

MINUTES OF MEETING  
PINE ISLAND  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Pine Island Community Development District was held Thursday, June 9, 2016 at 10:00 a.m. at the Bella Collina Clubhouse, 16350 Vetta Drive, Monteverde, Florida.

Present and constituting a quorum:

Randall Green	Chairman
David Burman	Vice Chairman
Duane Owen	Assistant Secretary
Andrew Gorrill	Assistant Secretary

Also present were:

George Flint	District Manager
Andrew d'Adesky	District Counsel
Jeff Einhouse	District Engineer
Alan Scheerer	Field Manager

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Flint called the meeting to order at 10:00 a.m.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Organizational Matters**

- A. Appointment of Individual to Fulfill the Board Vacancy with a Term Ending November 2016**
- B. Administration of Oath of Office to Newly Appointed Supervisor**
- C. Election of Officers**
- D. Consideration of Resolution 2016-04 Electing Officers**

There were no nominees; item will be carried to the next Board meeting.

**FOURTH ORDER OF BUSINESS**

**Approval of Minutes of April 14, 2016 Meeting**

Mr. Flint: Are there any additions, deletions, or corrections to the minutes of the April 14, 2016 meeting?

On MOTION by Mr. Greene, seconded by Mr. Owen, with all in favor, the Minutes of the April 14, 2016 Meeting were approved, as presented.

**FIFTH ORDER OF BUSINESS**

**Status of Bond Structure**

Mr. Flint: We have been working with Trustee’s Counsel at Greenberg Traurig and with Brett Sealy as an advisor. Greenberg Traurig is preparing a Supplemental Indenture as well as a Bond Delegation Resolution. Unfortunately due to some health related issues, the Trustee’s Counsel is not able to get those documents to us for the meeting today. They suggested that the Board may want to consider continuing this meeting for ten days. My feeling is that we may get there and still not have the documents and my recommendation is we press very hard over the next 30 days to get those documents for the Board and we address that at the July 14, 2016 meeting.

Mr. d’Adesky: That is without us reviewing them or the Developer’s Counsel reviewing those documents, which they will want to do before we move forward with that. I think shooting for approval at the next Board meeting in July would be good.

Mr. Einhouse: Once it gets to the developer’s side of things it could probably be taken care of in an hour.

Mr. Flint: We will have that on the July 14<sup>th</sup> agenda.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. d’Adesky: Aside from pushing the Trustee’s Counsel to get those documents for the bond restructuring, the only other thing we have been working on significantly is the compliance issue with the illegal wells. We did some research and Alan and George have been working on identifying which properties have individual irrigation wells. As you may or may not know, our policy manual reflects certain restrictions imposed by Consumptive Use Permits and prohibits

individual irrigation wells in violation of Consumptive Use Permits. We have been following up on that and we have a procedure prescribed in the policy manual but we may do other research to affirm that procedure. We have drafted a letter, which we just delivered to the District Manager and we should be moving forward with that to make sure that it complies with our permits.

Mr. Einhouse: We are getting calls and I understand the lake sand issue and that is a private lake. I understand they have to go over POA property and possibly CDD property to draw on Lake Siena. Are they allowed to do that? Has anyone figured that out? People at St. Jones are a Management District and when they called them they told them yes they were allowed to.

Mr. Flint: I think the District Counsel needs to look at that. The Consumptive Use Permit specifically addresses that.

Mr. d'Adesky: There is also other statutory provisions that require use of the District's water and sewer facilities once the District has installed water in those facilities. That would seem to require that they not draw on Lake Siena and to provide their own water.

Mr. Flint: We need to confirm that. When we do the letters there is going to be two categories of violations. One is going to be the wells that we are clear on and the other will be the surface water. We will have to do a little more research before we enforce the surface water. Lake Siena, the POA has the ability to prevent people regardless of the Consumptive Use Permit and the fact that lake level is monitored. You can prevent anyone from putting a pipe in there and sucking water out. With Apopka, if they are crossing POA or CDD property we would have to consent to them doing that. I think we are still verifying whether we can preclude them.

Mr. Einhouse: That would be great to have that research. That is all I'm concerned with.

Mr. Flint: We are going to do more due diligence before we send those.

Mr. d'Adesky: The letter that was prepared was for the wells and not for the surface water.

Mr. Einhouse: I understand that. Once that is determined, can the CDD or our lawyers get with somebody at St. John's and the County? We are having no luck on the POA side directing them to stop telling people that it is okay to drill a well.

Mr. Flint: That has been an ongoing issue and we had Jim Boyd contact them and it has been a problem. They will call and get who ever they get and that will be part of what we need to do again. We need to dust off what we did several years ago and they can also go to the

County and get a well permit and the County doesn't tell them that they can't do it. The CC&R's and District's rules override their ability to get a well permit. They could go to the County and get a permit to build a chicken coop and if the County doesn't require the POA to consent then they can do that. That will have to be part of what we are going to have to deal with and that is sending letters to the County and the Water Management District. I can't guarantee it is going to have any impact on it because we had this confusion previously. Several years ago in 2012 we were going through the same issue.

**B. Engineer**

Mr. Einhouse: Last week the fieldwork for all of the stormwater system improvements and annual inspections, with the exception of five retention ponds and some swales. I will be back over here on Saturday to finish that. We will have the Engineer's Report for the Special Assessment Bonds for the trust indenture due on July 1<sup>st</sup>.

Mr. Scheerer: The golf course has agreed to make sure that those are bush hogged before the 18<sup>th</sup> and Jeff has the maps as well. He was trying to get it done before Jeff's initial visit but I guess he got caught up at the golf course. I did speak with Jeff this morning and he does have all of the documentation and we will make sure it is done before he shows up here on the 18<sup>th</sup>.

Mr. Einhouse: I will say that everything looks good and I see improvements every year.

**C. District Manager's Report**

**i. Approval of Check Register**

Mr. Flint: You have the check register through May 31, 2016 for the General Fund, Enterprise Fund, and Payroll in the amount of \$126,524.49.

On MOTION by Mr. Burman, seconded by Mr. Greene, with all in favor, the check register through May 31, 2016 for the General Fund, Enterprise Fund, and Payroll in the amount of \$126,524.49 was approved.

**ii. Balance Sheet and Income Statement**

Mr. Flint: You also have the unaudited financial statements through April 30, 2016. There is no action required by the Board. If you have any questions we can discuss those.

**iii. Presentation of JLAC Correspondence**

Mr. Flint: There is a negative comment in the annual audit report because of the default on the utility bonds. When you all reviewed the annual independent audit at the last meeting we discussed the fact that there is an indication in there. Those audits are provided to the Auditor General and the Department of Financial Services. Anytime there is a recommendation or finding in that audit those are forwarded onto the Governor's Office. If that comment is in there for more than 3 years it goes to the Joint Legislative Auditing Committee. They have sent the District a letter inquiring about that finding in the audit. We have the response in here that we sent the Joint Legislative Audit Committee back in March. It indicates that we are continuing to pursue refunding opportunities to restructure those bonds and that restructure will resolve the default and there is no negative impact on the financial condition of the District as a result of that default. There is no action I just wanted to provide that information. The actual letter we received in January is also included in your agenda packet. Once we respond to them I have never had a follow up from them seeking additional information so hopefully they will review the letter and that will be satisfactory. In their letter they could require you to come to Tallahassee.

**iv. Presentation of Number of Registered Voters - 57**

Mr. Flint: We are required each year to announce the number of registered voters within the District. As of April 15, 2016 there are 57 registered voters. Once that hits 250 the five member Board will start to transition to a General Election Board. You have to hit 6 years and 250 registered voters. We have hit the 6 years but until we reach 250 registered voters, the Board will continue to be elected on a one vote per acre.

**v. SBA Florida PRIME Monthly Summary Report**

Mr. Flint: We included the SBA monthly report in your agenda packet. There is no action required.

**SEVENTH ORDER OF BUSINESS****Other Business**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS**

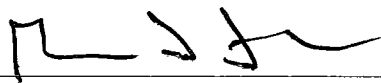
**Supervisor's Request**

There being none, the next item followed.

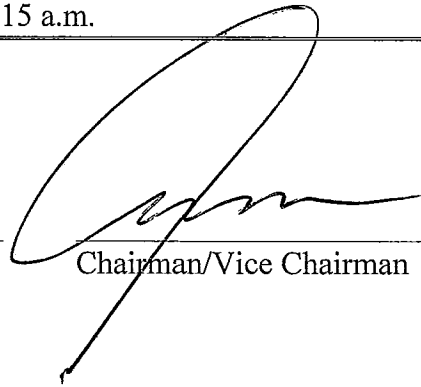
**NINTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor the meeting adjourned at 10:15 a.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman