

**MINUTES OF MEETING
HOLLY HILL ROAD EAST
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Holly Hill Road East Community Development District was held on Tuesday, **May 9, 2023** at 10:00 a.m. at the Lake Alfred Public Library, 245 N. Seminole Ave, Lake Alfred, Florida and via Zoom.

Present and constituting a quorum were:

Adam Morgan	Chairman
Brent Kewley	Vice Chairman
Kayla Word	Assistant Secretary
Rob Bonin	Assistant Secretary

Also, present were:

Tricia Adams	District Manager, GMS
Grace Kobitter	District Counsel, K VW Law
Molly Banfield	District Engineer
Marshall Tindall	GMS Field Services
David MacQuarrie <i>by Zoom</i>	Securitas

The following is a summary of the discussions and actions taken at the May 9, 2023 Holly Hill Road East Community Development District's Regular Board of Supervisor's Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Ms. Adams called the meeting to order. There were four Board members present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Ms. Adams stated that there were no members of the public present nor any members of the public joining via Zoom. She noted that at the request of Supervisor Kewley, they had David MacQuarrie from Securitas attending. She explained that this Board made a decision to engage

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Securitas for certain services primarily to secure the pool area to ensure that people who are using the pool are authorized users and that they are abiding by the District's amenity policies. During last month's public comment period, they had a couple of members of the public who brought some concerns to the Board's attention. She stated that Mr. MacQuarrie was going to discuss with the Board some of the ways that the security program has been addressed at Holly Hill Road East and some changes that have taken place in the recent months.

Mr. MacQuarrie stated that at there was an incident at Holly Hill last month where they had reports of activity happening and they didn't see the security officer present in the pool area. He explained that they investigated that report and the officer's story was very inconsistent. Based upon that conversation, he did leave the property. He stated that the officer said he had a family emergency, but the amount of time that the officer said he left was inconsistent with the reports that they got that day. They did dismiss his employment. He stated that an officer must be always at the pool. The officers bring their food and drinks with them, and they can't leave to take a lunch break, etc. If there is an emergency and the officer needs to leave, they must contact Mr. MacQuarrie and get his permission first. Mr. MacQuarrie will dispatch a replacement depending on the emergency. Since then, they have also implemented some reports that the officers do online in which they submit entry's hourly, which seems to be working very well. When each officer arrives, they have to text Mr. MacQuarrie when they are on duty as well as call into their system, which is how they clock in and clock out. There are cameras there as well, so Mr. MacQuarrie has instructed his security officer to wave into the camera when they get there at 12:00 p.m. The officers remain on camera at all times.

THIRD ORDER OF BUSINESS

**Approval of Minutes of the March 14,
2023 Board of Supervisors Meeting**

Ms. Adams presented the minutes of the March 14, 2023 Board of Supervisors meeting. She stated that these minutes had been reviewed by staff. She asked for any comments or corrections from the Board members.

On MOTION by Mr. Morgan seconded by Mr. Kewley, with all in favor, the Minutes of the March 14, 2023 Board of Supervisors Meeting, were approved.

FOURTH ORDER OF BUSINESS**Consideration of Resolution 2023-03
Approving the Proposed Fiscal Year 2024
Budget and Setting a Public Hearing**

Ms. Adams presented Resolution 2023-03 to the Board. She stated that this resolution was on page 17 of the agenda package. She addressed the items on the resolution stating that approving Resolution 2023-03 not only approves the proposed budget, it also sets their public hearing for their budget adoption. She explained that originally, they were planning to adopt their budget at their regular scheduled meeting for August; however, due to Board members schedules and needing to come the next week to take of some other budget adoptions, they are going to run all those meetings in tandem. That means that they are going to update this resolution to August 15, 2023 at 10:00 a.m. in the same location, Lake Alfred public library. She also noted that approving this resolution also allows to transmit the budget to Polk County in accordance with Florida statutes. She stated that the proposed budget for Fiscal Year 2024 was included in the agenda package for review. She also put out a paper copy in case anyone preferred a paper copy. The budget started on page 21 of the agenda package. The first section of the budget is the revenue portion and it's for their general fund with the fiscal year beginning October 1, 2023 running through September 30, 2024. The first column is their current adopted budget. They have populated this with their actual financials through the end of March along with projections. They have a proposed budget number for Fiscal Year 2024 in the last column. She explained that they were proposing a level assessment and it would not be an increase from their current fiscal year. She noted that they do have some ability to update the budget up through the budget adoption. This is kicking off their budget season.

Ms. Adams reviewed the revenues section stating that most of their revenue was coming through their tax roll assessments. She noted that as of the end of March, they were not 100% fully collected. Usually, the tax bills are due by the end of March, but this is indication that there may be some property owners in arrears on their tax bill. Typically, what will happen here is the tax collector will hold a tax certificate sale and they will see all the revenues come in by the end of July. They do anticipate being fully collected. The other section of revenue that is significant to this District is the intra-governmental revenue. This is from North Boulevard Community Development District. North Boulevard and Holly Hill Road East share amenities. There is an Interlocal Agreement that requires that North Boulevard participates in the amenity expenses, so

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this proposed amount of \$83,727 is based on the amenity expenses. They are also recognizing some carry forward surplus in order to balance.

Ms. Adams reviewed the administration section of the budget stating that the current budget was \$132,581 and their proposed budget is \$137,174. There is an increase in management fees from \$37,853 to \$40,124. There are some other small discrete increases for fees or expenses based on actuals. Mr. Morgan asked if their intra-governmental revenue increase was almost \$10,000. Ms. Adams responded yes because of the increase in amenity expenditures.

Ms. Adams reviewed the field expenses section of the budget. She stated that they were proposing an \$8,000 increase in landscape maintenance. There are some other minor increases. One increase being irrigation based on their projected annual expenses at the end of the fiscal year. Overall, their proposed budget for Fiscal Year 2024 for field expenses is \$275,609. She stated that she would be happy to answer any questions, should there be any.

Ms. Adams reviewed the next section of the budget, which was the amenity expenditures. She stated that there were some increases based on increase service levels for their janitorial services. Increases for amenity landscape replacement and electric based on actuals and the current site conditions. Mr. Morgan stated that the janitorial budget increased significantly, and he asked if it was because they were getting more use in the amenity that is requiring it. Ms. Adams responded that part of that was proposed increased services and all the janitorial services had been approved by the Board in terms of increase services. She asked Mr. Tindall if this also included the dog waste. Mr. Tindall responded that it included projections for the dog waste stations that they have been discussing during the field report. He added that it also included some shuffling that was going on. He further explained that if they had the pool vendor and the landscaper touching on some cans depending on where they were located, they were trying to bring all of that under the umbrella of the janitorial because it brings slightly increased service and would improve overall because now that everything was built out and more communities were using it, two days a week is much better for service empties. Ms. Adams noted that this was a proposed budget, and they were not at final numbers yet. Part of the final number will be contingent on Board action. She also noted that they would take a close look to make sure that the amenity expenditures were exclusive to the amenities and any field custodial gets put into the other section of the budget based on how this needs to be broken down.

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Ms. Adams stated that the Board budgeted a \$58,400 transfer out to capital reserves to save for pool's resurfacing, roof replacement, amenities, eventual road repairs, etc. She explained that they were also doing a little bit of a catch up. They looked at their surplus funds and they were increasing the projected transfer out to \$71,900, which included the amount that was budgeted in the Fiscal Year 2022 that they were not able to make.

Ms. Adams reviewed the last section of the budget which showed the tables. There are 628 units, which are broken down by phase. She noted that this was the same fees as the current budget. The amount that is going to the District is the net per unit, which is \$900.68 per unit. The amount that would be on the tax bill is \$968.48. Mr. Morgan asked for clarification that their assessments would remain the same. Ms. Adams responded yes, exactly. She continued reviewing the budget stating that the next few pages were a detailed narrative that had been updated based on the current conditions. She, again, stated that she would be happy to answer any questions, should there be any. She also stated that this was an excellent resource for Board members, staff and residents to refer to budget details. She explained that on page 8 of the proposed budget, they had their debt service funds. She noted that they would see what they budget for the proposed budget Fiscal Year 2024 in the section where they had an interest payment due November 1st and then interest and principal payments due May 1st. She further explained that was based on their amortization schedule that immediately followed. All their bond accounts are set up that same way for their debt service fund where they would see the scheduled payments and the amortization schedule that supports it. She stated that they had a new page added to the budget that was reflecting their reserve fund because this is the first year that they have the capital reserve fund, which is on page 19 of the budget. She asked for any questions on the overall budget.

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, Resolution 2023-03 the Proposed Fiscal Year 2024 Budget and Setting a Public Hearing for August 15 (new date), was approved as amended.

FIFTH ORDER OF BUSINESS

Ratification of Landscape Agreement Addendum with Prince and Sons

Ms. Adams presented the Landscape Agreement addendum with Prince and Sons stating that at last month's meeting, the Board approved renewing the landscaping at the current terms. They have an agreement in place through September 2024. She noted that this was on page 40 of

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the agenda package. There is no proposed increase in terms, they would just be approving the final form of the agreement.

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, the Landscape Agreement Addendum with Prince and Sons, was ratified.

SIXTH ORDER OF BUSINESS

**Consideration of Dewberry Work Order
for Annual Engineer's Report**

Ms. Adams presented the Dewberry work order for the annual engineer's report. She explained that certain bond indentures require an annual engineer's inspection of the CDD assets, and this was one of those Districts. She stated that they had received the work order that was included in the agenda packet on page 45. Mr. Banfield stated that once they have the signed work authorization from the Board, they can go ahead and get started with their site visit and that should be in the next few weeks or so. They are looking at the stormwater management system of the community. Mr. Morgan asked when the report was due. Ms. Adams responded that it was due per the terms of the bond indenture, which they were not all due at the same time. Ms. Banfield confirmed that it was due on July 1st. She stated that the total cost for this inspection was \$2,000. She stated that if there was anything that Board members needed the engineer to look at while they were on site to let them know.

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, the Work Authorization for \$2,000 with Dewberry Engineering, was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Kobitter had nothing to report for the Board.

B. Engineer

Ms. Banfield had nothing to report for the Board.

C. Field Manager's Report

Mr. Tindall presented the field manager's report to the Board. The report started on page 48 of the agenda package. He stated that the amenity looked good right now. The landscape enhancements that were approved at the previous meeting were completed. He stated that all the mulch had been completed and the facility looked good going into the holidays and the summer season. He also noted that the pool furniture that they approved at the previous meeting should be coming in at the end of the month. The landscaping overall and the improvements that were approved at the last meeting have been completed and look good. The area has been kept clean and neat. The palms were touched up and trimmed by the landscaper. There were no other issues to report on the landscaping now. The playground signs were installed. In Citrus Isles there was a situation where they have trash in the primary pond, and they have addressed that.

i. Consideration of Landscape Enhancements Proposal from Prince and Sons

Mr. Tindall presented and reviewed the proposals from Prince and Sons. He stated that the total for all four proposals was \$5,990. He noted that there was \$22,000 budgeted for the year. Previously they had \$2,368 that was approved towards that, so they should have plenty of money to cover that. Ms. Adams stated that they had spent no money out of the category this year, so they had funding available.

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, the Landscape Enhancements Proposal from Prince and Sons, was approved.

Mr. Morgan stated that several meetings ago they asked to get the gate and sod installed at Citrus Reserve. He also stated that the contractor said that he couldn't get to it right away, so they delayed it, but they really needed to get this moving and that this was something that Lennar was going to pay for. He asked Mr. Tindall if he ever got an estimate on what it would take to water the sod, if they didn't get any rain. Mr. Tindall stated that they were trying not to do that, and he didn't have a proposal to water it at this time, but he could get that and find out. Mr. Morgan stated that they were starting to get rain at least once or twice a week and they really needed the gate, and they need to get the sod down to prevent any future issues. Mr. Tindall stated that they would talk to the landscaper and have him monitor it.

ii. Consideration of Dog Stations Proposal for Citrus Reserve

a) Potential Dog Station Locations Map

Mr. Tindall referred to the map on page 59 of the agenda package for the Boards review. He stated that in Citrus Reserve, there were three dog stations that were requested. He listed some proposed locations in the map. One of the locations was requested to be in the median at the entrance as there is no CDD common tracts at that area. He noted that their recommendation would be to tuck it around the corner along the CDD tract. Mr. Morgan asked if there were any existing dog stations in this. Mr. Tindall responded that there was not in Citrus Reserve, but there was a dog park in Citrus Pointe located across the street. He explained that the proposed total for three stations would \$1,420 and the maintenance to empty that would be an additional \$150 a month. He noted that if they consider for the remainder of the year, he recommended to not start it until June at least and do a full month on it, which would be four months and would only be about \$600 in additional with a grand total of a little over \$2,000. If they do four months starting in June, that gives them time to order and install them, which they would be looking at about \$2,019.72.

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, the Dog Station Proposal for Citrus Reserve, was approved.

D. District Manager's Report

Ms. Adams stated that it was the time of year where the swim lessons start back up. She noted that they had 22 residents who were participating in those swim lessons as well as nine guests from other nearby communities. Those lessons are being staffed, attended and monitored by Swim Kids and they have notified the District of the proportion of the revenue that's coming back to the District. She noted that they had been in good communication with them. She stated that the Swim Kids lessons were currently on the weekends during the mornings until lunch time and starting when school gets out, they would be virtually every day of the week, Monday through Friday as well as weekends. She also noted that unless there were any objections from Board members, they went ahead and asked that they have additional pool security on the upcoming holidays. She added that there was funding in the budget, and they planned for coverage on these holidays.

i. Approval of Check Register

Ms. Adams presented the check register from March 1, 2023 through March 31, 2023 totaling \$37,020.95.

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, the Check Register for \$37,020.95, was approved.

ii. Balance Sheet & Income Statement

Ms. Adams reviewed the balance sheet & income statement. No action was required for this item.

iii. Presentation of Number of Registered Voters – 754

Ms. Adams stated that they were required per Florida statutes to present the number of registered voters to the Board each year. She noted that this was especially significant for younger Districts because they were looking for two benchmarks to transition from landowner elected to general election process. One benchmark is being established for six years and the other benchmark is reaching 250 registered voters. At this District, they have 754 register voters and was established in 2017. The implication is that in the 2024 general election, there will be two seats on the Board that transition from landowner elected to the general election cycle.

EIGHTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

There being none, the next item followed.

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TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Morgan, seconded by Mr. Kewley, with all in favor, the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman