

**MINUTES OF MEETING
LAKE POWELL RESIDENTIAL GOLF
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Lake Powell Residential Golf Community Development District held a Regular Meeting on May 2, 2022, at 3:00 p.m., Central Time, at the Boat House, 1110 Prospect Promenade, Panama City Beach, Florida 32413.

Present and constituting a quorum were:

David Dean	Chair
Thomas Balduf	Vice Chair
David Holt	Assistant Secretary
Jerry Robinson	Assistant Secretary
Frank Self	Assistant Secretary

Also present were:

Cindy Cerbone	District Manager
Mike Burke	District Counsel
Robert Carroll	District Engineer
Bethany Womack	Ecologist/District Operations Manager
Steven Undercoffer	Resident/POA President
Sherri and Pete Mallory	Residents
David Fleet	Resident
Eddie Levick	Resident/POA
Andy Phillips	Resident
Gene Sweeney	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Cerbone called the meeting to order at 3:00 p.m., Central Time. All Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Public Comment

Resident Gene Sweeney asked when public comments are heard. Ms. Cerbone stated members of the public may speak now or at the end of the meeting unless the Board deems otherwise. Comments are limited to three minutes per speaker and sharing time is not allowed.

Mr. Sweeney felt that the CDD property next to his home is severely overgrown and a fire hazard. Ms. Cerbone stated the Board is not obligated to provide feedback during the meeting; concerns can be addressed or Staff can be directed to look into the concerns and respond following the meeting.

Mr. Dean stated the CDD has some managed property and he would ask Ms. Womack to inspect and advise on whether the CDD is responsible for managing that property; an answer would be provided following the meeting. Ms. Cerbone asked for Ms. Womack to email Diane and copy her and the POA President on the email, if the property is owned by the CDD but managed by the POA.

Mr. Holt believed is it CDD land. The consensus was that the property is in poor condition. Ms. Cerbone would email Mr. Sweeney's contact information to Ms. Womack so she can follow up.

Resident Sherri Mallory recalled previous discussion about a conservation area near her home. Ms. Cerbone stated that would be discussed during Item 5B. Ms. Mallory questioned the previous Board's decision not to manage the area, which she believes is neglected. She asked for the CDD to restore the area to the same condition as it was 15 years ago.

Mr. Burke pointed out that allowing property to remain in its natural state is not necessarily neglect and that one's definition of "managed" might be considered "unmanaged" by another. If the POA wants to resume mowing or cultivating it, that is the POA's decision.

Resident David Fleet stated his opinion that it was willful neglect.

Mr. Burke reiterated that the POA is responsible for making a decision about this.

▪ **District Ecologist – Discussion/ Consideration/Update**

• **Environmental Permit Review of Manageable/Unmanageable Areas**

This item, previously Item 5B, was presented out of order.

Ms. Womack stated this area on Marsh Point Lane is a mitigation zone, which is why it was managed 15 years ago. The area is one of the zones left on the CDD's mitigation plan and

the CDD should be maintaining it according to the criteria specified. She discussed specific criteria, including reducing the shrub canopy to allow herbaceous vegetation to grow, leaving canopy species and allowing bay trees to grow so that the canopy layer would remain.

Mr. Balduf asked if there are other mitigation zones the CDD has not maintained properly. Mr. Holt stated the entire map was reviewed and this is the only such zone in the neighborhood. He discussed quotes obtained from contractors familiar with the CDD. Breaking Ground quoted \$18,500 and New Leaf quoted \$12,600. Mr. Holt recommended hiring New Leaf and discussed his reasons.

Mr. Balduf asked if this would be an ongoing project. Ms. Womack stated ongoing management would be the same as for any other mitigation area currently being maintained. The amount quoted to bring the area into compliance with the specifications would be a one-time expense. Ongoing maintenance is not anticipated to increase the budget line item amount. The lots in proximity to the conservation areas and the quote were discussed.

Mr. Balduf's understanding was that other managed areas are being attended to and those areas do not include Mr. Sweeney's property. Ms. Womack stated she would look and confirm; however, from what was described, the property is not a designated mitigation zone requiring enhancement activities as part of the environmental permit. The area on Marsh Pointe is Mitigation Zone 30 and there are no Mitigation Zones on Southern Point Court; the land might be owned by the CDD but it is not mitigation land. Ms. Cerbone stated she included this matter as an action item and would give a recap at the end.

On MOTION by Mr. Dean and seconded by Mr. Robinson, with all in favor, the New Leaf proposal for cleanup of the mitigation area, in the amount of \$12,600, was approved.

- **Meter Installation Status with Gulf Power**

This item, previously Item 5A, was presented out of order.

Ms. Womack stated the meter was installed and is running at the Meadowlark Pond. The electrician surveyed power sites for Phase II installations at the ponds and would meet with Lake Doctors this week to confirm the compressor locations. Further discussion might be

needed if it becomes necessary to bore under the roadway onto what may be POA property to put the compressor on the other side; an answer was expected by the end of the week. Permit applications were prepared for submission to the County.

A Board Member noted some trees might be experiencing transplant shock and several died. Ms. Womack would inspect them. It was noted that a watering campaign might help.

Asked about easements granted to Florida Power & Light (FPL) or Saint Joe, Mr. Burke stated, in the course of development, the CDD granted a number of cross easements between Lake Powell LLC, which became the POA and Sharks Tooth Golf Course, which became Saint Joe to prevent conflicts. He discussed easements for water pumps on the golf course but could not speak to specific tracts without doing a search. Asked how easements benefit the property owner, Ms. Cerbone stated easements give the CDD the opportunity to get a benefit from the service that the electric tie-in provides. Blanket utility easements, right-of-ways (ROWS) and instances in which property owners might receive compensation were discussed.

Ms. Womack stated “Installation of New Aerators” would be the best title for the new agenda item. A crew arrived to install fence screening at the maintenance area but the screen had to be returned because 8’ instead of 6’ was delivered; delivery of the new screening is expected within the next two weeks.

A Board Member discussed Mr. Jim Morgan’s request to install extensions and higher screening. Discussion ensued about how to resolve the issue and the original and new requests. The consensus was to reevaluate the project.

Ms. Cerbone stated the vendor might have expended funds so there might be some expense. She asked if a temporary solution was desired. COA contributions, maintenance, responsibility and requirements, project specifications and liability were discussed. Ms. Womack would try to put the vendor on hold and contact the COA President.

- **Other**

This item, previously Item 5C, was presented out of order.

Ms. Womack stated that “Environmental Permit Review of Manageable/Unmanageable Areas” could be removed from the agenda because Zone 30 is the only managed area aside from the other mitigation zones identified in the Environmental Permit. All other areas owned

by the CDD would be considered unmanaged lands. Unmanaged lands are not subject to any restrictions from the Environmental Permits, such as the Salamander property, and can be utilized without contacting the Department of Environmental Protection (DEP) or the Army Corps of Engineers (ACOE). Unmanaged lands requiring only preservation may receive special permission on a case-by-case basis from the DEP for projects, such as the FireWise buffer zone behind the 1300 lots on Salamander, due to the homes’ proximity to the wetlands. This issue arose because the homes were not built where they were permitted; other such instances exist within the subdivision and buffer zones have been permitted to address such issues. Special permission might be granted for these issues on a case-by-case basis.

Ms. Cerbone noted that Ms. Womack will not attend the next meeting at which the proposed Fiscal Year 2023 budget will be discussed, so any questions of her should be raised today or emailed.

THIRD ORDER OF BUSINESS	District	Counsel	–	Discussion/ Consideration/Update
A. Updated Landscape Agreement Regarding Tree Removal				
B. Potential Land Swap with St. Joe				
C. Lease Agreement with POA				
I. Consideration of Drop Down Proposals				
II. Consideration of Lease Agreement				
D. Agreement with POA and CDD for Stormwater Drainage Facilities Oversight				
E. Wild Heron POA Non-Ad Valorem Assessment Forgiveness Re: Property Purchased (Deferred to June Meeting)				
F. Other				

This item was presented following the Fourth Order of Business.

