

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

The Board of Supervisors of the Osprey Oaks Community Development District held Public Hearings and a Regular Meeting on September 14, 2023 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:

Daniel Rom	District Manager
Ginger Wald	District Counsel
Aimee Melus	HOA
Robert Ventura	Resident
Victor Ospina	Resident
Carol Johnsen	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Naim called the meeting to order at 6:31 p.m. All Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comments

Ms. Aimee Melus stated she is attending on behalf of the HOA Board. She is looking for staff updates and open communication regarding the lake bank erosion project.

THIRD ORDER OF BUSINESS

Update: Lake Bank Erosion Project

Mr. Rom recalled previous discussion about needed lake bank erosion remediation for one of the CDD's lakes and distributed a copy of an email related to his discussions with the

HOA regarding this matter. At the last meeting, the Board's direction was that the CDD establish a budget line item for the upcoming fiscal year of \$100,000 as the CDD's contribution to the lake bank remediation project. The Board authorized Staff to work with Mr. Fuchs to negotiate a Joint Participation Agreement with the HOA and to discuss the proposal and vendor recommendation on behalf of the Board. This information was shared with the HOA. At this time, a Joint Participation Agreement is not yet in place. There was discussion with the HOA; the HOA's preference is to not expend legal fees related to this Agreement. From the CDD's perspective, there is a desire and a potential need for the Agreement, given the funds that would be contributed to this project. The HOA is eager to begin the project. The latest update from July 2023 is that the contractor requested a 40% down payment of approximately \$32,000. Although a special assessment might be necessary to recoup the funds, the project should not need to wait, as unassigned fund balance should be sufficient for the project to proceed, should an Agreement be in place. Approximately \$90,000 in projected assessment revenue is anticipated towards the end of the fiscal year.

Mr. Rom responded to questions and noted that the Agreement would be between the CDD and the HOA; the contract for lake bank remediation would be between the HOA and the vendor, and the CDD would provide funds for remediation.

Ms. Melus discussed the HOA's preference not to enter into an additional Agreement so as not to incur significant legal fees. She asked for the CDD to draft an Agreement and reimburse the HOA's legal fees associated with review of the Agreement. Mr. Rom stated that District Counsel provided a draft Joint Participation Agreement to the HOA in May or June 2023. Ms. Melus stated that the Management Company has not provided a copy of the Agreement yet. Mr. Rom stated the Agreement will be re-sent.

Ms. Melus noted that costs are rising and stated, while the HOA does not necessarily want to begin this project now, the estimates are significantly less than the District Engineer's initial estimates. She believes the next step is for the HOA to sign the Agreement with the vendor and provide that documentation to the CDD for review and direction regarding the deposit and whether the CDD prefers to reimburse the HOA or pay the vendor directly.

A Board Member stated that the CDD would have to pay the HOA.

Ms. Wald stated, in May 2023, the CDD Board directed that a Joint Participation Agreement be drafted to set forth that the CDD is proceeding with providing funds in a not to exceed amount of \$100,000 to the HOA. The Agreement between the HOA and the CDD provides for the CDD to pay the deposit amount and, when work has commenced, the CDD would issue a check directly to the HOA, subject to proof of the work being done. The Agreement also sets forth requirements for the work to be done, related to what needs to be done and why, and the requirement that the work be a Capital Project, rather than maintenance.

Mr. Flaherty questioned if the Board should approve the previous meeting minutes, as the Board is discussing what transpired at the last meeting.

Board Members had no objections.

▪ **Approval of May 1, 2023 Regular Meeting Minutes**

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

Ms. Naim presented the May 1, 2023 Regular Meeting Minutes.

Ms. Wald noted that the agenda package is sent before the meetings, to allow Board Members an opportunity to review the entire Agenda in advance.

Discussion ensued regarding line 217, which lists the following change to the proposed Fiscal Year 2024 budget and whether it was a “placeholder” to this meeting:

“Page 1, ‘Lake bank repair’ line item: increase to \$100,000”

Mr. Rom stated the amount can be reduced if the Board directs.

