

MINUTES OF MEETING
FALCON TRACE COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Falcon Trace Community Development District was held Wednesday, August 21, 2019 at 6:01 p.m. at the Big Hawk Lake Recreational Center, 13600 Hawk Lake Drive, Orlando, Florida.

Present and constituting a quorum were:

Sara Hurst	Chairperson
Carole Miller	Vice Chairperson
Kathy Stark	Assistant Secretary
Sue Marchesi Baron	Assistant Secretary
Perry Shaikh	Assistant Secretary

Also present were:

Jill Burns	District Manager
Mike Eckert	District Counsel
William Viasalyers	Field Operations
Several Residents	

The following is a summary of the minutes and actions taken at the August 21, 2019 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Burns called the meeting to order at 6:01 p.m. and called the roll.

SECOND ORDER OF BUSINESS

Public Comment Period

A resident stated I would like to thank Jill for her timely responses to a number of questions I asked of the CDD. I would like the CDD to notify homeowners directly of a public hearing to adopt the budget and refer them to the website. I would also like the Board to consider hiring an auditing firm located in Orange County. I have no issues with Grau & Associates, but you are local Board receiving funding from taxpayers in the local area. I asked if

there was discussion of combining the CDD with the HOA and I talked with the County attorney and she informed me that Falcon Trace is the only CDD in Orange County that is outside the city limits of Orlando.

Mr. Eckert stated I just established one two months ago and there are four or five that are in unincorporated Orange County.

A resident stated the budget on the agenda for approval today is an operating budget and I'm anxious to see what adjustment if any occur relative to the overall tax assessment with consideration on the fund balances and the fact that the special assessment bond will be paid off May 1, 2020.

A resident stated I'm here to complain about the weeds in the big lake and I have talked to Jason and to William and we pay money to have this taken care of but we still have the weeds.

Mr. Viasalyers stated the treatment was done two weeks ago and it takes a couple weeks for it to take effect. We will revisit that area and if we are not satisfied the vendor will retreat it at no additional cost.

A resident asked if we have an issue with the pool who do we reach out to?

Ms. Burns stated you can reach out to one of the onsite staff members or William.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the May 15, 2019 Meeting

On MOTION by Ms. Stark seconded by Ms. Miller with all in favor the minutes of the May 15, 2019 meeting were approved, as presented.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2019-05 Amending Resolution 2019-04 Designating a Date for the Public Hearing

Ms. Burns stated there was an error on the resolution we approved and the wrong date for the August meeting and this is to correct that resolution to today's date and time.

Mr. Eckert stated the published notice for the budget had the correct date.

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor Resolution 2019-05 Amending Resolution 2019-04 Designating a Date for the Public Hearing, was approved.

FIFTH ORDER OF BUSINESS

Public Hearing

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor the public hearing was opened.

A. Consideration of Resolution 2019-06 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations

Ms. Burns stated the proposed budget for Fiscal Year 2020 has no increase in assessments.

The following issues were raised and addressed during the public hearing: condition of and access to the basketball court, weeds by the entrance, disrepair of playground equipment, explanation of building renovations, landscaping improvements to take place after hurricane season, explanation of management contracts, supervisor fees, transfer out transaction to capital, trustee fees, timing of payment on bonds, savings from refinancing of bonds in 2007, use of facilities, benefit of paying HOA and CDD fees.

The Board took a short recess after which the meeting was reconvened.

There being no further public comment, the Board took the following action:

On MOTION by Ms. Stark seconded by Ms. Hurst with all in favor the public hearing was closed.

Ms. Burns stated the budget amount is the same as the previous year and has the same assessment per household of \$419.70 for O&M and the debt assessment is the same at \$488.96.

On MOTION by Mr. Shaikh seconded by Ms. Hurst with all in favor Resolution 2019-06 Adopting the Fiscal Year 2020 Budget and Relating to the Annual Appropriations, was approved.

B. Consideration of Resolution 2019-07 Imposing Special Assessments and Certifying an Assessment Roll

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor Resolution 2019-07 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

SIXTH ORDER OF BUSINESS

Consideration of Playground Equipment Proposals

A. Korkat Playgrounds & Site Amenities (2)

B. Playmore Recreational Products & Services

Mr. Viasalyers reviewed the proposals received from the two vendors listed above, outlined the equipment to be provide, removal of old equipment, installation of certified playground mulch and borders to prevent the mulch from being washed out.

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor the proposal from Playmore Recreational Products & Service in the amount of \$67,570.05, was approved.

Mr. Eckert stated I will send you an agreement to cover this and use the proposal as an attachment to the agreement.

SEVENTH ORDER OF BUSINESS

Consideration of Maintenance Service Agreements for Fiscal Year 2020

A. Aquatic Weed Management, Inc.

B. REW Landscape Corp.

C. Roberts Pool Service and Repair, Inc.

Ms. Burns stated all three of these agreements are renewals of existing contracts. We talked about this at the last meeting and the Board said they were happy with the services and asked us to get renewals for next fiscal year.

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor the agreements with Aquatic Weed Management, Inc., REW Landscape Corp. and Roberts Pool Service and Repair, Inc. for Fiscal Year 2020 were approved in substantial form and the chairperson was authorized to execute the agreement when finalized.

EIGHTH ORDER OF BUSINESS

Discussion of Request for Business Cards for Supervisors – Requested by Supervisor Shaikh

Ms. Burns stated the next item is a request by Perry for the Board Members to have business cards.

Mr. Shaikh moved to approve the purchase of business cards for Board Members and the being no second, the motion died for lack of a second.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Eckert stated we heard back from the County in terms of that pedestrian access easement that the Board wanted us to look into vacating. We got word back from them that there is a water pipe or something that runs through that easement as well as it being a pedestrian access easement and the County said we do not want to give up our easement for the water pipe but if you want to file a petition to vacate the pedestrian access portion, which means you wouldn't have pedestrian flow through there, they would be willing to look at that. There is a process we have to go through to vacate the easement with the County. There is a petition fee of \$1,003 to go to the County and ask them to vacate that easement to eliminate the pedestrian access and then you have to go through a hearing process. I can't say what the County is going to decide but at least they were understanding of the issue.

Ms. Hurst stated at this point since we know what the costs are we can wait to see if they start development and if so we can revisit the issue.

Mr. Eckert stated if you start to see a lot of use the County may be more reluctant to take it away. I can send a short memo to the Board and outline the costs.

The question was raised about term limits. There is nothing the Board can do to establish term limits, the CDD is governed by Chapter 190, Florida Statutes and that basically says anybody has the right to run every four years for that term but there is no term limit we can do unless you change Chapter 190.

B. Manager

1. Approval of Check Register

On MOTION by Ms. Miller seconded by Ms. Baron with all in favor the check register was approved.

2. Balance Sheet and Income Statement

A copy of the financials was included in the agenda package.

3. Approval of Fiscal Year 2020 Meeting Schedule

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor the notice of meetings for Fiscal Year 2020 reflecting meetings on the third Wednesday of the following months was approved: October, January, March, May, July and August.

4. Presentation of Number of Registered Voters - 1,895

A copy of the letter from the Supervisor of Elections indicating there are 1,895 registered voters in the District was included in the agenda package.

5. Presentation of Arbitrage Rebate Calculation Report

Ms. Burns stated under the internal revenue code the District must demonstrate that we do not earn more interest than we pay. The report states that we have a negative arbitrage of \$17,170.

On MOTION by Ms. Hurst seconded by Ms. Baron with all in favor the Arbitrage Rebate Calculation Report, was approved.

6. Field Manager's Report

Mr. Viasalyers stated at the last meeting the Board directed staff to replace the damaged picnic area tables and that is taken care of. We replaced the pool umbrellas as well.

i. Consideration of Quote with Aquatic Weed Management, Inc. for Grass Carp Restocking

Mr. Viasalyers stated I will need Board direction on this and once I have approval I can talk with the vendor as to when they will be delivered but it will be in the October timeframe.

ii. Consideration of Proposal with Berry Construction for Storage Building Work

Mr. Viasalyers stated the roll-up door in the pump equipment room failed and is coming off the wall and we propose removing that and instead of replacing it with an expensive roll-up door we can put some kind of slide down bar in place to reinforce the door and keep that room secured. They also repaired some damage stucco around the door frame. If you want me to replace the roll-up door I will get proposals for that.

On MOTION by Ms. Stark seconded by Ms. Hurst with all in favor the proposal from Aquatic Weed Management for grass carp in the amount of \$6,100 was approved, and the proposal from Berry Construction for the storage building work in the amount of \$2,430 was approved.

TENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Shaikh stated with the bonds being paid off it doesn't make any sense to have two associations, two different entities. I think we should keep the CDD and give the clubhouse to the HOA.

Mr. Eckert stated you can't merge an HOA and CDD because you have a private entity, which is the HOA and a local government, which is the CDD. A CDD will exist as long as bonds are outstanding or it has property it owns or it has maintenance responsibilities. In other communities when bonds have been paid off they haven't done it. The CDD can't take over HOA responsibilities such as covenant enforcement; we don't have that power. Usually it is the CDD that thinks about dissolving, you have to adopt a plan of transfer but as a CDD, as a government entity, if you are going to transfer anything you have to transfer it to another

government, not to an HOA. What happens is you transfer it back to the local government, Orange County, who then transfers it to the HOA. Because they have broader powers than we do. Our statute says we can only do that. That is the process to accomplish what you are talking about.

Mr. Shaikh stated I think we should consider dissolving the CDD at some point.

Ms. Hurst asked does the HOA want to take over that responsibility?

Mr. Shaikh stated most of the people do.

Ms. Miller asked what do you expect the outcome of combining the HOA and CDD? We are still going to have the same costs to make this work. We are still going to have to pay a manager, he still has to have people, still have to take care of the pool and clubhouse. There is no cost saving measures by combining the two. There is no management company that will say we will take on the CDD area at no fee.

Mr. Shaikh stated today the entire Falcon Trace is managed by the homeowner's association for only \$300,000. This Board manages for \$419,000. We have two management companies, two accountabilities, two oversights.

Ms. Burns stated those numbers are incorrect, the entire CDD budget is \$355,000.

Mr. Shaikh stated I want the Board to think about this.

Mr. Eckert stated you should talk to me about a couple issues on that and I'm happy to provide whatever information you need but understand too that we are a local government operating a pool, we have sovereign immunity so if someone gets hurt we have limits on our liability to \$200,000 and \$300,000; an HOA does not have the advantage of those limits and our insurance quotes we pay for liability insurance are based on us having that sovereign immunity. When you are looking at savings you also have to look at the insurance cost increase, which is all part of the analysis.

Ms. Hurst stated we can think about that after the bonds are paid off.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Hurst seconded by Ms. Stark with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman