

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

The Board of Supervisors of the Osprey Oaks Community Development District held a Public Hearing and Regular Meeting on August 1, 2022 at 6:30 p.m., at the Clubhouse of Osprey Oaks, located at 7054 Muscovy Court, Lake Worth, Florida 33463.

Present were:

Meredith Naim	Chair
Jeffrey Fuchs	Vice Chair
Ken Naim	Assistant Secretary
Nick Patrona	Assistant Secretary
John Flaherty	Assistant Secretary

Also present were:

Daniel Rom	District Manager
Ginger Wald	District Counsel
Jeff Schnars (via telephone)	District Engineer
Aimee Melius	Resident
John Melius	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 6:33 p.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments

Mr. Rom thanked resident Aimee Melius for her assistance facilitating the preparation of the 20-Year Stormwater Management Needs Analysis Report on behalf of the HOA. He stated that Ms. Melius has questions about the Capital Infrastructure Report submitted in conjunction with the Needs Analysis Report.

Ms. Melius stated the HOA Board would like this Report to be completed more frequently. The Report is helpful because things, such as checking sewer drains, is not done regularly. Erosion was observed at Lake 3 and, while she was unsure whether it was checked

again since the Report was completed, the HOA was advised that the repair should be needed and the cost might be as much as \$160,000. While reserves exist, funds have not been reserved for this expense. In reviewing the Maintenance Agreement, she noted the possibility of asking the CDD for funds; the HOA is not looking to take additional loans. She asked what needs to be done immediately, within the next six months to one year, and what items can be deferred for the next five years.

Mr. Rom stated that lake bank erosion is a capital expense and is more of a CDD responsibility than the HOA. Ms. Melius' list of questions was emailed to Mr. Schnars.

▪ **Update: Schnars Engineering Corporation Engineer's Inspection Report on CDD Improvements**

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

Mr. Schnars presented the Engineer's Inspection Report on CDD Improvements and the accompanying Exhibits. He responded to questions and noted the following:

- The CDD-owned Surface Water Management System, including lakes, curbs, catch basins, pipes and swales, is operating as designed and is generally in good condition.
- Each catch basin has a sump designed to collect up to 18" of dirt before it enters the pipe; catch basins should generally be cleaned out when 12" of dirt has collected at the bottom.
- Approximately 12 structures require such cleaning.
- Several drainage structures need to be cleaned to remove gunite and concrete slurry mix extending into the pipe, likely due to pool construction after project completion.
- Another structure has 2' of dirt and a fence over the grate.
- Drainage swales are in good condition except for the blockages identified. The rear yard drainage system at the back of lots flows into a common easement and into catch basins; problems noted occurred due to regrading, pool construction landscaping in the 6' drainage easement.
- Lake slopes are generally in good condition except Lake #3, which has significant erosion likely due to wave action caused by wind.
- Water levels were low at the time of inspection, so the areas noted were visible.

➤ Roadways are not part of the CDD improvements but valley gutters are part of the drainage system. The curbs and gutters are in good condition except at the addresses listed. Repairing displaced curb areas is recommended due to it hindering water flow and being a trip hazard.

Mr. Fuchs presented pictures of flooding behind properties. He noted that private property improvements have extended into the CDD drainage easement and grading of the drainage swale has been altered, hindering or redirecting the flow of water in some locations. He stated that is difficult to determine despite visual inspection but it would be interesting to know if ponding is occurring potentially due to the flow of water being hindered and if people are complaining about these situations.

Mr. Schnars responded to questions regarding the drainage easements, ponding at certain properties, fence installations, swale grading, flow restrictions due to concrete slurry within pipes and how often catch basins and drains should be cleaned. Mr. Schnars stated inspections should occur every three years and only the drains identified in the Report should be cleaned. Ms. Naim requested a copy of the original Report that was completed in 2011.

Discussion ensued regarding the erosion/compliance issue at Lake #3, the slope, original water level, water quality, lake bank vegetation, remediation methods for Lake #3, geo-tube installation, CDD liability, potential penalties, the South Florida Water Management District (SFWMD) and crack replacement.

On MOTION by Ms. Naim and seconded by Mr. Flaherty, with all in favor, the Schnars Engineering Corporation Engineer's Inspection Report on CDD Improvements, was accepted.

▪ **Ratification of 20-Year Stormwater Management Needs Analysis Report**

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

Mr. Schnars presented the 20-Year Stormwater Management Needs Analysis Report, which was submitted to the County by the June 30, 2022 due date.

On MOTION by Mr. Naim and seconded by Mr. Fuchs, with all in favor, the 20-Year Stormwater Management Needs Analysis Report, was ratified.

THIRD ORDER OF BUSINESS**Public Hearing****A. Affidavit of Publication**

The proof of publication was included for informational purposes.

B. Consideration of Resolution 2022-03, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2022, and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Rom reviewed the proposed Fiscal Year 2023 budget.

A Board Member asked why the \$4,800 "Supervisors" compensation amount did not match the \$6,000 allotment on Page 2. Mr. Rom stated Staff allocated \$6,000 to reflect the six meetings that were previously calendared. Ms. Wald explained that the Statutes assert that the not-to-exceed amount should be \$4,800 per Supervisor, per year, not for the entire Board. Management will amend the language on the descriptions page.

On MOTION by Ms. Naim and seconded by Mr. Patrona, with all in favor, the Public Hearing was opened.

In response to Ms. Melius' question, a Board Member stated Elysium paid off the entire loan balance prior to turnover. Ms. Melius stated that the Lake #3 project would cost roughly \$160,000 and asked if it is possible for the CDD to use its reserves or unallocated funds to reimburse the HOA, as part of the Maintenance Agreement. She questioned the disparity between lot sizes in relation to the assessments collected from different unit types.

Discussion ensued regarding CDD loan balance discrepancies, frontage calculations, the bond validation/issuance process, the Special Assessment Methodology Report and Equivalent Residential Units (ERUs) being based upon square footage and utilization.

Ms. Wald stated that the Special Assessment Methodology Reports are all public records and copies can be obtained from the District Manager.

Ms. Melius stated that her taxes show multiple categories that residents are charged for by the CDD and asked if, in the coming budget year, the CDD can increase the reserves rather than impose an assessment, which would be significantly higher for residents in the 45 houses with larger lots than those in the remaining 126 lots. Ms. Wald stated, if Ms. Melius is asking the Board to change the budget today to set up sufficient reserves to proceed with rebuilding the Lake #3 banks for approximately \$160,000, to be reimbursed by the CDD, it cannot be done because another public hearing would need to be set. Mr. Rom stated, based on today's evaluation, there is approximately \$80,000 in Unassigned Fund Balance, which can be used for necessary projects, should the Board decide to do so.

A Board Member suggested that the CDD raise the \$160,000 to fund the lake project over two years, as that would be more palatable for residents than an assessment. Ms. Wald recommended that the CDD enter into a Joint Participation Agreement, wherein the CDD would provide funding to the HOA and the HOA can engage a contractor and proceed with the work.

The Board and Staff discussed the CDD budget system and assessments versus the HOA levying special assessments, amending the Joint Participation Agreement to include funding caveats, engaging a contractor and obtaining estimates for the lake project, project timing, taxes, the tax bill 4% early pay discount, possible hurricane damage to CDD-owned infrastructure, flood insurance and Federal Emergency Management Agency (FEMA) funds.

On MOTION by Ms. Naim and seconded by Mr. Patrona, with all in favor, the Public Hearing was closed.

Mr. Rom presented Resolution 2022-03 and read the title.

On MOTION by Ms. Naim and seconded by Mr. Patrona, with all in favor, Resolution 2022-03, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2022, and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date, as amended, was adopted.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2022-04, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Rom presented Resolution 2022-04 and read the title.

On MOTION by Ms. Naim and seconded by Mr. Patrona, with all in favor, Resolution 2022-04, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and Enforcement of Special Assessments; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

In response to Mr. Melius' question, Mr. Rom stated that the Fiscal Year 2023 budget could not be changed at this meeting because there would not enough time to prepare the assessment rolls, schedule another public hearing because assessments would be increased, and send Mail Notices to property owners by the mandated budget deadline.

FIFTH ORDER OF BUSINESS

Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2021, Prepared by Grau & Associates

Mr. Rom presented the Audited Financial Report for the Fiscal Year Ended September 30, 2021 and noted the pertinent information. There were no findings, recommendations, deficiencies on internal control or instances of non-compliance; it was a clean audit.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2022-05, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2021

Mr. Rom presented Resolution 2022-05 and read the title.

On MOTION by Mr. Fuchs and seconded by Mr. Naim, with all in favor, Resolution 2022-05, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2021, was adopted.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2022-06, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023 and Providing for an Effective Date

Mr. Rom presented Resolution 2022-06 and read the title.

Ms. Naim voiced her issues with the March and September meetings.

Discussion ensued regarding conflicts, potential changes and the Truth in Millage (TRIM) notices.

Ms. Wald stated the meeting schedule can be adopted and changed later. Staff will advertise all meetings as regular meetings.

The following changes were made to the Fiscal Year 2023 Meeting Schedule;

DATE: Delete "March 6, 2023" and "August 7, 2023" meeting dates

On MOTION by Mr. Patrona and seconded by Ms. Naim, with all in favor, Resolution 2022-06, Designating Dates, Times and Locations for Regular Meetings of the Board of Supervisors of the District for Fiscal Year 2022/2023, as amended, and Providing for an Effective Date, was adopted.

EIGHTH ORDER OF BUSINESS

Update: Schnars Engineering Corporation Engineer's Inspection Report on CDD Improvements

This item was presented following the Second Order of Business.

NINTH ORDER OF BUSINESS

Ratification of 20-Year Stormwater Management Needs Analysis Report

This item was presented following the Second Order of Business.

TENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of June 30, 2022

- A. Check Detail**
- B. Accounts Payable Invoices**

These items were provided for informational purposes.

Mr. Rom presented the Unaudited Financial Statements as of June 30, 2022.

On MOTION by Mr. Naim and seconded by Mr. Flaherty, with all in favor, the Unaudited Financial Statements as of June 30, 2022, were accepted.

ELEVENTH ORDER OF BUSINESS

Approval of April 4, 2022 Regular Meeting Minutes

Mr. Rom presented the April 4, 2022 Regular Meeting Minutes.

On MOTION by Ms. Naim and seconded by Mr. Patrona, with all in favor, the April 4, 2022 Regular Meeting Minutes, as presented, were approved.

TWELFTH ORDER OF BUSINESS

Staff Reports

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

Ms. Wald stated the Florida Legislature recently ruled on governmental entities publicizing meetings online, instead of in publications, which was the only ruling that would potentially affect the CDD.

- B. District Engineer: *Schnars Engineering Corporation***

There was no report.

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

Mr. Rom stated that the seats held by Mr. Patrona and Mr. Fuchs will expire in November. No residents qualified during the candidate qualifying period. The Board must wait until after the General Election before declaring the seats vacant and appointing new Board Members to those Seats. Ms. Wald stated that Mr. Patrona and Mr. Fuchs will remain Board Members until after the election.

- **NEXT MEETING DATE: September 12, 2022 at 6:30 P.M.**
 - **QUORUM CHECK**

The meeting scheduled for September 12, 2022 was canceled.

THIRTEENTH ORDER OF BUSINESS

Public Comments

Ms. Melius stated, as CDD Seats come up and meetings are scheduled, it would be helpful if the CDD Board and Staff keep the lines of communications open with the HOA's new Management Company to facilitate announcements.

FOURTEENTH ORDER OF BUSINESS

Supervisors' Requests

Mr. Patrona stated he forgot to qualify as a candidate to remain on the Board and asked if, in the future, Staff could email a reminder to the Board Members to qualify with the Supervisor of Elections (SOE) before the deadline. Mr. Rom confirmed that a reminder email was sent to both Supervisors pertaining to the deadline, along with instructions to contact the Palm Beach County Supervisor of Elections to qualify.

FIFTEENTH ORDER OF BUSINESS

Adjournment

There being nothing further to discuss, the meeting adjourned.

On MOTION by Mr. Naim and seconded by Mr. Patrona, with all in favor, the meeting adjourned at 8:22 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair