landscaping maintenance, was approved. (Motion Passed 2-1)

SIXTH ORDER OF BUSINESS

Consideration of Access and Maintenance Easement Agreement for Landscape Improvements

Ms. Burns presented an Access and Maintenance Easement Agreement, which was prepared by District Counsel. The purpose was for the developer to grant the District's landscape vendor to maintain areas that were not conveyed to the District. Once the areas were turned over, Mr. Scheerer and the landscaper would perform a walk through.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the Access and Maintenance Easement Agreement for landscape improvements, was approved.

SEVENTH ORDER OF BUSINESS

Discussion of District Financial Position and Consideration of Fiscal Year 2017/2018 and 2018/2019 Deficit Funding Agreements

Ms. Burns provided a monthly breakdown of the District's financial position. Through July, the District had \$100,000 and was operating at roughly \$45,000 a month, which was sufficient until tax revenues were received in November. However, there was a deficit, due to an underfunded budget for the current year, insufficient reserves for quarterly payments and starting the fiscal year in a deficit. Phase 4B/C was initially being directly billed by the developer, in quarterly payments of \$29,000 for October, January, April and July, however, the January payment was moved to October, and the April payment would be moved to July. The District would receive \$60,000 on October 1st.

Staff recommended holding the following:

- Suspending Supervisor Fees until November
- Skipping the bi-monthly fertilization
- Paying GMS the October payment in November
- Including quarterly funding for the Fiscal Year 2020 budget

Ms. Burns provided a Deficit Funding Agreement that District Counsel recommended for the current and upcoming year, in order for the developer to fund \$20,000 in the event of a cash flow issue. She believed that the District would have sufficient funds, as the budget for Fiscal Year 2019 was increased by \$50 per household to handle smaller issues, but there were larger issues that must be prioritized, like the speed limit signs and adding irrigation in several areas. Discussion ensued.

On MOTION by Mr. Rhinehart, seconded by Ms. Schwenk, with all in favor, the Fiscal Year 2017/2018 and 2018/2019 Deficit Funding Agreements, were approved.

EIGHTH ORDER OF BUSINESS

Consideration of Request to Issue RFQ for Engineering Services

Ms. Burns received a letter of resignation from Mr. Todd Amaden of Landmark Engineering, resigning as District Engineer as of October 31st. To hire a new District Engineer, the District must go through the Request for Qualifications (RFQ) process. The due date of September 17th would be changed to October 2nd at Noon.

On MOTION by Ms. Schwenk, seconded by Mr. Heath, with all in favor, authorizing Staff to issue and advertise a Request for Qualifications for District Engineering services, was approved.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There not being any, the next item followed.

B. Engineer

The District Engineer was not present.

C. Field Manager’s Report

Mr. Scheerer introduced Mr. Clayton Smith, an Assistant Field Manager with GMS, who presented the Field Manager's Report. The following was highlighted:

- The landscaping was evaluated and all areas in Phase 1 were mowed.
- The ponds look good.
- There were a few weeds in the flower beds, which the contractor was handling. Weeds in the brick pavers at the pool were removed, but there were still weeds in flower beds at the pool.
- Some retention ponds in the newer phases were mowed, but the retention pond in Phase 5 was extremely large. There was a flower bed all the way around it.
- He received a complaint that the lock for the men's room was not functioning, but yesterday it was working; however, the main gate door was not locking, which a contractor was addressing.
- A sign was missing all the lettering.
 - Ms. Burns would obtain a proposal from the original vendor, Cypress Signs. It was noted that the top bar on the pool exit sign was broken.
- The safety bars at the pool were in good condition.
- When the pool contractor was scrubbing the edges of the pool, a resident commented how nice the pool looked.
 - The Board agreed that the pool looked great.

D. District Manager's Report

i. Ratification of Payment Authorization No. 167

Ms. Burns presented Payment Authorization No. 167, which was approved by the Chairman, and requested ratification by the Board.

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, Payment Authorization No. 167, was ratified.

ii. Balance Sheet and Income Statement

Ms. Burns presented the Unaudited Financial Statements. No action was required.

iii. Approval of Fiscal Year 2019 Meeting Schedule

Ms. Burns presented the Fiscal Year 2019 meeting schedule, proposing the second Wednesday of each month at 3:30 p.m. at this location.

On MOTION by Mr. Rhinehart, seconded by Mr. Heath, with all in favor, the Fiscal Year 2019 meeting schedule, was approved, as presented.

Ms. Burns noted that GMS' IT Department set up an Outlook account, which would send out invites to all Board Members for the monthly meetings.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Dowd asked about the boundary amendment. Ms. Warren recalled that the Board authorized Staff, at a prior meeting, to submit the petition to amend the boundaries, to add a 10-acre parcel. She was working on it.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Heath, seconded by Mr. Rhinehart, with all in favor, the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman