

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, January 22, 2025 at 6:00 p.m. at the Island Club, 501 Grand Reserve Drive, Bunnell, Florida.

Present and constituting a quorum were:

Gary Garner	Chairman
Franklin Gates	Vice Chairman
Barbara DeSantis	Assistant Secretary
Melissa Tabares	Assistant Secretary
Gary Masten	Assistant Secretary

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel by telephone
Peter Armans	District Engineer
Darrin Mossing	GMS
Natalie Clem	RMS
Rich Gray	RMS
Alison Mossing	RMS
Raul Hernandez	Yellowstone
John Distler	Yellowstone
Several Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 6:00 p.m. and called the roll

SECOND ORDER OF BUSINESS

Public Comments

Mr. Dean stated there was a GMS agreement on the agenda. Last meeting we brought up the increased rates for fiscal year 25 versus 24, they were not approved by any board. GMS's proposal remains the same amount of money that was \$4,100 more than Inframark, which we voted in October by the previous board, The current board rescinded that decision in November.

Mr. Dean’s request is that you delay approval of the agreement, and take the time to review and negotiate terms before you sign it.

A resident stated “I am here to speak on behalf of 85 residents in favor of having Gary Masten as a new board member”.

A resident stated that they agree with Mr. Dean that the board should negotiate this and look at it more closely.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation from Supervisor Poulin

On MOTION by Mr. Garner seconded by Mr. Gates with all in favor Mr. Poulin’s resignation was accepted.

B. Appointment of New Supervisor to Fill Unexpired Term of Office (11/26)

Ms. Arnett and Mr. Masten gave an overview of their background and expressed their willingness to serve on the board. After discussion the board took the following action.

On MOTION by Mr. Garner seconded Mr. Gates with all in favor Gary Masten was appointed to fill the unexpired term of office.

C. Oath of Office for Newly Appointed Supervisor

Mr. Oliver being a Notary Public of the State of Florida administered the oath of office to Mr. Masten.

Mr. Oliver stated that he would leave some documents for the board and talk later about the commission on ethics, Florida Statutes 190, and will go through these documents with Mr. Masten. Mr. Oliver stated to Mr. Masten: “From reading your resume you are aware of a lot of these requirements of public office already, but we will go through these in detail”.

D. Election of Officers, Resolution 2025-02

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor Resolution 2025-02 was approved reflecting the following:

Gary Garner chairman, Franklin Gates vice chairman, Barbara DeSantis, Melissa Tabares and Gary Masten assistant secretaries Jim Oliver Secretary and Treasurer, Marilee Giles, Daniel Laughlin, Darrin Mossing, Matthew Biagetti and Corbin deNagy assistant secretaries and assistant treasurers.

FOURTH ORDER OF BUSINESS

Discussion of Fiscal Year 2025 Meeting Schedule

Mr. Oliver stated a copy of the proposed schedule is in the agenda packet. This is a bi-monthly schedule with an extra meeting in the summer for the budget process.

On MOTION by Mr. Garner seconded by Mr. Gates with all in favor the board will meet on the following dates in fiscal year 2025: March 26, 2025, May 28, 2025, July 23, 2025, August 27, 2025 and September 24, 2025.

FIFTH ORDER OF BUSINESS

Ratification of Agreement with Governmental Management Services for District Management Services

Mr. Oliver stated the previous board at the October meeting selected Inframark to serve as the district manager, the next board was seated at the November 20th meeting and reversed that decision. The contract prepared by counsel based on the proposal was placed in front of the board. The numbers have not changed since that proposal and the numbers in that proposal are the numbers you have in your budget. The proposal was based on the adopted 2025 budget that the board approved. GMS was the original management company when this district was formed in 2007 and was affirmed on a two page agreement. These duties have been expanded and there is a lot more detail in this updated agreement regarding the scope and requirements. Mr Oliver acknowledged that if you look back to the history of the district, GMS is still operating it on the 2007 agreement, to include how managements fees are approved each year are with the adoption of the budget. Moving forward, GMS will provide work authorizations each year for clarification to ensure all are on the same page.

Mr. Garner stated “I would feel more comfortable if they have time to review this because I am guessing they have never seen a document like this. I recommend that we take care of this at the next meeting so we can go back and read it and you can mark it up and that way we can bring Jim questions, you can add to it, take away from it and give you time to study it instead

of you just scanning through it now. It is not fair to us and later on down the road, we say it is not fair to GMS and we start throwing stuff at them. It is not fair to the community that we make a decision on something that we haven't had time to review it."

On MOTION by Mr. Masten seconded by Mr. Garner with all in favor this item was tabled.

Mr. Oliver stated the other agreement the board has is the one with RMS, they are the ones the previous board did select. What would you like to do with that?

Mr. Garner stated they haven't had a chance to review it, so it will be the same thing.

SIXTH ORDER OF BUSINESS

Approval of Landscape Maintenance RFP Project Manual

Mr. Oliver stated next is approval of the landscape maintenance RFP project manual and the draft manual will be presented to the board. A couple of things have happened since then. Mr. Oliver extended his gratitude to Gary for taking the lead in developing most of this. Rich Gray has been involved in the process as well as Karen Haber and Katie Buchanan of Kutak Rock. The current agreement ends September 30th at the end of the fiscal year, so the timing is appropriate. We (GMS) want to have the process work in conjunction with our budget process so when you approve a proposed budget in May and subsequently adopt a budget in August you are going to be able to use real numbers. Phase 5 will have common areas coming to the district sometime late September/early October and we would like to incorporate that into the scope so we can get those numbers, so we do not adopt a budget that is short in that line item. The board could approve the project manual at your March meeting, and we can get proposals back to your May meeting when we bring your proposed budget.

SEVENTH ORDER OF BUSINESS

Engineer's Report – Remediation Timetable and Costs

Mr. Armans stated that he was asked to give a background of the compliance issues. He was able to give the chronological history behind it: When this CDD board was controlled by the developer there was some agreements with St. Johns for some areas to be planted. Mr. Armans believes this started back in 2008. In conversations with the water management district there were some additional conservation easements.

There was another plan that was agreed upon in 2012 about planting areas and some mitigation in the CDD, and there was a maintenance report that was produced on a yearly basis that went to the water management district. It is stated that there were five years in a row where a report was done by the CDD, which at the time was developer controlled, and it was submitted to the water management district every year. Every time that the report was submitted, the district was given an update that the areas provided were in good condition. Included in the report feedback was that the vegetation was surviving and growing. The report was submitted several years until the last year that it was supposed to be submitted. The report was submitted the prior year, but it was also submitted with no comment from the water management district. A year after that the CDD received a non-compliance letter that said 18 areas in the CDD in different spots are in non-compliance and need to be planted or maintained. That letter never actually made it to the CDD. We (the CDD) received another letter that actually made it to us on January 15, 2021, that was a warning letter that acknowledged a letter was sent but did not receive a response. The letter also depicted that further action would be taken if no response was implied.

When the CDD received the letter, we reached out to the water management district and asked them for the initial letters, so the needed background information was obtained. We started researching the history behind it, found out all the information shared about the previous client and the reports that were submitted. The board asked us to prepare a plan to start talking to the district about finding a compliance letter. After reviewing the information, Mr. Armans brought the information the water management district and explained the report issue. He explained that the report was received with no present issues yearly. However, the year that the report was not due, there was a letter issued to the district with various problems to address. The person who was managing that case at the time, found that this information was helpful to them to understand the district has been responsive. After reviewing those old documents and the reports that were submitted to the district many of those areas appear to be in compliance and look exactly the same as they did when the reports were being submitted to the district, and the district was saying everything looks fine.

The way that the areas were drafted was based on aerial photos, which are often different than the physical perspective. Mr. Armans met with them in person, toured those sites with them and based on that we reduced all those areas to a handful of areas that need to be addressed. Those handful of areas are in two categories; one category needs to be replanted and maintained,

and the other category can be addressed by maintenance. Such as we need to stop mowing these areas, or there are a few areas where the golf course cleared more than they should. The plan would include to stop cutting those areas and communicating actions with the golf course. Probably we need to put signs up so people who are mowing know where to stop mowing. Then there are areas that need to be replanted. We have been in communication with the district about the kind of planting plan of what would go in there and they were okay with that plan verbally, but we brought the final proposed plan to the board for approval and at the time, the board asked the cost of the plan and that is when we got quotes. The board changed and the person from the water management district went silent and there were some budget recommendations, and that plan was put on hold for later consideration. It is coming back to be an important topic. The next steps would be the plan that we believe will be approved you would authorize us to submit that formally to the water management district so they can approve it. Once they approve it, it will be implemented, and they may request a maintenance report for up to five years. Our firm can do the reports but the companies that do the planting plans may be best suited to do the reports because they can plant it, put the reports together. There are options for their reports. We previously estimated the reports might cost \$3,000 or \$4,000 on a yearly basis whether it is by us or someone else. The planting plan itself I believe GMS has some quotes, I'm not sure if they are current.

Mr. Gray stated that the two companies the district got quotes from will still honor those quotes and that is VerdeGo and Yellowstone.

Mr. Garner stated "The money for this project is in the budget, right?"

Mr. Oliver stated that the board may have fund this project with your capital reserves. The district has landscape contingency but does not have \$45,000 in there.

Mr. Gates stated \$45,000 is a lot and asked if the discussion was about the big areas that were inadvertently cleared.

Mr. Armans stated that one of those areas was cleared and looked like it was going to be built on, but did not get built on.

Mr. Masten asked "Why is that our responsibility, if D. R. Horton cleared it?"

Mr. Armans stated that he cannot verify whether D.R. Horton cleared it or not. That may have been cleared prior to D.R. Horton taking over. The CDD was formed by somebody else and the developer went bankrupt then D.R. Horton took over. That is a responsibility of the CDD

because the CDD owns the land and the conservation easement is to be maintained by the district, which is also the case with the areas on the golf course. Ultimately, the district owns some of these ponds and they have a maintenance agreement with the golf course. If anything is wrong the district is the owner.

Mr. Garner stated it has to be done and this started just before he came on the board and the golf course did agree with the district that they would stop cutting into the woods and the board agreed to take care of those two areas. Mr. Garner states we came up with a price and the board went back to St. Johns River Water Management District and said we do not have the money at this time, they said okay and we gave them a three- or four-month timeline to be able to start and that has been a year ago.

Mr. Gray stated that he was able to get another extension and if the board approves a plan, they are okay with us doing this on a staggered planting. Even though it is \$45,000 overall the board does not have to come up with that right now as long as we show that we are starting the project and we would probably start with the largest area we can probably push the secondary plan to come out of next year's budget.

Mr. Oliver stated we can propose a phased plan send it to the water management district for review, they will come back with comments. It would be a collaborative effort until a final plan is approved.

Mr. Armans stated in our conversation with them we did not propose a phased plan. If in your conversation with them they were amenable to that then we must figure out what they would accept.

Mr. Garner asked can the district tell the water management district we are going to do this and give them the plan that Rich has laid out to us. If they buy it when spring comes, we will start doing it in phases if it is okay with the water management district.

Mr. Oliver stated he thinks we would want to propose a plan that is most favorable to this district then get their comments and they might tighten it up and ask for the best deal then through negotiation come up with something we can do.

Mr. Garner asked when is a good time to plant, the spring?

Mr. Gray stated to defer to Yellowstone, but he recommend the spring would be a good planting time.

Mr. Oliver asked how responsive is the water management district?

Mr. Armans stated we would try to schedule a meeting with them to discuss that. Based on the plan that Rich has. If we take it to the water management district and they approve it, we would have to start implementing it right away. The decision to go forward with it has a cost implication you should consider before we get final agreement with the water management district.

On MOTION by Mr. Gates seconded by Ms. DeSantis with all in favor staff was authorized to proceed with the replanting plan with the St. Johns River Water Management District.

Mr. Armans stated that he wants to confirm that the phased approach that Rich has the cost for that is either in the budget or it would be incorporated.

Mr. Oliver stated if we have to do it all at once we do have funds available. We realize this is a hot button issue and we have run out of extensions.

Mr. Garner asked since the city will not take over the streets in the new phase, who does the inspection to make sure they are built to whatever the specs are?

Mr. Armans stated if the district is going to take over the streets, we recommend that a geotechnical engineer come out and take core samples and the core samples will reveal the thickness of the pavement and the base so see if that is in compliance with the plans. they were designed to.

Mr. Garner asked “Do we need to start pursuing that now or when they are being turned over to the district?”.

Mr. Armans stated “I do not believe we have the authority to go and inspect right now. It is very common that will happen when it is being turned over”.

Mr. Masten stated everybody got an email about Phases 2, 3, and 4 being repaved. He asked why are we repaving that street if they are going to continue to have construction trucks up and down it.

Mr. Gray stated we do not have anything to do with the timetable for repaving. I will follow-up with D.R. Horton and they tell me this is when it was constructed, this is when it is going to happen, please make sure you get notifications out to the residents.

Mr. Masten asked if we can ask them why they are repaving that street when there is going to be another year’s worth of heavy traffic?

Mr. Gray stated he thinks that they were doing the 2 and 3 and 4, but 2 and 3 were going to start with the anticipation of everything being delivered to 5 before they got to 4. Mr. Gray will follow-up and see if he can get an answer.

EIGHTH ORDER OF BUSINESS

Consideration of Proposals

A. Yellowstone

1. Palm Pruning at the Amenity Center

Mr. Gray stated in the previous meeting Supervisor Garner requested that we bring back proposals to trim the palms around the amenity center. These are the only palms not included in the contract. Each one of the specialty palms come in at \$87 each and standard comes in at \$63 each and to prune them all and haul away the debris it is \$1,767.00.

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor the proposal for the palm pruning at the amenity center in the amount of \$1,767.00 was approved.

2. Erosion Repair at the Amenity Center

Mr. Gray stated there is erosion by the fishing pier, and he wants to get it addressed.

On MOTION by Mr. Gates seconded by Ms. DeSantis with all in favor the proposal for erosion repair at the amenity center in the amount of \$1,090 was approved.

The next item taken out of order.

Yellowstone Report

Mr. Hernandez stated we sent a proposal for mulch at the amenity center to Rich and we are going to absorb that \$5,300 in appreciation of our long-term commitment to you. Earlier this week the team was onsite trimming and spraying for weeds, they did the saw palmetto cutback on the 100 entrance and cleaned up around the waterfall at the 100 entrance as well.

B. Future Horizons – Fountain Repair at the Amenity Center

Mr. Gray stated some fishing line got into the mechanical seal of the fountain and did some damage. Unfortunately, that pump will have to be rebuilt and the proposal from Future Horizons to do that is \$2,287.42.

On MOTION by Mr. Gates seconded by Ms. DeSantis with all in favor the proposal from Future Horizons for fountain repair at the amenity center in the amount of \$2,287.42 was approved.

C. High Tech Security – Security System Repairs/Contract Extension

Mr. Gray stated that we are having issues with the interior and exterior locks on the office as well as the pickleball court. It is time that the keypad fobs need to be replaced. We were on a month-to-month contract and I was able to negotiate with High Tech that if the district were to go back into another 60-month contract they will cover the cost of repairs.

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor staff was authorized to enter into a 60-month contract with High Tech for \$320.00 monthly with High Tech taking care of the current repairs to the system.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. District Manager

There being none, the next item followed.

C. Operations Manager

1. Report

Mr. Gray reviewed the report and stated that the previous board had approved fencing around the irrigation station and was the direction of the present board the same or would you like to move toward a permanent structure like a building.

Mr. Garner stated “My concern is the control panel. Do we need to get the control panel out of the weather?”.

Mr. Masten asked “Did you get a cost of fencing versus building?”

Mr. Gray stated the fencing was already approved. He has not investigated the cost of a building.

Mr. Garner asked how much money the district has in the line item for the irrigation system.

Mr. Oliver stated that the current balance in the capital reserve fund is \$167,000.

The board discussed the ability or inability of the current irrigation system being able to provide irrigation to the new phases coming online.

Mr. Oliver stated that we have 47 districts in Northeast Florida and in two districts the CDD provides irrigation water. Mr. Oliver is not sure that the CDD has an obligation to provide irrigation water to those new phases. It could be that the City of Bunnell now has the capacity to provide irrigation water.

Mr. Garner asked Mr. Gray to get a price for the construction of a building and a cover for the pumps with a retractable roof.

2. Yellowstone Report

This item taken earlier in the meeting.

D. Amenity Manager - Report

Ms. Clem gave an overview of the amenity manager’s report and reviewed upcoming events.

TENTH ORDER OF BUSINESS

Supervisor’s Requests

Additional comments: Contact D.R. Horton to advise the cement trucks to use an entrance other than the U.S. 1 entrance, trash issue at amenity center, the golf course is hauling their trimmings into the preserve by the 15th fairway, the two outparcels previously discussed have been rezoned and are not part of the PUD, but realtor has noted that it is in Grand Reserve, status of payment for dirt that was hauled away, spread the word about the availability of Zoom, residents should email board members with issues, put a link on the website to the Zoom recording, confusion between HOA and CDD, replacement of gym equipment, maintenance log of gym equipment, proposals from pool cleaning companies.

ELEVENTH ORDER OF BUSINESS**Public Comments**

Additional comments: Concerns with repairs on streets and curbs, cause of washout, cash on hand and investments, disagrees that budget line approval means it can be spent, attorney will explain the budget process.

Ms. Buchanan stated that the process that was undertaken here is something that is undertaken at districts across the state. The district management fee is an annual based fixed amount so the budget line item that you approved ties to that annual fee. It is not the same as an as needed line item. To the extent of that the conversation has been had, everyone understands it better. Going forward we can do it any way you want it, if you want to have this presented as a separate authorization every year, Ms. Buchanan is sure GMS will accommodate you. If you are comfortable understanding that the line item in the budget is what you are voting on as your annual fee, I'm sure they will do that as well. It is basically a matter of making sure that the board reviews the budget, asks the questions and understands what they are voting on and she thinks this board is going to be proactive in making sure that they do that.

Additional comments: Two Grand Reserve residents are running for the city commission, show up and vote so they can bring our streets and irrigation issues up, pothole repair is done by Halifax Paving needs to be inspected, thickness of pavement does not meet City of Bunnell standards, the CDD engineer will inspect streets that will be conveyed to the district, ownership map to be provided for the next meeting, would like to have fountains upfront operate, status of pond maintenance.

TWELFTH ORDER OF BUSINESS**Approval of Consent Agenda**

- A. Approval of the Minutes of the November 20, 2024 Meeting**
- B. Balance Sheet as of December 31, 2024 and Statement of Revenues and Expenses for the Period Ending December 31, 2024**
- C. Assessment Receipt Schedule**
- D. Approval of Check Register**

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

THIRTEENTH ORDER OF BUSINESS **Next Scheduled Meeting March 26, 2025 at 6:00 p.m. at the Island Club**

Mr. Oliver stated the next meeting is scheduled for March 26, 2025 at 6:00 p.m. at the same location.

Ms. DeSantis asked would 6:30 be an acceptable time to start the meeting? We may get more participation.

On MOTION by Ms. DeSantis seconded by Ms. Tabares with three in favor and Mr. Gates and Mr. Masten opposed the meeting time was changed to 6:30 p.m.

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor the meeting adjourned at 8:15 p.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman