

**MINUTES OF MEETING
HAMAL
COMMUNITY DEVELOPMENT DISTRICT**

A Special Meeting of the Hamal Community Development District's Board of Supervisors was held on **Wednesday, August 10, 2016 at 8:30 a.m.**, at the **Briar Bay Clubhouse, 3400 Celebration Blvd., West Palm Beach, Florida 33411.**

Present and constituting a quorum were:

Brian Dowling	Chair
Steven Pincus (<i>via telephone</i>)	Vice Chair
Ione Senior	Assistant Secretary
Joseph Petrick	Assistant Secretary

Also present were:

Howard McGaffney	District Manager
Craig Wrathell	Wrathell, Hunt and Associates, LLC
Cindy Cerbone	Wrathell, Hunt and Associates, LLC
Roy Van Wyk (<i>via telephone</i>)	District Counsel
Leo Giangrande (<i>via telephone</i>)	District Engineer
Sete Zare	MBS Capital Markets

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. McGaffney called the meeting to order at 8:36 a.m., and noted, for the record, that Supervisors Dowling, Senior and Petrick were present, in person. Supervisor Pincus was not present at roll call. One seat remained vacant.

SECOND ORDER OF BUSINESS

Public Comments

There being no public comments, the next item followed.

▪ **Approval of April 27, 2016 Regular Meeting Minutes**

******This item, previously the Sixth Order of Business, was presented out of order.******

Mr. McGaffney presented the April 27, 2016 Regular Meeting Minutes and asked for any additions, deletions or corrections.

The following changes were made:

Line 63: Change "\$87,446" to "\$85,731"

Line 63: Change “\$85,731” to “\$87,446”

Line 246: Insert “not” after “should”

On MOTION by Ms. Senior and seconded by Mr. Petrick, with all in favor, the April 27, 2016 Regular Meeting Minutes, as amended, were approved.

▪ **Continued Discussion: Proposed Budget for Fiscal Year 2016/2017**

****This item, previously the Ninth Order of Business, was presented out of order.****

Mr. McGaffney presented the proposed budget for Fiscal Year 2017. There were no changes since the previous meeting.

Mr. Dowling asked if there was somewhere in the budget where tax savings, or changes in the interest rate could be made. Mr. Wrathell stated that, on Page 3, the proposed Fiscal Year 2017 budget reflected healthy “Assigned” and “Unassigned” fund balances. If the projected figures held true, the “Unassigned” fund balance of \$432,959 would put the District in a fantastic position. “Contingency” could be reduced but Mr. Wrathell advised against it. Keeping the assessments steady and maintaining a good cash position would provide for unforeseen circumstances. With respect to bond refinancing, a significant savings was expected on the Fiscal Year 2017/2018 tax bill.

Mr. McGaffney stated that fund balance is increased, for future projects, when expenses are under budget. Last year, the District used the Fund Balance to temporarily lower the assessments. If expenditures are under budget for Fiscal Year 2017, cash would continue to accumulate; however, there is no specific way to assign funds to a future project. The “Fund balance – ending (projected)” on Page 3, reflected that fund balance would not be used to lower the Fiscal Year 2017 assessment.

Mr. Wrathell stated that, if the Board wanted to proceed with bond refinancing, in Fiscal Year 2017, extra cash could be used to lower the operation and maintenance (O&M) assessment, slightly, possibly by using reserve funds. Once the refinancing takes place, in Fiscal Year 2017, a significant reduction for the debt service, of possibly 10%, would be realized. Mr. Wrathell suggested notifying residents of the savings, by mail, once the bonds are refinanced.

- **Discussion: Fair Share Contribution Agreement**

******This item, previously the Tenth Order of Business, was presented out of order.******

Mr. McGaffney stated that the Table, of the Fair Share Contribution Agreement, breaks down the entities and percentages for maintenance obligations in the District, in actual numbers, followed by the billing.

In response to a question from Mr. Dowling, Mr. McGaffney stated that the previous issues regarding questionable invoices from the School Board were answered.

Mr. Dowling asked about the Department of Education pulling out of the Agreement. Mr. Wrathell recalled that the issue was discussed three years ago. Mr. Dowling stated that, when attorneys became involved and reviewed the contract, the issue was dropped. Mr. Wrathell stated that the School Board benefits by the drainage provided and it is a binding contract.

Mr. Van Wyk stated that the District has a contract with the School Board and they must pay their fair share of the cost of maintenance and operation of the ponds. If the contract is breached, the School Board could be sued.

- **Discussion: King's Management Services, Inc., Agreement**

******This item, previously the Eleventh Order of Business, was presented out of order.******

Mr. McGaffney stated that the King's Management Services, Inc. (King's), agreement was being discussed because the Board continues to evaluate King's services to ensure compliance with the agreement.

Mr. Dowling spoke with Mr. Bruce King about whether a Consumer Price Index (CPI) increase or changes were anticipated in the contract for Fiscal Year 2017 and was advised that the contract price would remain the same.

Mr. Petrick reviewed the agreement and wanted to confirm that King's had a licensed technician spraying fertilizer and pesticides, as required by the Florida legislature in 2012 and put in place for municipalities and governmental entities, to ensure that technicians are certified.

Mr. Dowling was advised by Mr. King, verbally, that he has qualified fertilization technicians and someone was hired to train them. Mr. Dowling did not review the statutes and did not know whether a landscaping contractor is required to have a specific license or a trained technician; however, he would obtain a statement, in writing, from Mr. King, indicating that the company uses qualified technicians to disperse fertilizers.

Mr. Petrick questioned whether the training courses should be included in the landscaping contract, going forward. Mr. Dowling would obtain all certificates from Mr. King.

Mr. Petrick distributed information regarding the required training courses pursuant to the Florida Friendly Landscaping Statute 373.185. In response to a question from Ms. Senior, Mr. Dowling explained that, if too much fertilizer is applied and heavy rains follow, the runoff could carry the fertilizer into the water supply and contaminate it.

Mr. Wrathell indicated that a large initiative was underway because, over time, nutrients enter water bodies. Newer communities have wetland plantings that remove nutrients from water. One of the main causes of nutrient loading is fertilization. Florida Friendly standards dictate where fertilization may occur. The Florida Department of Environmental Protection (FDEP) and Environmental Protection Agency (EPA) are attempting to ensure that the water entering the water system is cleaner than it was prior to entering the system.

Mr. Dowling felt that the certification should be incorporated into the contracts. Mr. Van Wyk was familiar with the Municipal Separate Storm Sewer System permit (MS4) permitting and nutrient loading requirements and would include them in the contract. Mr. Dowling asked to add under fertilization, weed control, insecticide and pest control, that the contractor must be licensed and in compliance with the statute. Mr. Wrathell stated that Section 14, of the contract, states:

“ . . . All other permits or licenses necessary for the contractor to perform under this agreement or pursuant to applicable law or regulation shall be obtained and paid for by the contractor.”

Mr. Dowling asked if something additional should be included under 1.02.3, Turf Fertilization, 1.02.4, Weed Control and 1.02.5, Pest Control.

*****Supervisor Pincus joined the meeting at 9:01 a.m., via telephone.*****

Mr. Pincus stated that it was not necessary to include the verbiage in each section. Discussion ensued regarding the contractors' obligation in Section 14.

Mr. Van Wyk stated that the agreement would be amended for clarification.

THIRD ORDER OF BUSINESS

Presentation/Consideration: MBS Capital Markets, LLC Underwriting Agreement

Mr. Wrathell explained that, with the 10-year call mark approaching, on the 2006 bonds, Management met with Ms. Zare and Mr. Sealy, of MBS Capital Markets, LLC, (MBS), regarding potential savings associated with bond refinancing. With the current low interest rates, there is a significant opportunity for savings and to lower assessments, while the term would remain the same. Due to the costs associated with refinancing, if refinancing were to occur now, the par amount of bonds outstanding must be increased. Although the assessment would be reduced, a 197 mailed notice must be sent to residents. If the refinancing were to occur in December or January, assessment collections would provide cash on hand and the principal outstanding on the bonds would not be increased.

Ms. Senior asked if the current rates could be locked in. Ms. Zare stated that her firm must be engaged as Underwriter to comply with the Dodd Frank Act and MSRB Rule G17, prior to discussing financing. Mr. Wrathell explained that, until Ms. Zare is officially engaged by the District, as disclosed in her letter, her role is to refinance bonds and earn money, not to look out for the Board’s best interest. As District Manager, Mr. Wrathell’s role was to ensure that MBS is acting appropriately. Pursuant to new requirements, the Underwriter must be engaged by the District; fees are not paid until closing and termination could occur at any time. Mr. Wrathell stated that, under “Fees”, in Section 2, the 1.5% fee was market driven. He explained how the underwriters market the bonds. The Underwriter’s Disclosure Counsel would ensure that the District was still in good standing, as a governmental entity, and that the bonds should remain tax exempt so that, when the bonds are marketed, the disclosure to the buyer is true, accurate and legitimate.

Mr. Pincus asked where the payment to the underwriter comes from, after closing. Ms. Zare stated that payment comes from the bond proceeds. The Costs of Issuance (COI) are paid through the financing. The cost would not be realized until the bonds were closed; the deal must close for payment to be made.

Mr. Van Wyk felt that this was standard practice. The fiduciary responsibilities would be acknowledged with the engagement letter.

On MOTION by Mr. Petrick and seconded by Ms. Senior, with all in favor, the MBS Capital Markets, LLC Underwriting Agreement, was approved.

FOURTH ORDER OF BUSINESS**Discussion: Potential Bond Refinancing**

Ms. Zare stated that MBS is a leading investment banking firm, specializing in land secured financing. Over 150 financings closed in the last five years, totaling \$1.5 billion. MBS has over 30 years of experience, shares a strong relationship with the District and issued the 2001 and 2006 bonds. Market rates are at an all time low and it makes sense to consider refinancing the 2006 bonds, at this time. On Page 6, Ms. Zare reviewed the current status of the 2006-A bonds. They were issued in 2006 for approximately \$11.97 million. The average coupon was 4.83%, the maturity date is January 2031, which would not change upon refinancing. The current outstanding balance is \$8.775 million, callable at a premium of 101%. The high interest rate debt would be replaced with lower interest rate debt, creating a savings to be passed on to residents. When the bonds were issued in 2001, the District was in the infancy stage of development and the bonds were non-rated, with a higher risk attached, because there was only one developer. In 2006, the bonds were able to be refinanced, with an underlying credit, with a stronger credit position for the District. On Page 8, "Financing Options", there were two scenarios; an October 15 and December 15 closing. The primary difference between them was the "Refunding Par" amount. For the October 15 closing, the par amount would be \$9.015 million, with the current outstanding par amount being \$8.775 million. The increase in par was due to the cost of borrowing. Similar to home mortgages, while the par amount increases, the annual debt service or monthly installments decrease. This scenario only affects residents who prepaid, in full. The second scenario reflected a December 15, 2016 issuance. On the November tax bill, assessment collections would begin for the May and November 2017 payments, which are assets, in hand, that could be applied to the refunding and would be the reason for the par amount being \$8.7 million, or par neutral. The District would not be required to go through the Chapter 170 noticing process. The Net Present Value (NPV) savings factor and Annual Reduction factor, the NPV savings true interest cost were exactly the same. On an annual debt service basis, the first scenario showed a 12.62% reduction and the second scenario reflected a 14.40% reduction. The December 15 close was due to having the assets on hand to apply toward the refunding; thus, reducing the par and the maximum annual debt service.

Mr. Wrathell stated that, based on the Gross Annual Debt Service Reduction Number (GADSN), the annual debt service on the current bond is \$830,000 per year. The District could, potentially, reduce the amount by \$126,000, or a 14.4% reduction from the current assessment.

Depending on the product type in the assessment table, residents would save \$45 to \$50, on the smaller units, and more on the larger units. Scenario one offers more savings than the second scenario but, for several reasons, the timing may not be ideal. The second scenario reflected a greater assessment reduction on the November 2017 tax bill.

Ms. Zare stated that, on a per unit basis, in the first scenario, condo assessments would be reduced by \$60; from \$476 to \$416. In the second scenario, condo assessments would be reduced by \$69; from \$476 to \$407.

Mr. Van Wyk stated that the Board could not reduce assessment collection amounts, at this point, because the Board was bound by the Trust Indenture to collect sufficient proceeds to pay the debt service due on the bonds. The District would be unable to change the assessment amounts for the upcoming tax bill.

In response to Mr. Dowling's and Mr. Pincus's questions, Ms. Zare stated that both scenarios were possible but neither would take effect until the next tax bill. The possible downside of scenario two was that events could occur and cause interest rates to change and the environment might no longer be favorable to refinance. There is risk in the first scenario, as well but there is a smaller window in which to capitalize on the lower interest rate.

Mr. Van Wyk noted that the November elections were an intervening issue. He questioned whether to forego the additional savings by pursuing the bond refinance now or refinance later and hope that interest rates remain the same.

Mr. Dowling asked if bond refinancing was similar to a mortgage, when a rate is locked in 30 to 45 days out. Ms. Zare responded that it depended on the avenue that the Board pursued. A public offering is usually priced two to three weeks from closing; some banks are more lenient between bond pricing and closing.

Mr. Wrathell felt that, regardless of who wins the presidential election in November, the news would not cause interest rates to go up. Barring a catastrophic event, rates were not expected to drastically change.

Mr. Pincus asked how far ahead of closing the rate could be locked in. Ms. Zare stated that, in a public offering, which was anticipated, within two to three weeks to price and then, two to three weeks to close. Ms. Senior asked if this information could be viewed by her financial advisor when it goes out to the general public. Ms. Zare stated no, it would eventually be traded on the secondary market.

Ms. Zare reviewed the timelines for both scenarios. The October 15 scenario would require the Chapter 170 notice to be mailed to homeowners, while the December 15 scenario would not because it would be par neutral, meaning the debt would not increase.

Mr. Dowling felt that the majority of the public did not understand about bonds. Scenario one would cause confusion because, on one hand, homeowners were being told that the assessments were being reduced, yet the letter would state that the bond was being increased by \$245,000. Ms. Zare agreed that it was difficult to explain why the par was increasing but the annual debt service was decreasing.

Ms. Zare described the timeline for “Scenario 2”, on Page 12, by which MBS begins the document process and would attend the November 16 meeting to present the “Delegated Award Resolution” (DAR), which sets parameters for which MBS may price the bonds. Once approved by the Board, the bond would close by December 15.

Mr. Van Wyk stated that a resolution would be presented, confirming the authorization for Staff to proceed. The DAR will have the Trust Indenture and documents used for the bond sale attached. All of the documents would be presented prior to authorizing MBS to proceed under certain parameters.

Ms. Zare stated that, once the Board approves the parameters, MBS could proceed with marketing and pricing the bonds, followed by closing on December 15.

On MOTION by Mr. Dowling and seconded by Ms. Senior, with all in favor, authorization for Staff to proceed with Scenario 2, relating to the 2006A Bond Refinancing, was approved.

Mr. Van Wyk asked if Mr. Steve Sanford, Bond Counsel, was working with Mr. Wrathell. Ms. Zare stated that she was working with Mr. Sanford. Mr. Wrathell affirmed that they were working together.

FIFTH ORDER OF BUSINESS

Consideration of Addendum #1 to Wrathell, Hunt and Associates, LLC Agreement for Management Services (Relating to 2006 Bond Refunding/Refinancing)

Mr. Wrathell stated that the proposed fees in Addendum #1, to the Wrathell, Hunt and Associates, LLC (WHA) management agreement relating to the 2006 bond refinancing, would only be paid upon closing, as part of issuance of the bonds. Typically, new bond financing methodology costs are \$25,000 and a minimum bond issuance fee of \$15,000 but WHA recognizes and appreciates the long-term relationship with the District; hence, the lower fees for those services. WHA would coordinate with Bond Counsel and prepare a Supplemental Methodology Report that uses the final bond amounts to show how the assessment relates to the property categories. The Methodology would describe the refinancing, new amortization schedule, COI and the new par amount of bonds assigned to each product type. The new assessments, per unit, would also be reflected. The preparation of the supplemental methodology and necessary administrative tasks would be \$10,000.

Ms. Senior asked if the WHA fee was part of the financing cost. Mr. Wrathell responded affirmatively. There would be a Bond Counsel fee, requested of Mr. Sanford, in the form of an engagement letter that would be presented at the September 7 meeting. The fee is also paid as part of the COI.

Mr. Van Wyk stated that Bond Counsel fees were commonly between \$40,000 and \$50,000, with fees for District Counsel generally \$30,000 to \$35,000. As the process continues, Ms. Zare would request a not-to-exceed amount, to ensure there would be enough funds in the sale to be set aside for the COI. All fees come out of the bond refinance.

Mr. Pincus asked if all fees would be paid from the proceeds of the refinance. Ms. Zare replied affirmatively. Mr. Pincus felt that Addendum #1 was not clear and asked if, “contingent upon bond refinance closing” should be added. Mr. Wrathell stated that the disclosure could be and noted, for the record, that his commitment was to ensure that fees were contingent on the closing.

On MOTION by Ms. Senior and seconded by Mr. Petrick, with all in favor, Addendum #1 to the Wrathell, Hunt and Associates, LLC Agreement for Management Services (Relating to 2006 Bond Refunding/Refinancing), was approved.

SIXTH ORDER OF BUSINESS

Approval of April 27, 2016 Regular Meeting Minutes

This item was presented after the Second Order of Business.

SEVENTH ORDER OF BUSINESS

Presentation of Audited Financial Report for Fiscal Year Ended September 30, 2015, Prepared by Grau & Associates

Mr. McGaffney stated that the purpose of the “Independent Auditors Report” was the assessment of risk and to review the District’s internal control mechanisms to ensure compliance, with Generally Accepted Accounting Principles (GAAP). From the “Opinions”, he read:

“In our opinion, the financial statements referred to above present fairly, in all material respects . . .

With regard to the “Internal Control Over Financial Reporting”, on Page 23, Mr. McGaffney read:

“. . . during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.”

From “Compliance and Other Matters”, Mr. McGaffney read:

“The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.”

On Page 25, Mr. McGaffney read:

“In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2015.”

Referring to the “Financial Highlights”, on Page 3, Mr. McGaffney noted that the District’s assets exceeded its liabilities, with a net position balance of \$689,210. There was an increase of \$451,762 in the net position between Fiscal Year 2014 and Fiscal Year 2015 and an increase in the fund balance, for the same period, of \$129,083. On Page 7, Mr. McGaffney reviewed the net position breakdown, detailing the District’s cash, land and infrastructure. The “Assets”, which included “Cash and cash equivalents”, “Assessments receivable” and “Prepaid and deposits” were just over \$1 million. “Note 6 – Capital Assets”, on Page 18, reflected the detailed information, as noted on Page 7. The “Fund Balance – Budget and Actual – General Fund”, on Page 21, reflected the “Fund balance – ending” of \$977,990 for Fiscal Year 2015. Mr.

McGaffney stated that the District had a great cash position, assets exceeded the liabilities, the land had a netted depreciation and there were no issues with the District’s internal control mechanisms; therefore, it was a clean audit.

Mr. Wrathell added that the positive financial condition of the District would assist with the bond refinancing.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2016-3, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2015

Mr. McGaffney presented Resolution 2016-3 for the Board’s consideration.

On MOTION by Ms. Senior and seconded by Mr. Petrick, with all in favor, Resolution 2016-3, Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2015, was adopted.

NINTH ORDER OF BUSINESS

Continued Discussion: Proposed Budget for Fiscal Year 2016/2017

This item was presented after the Second Order of Business.

TENTH ORDER OF BUSINESS

Discussion: Fair Share Contribution Agreement

This item was presented after the Second Order of Business.

ELEVENTH ORDER OF BUSINESS

Discussion: King’s Management Services, Inc., Agreement

This item was presented after the Second Order of Business.

TWELFTH ORDER OF BUSINESS

Discussion: Seat 2 Vacancy [Term Expires November, 2018]

Mr. McGaffney stated that, although vacant Seat 2 does not expire until 2018, it would be very helpful to have the Seat occupied, for quorum purposes.

Mr. Dowling stated that attempts were made to fill the vacancy. The seat would remain vacant and this item would not be on the next agenda.

THIRTEENTH ORDER OF BUSINESS **Update: Qualified Candidates for November 8, 2016 General Election**

- A. **Seat 3: Joseph Petrick [incumbent - *unopposed*]**
- B. **Seat 4: Ione Senior [incumbent - *unopposed*]**
- C. **Seat 5: No Qualified Candidates for Seat 5**

This item was included for informational purposes.

FOURTEENTH ORDER OF BUSINESS **Approval of Unaudited Financial Statements as of June 30, 2016**

Mr. McGaffney presented the Unaudited Financial Statements as of June 30, 2016. "Maintenance assessments", on Page 2, reflected a 98% collection rate; the percentage should be 100% or above, in July and August, due to tax certificates and deeds. The "Total fund balance – ending" was budgeted for \$840,541 but the actual was \$1,196,042. Assessments were 98% collected for the "Debt Service – Series 2006", on Page 4. The "Fund balances – ending" was \$513,788. The "Unassigned" fund balance was projected to be \$308,264 at year end but may be higher, because expenses were under budget.

On MOTION by Mr. Petrick and seconded by Ms. Senior, with all in favor, the Unaudited Financial Statements as of June 30, 2016, were approved.

FIFTEENTH ORDER OF BUSINESS **Service Reports**

- **Allstate Resource Management, Inc.**

Mr. Dowling stated that the 500 triploid grass carp were stocked in the lake. The permit was received and funds were approved at the previous meeting. The motor in Fountain #9 burnt out and was replaced. Many residents called to report that the fountain was not working and Mr.

Dowling forwarded the information to the management company. Fountain #2, one of the original fountains, had clogged jets. The jets require periodic rebuilding and this should be considered for Fiscal Year 2017. The District has nine fountains, seven of which were installed when the community was built. The other six could require rebuilding, before long. Mr. McGaffney pointed out that repair contingencies were rarely fully used. The item could be added as a repair line item or a budget item for Fiscal Year 2017. Mr. Dowling was not sure that it should be an annual budget item, as the fountains may just require one-time repairs. Mr. McGaffney suggested that it could be a tracking mechanism, so that repair costs were documented versus fountain replacement.

Mr. Dowling stated that, with regard to the reports, water levels were low and calls were received regarding algae build-up in the lake. Allstate Resource Management, Inc., (ARM), was treating for algae, as permitted. A close eye was being kept on the algae. There were reports that a 3' or 4' alligator was spotted in Lake #9. A letter was received from the management company for The Cove, the condos that border Lake #9, expressing concern about the alligator sighting. The Florida Fish and Wildlife Conservation Commission (FFWCC) will not come out for an alligator that size and there were no nuisance reports. Mr. McGaffney confirmed that the alligator must be over 4', for the FFWCC to respond, as the issue came up in another District. He would provide a contact number for a wildlife removal company to Mr. Dowling, who would make the call. Mr. McGaffney wanted to make certain that everyone was aware of the issue and asked Mr. Van Wyk to ensure that the District was doing the right thing and not exposing anyone to danger. Mr. Van Wyk asked where the alligator was sighted. Mr. Dowling stated that the alligator was in a retention pond but the waterways are connected so it could travel. The alligator could be in a canal one day, a lake the next. Mr. Pincus stated that, even if a trapper removed the alligator, there were no assurances that the area would be free of them. There are probably more of them; they migrate everywhere and are elusive. There was no way to permanently eliminate alligators from the bodies of water on the property. While residents do not swim in the waters, they fish along the lake edges. Perhaps posting Alligator Warning signs around the lake would be a good idea, although residents might complain about "uglifying" the area. Mr. Van Wyk recommended that, if the alligator met the size criteria for removal, it should be removed. The District operates a service, which creates certain liabilities; there is a difference between legislative and operational action. When the District is in operational action, a duty is

owed to warn against known hazards and to make sure that the ponds are safe. Alligators that meet the criteria must be removed. With regard to posting the Alligator Warning signs, he did not believe posting was required unless there were many alligators in the lake. If something frequently occurred, signs should be posted cautioning residents about the wildlife. If it is just the one small alligator, it was likely an anomaly and signs were unnecessary. Mr. Dowling stated that one of the letters asked the Board to consider posting "No Swimming" signs. A Board Member suggested adding "Fish at Your Own Risk" underneath "No Swimming". Five or six years ago, the Board looked into posting signage and, according to Florida Statutes, signs must be placed every 30' or 40'. Mr. Van Wyk clarified that those statutes referred to the "No Trespassing" signs the Board was posting. A known hazard, not readily apparent, was different. An example given was that a "No Swimming" sign was not necessary for people to know that drowning could occur in a lake. If a large alligator was in the lake and the District knew it, a resident may not be aware of it; they must be warned of the potential danger. In certain access areas, if it was believed that there was a problem with alligators, then signs should be posted that read, "No Swimming, Caution! Alligators and Other Wildlife Present". Mr. Giangrande stated that there were posted warning signs in parks he works and offered to photograph the signs and forward them to the Board. Mr. Van Wyk restated that the reason the signs were posted was because of the operational nature of park management, to the public. If it was an ongoing problem, signs should be posted. If it was a rogue allegation, signs should be removed. Mr. Dowling asked how close together the signs must be posted. Mr. Van Wyk suggested posting signage similarly to how signage was posted in the wetlands, approximately 175' but would confirm the requirements and then comply with them. No one wants sign clutter but the message must be received. Mr. McGaffney suggested that the HOA mail out an e-blast or bring the issue to homeowners' attention, via HOA websites. Mr. Dowling did not believe posting information on the websites was a good idea. Mr. Wrathell noted that several alligators live in his community and, if a big enough alligator is seen, he calls a wildlife removal company. If residents see a posted sign that reads "Please Call This Number", maybe they would call the removal companies, themselves. Mr. Dowling asked Mr. Giangrande if it was possible to install grates on the culverts to keep the alligators from coming through. Mr. Giangrande stated that, ironically, the grates were actually called Manatee protectors but were meant for alligators. The application was costly and did not believe the benefit would equal the cost, at this stage. Had the

grates been constructed from the beginning, it would have been a minimal cost. At this point, he was not sure if the grates would help the situation; however, it would reflect the District's concern. Mr. Pincus asked if debris would collect in the grates. Mr. Giangrande responded affirmatively and that was one of the reasons that idea would not work. Anything in front of a pipe adds a great potential to clog and then reduces flow.

Mr. McGaffney would work with Mr. Giangrande and Mr. Dowling and present recommendations concerning all aspects of the discussion, including signage and wildlife removal companies, for consideration at the next meeting.

SIXTEENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being no report, the next item followed.

B. District Engineer

Mr. Pincus commented that, per the previous meeting, Mr. Giangrande updated District maps.

C. District Manager

i. NEXT MEETING DATE: September 7, 2016 at 8:30 A.M.

Mr. McGaffney reported that the next meeting will be held on September 7, 2016 at 8:30 a.m., at this location.

SEVENTEENTH ORDER OF BUSINESS

Supervisors' Requests and Public Comments

Mr. Petrick stated that the Florida legislature was passing laws to limit the authority of local governments and special districts, and wondered if it would be a good idea to join the Florida Association of Special Districts (FASD), to participate more in Tallahassee. He attended some of the committee meetings and could speak at a meeting, if the Board approved. Mr. Dowling asked for more information, such as costs. Mr. Wrathell stated that some Districts were members of the FASD and believed that costs were revenue based; it is a good association. Hopping Green & Sams, P.A., (HGS), MBS and WHA are members of Florida Association of Community Developers (FACD). FACD lobbies to protect CDDs and Special Taxing Districts. From a networking perspective and keeping tabs on governmental happenings, the FASD is a

good association but more for fire control and drainage districts. The FACD and FASD often coordinate when it comes to legislative issues. Mr. Wrathell suggested that Mr. McGaffney obtain the fee schedule, for membership, and place the item on the September agenda. Mr. Pincus asked if there was another organization more closely tailored to the needs of the CDD. Mr. Wrathell explained that the FASD was probably more in line with a residency Board, whereas the FACD was more industry based. Mr. Dowling and Ms. Senior believed that joining the FASD could be a good investment. Mr. Petrick recently spoke with Mr. Fred Crawford, the FASD Executive Director, and visited the website, www.fasd.com. Mr. Van Wyk stated that member districts may be listed on the website and the Board could contact members for their feedback. Mr. Petrick spoke with one member to obtain more information and sat in on committee meetings while volunteering for other groups and felt that his comments would have more power in the legislature as a member of FASD, than as a resident of West Palm Beach.

Mr. McGaffney will research FASD for the next meeting.

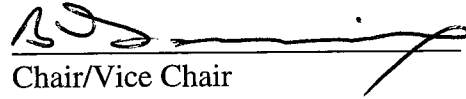
EIGHTEENTH ORDER OF BUSINESS**Adjournment**

There being no further business to discuss, the meeting adjourned.

On MOTION by Mr. Dowling and seconded by Ms. Senior, with all in favor, the meeting adjourned at 10:37 a.m.
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Secretary/Assistant Secretary



Chair/Vice Chair