

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, July 14, 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 June 9, 2016 Meeting

Mr. Flint: Are there any additions, deletions, or corrections to the minutes of the June 9, 2016 meeting?

On MOTION by Mr. Burman, seconded by Mr. Gorrill, with all in favor, the Minutes of the June 9, 2016 Meeting were approved.

FIFTH ORDER OF BUSINESS

Acceptance of Audit Committee Recommendation and Selection of #1 Ranked Firm to Provide Auditing Services for the Fiscal Year 2016

Mr. Flint: The Audit Committee just met prior to the Board meeting and ranked the three responses for auditing services. Number one was Berger Toombs, McDirmit Davis as number two, and Grau & Associates as number three.

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor, the recommendation of the Audit Committee was accepted and Berger, Toombs, Elam, Gaines & Frank was selected to provide auditing services for the Fiscal Year 2016.

SIXTH ORDER OF BUSINESS

Public Hearing

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor, the public hearing was opened.

A. Consideration of Resolution 2016-07 Adopting the Fiscal Year 2017 Budget and Relating to the Annual Appropriations

Mr. Flint: The Board previously approved the proposed budget and set the date, place, and time for today for the public hearing. The Exhibit A to the Resolution is the budget very similar to what you saw when you approved the proposed budget with the exception that we have updated the actuals through May 31, 2016. It contemplates Assessments being level for the General Fund and the Debt Service Assessments do not change. The Capital Reserve Fund is on page 15 and we are projecting that we are going to have \$455,000 in that fund in the next Fiscal

Year. We have a list of proposed expenses that total about \$95,000 and those are detailed at the bottom of that page. Those are repairs to the wastewater plants. We have a Resolution later on dealing with the restructuring of the Utility Bonds and we can talk about it at that point. If the Board has any questions we can discuss those.

On MOTION by Mr. Burman, seconded by Mr. Greene, with all in favor, Resolution 2016-07 adopting the Fiscal Year 2017 budget and relating to the annual appropriations was approved.

B. Consideration of Resolution 2015-08 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Flint: This Resolution imposes the Assessments that are associated with the budget that you just approved and it is Resolution 2015-08. The budget that you just approved will be attached to this Resolution as an Exhibit as well as the Assessment Roll. I have a copy of the Assessment Roll here reflecting all of the properties and what their assessments would be. If there are any questions we can discuss those.

On MOTION by Mr. Burman, seconded by Mr. Greene, with all in favor, Resolution 2015-08 imposing special assessments and certifying an Assessment Roll was approved.

On MOTION by Mr. Burman, seconded by Mr. Greene, with all in favor, the public hearing was closed.

SEVENTH ORDER OF BUSINESS

Consideration of Second Amendment to the Landscape/Grounds Maintenance Agreement The Club at Bella Collina, LLC

Mr. Scheerer: The Club a year ago took over the maintenance of all of the dry ponds that are owned and maintained by the CDD. They have been doing a very good job and I don't think that they have ever looked better. I know they requested an increase of 5% and this would cover that increase and take the annual amount to \$32,000 a year and a monthly expenditure of \$2,666.66.

Mr. Greene: Why did they ask for an increase?

Mr. Scheerer: Just from the amount of manpower and labor that they are spending.

Mr. Greene: We have had issues with the ponds and labor costs are going up.

Mr. Scheerer: I spoke with Jeff and Jerry when they requested it and this was contemplated as part of the budget going forward. It would be our recommendation that the Board accept the continuation of services from The Club for landscape maintenance of the dry ponds and the two plants as well, Hill Crest and Pine Island.

Mr. Greene: I have to abstain from that because of a relationship with DCS, right George?

Mr. Flint: Yes and we will provide you with an 8B form that you can file. You can still vote but you just have to disclose the potential conflict and fill the form out.

On MOTION by Mr. Burman, seconded by Mr. Gorrill, with three in favor and Mr. Greene abstaining, the Second Amendment to the Landscape/Grounds Agreement with The Club at Bella Collina, LLC was approved.

