

**MINUTES OF MEETING
OSPREY OAKS
COMMUNITY DEVELOPMENT DISTRICT**

5 A Regular Meeting of the Osprey Oaks Community Development District's Board of
6 Supervisors was held on Monday, March 5, 2018 at 6:15 p.m., at the Clubhouse of Osprey Oaks,
7 located at 7054 Muscovy Court, Lake Worth, Florida 33463.

Present and constituting a quorum were:

Also present were:

Cindy Cerbone District Manager
Ginger Wald District Counsel
Robert Harding Resident and HOA President

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Naim called the meeting to order at 6:15 p.m. Supervisors Ratkowski, Fuchs and Naim were present, in person. Supervisors Giedla and Flaherty were not present.

SECOND ORDER OF BUSINESS

Public Comments

Mr. Robert Harding, a resident and HOA President, stated he wanted to comment on the pavers and the pressure cleaning at the appropriate time.

THIRD ORDER OF BUSINESS

Discussion: Fiscal Year 2019 Budget

Ms. Cerbone stated the proposed Fiscal Year 2019 Budget will be presented at the May meeting. She referred to the “Budget” column on Pages 1 and 2 of the Unaudited Financial Statements as of January 31, 2018, behind the Unaudited Financial Statements Tab, and noted that those figures might assist the Board in determining what items could be excluded, added or modified in the Fiscal Year 2019 budget.

39 In response to Mr. Fuchs' question, Ms. Cerbone confirmed the current budget included
40 one meeting per month and the full cost of the Management fees, in case the District exceeded
41 six meetings during the fiscal year. Mr. Fuchs suggested maintaining the same for the Fiscal
42 Year 2019 budget.

43 ■ **Discussion: Pressure Cleaning Pavers**

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

45 Mr. Ratkowski noted that funds were not budgeted in Fiscal Year 2018 but recalled that
46 the previous, fully Developer-controlled Board, discussed pursuing the HOA to replace the
47 pavers. In that discussion, the CDD would pay for new pavers and then bill the HOA, but the
48 new partially resident-controlled CDD Board quashed that approach and decided to let the HOA
49 finish the turnover. He asked Ms. Wald to review the minutes and provide clarification of this
50 matter, as his recollection was that the CDD is responsible for the roadway pavers, if it is not part
51 of the Maintenance Agreement, and, if the CDD is responsible, the CDD did not budget for
52 replacing the pavers.

53 Ms. Wald stated the Maintenance Agreement with the HOA did not include any roads
54 and amending the Agreement, if the HOA was amenable to taking over the responsibilities of the
55 roadways was previously discussed but did not move forward.

56 ➤ Regarding CDD Ownership and Maintenance Responsibilities, Ms. Wald stated the CDD
57 was responsible for maintaining any CDD property pertaining to roadways because they were
58 not included in the Maintenance Agreement with the HOA. The District Engineer previously
59 outlined what the CDD owned and what it had the authority and responsibility over. Some
60 portions of the community have infrastructure that are pavers, according to the District Engineer,
61 but not all, because most of the roadways within the community are not owned by the District.
62 Ms. Cerbone asked about roadways not owned by the District but the District installed pavers on
63 road. Ms. Wald explained the issue was that the District paid for and owns the actual pavers and,
64 according to the District Engineer, in certain portions of the community, pavers were installed on
65 top of the thoroughfares that are owned by the HOA. Ms. Cerbone recalled that the Board was
66 aware of the litigation between the HOA and the Developer and the hope was that, once it was
67 resolved, the Board would discuss amending the Agreement between the District and the HOA.
68 Ms. Cerbone did not recommend that the CDD manage the pavers, as it could be complicated to
69 correctly identify the sections that the CDD must maintain versus those that the HOA must
70 maintain. She felt that the District should work with the HOA to keep paver maintenance under

71 one umbrella; it could be added to the Fiscal Year 2019 budget but that did not mean it must be
72 spent. Once the litigation ends, if all parties agree, the Maintenance Agreement could be
73 modified.

74 Ms. Cerbone asked if, until the Maintenance Agreement can be modified, the CDD could
75 grant approval for the HOA to clean pavers owned by the CDD, if the HOA wanted to clean the
76 pavers. Ms. Wald replied affirmatively; the District could provide authority to the HOA to
77 maintain CDD property; however, the District must be protected with insurance coverage, which
78 is typically covered under the Maintenance Agreement, and that the coverage extends to the
79 work that is being done.

80 Discussion ensued regarding instances where expenses were paid for through the HOA or
81 the CDD, the HOA having insufficient funds and the expenses paid for by the CDD, concerns
82 involving homes in foreclosure or behind in their HOA dues, etc.

83 Ms. Naim questioned if the CDD had the funds to complete the project in Fiscal Year
84 2018, if approved, since it was not budgeted. Ms. Cerbone did not recommend proceeding with
85 this during Fiscal Year 2018. She suggested including it in the Fiscal Year 2019 budget;
86 furthermore, she and Ms. Wald could be directed to contact the Property Manager and HOA
87 President regarding the aesthetic improvements and notifying them that, if the HOA wanted to
88 repair or maintain District-owned pavers, the District would provide permission, provided the
89 same coverage in the current Maintenance Agreement extended to this work. If this is included
90 in the CDD proposed Fiscal Year 2019 budget, it could be removed prior to adoption, if the
91 circumstances changed. It was decided that the square footage quote would be for pavers on the
92 roadways only and not pavers on the driveway. Ms. Wald stated that the District Engineer's
93 Paver Brick Inspection Report, dated October, 2016, lists each location and the number of pavers
94 and suggested the quote be for the full amount noted in the Report and then calculate the
95 percentage owned by the CDD. Ms. Cerbone suggested sending the Engineer's Report to
96 Supervisor Ratkowski, Mr. Harding and Ms. Peaty, stating that, at the CDD Board meeting, the
97 Board expressed interest in participating in the paver maintenance project, depending upon the
98 cost; and request that the HOA obtain the quote and in conjunction with the Report, the CDD
99 would then determine what costs the CDD was responsible for.

100 Mr. Harding expressed his understanding that the HOA was responsible for the asphalt
101 roadways and the CDD was responsible for pavers on top of the roads but the HOA maintains
102 the pavers. Mr. Fuchs stated that, under the Maintenance Contract with the HOA, the HOA is

103 not responsible. Mr. Harding questioned if the CDD is responsible because they own it and must
104 maintain it, as well. Ms. Wald stated that the CDD is only responsible for the pavers. Ms. Wald
105 explained that it depends upon who owns the pavers; if the CDD installed the pavers, the CDD is
106 responsible; however, if they are HOA pavers not paid for with CDD funds, it is the HOA's
107 responsibility. If the CDD installed pavers on the HOA-owned roadways, it is the CDD's
108 responsibility because the CDD paid for the pavers. If the Maintenance Agreement with the
109 HOA included all roadways, then it would be the HOA's responsibility but, because the
110 Agreement did not, it must be determined which portion of the pavers are CDD responsible for
111 and which are the HOA's responsibility. Ms. Cerbone stated that the CDD did not budget for
112 paver maintenance. Mr. Harding asked if the HOA was responsible for maintaining the roadway
113 under the pavers. Ms. Cerbone stated that the minutes, from a few years ago, stated that the
114 Board wanted to amend the Maintenance Agreement with the HOA but it never happened and
115 speculated that, if the HOA did not have an open litigation with the Developer, the Board would
116 most likely agree to amend the Agreement. Discussion ensued regarding whether the Board
117 wanted to discuss this with the HOA, amending the Agreement and whether it would disrupt the
118 current litigation with the Developer, whether the HOA budgeted for the maintenance costs, the
119 CDD budgeting for paver maintenance for Fiscal Year 2019 and reallocating those funds if not
120 used. Ms. Cerbone summarized that the recommendation was to modify the Maintenance
121 Agreement but it was the Board's decision.

122 Mr. Fuchs asked if the HOA could seek funding to fix something that it does not own.
123 Ms. Wald replied affirmatively; if the HOA changes the Agreement and enters into it with the
124 CDD, then the HOA will have obligated itself to perform repairs and maintenance. Mr. Harding
125 questioned if the HOA could require the builders to repair the pavers, if the HOA does not own
126 the actual pavers. Ms. Wald replied affirmatively; however, the builders could hold that the
127 HOA does not own the pavers. Discussion ensued regarding whether the HOA budgeted for
128 paver maintenance. Mr. Ratkowski would obtain an estimate, based on information contained in
129 the Engineer's Paver Report and forward to Ms. Cerbone to include in the proposed Fiscal Year
130 2019 budget. The line item would be titled "General Repairs and Maintenance".

131 Ms. Naim asked for any other changes to the proposed Fiscal Year 2019 budget. Mr.
132 Fuchs asked the District Manager if there were items in the budget that needed to be adjusted.
133 Ms. Cerbone stated Consumer Price Index (CPI) items typically increase; some line items will
134 increase slightly but many items remain consistent.

135 **FOURTH ORDER OF BUSINESS****Notice of General Election: November 6,
2018**

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138 • Official Candidate Qualifying Period: Noon, June 18, 2018 – Noon, June 22, 2018
139 ○ Candidates May Pre-Qualify Beginning June 4, 2018 at 10:00 A.M.

140 Ms. Cerbone reviewed the candidate qualifying and pre-qualifying periods. Candidates
141 are required to complete the required documents, which are located on the Palm Beach County's
142 Supervisor of Elections (SOE) website and file with the SOE's office. Mr. Fuchs asked the
143 difference between the pre-qualifying and qualifying periods. Ms. Wald explained the
144 documents become available on the SOE website during the pre-qualifying period and candidates
145 must file their completed documents with the SOE office during the date and time noted in the
146 qualifying period and not before.