FOURTH ORDER OF BUSINESS	District	Engineer	–	Discussion/ Consideration/Update
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Ms. Cerbone recalled previous discussions about drainage issues with new or relatively new construction and how the issues arose. She spoke with several individual Board Members, as well as the District Engineer and District Counsel, about these matters.

A. Driveway Culverts on Sweet Bay Trail and Marsh Rabbit Run and Drainage Repair Options

I. 1511 Sweet Bay Trail (Andy Phillips)

Ms. Cerbone surmised that, based on a series of events, the Board feels that the drainage situation on CDD property needs to be rectified. She stated the CDD has the right and authority to approve the CDD paying for that work. The consensus was this is the goal.

A Board Member asked why this is needed, where the water would flow and whether this would be someone else's issue in the future.

Mr. Carroll was unsure of the review process when this property was originally built. Plans were turned in and approved and the home was built and, at the time, Mr. Phillips was not advised that a culvert was needed so the swale in front was filled in. He discussed the culvert drainage issue, which worsened due to recent heavy rains, and noted several adjacent vacant lots would contribute to issues. The ditch should have been continued via one of several methods. Mr. Carroll stated that remediation should be done before additional homes are built and before Mr. Phillips begins his landscaping project.

Discussion ensued regarding drainage solutions and whether to utilize 15" or 18" pipes. It was noted that the home was inspected when built in 2016.

Mr. Dean supported the CDD fixing the problem for the two properties with that issue, at the CDD's expense.

Mr. Carroll discussed the quality control measures in the Architectural Review Board (ARB) process, including reviews by Ms. Womack and the Compliance Officer and his physical inspections. He discussed issues that contributed to the problem and expressed support for rectifying the issues, at CDD's expense, since ARB approval was given.

Mr. Dean felt that pushback might be received due to the appearance of favoritism and noted that the same issue at the two residences that overlook the maintenance yard. A Board Member felt that was justified because the CDD created the issue in the maintenance yard.

Mr. Carroll stated the drainage remedy would rectify the issue for the entire street.

Mr. Burke stated the law does not require the CDD to fix the issue, even with it being the ARB's mistake; the determination was being made to correct the problem that occurred due to a system failure, rather than incurring litigation that could quickly exceed \$20,000. He noted that controls have been implemented to ensure this does not happen again.

The consensus was that time is of the essence for these repairs.

Resident Andy Phillips discussed the history of the issue and his ongoing landscaping project and thanked the Board for their consideration. Mr. Carroll asked if Mr. Phillips' current plan includes 8" pipe. Mr. Phillips replied affirmatively and stated his contractor advised that a 15" or 18" pipe would be outside his scope of work so it would require a road contractor.

Mr. Carroll would request a bid from that contractor and the current contractors the CDD utilizes, which might expedite the process.

On MOTION by Mr. Self and seconded by Mr. Holt, with all in favor, authorizing drainage remediation work on Sweet Bay Trail, at the discretion of the District Engineer and at the CDD's expense, in a not-to-exceed amount of \$25,000, was approved.

II. Other Locations as Applicable

Mr. Holt stated the plan is to redo the drainage on Marsh Rabbit Run, where construction of another house would begin soon; two are under construction and two would begin landscaping by the summer.

Mr. Carroll discussed the plans for the culvert work to be done; the plans would be emailed to Ms. Womack. Ms. Womack stated the goal is to present proposals at the next meeting. This item would be included on the next agenda.

B. Other

Ms. Womack recalled that box culvert repairs are needed on the north side of the circle on Wild Heron. She was unsure when flowable fill would be secured and stated the project was delayed to accommodate the golf tournament.

Mr. Holt requested an update on the DEP and the boat dock. Ms. Womack stated that permitting with the POA is underway; the access dock is on POA land and the conservation easement is on CDD land, along the water's edge. The DEP requested authorization for the dock from the riparian owner. She was waiting on guidance from the DEP regarding how to document riparian ownership and/or a riparian easement.

Discussion ensued regarding the original dock, modifications and the permit. The matter was forwarded to the DEP's Attorney and an update would be provided when available.