On MOTION by Mr. Flaherty and seconded by Mr. Naim, with all in favor, the May 1, 2023 Regular Meeting Minutes, as presented, were approved.

Ms. Wald stated the draft Joint Participation Agreement was drafted to give the HOA assurance that funds are available and allowing the HOA to enter into an Agreement with the lowest most responsive bidder, which in this case is below the threshold. If the Board would rather proceed with the HOA entering into an Agreement with the contractor, as long as it specifically takes care of the lake bank issues identified by the District Engineer and the

information is provided to the CDD, the CDD can provide funds directly to the HOA or to the contractor if the HOA so directs. She thinks the key for the CDD is ensuring that the contractor meets all the CDD requirements, including a Certificate of Insurance, licensure to do business in the State of Florida, and ensuring that the contractor is qualified and can perform the work. She stated the decision is completely up to the Board. She recalled that the Board previously motioned that not-to-exceed amount with a Joint Participation Agreement; the Board has the flexibility to change that, given the passage of many months.

Mr. Flaherty stated he has been fortunate to serve on both the HOA and the CDD Boards; he understands the need for an Agreement and trusts that the HOA Board will act in the best interest of residents. He voiced his opinion that the CDD's purpose is to provide the money for the HOA to maintain the roads, if necessary. He expressed his support for the HOA handling the repairs, as the CDD's partner, if the CDD just funds the project.

Mr. Naim recalled that the Board discussed this for almost two hours at the last meeting and voiced his opinion that it should not be changed or rehashed. He thinks that the amount budgeted is sufficient and the Joint Participation Agreement will allow the CDD to fund the project; he does not feel the need to discuss this again.

The Board and Staff discussed reimbursement of the HOA's legal expenses related to the Joint Participation Agreement and agreed that the HOA's reasonable expenses can be reimbursed.

Ms. Naim noted that the Agreement was already drafted and stated she supports the Agreement, as advised by District Counsel, to protect the interests of both parties.

Mr. Fuchs asked if the Board can agree that, if the Agreement is executed by the HOA, the funds can be transmitted, upon request, without Board action or another Board meeting.

Ms. Wald stated the Agreement specifically states that the CDD shall contribute a total amount not to exceed \$100,000 to the Lake Bank Restoration Project. All the HOA must do is request a contribution and provide proof of payment to the contractor; a provision will be made for a deposit, as previously discussed. Another meeting will not be necessary for payment to be issued.

A Board Member wanted to motion to engage the contract. It was noted that it is not necessary, as engaging the contract was approved at the last meeting.

Discussion ensued regarding the CDD’s use of fund balance to pay the deposit and the anticipated assessment revenues.

Ms. Wald suggested the Board consider approving a not-to-exceed amount for any review of legal expenses incurred by the HOA, if the Board wishes to consider it.

On MOTION by Mr. Fuchs and seconded by Ms. Naim, with Ms. Naim, Mr. Fuchs, Mr. Naim and Mr. Patrona in favor and Mr. Flaherty dissenting, authorizing reimbursing the HOA for legal fees related solely to this Agreement, as discussed, in a maximum not-to-exceed amount of \$500, was approved. [Motion passed 4-1]

FOURTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2023/2024 Budget

A. Proof/Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2023-05, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Rom presented Resolution 2023-05 and the proposed Fiscal Year 2024 budget, which is unchanged since it was last presented, with the exception of the addition of the previously discussed \$100,000 “Lake bank repair” line item.

Ms. Naim asked for the total estimated costs for lake bank repairs.

Mr. Rom stated the estimated cost for the repairs is \$80,696; he is not aware of any changes to the proposal.

The consensus was that ongoing lake bank repairs will be necessary; this estimate represents the needed repairs for the fiscal year.

Mr. Rom noted that most expenditures remained consistent. He noted that the audit fee increased \$200 for the year, which is a standard Consumer Price Index (CPI) increase.

Mr. Flaherty suggested increasing the legal budget. Ms. Naim noted that, while the budget can no longer be increased, they can reconsider that line item in the upcoming year.

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

No affected property owners or members of the public spoke.

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

On MOTION by Mr. Naim and seconded by Mr. Flaherty, with all in favor, Resolution 2023-05, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2023, and Ending September 30, 2024; Authorizing Budget Amendments; and Providing an Effective Date, was adopted.

FIFTH ORDER OF BUSINESS

Public Hearing to Hear Comments and Objections on the Imposition of Maintenance and Operation Assessments to Fund the Budget for Fiscal Year 2023/2024, Pursuant to Florida Law

A. Proof/Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2023-06, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date

Mr. Rom presented Resolution 2023-06, which enables the CDD to collect the assessments utilizing the services of the Property Appraiser and Tax Collector.

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

No affected property owners or members of the public spoke.

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

On MOTION by Mr. Naim and seconded by Mr. Patrona, with Ms. Naim, Mr. Fuchs, Mr. Naim and Mr. Patrona in favor and Mr. Flaherty dissenting, Resolution 2023-06, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2023/2024; Providing for the Collection and Enforcement of Special Assessments; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted. [Motion passed 4-1]

SIXTH ORDER OF BUSINESS

Presentation of Audited Financial Report for the Fiscal Year Ended September 30, 2022, Prepared by Grau & Associates

Mr. Rom presented the Audited Annual Financial Report for the Fiscal Year Ended September 30, 2022 and accompanying disclosures. There were no findings, recommendations, irregularities or instances of noncompliance; it was an unmodified opinion, otherwise known as a clean audit.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2023-07, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022

Ms. Naim presented Resolution 2023-07.

On MOTION by Mr. Naim and seconded by Mr. Patrona, with all in favor, Resolution 2023-07, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2022, was adopted.

EIGHTH ORDER OF BUSINESS

Update: Stormwater Drainage Inspections

- **6298 Vireo Ct**
- **6334 Vireo Ct**

Mr. Rom stated the two addresses were provided by the Property Manager; notices were sent to the property owners advising them to address encroachments into the drainage easement.

A Board Member noted that flooding occurs on one of the properties due to drainage from neighboring properties.

Ms. Melus discussed the efforts to remedy the issue and stated she believed that the flooding was remedied. Ms. Naim thanked Ms. Melus for her assistance and asked her to email her findings to Mr. Rom.

- **Du-All Plumbing Services Hydro-Jet Cleaning of Four Stormwater Drains**

Mr. Rom noted that the HOA shared its invoice for stormwater drain maintenance. On behalf of the CDD Board, Ms. Naim thanked Ms. Melus for the HOA’s attention to this matter.

NINTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of July 31, 2023

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

These items were provided for informational purposes.

Ms. Naim presented the Unaudited Financial Statements as of July 31, 2023.

On MOTION by Mr. Flaherty and seconded by Ms. Naim, with all in favor, the Unaudited Financial Statements as of July 31, 2023, were accepted.

TENTH ORDER OF BUSINESS

Approval of May 1, 2023 Regular Meeting Minutes

This item was presented during the Third Order of Business.

ELEVENTH ORDER OF BUSINESS**Staff Reports****A. District Counsel: Billing, Cochran, Lyles, Mauro & Ramsey, P.A.**

Ms. Wald stated her firm prepared two Memorandums that will be distributed. She discussed the new requirement for Supervisors to complete four hours of ethics continuing education by December 31, 2024 and each year thereafter. When Form 1 is filed in 2025, there will be a box to check to indicate the requirement has been met. Links to online course options will be provided.

B. District Engineer: Schnars Engineering Corporation

There was no report.

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

In response to Mr. Flaherty's question, Mr. Rom stated that monthly meetings were advertised, but only two meetings were scheduled. Additional meetings can be scheduled as needed. Ms. Naim asked Mr. Rom to email the advertised meeting dates to the Board.

Mr. Flaherty voiced his opinion that the Board should meet four times a year, at a minimum, and preferably six times per year. He voiced his opinion that holding only two meetings per year is fiducially irresponsible and stated that he wants no part of the infrequent meeting schedule. In his opinion, if the meetings were advertised, the Board should hold them.

Ms. Naim stated that the Board has never met more than six times per year. Over the interruptions and objections of Mr. Flaherty, Ms. Naim asked Mr. Flaherty to give the other Board Members the courtesy of sharing their opinions about the meeting schedule.

Mr. Patrona thinks that the list of advertised meetings should be provided. He voiced his opinion that the Board has a fiduciary responsibility not to meet more than necessary.

Mr. Naim agreed with Mr. Patrona and stated his feeling that it would be a fiduciary disservice to meet more often than necessary, thus incurring more Supervisors' fees, legal fees and other expenses, when there is nothing pertinent to discuss that cannot wait until the next meeting. If something comes up that needs to be discussed, the Board can hold a meeting. He stated that there has never been an urgent issue that the Board was not available to discuss

and noted that the debt service is essentially on autopilot. He voiced his opinion that two meetings would have been more than enough this year, were it not for the lake bank matter. He noted that there were no urgent issues in the last three months such that the CDD should have incurred costs to hold a meeting.

Mr. Fuchs expressed his agreement and stated meetings are advertised in case they are needed but not held if there is nothing to discuss.

Ms. Naim stated that, since the very beginning when she became a resident, she felt that meeting 12 months out of the year felt very inefficient and rude to residents. She noted that the CDD pays Supervisors' fees, legal fees, Staff fees and costs associated with report preparation. In her opinion, meeting more than two to three times maximum per year is a disservice to the community; however, should an emergency arise, the Board Members have committed to make the time to address matters, as they vowed to do when they ran for their Seats. She stated that she would like for members of the public to know that all Board Members ran unopposed in the last election and were effectively elected to their Board seats because they ran unopposed; since there were no other candidates for each seat, the residents did not actually vote on the General Election ballot. She stated that most Board Members attended CDD meetings before they were elected so that they would be educated and able to help the community. She invited attendees to visit the CDD website or to consult Mr. Rom with any questions.

- **NEXT MEETING DATE: May 6, 2024 at 6:30 P.M.**
 - **QUORUM CHECK**

Ms. Naim stated the next meeting is scheduled for May 6, 2024. The list of advertised meetings will be emailed to the Board and, should an additional meeting be necessary, one can be held. She cautioned Board Members not to click "Reply All" to emails.

Mr. Rom asked the Board Members to let him know if they want printed agenda books rather than tablets. Ms. Naim asked that the agenda page continue to be provided.

A Board Member asked for clarification of the meeting dates.

Ms. Wald outlined the CDD's legal advertisement requirements. She stated that, before each fiscal year, the Board is required to agree upon a slate of meetings, which was done at the

last meeting. The next requirement is for meetings to be advertised. If a slate of two meetings is advertised and another meeting is needed, that meeting will be called a “Special Meeting” and another advertisement will be necessary. She noted that the cost for individual advertisements is very high so this CDD is more cost-conscious by advertising all meetings in a single advertisement. She noted that the CDD has currently advertised meetings on October 2, 2023; November 6, 2023; December 4, 2023; January 8, 2024; February 5, 2024; April 1, 2024; May 6, 2024; June 3, 2024; July 1, 2024 and September 9, 2024. Those are the advertised and approved meeting dates; the only way to avoid confusion about cancelling meetings is to advertise fewer meetings.

Mr. Rom stated that the calendar invites for the two meetings are sent only to the Board Members; residents do not receive them.

Ms. Naim asked Mr. Rom to email the HOA Board to inform them of the only dates on which the CDD will meet, unless there is some form of emergency.

A Board Member asked if the HOA publishing incorrect dates presents a legal problem.

Ms. Wald stated the HOA acts independently.

TWELFTH ORDER OF BUSINESS

Public Comments

No members of the public spoke.

THIRTEENTH ORDER OF BUSINESS

Supervisors’ Requests

There were no Supervisors’ requests.

FOURTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Patrona and seconded by Mr. Naim, with all in favor, the meeting adjourned at 7:38 p.m.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]



Secretary/Assistant Secretary



Chair/Vice Chair