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, May 28, 2025 at 6:30 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 Supervisor
Melissa Tabares Supervisor
Gary Masten Supervisor

Also present were:

Jim OliverDistrict ManagerKatie BuchananDistrict Counsel

Natalie ClemRMSAlison MossingRMSDarrin MossingGMSMatt BiagettiGMS

Several Residents

FIRST ORDER OF BUSINESS

Roll Call

Mr. Garner called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS Public Comments

Mr. Dean stated the landscape proposals were not in the agenda package and they are not available tonight. The proposed budget is not in the agenda and it is not available for review tonight. The last few years there have been workshops for meetings in April to go over the budget. There are a lot of issues on the irrigation and the letters in the package don't address both directions. One pump motor was just replaced the other one was manufactured in the same place, pretty much the same time and we ought to look at that one. The U.S. 1 fountain has failed; we replaced everything on it six months ago.

Mr. Gates stated the amended agenda was published two days ago with the budget in it.

Mr. Garner stated the workshop on the budget will be July 16th at 6:30 p.m. and adopt it in August.

Mr. Oliver stated the budget is in the agenda packet on the website. The proposals are not. You can continue this meeting and table this item so everyone has a chance to look at it. We can get those posted tomorrow.

Mr. Garner stated we will meet again on June 4th at 6:30 p.m. to award the contract for landscaping.

A resident asked if possible at the next meeting can we have an extensive review and discussion about the relationship of the CDD and golf course? I met with Dustin a month ago and he explained a lot of stuff to me as an example the CDD owns the ponds.

Mr. Garner stated the pond that the recycled water goes in is the driving range of the golf course and the golf course owns the driving range.

A resident stated that is not what I was told and I would like an extensive discussion.

Mr. Garner stated you may get that tonight; Mr. Masten has done extensive research. The CDD's irrigation system is completely different from the golf course

A resident asked who uses the well when things go down?

Mr. Garner stated us and the golf course.

A resident stated I want the whole thing explained especially with the expansion that is coming of the possible drain of the water system.

Mr. Garner stated we have two engineering reports saying we have the capacity to support them providing the residents utilize it properly and not water your yard in the middle of the day and the days the board has asked them to do it. It is all voluntary. Any other place it would come out of the well and St. Johns River Water Management District would step in and tell you what days and what times you can water. But the City of Bunnell is responsible, St. Johns has nothing to do with it.

A resident asked what is item 5 about?

Mr. Garner responded that is a discussion on the plant replacement because we cut into the preserve.

Residents discussed proposed changes to the amenity policies, proposed committees, disagree with proposed rental policy, heat in the upstairs room, no a/c vents by table, light bulbs

produce heat that adds to uncomfortable condition, staff us able to lower a/c when present, switch bulbs to LED bulbs,

THIRD ORDER OF BUSINESS

Consideration of Landscape Maintenance Proposals

This item tabled until June 4, 2025 at 6:30 p.m.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2025-03 Approving the Proposed Budget for Fiscal Year 2026 and Setting a Public Hearing Date to Adopt

Mr. Oliver stated you will approve the proposed budget tonight and have the public hearing August 27, 2025. You will have almost 90 days to review it, and you will have a budget workshop on July 16th, which will give you plenty of time to fine tune the budget.

The budget in front of you projects no increase in assessments. The resolution approves the proposed budget and sets a public hearing date of August 27, 2025 at 6:30 p.m. at this location.

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor Resolution 2025-03 approving the fiscal year 2026 budget and setting a public hearing for August 27, 2025 at 6:30 p.m. was approved.

FIFTH ORDER OF BUSINESS

Update Regarding SJRWMD Approved Monitoring and Mitigation Plan

Mr. Oliver stated Rich put together a plan with the engineer. The engineer's job is to take that plan and have it blessed by the water management district. That is not done yet, but he is working on that. Once that is blessed, Rich can start the mitigation planting. Whatever company you pick through the RFP process you will engage them to do that if it is a different company than the incumbent.

SIXTH ORDER OF BUSINES

Discussion Items:

A. Lawn Watering Restriction – Education and Enforcement

Mr. Masten stated the reality is our system can provide enough water for 850 homes, which is the entire neighborhood. The problem is only 100 can use it at one time. We are going

to have to go to a phased system with different people will be asked to water on certain days of the week and certain hours. There is no choice because there is only so much water, there are only so many pipes and only so many pumps. The reality is we have a system given to us and we all share it; we have to be cognizant of the fact that there is only so much water. The pond is refilled by the City of Bunnell every day or every other day, but as has happened in the last year the City of Bunnell's pump fails, they can't refill our pond, the water level drops and we lose our irrigation system. Nothing is going to change those facts so we are going to have to implement a system where everybody voluntarily says my assigned date and time is whatever it is. This system will fall apart, pipes will continue to leak, valves will break, pumps will fail, motors will fail. No one has been able to locate the original irrigation plan.

A resident suggested forming a committee to go door to door and help people set the control.

Mr. Masten stated we can set it up by zones with volunteers.

A resident stated there are a lot of high school kids who are very techie and need volunteer hours and that could be a resource for notification for your committee.

Mr. Masten stated we will put something out within the next week or so for volunteers to meet here and talk through what can be done then go out and knock on doors.

A resident stated if you go door to door, you need to have the schedule already set.

Mr. Garner stated if you are interested in being on the committee, before you leave tonight give Gary your name and phone number.

Ms. Buchanan stated you can certainly have an irrigation policy you can adopt; the challenge is how do you enforce non-compliance. The district has very limited ability to fine and from a practical standpoint it is difficult to collect. I think it is worth having a conversation with the HOA to see if there is something they can do. To the extent that HOA's typically regulate usage of your property within the four corners of your boundaries I would be curious whether they would be inclined to try to assist with the problem. It is worth asking the question.

Mr. Masten stated I will reach out to the HOA, which is still controlled by D.R. Horton and see if there are any ideas or assistance they can give us. They also do not have a system to fine for violations of HOA rules; they can, however, file a lien on your property. I will ask Dustin to come to our next meeting to explain the relationship between what Bunnell give us,

what we do because he is in charge of the infrastructure for the water and sewer plant. I don't know that he will come but I will ask him.

B. Amenity Center Policies

Ms. Mossing stated these are what was remaining of the policies we were discussing, all edits have been incorporated and we are looking for approval.

Mr. Garner stated I want to go by each one.

1. All CDD approved groups and clubs are required to submit an application to the amenity manager that will be reviewed and approved/denied by management, a designated board member and the social committee.

Ms. DeSantis stated we will set it up and make sure it works for Alison and reach out to the community and Melissa will reach out to extended community. There are some applications that have been waiting and they will be presented at that meeting.

2. All CDD sponsored events and private rentals take precedent over approved groups and clubs, residents will be asked to cancel or reschedule their group meeting time. CDD events will be scheduled at least 30 days in advance and notification of any cancellations will be sent out timely.

Mr. Garner moved to no longer allow rentals and Mr. Masten seconded the motion and with two in favor and Mr. Gates, Ms. DeSantis and Ms. Tabares opposed the motion failed.

Ms. DeSantis stated I looked at the rental agreements for the last year and saw how much was collected and the dates and most were Saturday or Sunday afternoons when nothing is going on in the amenity center. I looked around Palm Coast for rental space and found one and their flat rate for five hours is \$1,200. There is no other space to have a baby shower, birthday party, etc.

Mr. Masten moved to raise the rental fee to \$150 with a 30-day notice.

Ms. Buchanan stated if you want to adopt a rate that is higher than what your previously notice, you have to publish it for 28 and 29 days so it will line up with your budget hearing.

- Mr. Garner stated we will have a hearing on that in August.
- Ms. Buchanan stated while you are doing that notice it makes sense to do more than one thing at a time.

A resident stated rentals should not knock out an established group.

Ms. Clem stated I think it happened one time, most of the rentals are going to be earlier in the day because most of them are baby showers, birthday parties and they want do it early in the day.

- Ms. Mossing stated some of the events that are typically requested, such as a birthday party they want it on certain days for the birthday.
 - Ms. Clem stated most of the parties clean up the room so they get their deposit back.
- Mr. Garner stated we have a motion on the floor and a second and the motion is go with \$150 per hour with 30-days notice and it will longer take precedence over any other event on the calendar. He wants to amend the motion.

Ms. Mossing stated the 30-days we talked about in the policies was for any CDD event. If we have a Labor Day party we need to announce that 30-days in advance and give the groups if it interferes with a group, that much notice to reschedule or cancel. He is saying he wants rentals to be booked 30-days in advance as well.

On MOTION by Mr. Gates seconded by Ms. DeSantis with four in favor and Mr. Masten opposed the rental fee was raised to \$100 from \$50 and staff was authorized to notice a rate hearing for a range of rates for August 27, 2025.

- 3, Pot Lucks shall continue as an established activity at the amenity center, sponsored by a specific group. They will be designated as an open community event sponsored by a group and attended by residents only. Food trucks will continue to be available on Friday evenings to serve the community as well.
- Mr. Masten asked can a resident bring a guest to a potluck?
- Ms. Mossing stated as it is written it says residents only.
- Mr. Masten stated I would like to amend that to say residents and their guests with a limit of four guests.

