

MINUTES OF MEETING
DEER RUN COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Deer Run Community Development District was held Wednesday, February 23, 2022 at 3:00 p.m. at the Island Club, 501 Grand Reserve Drive, Bunnell, Florida.

Present and constituting a quorum were:

Robert Porter	Chairman
Mark Dearing	Vice Chairman
James Teagle	Assistant Secretary
Gail Lambert	Assistant Secretary
David St. Pierre	Assistant Secretary

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel by telephone
Peter Amans	District Engineer by telephone
Heather Chambliss	Facility Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Porter called the meeting to order at 3:00 p.m.

SECOND ORDER OF BUSINESS

Public Comments

A resident stated 5G, we don't have a tennis court and 6, resident parking on CDD property. Does that include contractors parking? They park outside these mobile homes every day and they have a parking lot right there.

Mr. Porter stated we are going to talk about parking on the CDD's property, not the public streets because that is governed by the City of Bunnell.

A resident asked why all the tree removals?

Ms. Lambert stated there are four trees that are distressed and dying. I will talk about the holly trees when we get to the proposals.

A resident asked are you going to schedule any evening meetings?

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Mr. Porter stated we can talk about that at the end of the meeting. There are some CDDs that have meetings that go five hours and I like to keep things moving.

THIRD ORDER OF BUSINESS

Discussion Regarding Streetlights

Ms. Lambert stated we had a streetlight discussion as reflected in the minutes of the last meeting on pages 6-8, regarding placement, number, agreement with FPL and we left it that Mark was going to look into it.

Mr. Porter stated basically the way they get located in the new sections is the engineer has been laying out the spots for them. Our guys check to make sure they make sense. Generally, they are near transformers and areas that have sidewalks where we think people are going to walk.

Ms. Lambert stated Phase 2, which is a new area, all the streetlights are not on the sidewalk side, the streetlights are also in the middle or the residents' front yard just outside the house, nowhere near the sidewalk and there are transformers on the sidewalk side. We discussed at the last meeting we don't want that in the future because there is nothing we can do about the existing streetlights.

Mr. Porter stated because we had the discussion, Joe Walter in our office is going through the plans to make sure where they are next time.

Ms. Lambert stated the 24 that were in the original phase that was started with the former builder, we are inheriting a situation with old lights, old agreements and FPL is unwilling to update the lights because of the existing debt, which we are paying off.

Mr. Porter stated I want to thank you. Gail has spent a lot of her time contacting the city, contacting FPL and going out to see what is actually in the field and so forth and as a result we will do a better job going forward.

FOURTH ORDER OF BUSINESS

Ratification of Yellowstone Landscape Proposal for Replacement of Non-Functional Jockey Pump

On MOTION by Mr. Dearing seconded by Mr. Teagle with all in favor the proposal from Yellowstone Landscape for replacement of non-functional jockey pump was ratified.

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FIFTH ORDER OF BUSINESS**Consideration of Yellowstone Landscape Proposals****A. US 1 & 100 Entrance Annual Beds Landscape Enhancement**

Ms. Lambert stated we talked to Yellowstone about replacing the annuals with perennials and the cost should be covered by the credit we get from the annuals.

Item B, they are going to prune the oak trees along Grand Reserve.

Item C, the two oak trees on the left side of the building are stressed and I don't recommend replacing them with oak trees. I said just leave this one for now and see how the oak trees do this summer. If we consider removing them, we could replace them with a couple of the holly trees that we are going to have to take up by the pickleball court. We need to look at that a little bit further.

Item D, we could leave the oak trees, the cypress tree is dying and needs to be removed.

Item E, at the moment there are juniper plants that are struggling and dirt that when the sprinklers are on regularly in the summer it is muddy. Long term it would be nice to have the rock replacement.

Mr. St. Pierre asked can we get another proposal from an outside firm other than Yellowstone? Yellowstone seems to charge us \$55 an hour for everything. I'm sure we can find other landscapers who can come in and do the job for a lot less than Yellowstone. Yellowstone seems to be the premier company we use and Yellowstone gets everything. I think we need to start going with other people who will better serve our needs in the long run and might save us a lot more money.

Ms. Lambert stated at the last meeting we had a proposal from Corey Enterprises that was more expensive than Yellowstone. There aren't many commercial landscapers in the area.