EIGHTH ORDER OF BUSINESS

**Consideration of Resolution 2016-09
Restructuring the Series 2004 Utility System
Bonds**

Mr. Flint: We were hoping that we would have a Resolution for the Board to consider, which would finalize the restructuring of the Utility Bonds. We are not there yet and we had a conference call the day before yesterday. I saw an email this morning from Paul indicating that they are ready to move forward. I think this will start moving forward again hopefully at the August meeting and you will have something to take action on.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. d'Adesky: We had our discussion about moving forward with restructuring the Utility Bonds and I will follow up with Paul. We have moved forward with the interlocal at Montverde Academy and there might be a couple of options to supply water to other entities other than Montverde Academy. We were just going to see if we had that language but we should be moving forward with that as well.

i. Presentation of 2016 Sunshine Law Update

Mr. d'Adesky: The PowerPoint is included in your agenda packet and you can go through that. It was mainly meant as an update because this is an election year and just to go through to provide you with some information and examples of current cases that is either in court or have been in court. All of the updates and information is in the packet and you can review that. The most significant considerations we had were in some cases the Supervisor had lunch with Staff members and the Board members were there as well. They ended up being innocent and the charges were dropped, but they still had to spend staff time to defend against it because it looked bad. If it looks bad just don't do it. Just be aware of that and if you have any questions ask us. The fees could be quit large and one case in the packet they could have to pay half million dollars.

B. Engineer

Mr. Einhouse: We completed the inspections and reports will be finalized now.

C. District Manager's Report

i. Approval of the Check Register

On MOTION by Mr. Burman, seconded by Mr. Owen, with all in favor, the check register through June 30, 2016 for the General Fund, Enterprise Fund, Enterprise Reserves Fund and Payroll in the amount of \$55,905.99 was approved.

ii. Balance Sheet and Income Statement

Mr. Flint: There is no action required by the Board and if you have any questions we can discuss those. The financials are through May 31, 2016.

iii. Approval of the Fiscal Year 2017 Meeting Schedule

Mr. Flint: We have provided you with a meeting schedule that is consistent with what your current meeting days and times are. If you want to continue to do that we can re-notice it on those days at 10:00 a.m. in this location. If you want to change it, you can, the Board has discretion. In the past if we advertise this and there is no need for a meeting then we can cancel.

On MOTION by Mr. Greene, seconded by Mr. Burman, with all in favor, the Fiscal Year 2017 meeting schedule was approved.

iv. SBA Florida PRIME Monthly Summary Report

Mr. Flint: This is the fund that is run by the State of Florida Board of Administration. It is where our funds are currently invested. This is through May so it may be a little stale, but we will keep an eye on that fund especially with the issue with Britain and the European Union and the amount of investments that are in foreign banks and their portfolio.

TENTH ORDER OF BUSINESS

Other Business

Mr. Owen: What about the private irrigation well situation?

Mr. Flint: We are continuing to enforce that and we do need to send the letters out. Alan has been out taking pictures of all of the locations where we have those issues. Where they're running lines into Lake Apopka it seems to be a gray area that we cannot enforce because the Water Use Permit discusses wells not surface water. If their running a line into Lake Sierra the POA can enforce that because they own that lake.

Mr. Greene: Also the interior on the dry lots are the preserved lots and we are getting ready to file I believe tomorrow for complaint at Lake County and that is going to be against Clark and Catherine Sutherland.

Mr. Burman: Also there is a conservation easement area all around Apopka and they would have to traverse that for the pipe to get out to the lakes.

Mr. Flint: Who is the conservation use in favor of?

Mr. Greene: The State owns the land. We have a maintenance easement that they have to cross over into the State's land.

Mr. Flint: They shouldn't be running pipe across the conversation area.

Mr. Greene: The POA can enforce that.

Mr. Flint: The only reason we haven't sent the letters out is there is cross connection issue and I want to make sure we get that language inserted into those letters. I am worried about them tying a well into their irrigation system that is connected to our reclaim system. The reclaim system is currently being charged with polluted water and not reclaimed water. We want to make sure that we don't contaminate our drinking water.

Mr. Einhouse: We do have one claim that is being filed and we also have in addition to that claim, two other claims are complaints being worked on. A lot of people are new to the community and we are just going to send them the standard six-page enforcement letter.

Mr. Flint: We have volunteer compliance from at least one homeowner. They complied previously and indicated they weren't aware that it was reactivated. We will get on that and hopefully get those out by the end of next week.

ELEVENTH ORDER OF BUSINESS

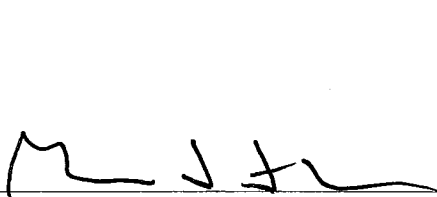
Supervisor's Request

There being none, the next item followed.

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Burman, seconded by Mr. Owen, with all in favor, the meeting was adjourned at 10:19 a.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman

RANDALL F. GREENE