Mr. Carroll stated he gave the plans for Turtleback Court drainage to Ms. Womack; in his opinion, now is a good time to perform the work. Mr. Holt stated those are all the CDD roads with main drainage issues, except Wild Heron Way.

▪ **District Counsel – Discussion/ Consideration/Update**

This item, previously the Third Order of Business, was presented out of order.

A. Updated Landscape Agreement Regarding Tree Removal

Mr. Burke presented the redline version of the Maintenance Agreement showing the POA's revisions and responded to questions. Discussion ensued regarding the landscaping standards and the Agreement between the POA and the CDD.

On MOTION by Mr. Balduf and seconded by Mr. Self, with all in favor, the Landscape Maintenance Agreement, was approved.

B. Potential Land Swap with St. Joe

Mr. Burke stated he informed St. Joe of the CDD's position and a response is pending.

Ms. Cerbone noted the need for information regarding maintenance costs for the clay courts. Mr. Robinson stated the Developer spared no expense in building the Har-Tru HydroCourts. Har-Tru is an artificial surface that generates a clay type of playing environment and HydroCourt is a type of underground demand-based irrigation system that uses much less water than a surface-type environment. These types of courts are used in major tournaments and in Florida construction; each clay or artificial clay court costs \$45,000 to \$95,000, not including fencing, lighting, screens and supplies. He estimated the value of the section,

including the four courts, could total \$307,000 and the two acres that include the outbuilding with bathrooms, parking and a pergola, can conservatively be valued at \$100,000. The additional property in front might be worth \$150,000, bringing the overall estimated asset value of these areas to over \$500,000. Mr. Robinson discussed maintenance and labor costs estimated at \$24,000 annually, plus materials costs of about \$4,800 and miscellaneous equipment and water supply costs of approximately \$1,400, for total operating costs of \$30,500 annually to maintain the courts.

Discussion ensued regarding the labor estimates, additional expenses, funding options, leasing the courts to the POA to operate as an amenity, adding improvements like pickleball as an amenity and operating a private tennis club that would be open to the public.

Mr. Robinson discussed revenue assumptions and costs for labor and materials and noted it might be a break-even proposition. Another option is for the CDD to acquire the courts and hire a contract operator to run them, in order to have a discounted membership rate for residents. Mr. Burke stated the CDD's only obligation is to allow for public use; user fees can be set accordingly.

Ms. Mallory suggested including deed restrictions to address any concerns about the use of the property, if a land swap is pursued. She stated a deed restriction was included in the POA's Prospect Promenade lot. She believed the POA's deed restrictions require the property to be used for common area and not sold. The property is currently a common area and the POA's intent is to develop the area for additional amenity structures and possibly a lap pool.

Mr. Burke stated his belief that the CDD has all the property surrounding that area and suggested potential land swaps be considered. Ms. Mallory believed that any projects would require a joint effort between the CDD and the POA. Use of POA land, land swaps and the possibility of a joint planning session to discuss joint efforts between the CDD and the POA were discussed. Ms. Cerbone stated, if scheduled, the meeting would be publicly noticed.

C. Lease Agreement with POA

I. Consideration of Drop Down Proposals

II. Consideration of Lease Agreement

These items were discussed below.

D. Agreement with POA and CDD for Stormwater Drainage Facilities Oversight

Mr. Burke presented the Stormwater Facility Management Services Agreement, which is patterned after the existing landscape and security maintenance agreements. In this instance, the CDD will oversee all stormwater management facilities and the associated services of Mr. Carroll and Ms. Womack for both the POA and the CDD. How the CDD will be compensated for doing the work must be determined; two options were listed in Section 4, Fees for Services.

Discussion ensued regarding how the POA would pay for work done on its behalf and whether to charge the POA for the CDD's consulting on such matters.

Ms. Cerbone stated that additional funds might need to be budgeted for Engineering consultations, unless the POA is billed directly for the fees. Mr. Burke stated that was not suggested, as direct billing would require an Agreement with the POA and the intent is for the CDD to manage Engineering services. Mr. Carroll stated Ms. Womack manages most of the maintenance, contracts and vendors. The POA's desire for the CDD to assume turnkey responsibility for all stormwater work, including construction and maintenance, and billing the POA were discussed. Ms. Womack stated, in the event of a turnkey solution, her concern would be attending to drainage structure failures in ROWs after storms, given the extensive series of necessary repairs and the question of how extensive repairs should be billed.

Mr. Self left the meeting at 4:33 p.m.

Ms. Womack discussed all the variables involved with pipe failures and repairs inside the ROW and possible damage to pavement and sidewalks. The consensus was that the POA should not be blindsided with large unexpected expenses. Ms. Womack stated that she could obtain proposals in those instances. Ms. Mallory suggested this discussion be included in a joint session and further suggested establishing a not-to-exceed amount for repairs in such instances. Ms. Womack felt that this would be a good start.

Mr. Burke stated the original purpose of the Agreement was to help the POA with the expertise. He suggested using the first option for Fees for Services and sending the Agreement to the POA for review.

Ms. Cerbone asked if additional estimated consulting fees should be budgeted. The consensus was to increase the consulting fees but no administrative fee would be charged to

the POA. Ms. Cerbone would increase the amounts budgeted for Engineering fees to include consulting services provided to the POA. Only an expense item would be included; no revenue item would be needed, as the CDD will not bill the POA.

Ms. Cerbone noted that Section 4 would be clarified to indicate that no administrative fee will be charged to the POA. The consensus was to wait for feedback from the POA. Ms. Cerbone would send a follow up email to recipients of the Draft Agreement.

This item would be included on the next agenda.

- **Lease Agreement with POA**

- I. **Consideration of Drop Down Proposals**

- II. **Consideration of Lease Agreement**

This item, previously Item 3C, was presented out of order.

Mr. Burke presented the Lease Agreement with the POA and stated that enclosure needs to be suggested to the POA. Ms. Cerbone stated that Mr. Robinson obtained proposals for manual controls with installed costs; modifications to the structure are being considered.

Ms. Cerbone stated an amount was not approved at the last meeting. The lifespan of panels is estimated to be 10 years; no regular maintenance is required other than occasional pressure washing. Mr. Burke stated the cost is \$5,000 per year, for a 10-year term. Ms. Womack stated the panels have a 10-year warranty.

Ms. Cerbone suggested approval in substantial form.

Mr. Burke stated some negotiation with the POA remains and suggested waiting to place the order. Mr. Dean stated the per unit cost is \$8.34 annually.

On MOTION by Mr. Dean and seconded by Mr. Robinson, with all in favor, authorizing the Drop Downs in a not-to-exceed amount of \$50,000, and the Lease Agreement, in substantial form with the understanding that the Drop Downs will not be ordered until the Agreement is executed by all parties, was approved.

- **Discussion Resumed: Agreement with POA and CDD for Stormwater Drainage Facilities Oversight**

Ms. Cerbone recalled previous discussion of the Stormwater Facility Management Services Agreement and stated a motion is needed.

On MOTION by Mr. Balduf and seconded by Mr. Dean, with all in favor, authorizing Staff to increase the amounts budgeted for Engineering fees to include consulting services and the decision not to charge an administrative fee, were approved.

E. Wild Heron POA Non-Ad Valorem Assessment Forgiveness Re: Property Purchased (Deferred to June Meeting)

Ms. Cerbone recalled that, at the last meeting, Wild Heron POA acquired property from St. Joe and requested forgiveness of the Non-Ad Valorem Assessment, which the Board approved; however, the CDD cannot forgive bond debt. A General Fund Assessment can be forgiven but not debt; therefore, that action, in its entirety, is most likely invalid.

This item would be addressed at the next meeting.

F. Other

FIFTH ORDER OF BUSINESS

**District Ecologist – Discussion/
Consideration/Update**

- A. Meter Installation Status with Gulf Power**
- B. Environmental Permit Review of Manageable/Unmanageable Areas**
- C. Other**

This item was presented following the Second Order of Business.

SIXTH ORDER OF BUSINESS

**Continued Discussion: Engagement of Firm
for Debris Removal Monitoring and Filing
FEMA Requests for Reimbursements**

Ms. Cerbone recalled that the Board previously approved the continuation of the Custom Tree proposal for disaster debris removal but a disaster debris removal disposal monitoring and reimbursement firm is needed. Bay County and Panama City Beach both

awarded contracts to several firms, including Rostan and Thompson, to complete Federal Emergency Management Agency (FEMA) filings on a timely basis. Additional information would be obtained; at the next meeting, she would recommend engaging Rostan.

This item would be included on the next agenda.

SEVENTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of March 31, 2022

Ms. Cerbone presented the Unaudited Financial Statements as of March 31, 2022. She noted the following:

- A line item would be added for stormwater oversight related to the POA. Ms. Womack and Mr. Carroll would assist in this regard.
- Insurance would increase; the amounts were provided by the insurance carrier.
- Funds budgeted for roadway resurfacing will be transferred to Unassigned fund balance.

Mr. Robinson discussed the need for replacement and installation of missing and damaged conservation area signs. Ms. Cerbone stated a line item would be created for this expense.

- The Underwriter would be contacted regarding refinancing options; refinancing cannot be done this year due to the 10-year call position but she would obtain written future refinancing option recommendations from the Underwriter.

A Board Member asked who owns the back gate by maintenance. Mr. Burke believed it is owned by St. Joe and the CDD’s road stops at the driving range. Ms. Womack noted that conservation and mitigation areas exist in that area.

Mr. Holt stated the trail past the gate is now owned by Watersound Trail, LLC.

On MOTION by Mr. Robinson and seconded by Mr. Balduf, with all in favor, the Unaudited Financial Statements as of March 31, 2022, were accepted.

EIGHTH ORDER OF BUSINESS

Approval of April 4, 2022 Regular Meeting Minutes

Ms. Cerbone presented the April 4, 2022 Regular Meeting Minutes.

On MOTION by Mr. Robinson and seconded by Mr. Holt, with all in favor, the April 4, 2022 Regular Meeting Minutes, as presented, were approved.

NINTH ORDER OF BUSINESS

Staff Reports

A. Ecologist/Operations: *Cypress Environmental of Bay County, LLC*

There was no report.

B. District Counsel: *Burke Blue*

There was no report.

C. District Engineer: *McNeil Carroll Engineering, Inc.*

There was no report.

D. District Manager: *Wrathell, Hunt and Associates, LLC*

- **NEXT MEETING DATE: June 6, 2022 at 3:00 P.M. (Central Time)**
- **QUORUM CHECK**

The next meeting would be held on June 6, 2022.

TENTH ORDER OF BUSINESS

Board Member Comments

- **Conservation Area Signs**

This item was not discussed.

Ms. Cerbone asked Mr. Robinson to email his presentation about the clay courts to her. She would send an Owner Operator Agreement for another CDD to Mr. Burke as an example for his review.

ELEVENTH ORDER OF BUSINESS

Public Comments

A resident commented about cracks in the sidewalks and asked who is responsible for sidewalk maintenance along CDD roads. Mr. Dean stated anything above 1” is considered the responsibility of the POA; anything underground is considered the CDD’s responsibility. The

resident asked if specific roads are owned by the CDD or the HOA. Mr. Carroll would inspect the area and advise.

TWELFTH ORDER OF BUSINESS

Action Item Recap

Ms. Cerbone recapped the following:

- The adjacent area to the Sweeney’s lot would be inspected.
- The fence situation would be reevaluated to determine if the vendor can be put on hold; if not, worst-case is that the CDD would be out the money.
- Ms. Womack would ask Diane for the COA President’s contact information.
- The Engineering team would obtain proposals for drainage enhancements for Marsh Rabbit Run and Turtle Back
- Ms. Womack would obtain proposals for conservation area sign replacements. Mr. Holt asked about installing a different color of sign for aesthetic reasons.
- A Board Member stated the COA President is James (Jim) Morgan.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Dean and seconded by Mr. Holt, with all in favor, the meeting adjourned at 5:13 p.m., Central Time.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]


Secretary/Assistant Secretary


Chair/Vice Chair