147 Mr. Fuchs asked if the Notice of Qualifying Period was published yet, to prevent the
148 prior incident happening again. Ms. Cerbone stated everything would be prepared for
149 advertisement. Mr. Fuchs asked if it was necessary to run for a specific seat, if two seats were up
150 for election. Ms. Cerbone replied affirmatively.

151 In response to Mr. Fuchs question, Mr. Wald explained that Seats 3 and 4 were up for
152 election for four-year terms. Mr. Fuchs could qualify for Seat 4, which he currently holds, or, he
153 could qualify for Seat 3, if he wanted; however, he must resign his current seat to run for a
154 different seat and must submit his resignation letter before he could qualify. If he qualifies for
155 his current Seat, he would not have to resign. Ms. Naim stated that the only time candidates are
156 placed on the ballot is when more than one person runs for a seat.

- 157 • **Consideration of Resolution 2018-01, Implementing Section 190.006(3)(A)(2)(C),
158 Florida Statutes, and Instructing the Palm Beach County Supervisor of Elections to
159 Conduct the District's General Election [Seats 3 & 4]**

160 Ms. Cerbone presented Resolution 2018-01.

161 **On MOTION by Mr. Fuchs and seconded by Ms. Naim, with
162 all in favor, Resolution 2018-01, Implementing Section
163 190.006(3)(A)(2)(C), Florida Statutes, and Instructing the Palm
164 Beach County Supervisor of Elections to Conduct the District's
165 General Election, was adopted.**

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FIFTH ORDER OF BUSINESS**Discussion: Pressure Cleaning Pavers**

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170 This item was presented during the Third Order of Business.

171 SIXTH ORDER OF BUSINESS

Approval of Unaudited Financial Statements as of January 31, 2018

174 A. Check Register

175 This item was provided for informational purposes.

176 B. Invoices

177 Ms. Cerbone presented the Unaudited Financial Statements as of January 31, 2018.
178 Assessment revenue collections were at 96% and expenditures were expected to be under budget,
179 based on the number of meetings and the fees and the costs of the
180 “Management/accounting/recording” line item. In response to a question, Ms. Cerbone stated
181 that the fiscal year runs from October 1 through September 30.

**On MOTION by Mr. Ratkowski and seconded by Mr. Fuchs,
with all in favor, the Unaudited Financial Statements as of
January 31, 2018, were approved.**

SEVENTH ORDER OF BUSINESS

Approval of February 5, 2018 Regular Meeting Minutes

Ms. Naim presented the February 5, 2018 Regular Meeting Minutes and asked for any additions, deletions or corrections.

**On MOTION by Mr. Ratkowski and seconded by Ms. Naim,
with all in favor, the February 5, 2018 Regular Meeting
Minutes, as presented, were approved.**

EIGHTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Billing, Cochran, Lyles, Mauro & Ramsey, P.A.*

202 Ms. Wald stated, once the Florida Legislative Session ends, she would apprise the Board
203 of any changes that may affect the District.

204 B. District Engineer: *Schnars Engineering Corporation*

205 There being no report, the next item followed.

206 C. District Manager: *Wrathell, Hunt and Associates, LLC*

207 i. NEXT MEETING DATE: April 2, 2018 at 6:15 P.M.

208 Ms. Cerbone stated the April 2, 2018 meeting was scheduled but would not be held
209 unless there was a reason to hold it. She asked the Board to email her if they had any agenda
210 items; otherwise a cancellation notice would be sent seven days prior to the meeting date.

211 Mr. Fuchs asked if the Florida Legislature was discussing specific items that could affect
212 the District. Ms. Wald explained various situations that, besides certain specific items related to
213 the Districts, other changes affecting the District could be related to the website, public financing
214 and construction projects. The Board would be notified, via a memorandum, of any changes that
215 affect the District.

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NINTH ORDER OF BUSINESS

Public Comments

219 Mr. Harding asked for further clarification of a scenario of whether there was a way of
220 letting a candidate know multiple candidates were running for that one seat so they should run
221 for a different seat. Discussion ensued regarding whether candidates could discuss between
222 themselves to determine who would run for which seat, contacting the SOE's office to see if
223 someone else qualified for a seat, candidates submitting their paperwork on the last day and
224 candidates must run for the seat they qualified for and cannot switch seats. Mr. Fuchs, who is
225 the incumbent, asked about running for another seat if someone else qualifies for his seat. Ms.
226 Wald stated that he must resign his current seat before he could run for another seat.

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TENTH ORDER OF BUSINESS

Supervisors' Requests

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There being no Supervisors' requests, the next item followed.

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ELEVENTH ORDER OF BUSINESS

Adjournment

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There being nothing further to discuss, the meeting adjourned.

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**On MOTION by Ms. Naim and seconded by Mr. Ratkowski,
with all in favor, the meeting adjourned at 7:08 p.m.**

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Secretary/Assistant Secretary

Chair/Vice Chair

DRAFT