Mr. St. Pierre stated on that scale I agree with you but only because Yellowstone reformatted all their pricing to come underneath Corey. We are dealing with \$55 an hour for anything they do and I know there are a lot of hungry people out there who would love to do some work in here and would do it for less money. I think we should put this aside. I don't think anything we have to do besides pumps needs to be done today and we are going to meet again next month. I'm sure most of the people in this room would love to save money, they don't want to reach into their pockets anymore. I think we should table all the Yellowstone proposals except for the pumps that have to get done.

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Mr. Porter stated I have no problem getting another price. One thing to keep in mind is if Yellowstone does it, they are going to guarantee it and if the plant dies in three months or six months then they are going to take care of it. If we get someone new to come in and do it, and I have had this happen to me before, if the plant dies they are going to say Yellowstone didn't do a good job on fertilizing or irrigation or whatever. We will just do the pump work if that is okay with the board.

Ms. Lambert asked who is going to get proposals?

Mr. Oliver stated I will get with Ernesto after this meeting and get proposals.

Mr. Porter stated David, if you have somebody specific that you know has done a good job that you think would give us a good price, let Jim know. We will move ahead with the pump and rebid the rest of it.

Ms. Lambert stated we are paying Yellowstone for the annuals and item A was to be credited for that money.

Mr. Porter stated we will move ahead with the pumps and item 5A.

B. Oak Tree Pruning Along Grand Reserve

This item tabled.

C. Amenity Center Oak Tree Removal & Replacement

This item tabled

D. Amenity Center Oak Trees & Cypress Tree Removal

This item tabled.

E. Bocce Ball Court Rock Installation

This item tabled.

F. Shaft Seal Pumps 1 & 2 Replacement

This item tabled.

G. Pickleball Court Holly Trees Removal

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This item tabled.

SIXTH ORDER OF BUSINESS

Discussion of Resident Parking on CDD Property

Mr. Porter stated this comes up on a regular basis. Do we have some specifics?

Mr. St. Clair stated the car problem up front is a safety situation. It is the employees of Horton that are parking up front and there is a whole parking lot out here. We would like some help in getting them to park over here so we don't have one-way traffic on the street. Unfortunately, nobody follows the 25-mph limit.

I didn't take pictures on a lot of CDD property throughout Grand Reserve and we do have to remind our residents that they can't park on CDD property. We need to address it.

Ms. Lambert stated it is not just residents, people park on the grass and fish in the ponds, they parked on the golf course the other day. They leave trash behind and damaged someone's yard with their truck.

Mr. Oliver stated Gail and I corresponded by email today and she brought up the parking policies. I brought today a copy of parking policies from another district. These policies are simple, include a map as an exhibit designating CDD owned common areas, and details which areas are authorized for parking, and which areas in which parking is not allowed.

Mr. Porter stated signs are a big help in areas where you have a problem. Most of the areas we don't have a problem. Do we want to adopt these policies?

Mr. St. Pierre stated the next meeting is only four weeks away and we can get more feedback from the community before we adopt these policies.

Mr. Porter stated if you will get with our management team and show them the locations where there is a problem, we can do this at the next meeting.

SEVENTH ORDER OF BUSINESS

Update Regarding Night Swimming Permit

Ms. Chambliss stated I met with the architect and there was another light test done on the amenity center and it looks like a good resolution to the situation is to get new heads for some of our light poles to be able to aim it to the area we are trying to target a light on.

Mr. Teagle stated it looks like there are only two light poles that need heads reangled or replaced.

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EIGHTH ORDER OF BUSINESS**Update Regarding Transfer of Property to City of Bunnell**

Mr. Porter stated I saw an email recently from someone at the City of Bunnell saying they shouldn't have to take over the streets. My intent would be to talk to the folks at the city and tell them everybody is paying the same taxes everybody else in Bunnell does and for us to maintain one of the streets when no one else in the city does seems unfair to me.

Ms. Buchanan stated the establishment petition concept was that all the roads would go to the city and then all the roads, part of the main drag, has in fact been dedicated to the city, it is only a portion that has been retained by the CDD based on a plat dedication. We have been in correspondence with both the city manager and the city attorney whose recommendation to the city is to not take the roads. It sounds as though the board would like to not let the issue lie and maybe continue to try to reach out to contacts at the city to see if we can convince them to take that property for consistency of ownership and maintenance.

