

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, October 23, 2024 at 6:00 p.m. at the Island Club, 501 Grand Reserve Drive, Bunnell, Florida.

Present and constituting a quorum were:

David St. Pierre	Chairman
Andre Poulin	Vice Chairman
Greg Dean	Supervisor
Gary Garner	Supervisor
Shannon Martin	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Rich Gray	RMS
Alison Mossing	RMS
Natalie Clem	RMS
Michelle Wichman	Bunnell Police Department
Franklin Gates	Supervisor Elect
Barbara DeSantis	Candidate
Melissa Tabares	Candidate

FIRST ORDER OF BUSINESS

Roll Call

Mr. St. Pierre called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comments

A resident stated I know you are looking at new management. I would like to say that Natalie, Rich and Kayla have been absolutely fantastic. I think you are making a big mistake if you get another management company. They are awesome.

A resident stated my kids participate in all the activities we do up here and we appreciate all the work they do.

October 23, 2024

Deer Run CDD

A resident asked will you explain why you are looking at thinking of getting rid of the company?

Mr. Dean stated I initiated it last January. We cannot talk to one another about things we might be voting on at the meeting, between meetings; it has to be at a public meeting. In my career and my associations with HOAs up north, I have always sent out for bids yearly or every two or three years whatever the contract is whether it be a management company or anything else. For the last two years we have tried to get multiple bids on whatever work we are getting done. In preparing for the budget I started talking to different companies about what is out there and it snowballed into what we are doing tonight. GMS has been associated with this CDD since 2007 so all we know is GMS

A resident asked so there are no complaints about the current company it is just throwing out the bids to see what is there?

Mr. Dean stated there are things that I would like to see different. There are two pieces of what we are looking at, the amenity center which is about 25% and the financials insurance and repairs is about 75% of our budget. Most people in the community don't see it but there is a lot more to it besides Yellowstone and the irrigation.

A resident asked where do we stand on irrigation? I thought we were told it was going to come on today and now it is until further notice. What is the issue?

Mr. Dean stated the most recent episode was an electrical surge that damaged equipment in the control cabinet so we cannot run either pump. The new cabinet will give us redundancy so a single occurrence won't take it out.

A resident stated when we hired the irrigation company that is working on our system, did we have an open bid for it? Who was in charge for hiring that company?

Mr. Dean stated three years ago we had problems with the irrigation system. There was no expertise to be found within the management company. Several of your neighbors who had expertise got involved in this area. Andre, myself, Pete, a number of residents. We hired one company to do a motor job, they were not fit to perform that function and we found M&M Pumps and he has the most expertise for the type of equipment we have. We are still waiting for the last couple of pieces of equipment to finish the job and we anticipate in the next two to three weeks for the system to come down and everything except pumps and motors will be replaced.

October 23, 2024

Deer Run CDD

THIRD ORDER OF BUSINESS

Consideration of Proposals Received in Response to RFP for District Management Services

Ms. Buchanan stated you have representatives from the three companies that responded to the RFP. As a reminder this is an informal process so there are no bid protest rights associated with it. We did the RFP because we wanted to make it easier for the board to review apples to apples responses. To the extent that there may be a divergence, specifically Inframark’s bid came in at 3:15 when we asked for it by 2 and they attributed it to the hurricane, that is okay if you are comfortable with that. Each company will give a presentation that highlights their company and their proposed approach to managing the district and you have the ability to do a Q&A.

Representatives of GMS, Inframark and Vesta gave a presentation on their company, proposal and personnel, followed by a Q&A. After which the representatives of each company left the room and was not present for board discussion or any action to follow.

The board then discussed the cost of increased amenity staffing, take the information to the next board for their decision, unhappy with GMS, did not invest in state fund as directed, extra amenity staff not budgeted for next year, lack of maintenance records, unable to see invoices before they are paid, unhappy with building maintenance, employee turnover, manager needs more flexible schedule not Monday to Friday 9 – 5, set expectations in new contract, better communication,

Mr. Garner moved to approve a contract with Vesta Property Management and to terminate the GMS contract for district management and amenity management tonight to be effective November 22, 2024 and Vesta to start November 24, 2024. there being no second, the motion died for lack of a second.

Mr. Garner moved to approve a contract with Vesta Property Management and to terminate the GMS contract for district management and amenity management to be effective 60-days from tonight and there being no second, the motion died for lack of a second

Mr. Dean stated I won’t second it because of the dollar amount. I don’t think that would be fiscally responsible.

October 23, 2024

Deer Run CDD

Mr. Poulin moved to table all discussion of changing management companies until a new board is established and able to review all the numbers, all the information and Ms. Martin seconded the motion and with two in favor and Mr. St. Pierre, Mr. Dean and Mr. Garner opposed the motion failed.

Mr. Garner moved to approve a contract with Inframark for district management and amenity management and give them 60 days to do the transition, and there being no second the motion died for lack of a second.

Mr. Dean moved to approve a contract with Inframark for district management services with a 60-day transition and keep RMS for the amenity management Mr. Garner seconded the motion.

Mr. Poulin asked do we know if RMS will do that?

Mr. Dean stated they have a separate contract than GMS now. They have the ability to terminate their agreement if they don't want to. We heard from the community that they like the staff and what is going on at the amenity center.

Mr. Poulin asked hypothetically, what happens if RMS says, no, they are not interested in doing that?

Mr. Garner stated you have two more companies to look at for the amenity center.

Mr. Dean stated each one has broken it down to management and amenities. If RMS say that they will use the 30-days to opt out, we will call one of the other companies.

On voice vote with three in favor and Ms. Martin and Mr. Poulin opposed the motion passed.

Ms. Buchanan stated just for clarification, the operations portion stays with RMS.

Mr. Garner stated yes. So, that's the landscape. I think that scope was revised, that portion went to RMS.

Mr. Dean stated it is in the GMS agreement.

Ms. Buchanan stated the way we bid it. I want to make sure we are all on the same page so that means the ops portion stays with RMS.

October 23, 2024

Deer Run CDD

Mr. Garner stated yes.

Ms. Buchanan stated when they come back, I would reiterate your decision and explain to the extent you are willing or able or want to how you got there and thank everyone for their time.

Mr. Garner asked does the district have to send a formal letter to GMS telling them?

Ms. Buchanan stated yes.

Mr. Garner asked will you take care of it?

Ms. Buchanan stated yes.

The board took a short recess after which the meeting was reconvened.

FOURTH ORDER OF BUSINESS **Engineer's Report**

A. Update Regarding Remediation Timetable and Costs

B. Work Authorization for General Engineering Services

This item tabled.

FIFTH ORDER OF BUSINESS **Board Consideration of Landscape Maintenance Approval**

Mr. Gray stated this was a placeholder for the RFP. You discussed in previous board meeting about doing an RFP for landscape maintenance.

Mr. Garner stated I finalized the RFP and sent it to the board members plus Ms. Buchanan. I haven't gotten a response from any of them so I presumed it was good to go. I want to go out with the proposal so this board can vote on that in January. I am already up to four companies.

Ms. Buchanan stated we will have to advertise it because it is such a high dollar amount. The advertising period is only seven days, it is just that you want to make sure that everyone has plenty of time to come to the grounds and ask questions, have a pre-bid meeting.

Mr. Garner stated if I go out with it next week, this week I should notify you on what day I want to send the email out to the companies, correct?

Ms. Buchanan stated I'm happy to have our office do the collecting too. I will get with you.

October 23, 2024

Deer Run CDD

SIXTH ORDER OF BUSINESS

Board Consideration of Capital Reserve Study Proposals

Mr. Oliver stated you have proposals in our agenda package from Custom Reserves, Reserve Advisors and Community Advisors.

On MOTION by Mr. St. Pierre seconded by Mr. Dean with all in favor the proposal from Community Advisors LLC to prepare a capital reserve study in the amount of \$4,600 was approved.

SEVENTH ORDER OF BUSINESS

Board Consideration of Fitness Equipment Replacement Proposals (lease vs. purchase)

Mr. Garner stated since the last meeting I was told we were good to go with that stuff.

Mr. Gray stated we had all discussed possibly replacing the gym equipment as it is older equipment. There is nothing wrong with the equipment, this is for the option if the board should choose going into a new budget year if they wanted to think about upgrading the equipment. This would give you time to talk about it.

Mr. Garner stated with the budget the way it is next year, I propose that we leave it alone, keep fixing it and next year it will be put in the budget.

EIGHTH ORDER OF BUSINESS

Acceptance of Fiscal Year 2023 Audit

Mr. Oliver stated it is a clean audit and just to remind everyone, each year as a unit of government in Florida you are required to have an independent audit CPA firm perform an audit. This audit is clean.

On MOTION by Mr. St. Pierre seconded by Mr. Dean with all in favor the fiscal year 2023 audit was accepted.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Buchanan stated I want to have a quick report on the turnover in Phase 4. At a prior meeting you authorized the turnover subject to the finalization of the clean-up items that Horton had been working on with staff and an engineer’s certificate as to the condition of the ponds and issue the permit and Peter indicated that we were going to have it potentially transferred over to the city. I think that process has been initiated but not completed. I think the water management

October 23, 2024

Deer Run CDD

is still deciding whether or not that is the way to go. Either way the district would be obligated to take on the maintenance of that pond. The quit claim deed conveying that Phase 4 pond was recorded to the district subsequent to the last meeting.

Mr. Poulin stated there was an invoice from Yellowstone on some mowing they had done between phases. I reached out to Joe Walker, the project manager from D.R. Horton and he is leaning towards picking up that invoice and paying for it. I should hear within the next 48 hours.

B. District Manager – Discussion of Fiscal Year 2025 Meeting Schedule

Mr. Oliver stated the next item is discussion of the fiscal year 2025 meeting schedule. At the last meeting there was discussion of moving to a 12 meeting year and you asked for a cost analysis of what it would do to the budget. You will see that it raises your budget about \$12,000.

Mr. St. Pierre stated we have already approved our budget for next year, I will leave that for the next board to decide what they would like to do. I don't think it requires action on our part tonight.

C. Operations Manager

1. Report

A copy of the field operations and amenity management report was included in the agenda package.

Ms. Buchanan stated I want to make sure that when I prepare the update that I understand which model I'm using for property management services. They did three different scenarios. Is your goal to stay with the current RMS contract or you have a new proposal from RMS.

Mr. St. Pierre stated I think we need a new contract with RMS that is inclusive of the ops manager in that contract.

Ms. Buchanan stated yes, that's what I'm saying. When you go back RMS had model 1, model 2, model 3 for their property management services. The difference being on-site maintenance technician.

Mr. Dean stated I don't think we voted on that. We kept it as is and negotiate a contract. That's the way I take it.

Mr. St. Pierre asked can we leave it for the new board to decide? We need a new contract, we changed the structure of the contract.

October 23, 2024

Deer Run CDD

Ms. Buchanan stated I can do that.

2. Yellowstone Report

D. Amenity Manager

A copy of the field operations and amenity management report was included in the agenda package.

TENTH ORDER OF BUSINESS

Supervisor’s Requests

Mr. Garner stated the website for the amenity center hasn’t been updated since June, several months ago we talked about the lot down the street and now it is for sale for \$299,000, once a developer goes in there we have no control over what is built, if we purchase that lot we could incorporate it into the district and expand amenity center functions there,

Mr. Garner moved to pursue the purchase of the lot and Mr. Dean seconded the motion.

Ms. Martin asked is it all right for us as board member to meet outside of a meeting to discuss a financial decision that we are going to have and draft a proposal document to be discussed at a meeting.

Mr. Dean stated that was not a proposal document that was just information.

Ms. Martin stated it is influencing what we are going to do.

Mr. Dean stated I’m giving people what the consequences are.

Ms. Buchanan stated you can have communications outside of a board meeting, a conversation, whether that means written or oral, text message. That can happen. There is a gray area where I will tell you it is not prohibited necessarily to put your opinion out there, which I think Greg is doing because he is assembling a document for distribution. If someone were to respond to it then that would trigger the sunshine law.

Mr. Dean stated Gary and I have talked about this at meetings for the last six months.

Ms. Buchanan asked what do you expect to have between meetings? Who is on point? What is going to be investigated, just so I understand. Is it a matter of finding a financing option,

October 23, 2024

Deer Run CDD

is it a matter of getting with the seller? Everybody might have different impression of what is next.

Mr. St. Pierre stated give us the original motion one more time.

Mr. Garner moved to have the board look into purchasing that piece of property.

Mr. St. Pierre stated and there is a second.

On voice vote with four in favor and Ms. Martin opposed the motion passed.

Mr. Garner stated I would like staff to look into the ability to have residents RSVP on the district website rather than in person at the amenity center.

Mr. Dean stated I was told by an attorney that I would have to obtain independent counsel to pursue anything from Horton on the fill they removed from the pond and the options are drop it, file a lawsuit for the estimated value of 10,000 cubic yards of fill, or go to them and present a dollar amount that we would accept as payment for it. His recommendation was the last one, to put some type of dollar amount on it and see if D.R. Horton will pay that. The going rate is roughly \$9 per yard and \$17 per yard with transportation. They came back and said there is so much fill available it is only \$1 or \$2 a yard. Even \$2 a yard would make that 10,000 cubic yards \$20,000.

Mr. Poulin stated we need to make sure there wasn't a deal made in the background before us that they could keep that dirt.

Mr. St. Pierre stated put a dollar value on it, ask them for the money and if they say no again, then we will come back again.

Mr. Dean stated the lawsuit avenue would be 18 months at a minimum and cost \$25,000 to \$50,000 of which none would be recouped. They came back with \$1 or \$2 a yard, we should go back and say \$2 a yard, \$20,000. The attorney so far has cost \$600.

On MOTION by Mr. Dean seconded by Mr. Garner with all in favor Mr. Dean was authorized to go back to the attorney to go to D.R. Horton with a request for \$20,000 for the fill they took from pond B-1.

October 23, 2024

Deer Run CDD

Mr. Poulin stated right now phase 2 and 4, the city and D.R. Horton are doing another walk through to look at any road, asphalt or curb repairs. Phase 5 the curbing will be done next week, the final plat has been approved and recorded and we will start seeing trucks bringing lime rock in the next couple weeks. Phase 6 they started dewatering and storm sewer installation has started. The board is changing next month and we have three members right now leaving us, but thank you for your service and time you put into it.

ELEVENTH ORDER OF BUSINESS

Public Comments

Additional comments: Thanks to the board members and your commitment to the community, Greg has been instrumental in the irrigation project, residents who attend city commission meetings get attention to their issues, go to the city to request they take over the roads, city spending is out of control, Yellowstone will finish storm cleanup.

TWELFTH ORDER OF BUSINESS

Approval of Consent Agenda

- A. Approval of the Minutes of the August 25, 2024 Meeting**
- B. Balance Sheet as of September 30, 2024 and Statement of Revenues and Expenses for the Period Ending September 30, 2024**
- C. Assessment Receipt Schedule**
- D. Approval of Check Register**

On MOTION by Mr. Dean seconded by Mr. Garner with all in favor the consent agenda items were approved.

THIRTEENTH ORDER OF BUSINESS

Next Scheduled Meeting – November 20, 2024 at 6:00 p.m. at the Island Club

Mr. St. Pierre stated the next meeting is scheduled for November 20, 2024 at 6:00 p.m. in the same location.

On MOTION by Mr. Dean seconded by Mr. Garner with all in favor the meeting adjourned at 8:58 p.m.

October 23, 2024

Deer Run CDD

DocuSigned by:
Jim Oliver
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Secretary/Assistant Secretary

DocuSigned by:
Andre Poulin
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Chairman/Vice Chairman