

1 **MINUTES OF MEETING**  
2 **HAMAL**  
3 **COMMUNITY DEVELOPMENT DISTRICT**  
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5 A Public Hearing and Regular Meeting of the Hamal Community Development District's  
6 Board of Supervisors was held on **Wednesday, September 9, 2015 at 8:30 a.m.**, at the **Briar**  
7 **Bay Clubhouse, 3400 Celebration Blvd., West Palm Beach, Florida 33411.**  
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9 **Present and constituting a quorum were:**

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11 Brian Dowling Chair  
12 Steven Pincus Vice Chair  
13 Ione Senior Assistant Secretary  
14 Joseph Petrick Assistant Secretary  
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16 **Also present were:**

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18 Howard McGaffney Wrathell, Hunt and Associates, LLC  
19 Sarah Warren (via telephone) District Counsel  
20 Leo Giangrande (via telephone) District Engineer  
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23 **FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

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25 Mr. McGaffney called the meeting to order at 8:37 a.m., and noted, for the record, that  
26 Supervisors Dowling, Petrick, Pincus and Senior were present, in person. Supervisor Simeone  
27 was not present.  
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29 **SECOND ORDER OF BUSINESS**

**Public Comments**

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31 There being no public comments, the next item followed.

32 **Resignation of Supervisor Robert Simeone**

33 *\*\*\*This item was an addition to the agenda.\*\*\**

34 Mr. McGaffney presented a resignation from Mr. Robert Simeone.

35 Ms. Warren advised the Board to fill Seat 2, by appointment, for the remainder of Mr.  
36 Simeone's term, which expires in 2018.

37 **Consideration of Appointment to Vacant Seat 2; Term Expires November, 2018**

38 *\*\*\*This item was an addition to the agenda.\*\*\**

39 Ms. Warren requested nominations for Seat 2.

40 Mr. Dowling asked if the Board was legally required to fill Seat 2.

41 Ms. Warren confirmed that there was no legal obligation and the Board can proceed with  
42 four members, until a replacement Supervisor is named.

43 Mr. McGaffney indicated that there was time, between this meeting and the next, to  
44 consider a candidate. He noted that several CDDs post a “request for candidates” on their  
45 website.

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**On MOTION by Mr. Pincus and seconded by Mr. Petrick, with all in favor, the resignation of Mr. Robert Simeone, dated September 8, 2015, was accepted.**

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**THIRD ORDER OF BUSINESS**

**Approval of June 24, 2015 Regular Meeting Minutes**

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55 Mr. McGaffney presented the June 24, 2015 Regular Meeting Minutes and asked for any  
56 additions, deletions or corrections.

57 The following change was made:

58 Line 140: Change “Mr. Dowling questioned Mr. Pincus’ opinion” to “There was general  
59 discussion from Supervisors about”

60 Mr. McGaffney reported that, at the last meeting, the Board directed him to send a  
61 termination letter to F&S Enterprises (F&S); however, this did not occur in a timely manner. He  
62 contacted F&S, with Ms. Warren’s assistance, and F&S agreed to terminate the contract.

63 Ms. Warren advised that she will prepare future termination letters.

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**On MOTION by Mr. Pincus and seconded by Ms. Senior, with all in favor, the June 24, 2015 Regular Meeting Minutes, as amended, were approved.**

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**FOURTH ORDER OF BUSINESS**

**Public Hearing to Hear Comments and Objections on Adoption of Fiscal Year 2015/2016 Budget**

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**A. Affidavit of Publication**

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75 Mr. McGaffney presented the affidavit of publication for today’s Public Hearing and  
76 Regular Meeting and noted that they were properly advertised.

77 **B. Consideration of Resolution 2015-7, Relating to the Annual Appropriations and**  
78 **Adopting the Budget for the Fiscal Year Beginning October 1, 2015 and Ending**  
79 **September 30, 2016**

80 Mr. McGaffney presented Resolution 2015-7 for the Board's consideration. He  
81 explained that this resolution adopts the Fiscal Year 2016 budget, which runs from October 1,  
82 2015 to September 30, 2016.

83 Referring to the proposed Fiscal Year 2016 budget, Mr. McGaffney indicated that it is  
84 essentially the same as the Fiscal Year 2015 budget. He pointed out that the "Assessment  
85 Comparison", on Page 9, was the same as Fiscal Year 2015 but it may increase, depending on  
86 how the change to a new landscaping company affects the budget.

87 On Page 1, Mr. McGaffney reported revenues of \$490,945 from "Assessment levy -  
88 gross", with the 4% discount of \$19,638 netted out, assuming that residents pay their  
89 assessments in November. With the compensation of \$46,302 from the Palm Beach County  
90 School Board (PBCSB), for allowing stormwater from the nearby elementary and middle schools  
91 to drain into the District's system, per the Fair-share Agreement, and "Interest" of \$1,500, "Total  
92 revenues" were \$519,109.

93 Mr. Pincus questioned what percentage of property owners take advantage of the 4%  
94 discount. Mr. McGaffney indicated that, through July 31, 2015, the District collected \$533,950  
95 in assessments and the budget was \$519,109, which was indicative of most people waiting to pay  
96 their assessments and tax certificate sales. Mr. Pincus asked if the majority of residents have the  
97 4% discount built into their mortgages. Mr. McGaffney replied maybe.

98 Mr. McGaffney reviewed the "Expenditures", on Pages 1 through 3. Referring to  
99 "Expenditures", on Page 1, Mr. McGaffney noted a slight consumer price index (CPI)  
100 adjustment for "Management/accounting/recording", which is allowable per the contract.

101 In response to Mr. McGaffney's question, Mr. Giangrande indicated that the \$5,000  
102 budgeted for "Engineering" was adequate, as past drainage issues were addressed.

103 Mr. McGaffney pointed out significant changes, such as the \$500 budgeted for  
104 "Website", as a website is statutorily required, and the \$4,350 budgeted for "Trustee", which is  
105 required under the Bond Indenture.

106 Regarding "Landscape maintenance", on Page 2, Mr. McGaffney reported that a  
107 termination letter was sent to F&S because they were not maintaining the irrigation properly and  
108 not communicating with Staff and the landscaping company, resulting in higher landscape  
109 replacement costs.

110 Mr. McGaffney compared the landscape maintenance price list provided by Mr. Bruce  
111 King, from Kings Management Services, Inc. (Kings), to the budget and proposed the following  
112 budget changes:

- 113 1. Increasing “Mowing, edging, pruning & weed control” from \$85,731 to  
114 \$87,445.62
- 115 2. Increasing “Insect, weed, fertilization” from \$43,605 to \$44,477

116 Mr. Petrick asked if Kings is performing the insect control treatment. Mr. McGaffney  
117 indicated that the work is under Kings contract but it may be sub-contracted out.

118 Mr. McGaffney reported that the total amount for Items 1 and 2 was \$131,922.62.

119 Mr. McGaffney indicated that Kings proposed the following:

- 120 1. Increasing “Mulch” from \$14,250 to \$16,500
- 121 2. Increasing “Tree pruning” from \$17,500 to \$23,500 (Excluding Royal palm trees)
- 122 3. Decreasing “Irrigation system maintenance” from \$12,600 to \$7,260 (Including  
123 wet checks)
- 124 4. Setting an hourly fee of \$55 for irrigation repairs

125 Mr. McGaffney noted that the total amount of all items listed on the spreadsheet was  
126 \$173,686; the total amount, as presented in Kings amendment, was \$181,432.62, for a difference  
127 of \$7,746.62. If the Board approved Kings proposal, Mr. McGaffney proposed the following  
128 options:

- 129 1. Increasing the Fiscal Year 2016 operation and maintenance (O&M) assessment by  
130 \$5.03, for the condos and townhomes, and \$7.18, for the large product types

131 Mr. McGaffney pointed out that the increase was minimal and both landscape  
132 maintenance and irrigation would be handled by one vendor.

- 133 2. Transfer \$7,746.62 out of the \$200,000 “Unassigned” fund balance

134 Mr. Pincus preferred the second option, as he did not want to raise assessments, and  
135 suggested negotiating with Mr. King.

136 Mr. Dowling preferred not to raise assessments and wanted the opportunity to discuss the  
137 proposal with Mr. King. Mr. Dowling expressed disappointment with the price changes, as he  
138 felt that this should have been addressed during the contract review, earlier in the year. Mr.  
139 Pincus agreed, in terms of the additional items. Mr. Dowling recalled contacting Kings in  
140 February or March and being told that there were no contract changes.

141 Mr. McGaffney recommended changing the dates on the Landscape Maintenance Price  
142 List to coincide with Fiscal Year 2016 and that the Board authorize the Chair to negotiate with  
143 Mr. King and execute an amended agreement, which will be provided, at a future meeting, for  
144 ratification.

145 Mr. McGaffney clarified that Mr. King did not have copies of the amendments and,  
146 therefore, did not know that his contract reflected a 3% increase. He recalled that Mr. King  
147 wanted to handle the 3% retroactively. Mr. McGaffney noted that a 3% increase was proposed  
148 for Fiscal Year 2017.

149 Mr. Dowling's policy was to not include an automatic 3% increase in contracts and  
150 recalled that the Board approved an amendment to Mr. King's contract, whereby, the 3%  
151 increase could be imposed, upon Board approval. Mr. Pincus concurred. Mr. Dowling had no  
152 problem including a consumer price index (CPI) increase, as long as the contractor was  
153 performing adequately; if this was not excluded from the contract, a new contract was necessary.

154 Mr. McGaffney indicated that the contract stated:

155 *"Additional annual extensions of this agreement, at the rates set forth in Exhibit*  
156 *A hereto, shall not require further Board action."*

157 Ms. Warren explained that the agreement delineates the fees for future years and included  
158 an increase.

159 Mr. McGaffney advised that the agreement allowed for two optional renewal periods.

160 Mr. Pincus suggested taking action on the landscape maintenance and irrigation portion  
161 but deferring the additional services for further review. Mr. King can attend the next meeting to  
162 justify the increase, so that the Board can vote on the remaining services.

163 Mr. McGaffney recommended adopting the budget with the changes and, if the money  
164 was not spent, it would transfer to fund balance.

165 Mr. Dowling preferred to approve the landscape maintenance and irrigation in a not-to-  
166 exceed amount.

167 Mr. McGaffney asked if Ms. Warren was comfortable with adopting the budget and  
168 authorizing the Chair to renegotiate the terms of the Fourth Amendment with Mr. King. Ms.  
169 Warren replied affirmatively.

170 Mr. Dowling explained that the Board was not objecting to the 3% increase but wanted  
171 the opportunity to discuss it with Mr. King, as it was presented at the last minute.

172 Mr. McGaffney reported that “Pump station/equipment insurance”, on Page 2, increased  
173 from \$2,000 to \$2,114.

174 Mr. Pincus noted that this did not make sense because a quote should have been  
175 presented. Mr. Dowling explained that, last year, the District did not have pump station  
176 insurance and a review showed that it was necessary, so \$2,000 was budgeted. Mr. McGaffney  
177 noted that the premium was paid. Mr. Dowling asked if the renewal will be during Fiscal Year  
178 2016. Mr. McGaffney replied affirmatively.

179 Mr. McGaffney suggested increasing “Pump station/equipment insurance” to \$2,300.  
180 There was consensus from the Board.

181 On Page 3, Mr. McGaffney reported “Total expenditures” of \$522,902, which will  
182 increase, due to these changes.

183 Regarding the “Debt Service” fund budget for the Series 2006 bonds, on Page 7, Mr.  
184 McGaffney noted “Total revenue” of \$838,921 and “Total expenditures” of \$838,921. He  
185 indicated that funds must be budgeted to cover the May 1, 2015 principal payment of \$380,000,  
186 interest payment of \$225,091 and November 1, 2016 interest payment of \$225,091.

187 Mr. McGaffney referred to the maps, attached to the budget, and asked if there were any  
188 changes. Ms. Senior indicated that the turn lane was not included. Mr. McGaffney will include  
189 it.

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191 **On MOTION by Mr. Petrick and seconded by Mr. Pincus,**  
192 **with all in favor, the Public Hearing was opened.**

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195 Mr. McGaffney noted, for the record, that no members of the public were present.

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197 **On MOTION by Mr. Petrick and seconded by Mr. Pincus,**  
198 **with all in favor, the Public Hearing was closed.**

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201 Mr. Dowling requested that “Pump station/equipment insurance” be moved from “Field  
202 operations” to “Professional & administrative”, as all insurance should be grouped together. Mr.  
203 Pincus agreed.

204 Mr. McGaffney read the title of Resolution 2015-7 into the record:

205 “A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAMAL  
206 COMMUNITY DEVELOPMENT DISTRICT (THE “DISTRICT”) RELATING  
207 TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET  
208 FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015, AND ENDING  
209 SEPTEMBER 30, 2016”

210 Mr. McGaffney asked if the Board wanted no assessment increase and to transfer  
211 \$7,746.62 out of the “Unassigned” fund balance. There was consensus from the Board.

212 Mr. Giangrande noted that, on Page 4 of the budget, the engineering firm must be  
213 changed to his firm.

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**On MOTION by Mr. Pincus and seconded by Ms. Senior, with all in favor, Resolution 2015-7, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2015 and Ending September 30, 2016, as amended, was adopted.**

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222 **FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2015-8, Imposing Special Assessments and Certifying an Assessment Roll**

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226 Mr. McGaffney presented Resolution 2015-8 for the Board’s consideration and read the  
227 title into the record:

228 “A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAMAL  
229 COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL  
230 ASSESSMENTS AND CERTIFYING AN ASSESSMENT ROLL; PROVIDING  
231 A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE”

232 Mr. McGaffney explained that this resolution authorizes Staff to prepare the assessment  
233 roll and submit it to the county, for placement on the November tax bill.

234 Mr. Pincus pointed out that no amendment was necessary, as the assessment amount did  
235 not change. Mr. McGaffney concurred.

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**On MOTION by Mr. Pincus and seconded by Ms. Senior, with all in favor, Resolution 2015-8, Imposing Special Assessments and Certifying an Assessment Roll; Providing for a Severability Clause and Providing an Effective Date, was adopted.**

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244 **SIXTH ORDER OF BUSINESS**

**Consideration of Resolution 2015-9,  
Adopting the Annual Meeting Schedule  
for Fiscal Year 2015/2016**

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Mr. McGaffney presented Resolution 2015-9 for the Board’s consideration. He advised that the Fiscal Year 2016 meeting schedule follows the same schedule as prior years, with the exception of moving the December meeting to December 16, 2015, due to Christmas.

**On MOTION by Mr. Petrick and seconded by Ms. Senior, with all in favor, Resolution 2015-9, Adopting the Annual Meeting Schedule for Fiscal Year 2015/2016, and authorizing Staff to advertise, accordingly, was adopted.**

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258 **SEVENTH ORDER OF BUSINESS**

**Consideration of Fourth Amendment to  
Kings Management Services, Inc.,  
Landscape Maintenance Agreement**

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Mr. McGaffney presented the Fourth Amendment to the Kings Landscape Maintenance Agreement, an engagement letter from Kings and Landscape Maintenance Price List.

Mr. Pincus suggested segregating the price increase.

Mr. McGaffney requested that the Board authorize the Chair to negotiate the terms with Mr. King and, if there is agreement, Management and District Counsel will draft the form of agreement.

Mr. Dowling noted that the contract had a 30-day termination.

Mr. McGaffney advised that all agreements will be reviewed in March. Mr. Pincus preferred reviewing at the February 24, 2016 meeting, so there would be resolution by the April meeting, when the proposed budget is presented. There was consensus from the Board.

Ms. Warren concurred with the Board reviewing the contract in March and authorizing the amendment for the period August 1, 2015 to January 31, 2016.

Mr. Pincus asked if the amendment coincided with the renewal date of the contract. Ms. Warren explained that the purpose of the short period was to add tree and irrigation maintenance to the remaining term of the contract. Mr. Pincus surmised that the landscape amendment will terminate when the main contract terminates. Ms. Warren concurred.

Mr. McGaffney would like all contract terms to coincide with the District’s fiscal year. He will work with Ms. Warren on the negotiations with Mr. King.

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**On MOTION by Mr. Pincus and seconded by Mr. Petrick, with all in favor, the Fourth Amendment to Kings Management Services, Inc., Landscape Maintenance Agreement, authorizing District Staff and the Chair to negotiate the terms with Kings and the Chair to execute the amendment, were approved.**

**SEVENTH ORDER OF BUSINESS**

**Discussion: Lake Levels**

Mr. McGaffney received an email from a resident who wanted to know if the pump system was working.

Mr. Dowling indicated that the highest level was 15.25". The pumps were almost turned on when Hurricane Erika was approaching Florida.

Mr. McGaffney felt that this was a good exercise, as it opened lines of communication.

Mr. Pincus was happy to see that the new system works.

Mr. Dowling indicated that the perception of Hamal and Briar Bay residents was that water can be pumped from the well. He suggested that future letters remain short, as most residents only read the first paragraph. If residents ask about the well, Mr. Dowling noted that they should be told that well water cannot be pumped, as it is controlled by the South Florida Water Management District (SFWMD).

Mr. McGaffney thanked Mr. Giangrande for his assistance.

Mr. Giangrande pointed out that the system functioned well and the District was prepared for Hurricane Erika. Mr. Dowling agreed; the battery charger was functioning, all knobs were in their proper ON/OFF positions and when the pumps were turned on manually, they functioned.

Mr. Giangrande commented that Mr. Dowling did a great job.

**NINTH ORDER OF BUSINESS**

**Notice of Termination of F&S Enterprises, Inc., Agreement for Irrigation Services (for informational purposes)**

Mr. McGaffney reiterated that a termination letter was sent to F&S, as directed by the Board, at the last meeting, and no action was required.

**TENTH ORDER OF BUSINESS**

**Staff Reports**

317 **A. District Counsel**

318 There being nothing additional to report, the next item followed.

319 **B. District Engineer**

320 Mr. Giangrande reported that this was the intense storm time of year and everything was  
321 functioning adequately. There were no critical issues.

322 **C. District Manager**

323 **i. Approval of Unaudited Financial Statements as of July 31, 2015**

324 Mr. McGaffney presented the Unaudited Financial Statements as of July 31, 2015. He  
325 noted that Page 1 reflected that the debt service payment of \$493,981 was made and “Total fund  
326 balance” was \$1,622,281.

327 On Page 2, under “Revenues”, Mr. McGaffney noted 103% in total revenues. Under  
328 “Maintenance”, he pointed out that \$13,229 was expended for “Annuals removal, replacement,  
329 installation”, which was over the \$6,000 budgeted, due to the replacement of dead trees. Mr.  
330 McGaffney noted that “Insurance: pump station” was at 106% of budget, which was addressed  
331 earlier in the meeting.

332 Mr. McGaffney referred to Page 3 and noted that the District had three months of  
333 working capital and the current fund balance was \$1,058,627.

334 Mr. McGaffney highlighted the Debt Service for the Series 2006 bonds, on Page 4, and  
335 the 100% collection of “Maintenance assessments”. He advised that the May 1, 2015 principal  
336 and interest payments were made, which totaled \$597,619. Mr. McGaffney indicated “Total  
337 expenditures” of \$842,369, for a “Total fund balance - ending” of \$528,124 at the end of July.  
338 He noted that a portion of the fund balance was attributed to reserves, as required by the Bond  
339 Indenture.

340 Ms. Senior questioned why the fund balance was over budget. Mr. McGaffney stated  
341 that the fund balance included all assets and liabilities and the amount fluctuates.

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**On MOTION by Ms. Senior and seconded by Mr. Pincus, with  
all in favor, the Unaudited Financial Statements as of July 31,  
2015, were approved.**

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348 Mr. McGaffney advised that the next meeting is scheduled for October 28, 2015 at 8:30  
349 a.m., at this location.

350 **ELEVENTH ORDER OF BUSINESS** **Supervisors' Requests and Public**  
351 **Comments**

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353 Ms. Senior asked if Kings will attend the October meeting. Mr. Dowling replied if not  
354 October, then the February meeting. Mr. McGaffney advised that he will update the Board, as  
355 needed.

356 Mr. Pincus suggested informing all vendors to present contract changes by February 24,  
357 2016.

358 Mr. Petrick reported that the CDD agreed to pay the HOA 50% of the expense for the  
359 entranceway expansion. He noted that the HOA approved an amount not-to-exceed \$10,000 and  
360 the CDD's portion is \$5,439.53. Mr. McGaffney pointed out that \$10,000 was budgeted.

361 Mr. Dowling indicated that no approval was needed and advised the HOA to submit an  
362 invoice, so that a check could be issued.

363 Mr. Dowling recalled that the CDD's portion was 50%, not-to-exceed \$15,000. Mr.  
364 Petrick will reduce the amount due from the District by \$450.86. Mr. Dowling will confirm the  
365 total amount due and request that Management issue the check.

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367 **TWELFTH ORDER OF BUSINESS** **Adjournment**

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369 There being nothing further to discuss, the meeting adjourned.

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371 **On MOTION by Mr. Pincus and seconded by Mr. Dowling,**  
372 **with all in favor, the meeting adjourned at 9:40 a.m.**

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375 [SIGNATURES APPEAR ON THE FOLLOWING PAGE]  
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Secretary/Assistant Secretary

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Chair/Vice Chair

DRAFT