NINTH ORDER OF BUSINESS**Consideration of Retention and Fee Agreement with Kutak Rock LLP**

Mr. Porter stated Katie is with Kutak Rock and was with Hopping Green & Sams who was counsel for the district for a long time, but Hopping Green has gotten out of that business and Katie and the folks we are used to working with are with Kutak Rock and we need to have an agreement with them. We are keeping the same people, paying the same fees that we always have.

Mr. St. Pierre asked would we not be better served if we paid one price annually with a law firm? This is all hourly rates and sometimes the hourly rate gets out of hand, sometimes we use more than we should. The City of Bunnell uses one attorney and pays a flat fee annually. Would we be better served in the long run to have a flat fee for the year and hire somebody that is going to take care of us?

Mr. Porter stated I don't know what agreement the City of Bunnell has, but for the most part it is hard to get any professional who is going to sign up and say I will work as many hours as I have to. If the city gets into a lawsuit, they are paying more than their regular retainer. This is a very specialized discipline and I would not want to just hire a local firm because they will not know all the rules involved in CDDs. Katie, would you consider doing an annual fee basis?

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Ms. Buchanan stated I think we would, it would probably be something we would want to look at in conjunction with your next year's budget. My thought initially is that if we were able to come to an agreement on a flat fee amount there would be a carve out for things like litigation or exceptional legal problems. There is no way we could commit to an everything for a flat fee, but for your general work, your general meetings, general contract work, amenity letters, we can certainly give you a flat fee option if that is what the board is interested in.

Mr. Porter stated that is fine, if you will give us a proposal we can decide if that works better. In the meantime, we need to go ahead and approve this agreement so that we have our district counsel signed up.

On MOTION by Mr. Dearing seconded by Ms. Lambert with all in favor the retention and fee agreement with Kutak Rock LLP was approved.
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TENTH ORDER OF BUSINESS**Consideration of Work Authorization No. 2022-1 from Dewberry Engineers, Inc. for Stormwater Needs Analysis**

Mr. Porter stated a stormwater needs analysis is now required by the State of Florida.

Mr. Amans stated this is a new Florida Statute requiring all CDDs to do this work, it includes some field work and producing some reporting and mapping for a 20-year needs analysis as well as a five-year plan for future work. We also had a look at expansion of the CDD if it is going to have additional facilities in the next five or twenty years. An initial submittal has to be done by June 30th to the county.

Mr. Porter asked are the hourly rates the same as our normal contract with you?

Mr. Amans responded yes.

Mr. St. Pierre asked was this budgeted for this year?

Mr. Oliver stated no.

Mr. St. Pierre stated so this is an additional cost to us.

Mr. Oliver stated yes. For all CDDs in the State of Florida, this is an unfunded mandate that the legislature passed.

Mr. St. Pierre asked has this been put out to bid? Can Dewberry do better or would we do better someplace else?

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Mr. Oliver stated it is a not-to-exceed cost based on an hourly rate. We can ask Dewberry to sharpen their pencil and we can certainly request proposals from other firms.

Mr. Amans stated I hear from CDD managers that this is below other engineering firms. Do keep in mind that it is required to submit it to the county by June 30th and it requires some work to be done. If there is a way to make a decision prior to the next meeting so there is time for the work to be done, if you wait until the next meeting to authorize this, we may not have enough time to do the work, or any other engineer.

Mr. Porter stated that makes sense. Let's ask a couple of engineers and tell them we have to have a proposal within two weeks that will give them enough time to look at it. I would ask the board to authorize me to go ahead and sign the best proposal.

Ms. Buchanan asked Peter, is your price set or is it something you think you can adjust today? I only ask that from a sense that we will have a short amount of time and I think the odds of finding another engineering firm that is going to be unfamiliar with the project and interested in coming in take what is a relatively low value project without a lot of long term commitment are not good.

Mr. Amans stated we are doing this as time and materials with a budget of \$14,000, which means if it requires less time to do that is what we are going to bill. If we had a fixed fee we would charge the fixed fee no matter if it took us half the time or over time. This is a budget.

Mr. Porter stated Katie has a good point, it is going to be hard to find an engineer that even wants to do it.

Mr. Dearing stated there is also a learning curve that we are going to pay for.

Mr. Amans stated I'm not trying to sell something here. I have enough to do already. This price also includes our familiarity with the district. We have done business with the CDD before, we regularly see the stormwater system so that is all built into this price. For an engineer who has never done anything with the district, doesn't know their records, has to look up permits and all that stuff, I highly expect it to be higher.

Mr. Porter asked if we give you an answer in two weeks will you still have time to get it done?

Mr. Amans stated let me figure that out by the end of the meeting. I will have to talk to my field people, and try to get you an answer before the end of the meeting.

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Mr. Dearing asked in case he is not able to, should we go ahead and authorize you to strike the best deal not to exceed this amount?

Mr. Porter stated if that works for everybody.

Ms. Buchanan stated I have seen these in other districts and Prosser’s proposed one last night, they are out of Jacksonville and their price was a lump sum of \$80,000 and not to exceed time and materials of an additional \$6,500. ETM has been coming in between \$10,000 and \$12,000. I think if that helps you with context and gives you some comfort that what other firms are offering, ETM’s is a lump sum and they have a form and a large staff that they can dedicate a single person to do all this. They are at the low end so I wouldn’t expect the same price.

Ms. Lambert stated we can make a couple phone calls and see where we get and we may not get anywhere. At least we can do that and come to some type of decision.

Mr. Amans stated keep in mind that engineering services by law cannot be determined based on a low bidder.

Mr. Porter stated when we go out for engineering services it is based on qualifications then you negotiate a price. We work with a a lot of engineers the numbers they have in here for hourly charges are in line with most engineering firms. It is not unreasonable.

Ms. Buchanan stated in this case since it is a planning activity and is under \$35,000, I believe it is exempt from the CCNA (Consultants Competitive Negotiation Act), but that is only because of the price level we are at. Should this be a higher amount we would certainly be held to the CCNA process.

On MOTION by Mr. Dearing seconded by Mr. Teagle with four in favor and Mr. St. Pierre opposed the chairman was authorized to review additional proposals and to contract for the stormwater needs analysis report in an amount not to exceed \$14,000.

ELEVENTH ORDER OF BUSINESS

Consideration of Work Authorization No. 2022-3 from Dewberry Engineers, Inc. for Public Facilities Report

This item tabled.

TWELFTH ORDER OF BUSINESS

Discussion of Amenity Center Policies Regarding Operating Hours of Pickleball Court

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Ms. Chambliss stated I know that pickleball has been an issue since before I came, then we got the keypads, but unfortunately, they are not being used properly.

Ms. Chambliss outlined the issues she and her staff have encountered with residents not using the key cards, unauthorized use by non-residents and the number of guests.

Mr. Porter stated thank you and I think everyone who knows you knows you spend a lot of time trying to make sure everything around here is working like it ought to and making sure that things are safe and we all appreciate that.

Mr. St. Pierre stated since the courts have been reopened and we have the sign-in the ratio of guests to residents has been perfect or under. As long as the per guest ratio is being respected, I don't see the problem.

Residents discussed people climbing over the fence, use of the key card, residents need to be vigilant in reporting non-resident usage, report incidents to Heather, one court per household, setting up an activities committee, signage, communication, hours of all amenities, online reservations, residents will self-police.

THIRTEENTH ORDER OF BUSINESS Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

D. Amenity Manager

There being none, the next item followed.

FOURTEENTH ORDER OF BUSINESS Supervisor's Requests

Mr. St. Clair stated I would like to give a little more background to RMS and their relationship to GMS. It seems to be a conflict of interest, that the same ownership owns GMS

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and RMS and we are paying twice for the same services with regard to amenity salaries. I bring this to the board so it is on the record. I have started the process with Ernesto. I was hoping he would be here so we could finish the conversation, but there is a huge gap and we are paying a lot of money out to RMS that I don't believe we should be just because they control the labor side of the amenity center to the tune of \$20,000 to \$25,000 that is required. I put that on the table.

We did have an informal meeting of the residents advisory council. We got a group of people together like this and sat around one night and talked and there are minutes of that, and it will tell you all the issues we talked about. Please take a copy, please talk to us about it and also we would like to get that started and start running a residents advisory council so when we come to these meetings it is a little more organized from the resident's standpoint and we are taking up a lot of time versus having discussions here. I want to get away from that.

FIFTEENTH ORDER OF BUSINESS Public Comments

A resident stated you said something that got under my skin. I'm retired from the headquarters of the Marine Corps, and when I let a contract and a guy submitted his bid, those bids should be opened in public at the same time. They come in, they give you the bid, he comes in and gives you a bid at the same time. I don't think Yellowstone did.

Mr. Porter stated I don't like the idea of shopping bids on things either. I don't know exactly what happened. We do expect our management company when they get bids to go through them ahead of the meeting, but they shouldn't be sharing one person's bid with another.

Ms. Lambert stated I was the one who got the bid from Corey and no one saw that bid before the meeting.

A resident stated I live in the Links and probably half a dozen times in the last two months they have had up to 8 – 10 construction trucks and flat beds parking in front, you have to weave around and go through the exit. Last week my wife was blocked and couldn't make it to a doctor's appointment on time because they had both sides of the street blocked right where the turnoff is. Why are they using the turnaround for the post office for D.R. Horton's truck parking?

Mr. Porter stated unfortunately, it is not necessarily going to be the same driver for a sub or vendor each time so this is something we have to keep telling them. We will send out

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something to remind them of that and I will address that. Next time you see that send me an email. The more information we have the easier it is.

A resident asked is the turn lane on 100 coming into the development CDD or is that Bunnell?

A resident stated there is a pothole there.

Mr. Porter stated that is a state road so that is FDOT. You can contact FDOT they have maintenance crews that usually do a good job if you let them know there is a problem.

A resident stated I'm a new resident and there is some confusion and I would like to have the CDD publish somewhere the by-laws or the rules that govern the CDD. I don't know if they are called by-laws but somewhere there is a document where it says there are going to be five directors, how much they are going to be paid, when they are elected, who has voting rights.

Mr. Porter stated it is all online at deerruncdd.com. The way the rules work for elections and we talked about how we qualify engineers, most of that is governed by Florida Statutes. After six years and this CDD is way older than that because it was a failed project that sat here for 8 or 10 years. Initially it is a landowner election, Horton owns all the land and put all the board members on it. After you get 250 registered voters then at the next general election two of the seats are residents only and they are only voted on by the residents. Two years later, two more seats and two years after that the last of the landowner elected seats is up. We have two seats that will be on the ballot and if you are interested in being on the board you can qualify at the supervisor of elections office.

Mr. Oliver stated the best source of information for many of your questions is to refer to Chapter 190, Florida Statutes and it covers in detail many of the questions you just asked. Chapter 190 is uniform for all CDDs across the state.

A resident asked what happens when the original developer went out of business and Horton took over from them?

Mr. Porter stated a CDD is a unit of local government. When Horton took over the majority of the property, Horton had enough votes to put the majority of the board members on, we really didn't have a board back then. When Horton took over there were six houses that had been built in here and that was all. The CDD did almost nothing, a little mowing and that was it because it had no money.

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A resident stated you mentioned the transfer of this road to the city has been discussed for two years. What I heard today is that you are going to continue to do the same thing that you have done for two years. I would ask the board before the next meeting define what you are going to do different to get this moving. If you do the same thing over and over again you are going to get the same result.

A resident stated at the last meeting you said you would have the holly trees by Grand Reserve Boulevard and Grand Reserve Drive trimmed but nothing has been done.

A resident stated the people next door sold their house and a surveyor came and I asked why the streetlight was in their front yard and he said they have a 25 foot easement from the middle of the street each way and they can do what they want in that area.

SIXTEENTH ORDER OF BUSINESS Approval of Consent Agenda

- A. Approval of the Minutes of the November 17, 2021 Meeting**
- B. Balance Sheet as of January 31, 2022 and Statement of Revenues and Expenses for the Period Ending January 31, 2022**
- C. Assessment Receipt Schedule**
- D. Approval of Check Register**

SEVENTEENTH ORDER OF BUSINESS Next Scheduled Meeting – 03/23/22

The meeting adjourned at 4:47 p.m.

DocuSigned by:

James Oliver

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Secretary/Assistant Secretary

DocuSigned by:

Bob Porter

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Chairman/Vice Chairman