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor # 3 was amended to add additional language to bring the guest limit to 4.

Mr. Garner stated you have the budget coming up and \$20,000 scheduled for special events. It is time we start charging for bingo, craft night, paint night, pizza night for \$5 a head to help absorb the cost that the district is putting out for that.

Ms. Mossing stated we can't charge for bingo.

Ms. Buchanan stated bingo is very regulated by statute and essentially bingo is any sort of game where you play and pay money for the card. That is defined by statute. The game of bingo, which is where you pay money for the card can only be held in certain locations, one of which is not a community development district. If you as a resident want to donate prize, so be it but I don't think we can require the donation. That is the equivalent of payment. We cannot set the expectation that there is a payment required for the card. These violations of gaming laws result in misdemeanors for the first violation and felonies for multiple violations. This is not something you want to ask your staff to do.

Ms. Mossing stated since we are having a rate hearing, we could add a range for events then you can decide later if you want to put it into action and you can say you will charge between \$5 to \$15 per event then decide on that later if you want to implement it. Once we have the hearing, we will then have the ability to charge.

SEVENTH ORDER OF BUSINESS Engineer's Report

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS Staff Reports

A. Attorney

Ms. Buchanan stated I believe you have received the Capital Conversations from our office, which is a legislative update. The reality is there were a lower number of bills passed this year so the impact to CDDs is not as significant as it might have been in other years. The session isn't over they haven't adopted a budget and there won't be any more legislation that impacts you.

B. District Manager

1. Report on the Number of Registered Voters (994)

Mr. Oliver stated a copy of the letter from the supervisor of elections indicating that there are 994 registered voters residing within the district was included in the agenda package.

2. Annual Form 1 Filing & Annual Ethics Training

Mr. Oliver stated this is a reminder that you will need to update the form 1 prior to the July 1st deadline. The annual ethics training needs to be done by December 31st.

C. Operations Manager

1. Report

A copy of the report was included in the agenda package.

2. Yellowstone Report

A copy of the report was included in the agenda package.

3. Irrigation Pump System Report

A copy of the report was included in the agenda package.

4. Pump Station

A copy of the report was included in the agenda package.

D. Amenity Manager - Report

Ms. Clem reviewed the amenity center report and stated we are waiting for one part before we can complete installation of the grills. The chairs around the pool are falling apart, 12 are completely ripped and all the chairs are sagging and the stitching is coming apart. To fix each chair is \$180 but even if we were to fix the ones that are broken we are going to have more that are breaking. I have looked at chairs that are similar and the cheapest I found one for 56 chairs would be \$6,649.72 and they had a good rating. The other one is similar and is about \$500 cheaper but you have to order them in three installments and that is \$6,151.80 and the last

one was \$379 for one or a total of \$12,839,62. The first one sounds more reasonable but I can do more research and look at more chairs if that is what you want me to do.

Mr. Garner stated call Horton and see who their supplier is and see what we get from them.

Ms. Mossing stated this is something to keep in mind for your budget. I recommend riding it out for the rest of the year with your current chairs and prepare for next year.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Additional comments: Social committee meetingswill be on the third Wednesday of June, residents are welcome, 6/4 is the continued meeting, 7/16 budget workshop, 8/27 is the final budget, try to regulate use of grills, intricacy of scoring bids, timeline of parking places or no parking places were supposed to be provided, upkeep of park, cost of mulch for trails.

TENTH ORDER OF BUSINESS

Public Comments

Additional comments: Start date of landscaping company.

ELEVENTH ORDER OF BUSINESS

Approval of Consent Agenda

A. Approval of the Minutes of the March 10, 2025 Meeting

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor the minutes of the March 19, 2025 meeting were approved as presented.

B. Balance Sheet as of April 30, 2025 and Statement of Revenues and Expenses for the Period Ending April 30, 2025

On MOTION by Mr. Gates seconded by Mr. Masten with all in favor the financials were accepted.

C. Approval of Check Register

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

TWELFTH ORDER OF BUSINESS

Next Scheduled Meeting – July 23, 2025 at 6:30 p.m. at the Island Club

Mr. Garner stated the meeting will be July 16, 2025.

Mr. Oliver stated we are going to continue this meeting to June 4th at 6:30 p.m.

On MOTION by Mr. Masten seconded by Mr. Gates with all in favor the meeting was continued to June 4, 2025 at 6:30 p.m.

DocuSigned by:

Secretary/Assistant Secretary

Secretary/Assistant Secretary

Secretary/Assistant Secretary

Secretary/Assistant Secretary

Secretary/Assistant Secretary