

**MONTECITO COMMUNITY DEVELOPMENT DISTRICT
SPECIAL BOARD OF SUPERVISORS' MEETING
Monday, October 28, 2024
208 Montecito Drive, Satellite Beach, Florida 32937
9:30 a.m.**

Board Members present at roll call:

Catherine LeCesne	Chairperson
Ed Henson	Vice Chairperson
Tanja Glynn	Assistant Secretary
Rich Wellman	Assistant Secretary

Also present were:

Venessa Ripoll	District Manager- PFM Group Consulting LLC
Vivian Carvalho	District Manager - PFM Group Consulting LLC
Rick Montejano	District Accountant - PFM Group Consulting LLC
Michael Pawelczyk	District Counsel – Billing, Cochran, Lyles, Mauro & Ramsey, P.A.
Kisha Wagner	General Manager – Vesta Properties
Jasmin Barone	ADM - PFM Group Consulting LLC (via phone)
Stef Matthes	District Engineer - Culpepper and Terpening, Inc. (via phone)

FIRST ORDER OF BUSINESS

Organizational Matters

Call to Order and Roll Call

Ms. Ripoll called the meeting to order at 9:30 a.m. and quorum was established.

Public Comment Period

James Bourdeau stated that the Montecito HOA is prepared to sign the Clubhouse Facility Use Agreement.

Mark Nehiba agreed with Mr. Bourdeau and stated that Single Family Homeowners' Association is also prepared to sign the agreement.

Mr. Henson noted this is last meeting with the CDD and that Ms. Debra Defiore Reitz will be taking his place.

**Consideration of the Minutes of
the September 11, 2024, Board of
Supervisors' Meeting**

On motion by Ms. Glynn, seconded by Mr. Wellman, with all in favor, the Board of Supervisors for the Montecito Community Development District approved the Minutes of the September 11, 2024, Board of Supervisors' Meeting.

SECOND ORDER OF BUSINESS

General Business Matters

**Status of Consumptive Use
Permit (CUP) Compliance**

The District Engineer, Stef Matthes, gave an update. He noted the water usage is in line and the water quality testing still needs to be done. This is still an outstanding issue and needs a vendor to complete. He noted that the last vendor to complete the wells and water issues, stated they did not have the capability to complete this type of testing.

There was a discussion regarding ECOR, the former aquatic maintenance company, and if they would be able to complete this task. ECOR has not responded as of yet, but the District Manager will reach out to them. The company Solitude was also referenced as a possibility. This will be brought back to the next Board Meeting.

**Status of Parcel
Conveyance – Final 11
Parcels from Montecito CDD
Holdings**

District Counsel gave an update. The Special Purpose Entity (SPE) is down to one person, but the final paperwork is being completed. The difficulty with this has been having the Settlement Agreement that required the SPE to complete the project, collect the "as-built" drawings, and transferring the St. John's Water River Management permit that is held by the SPE or prior developer. The District Engineer has started the process of this transfer, which should be completed soon. The documents should be back next week for the parcels.

**Status of Montecito
Clubhouse Facility Use
Agreement by HOAs' Executed**

Ms. Ripoll stated everything regarding this agreement should be signed by the end of the month. Ms. Carvalho noted the security section/ provision of the agreement was updated by District Counsel in order to come to an agreement with all parties.

District Counsel gave an overview of the security section/ provision of the agreement and what it meant for both the District and the HOAs involved.

**Consideration of Resolution
2025-01, Adopting the Annual
Meeting Schedule for Fiscal Year
2024-2025**

Ms. Ripoll discussed with the Board their choice of meeting schedule. There was a brief discussion about keeping most meetings consistent with the current meeting schedule (the second Wednesday of the month at 9:30am) but having an evening meeting once a quarter in order to allow more residents to attend.

Ms. Ripoll suggested that two of these evening meetings be for the Proposed Budget and the Adopted Budget. The suggested time was 5:30pm or 6:00pm.

There was a discussion on the timing of the meetings and the attendance. This discussion included the General Election timing and being able to constitute a quorum at the next meeting.

It was agreed to have the meetings on the first Wednesday of the month.

Scheduled dates for upcoming meetings:

November 13, 2024, 9:30am

December 4, 2024, 9:30am

May and August at 5:30pm

Ms. Ripoll stated all meetings will be placed on the district's website with time and location for residents to see.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-01, Adopting the Annual Meeting Schedule for Fiscal Year 2024-2025.

**Consideration of Resolution 2025-
02, Appointing the District
Manager, Assessment Consultant,
and Investment Representative**

- **Ratification of District Management Agreement**

Ms. Ripoll stated this is solely for ratification as the agreement has already been previously signed.

On MOTION by Ms. LeCesne, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-02, Appointing the District Manager, Assessment Consultant, and Investment Representative and ratified the District Management Agreement.

Consideration of Resolution 2025-03, Authorizing to Establish a Checking Account

Ms. Ripoll stated that the recommendation is to go with Valley National Bank, which PFM utilizes as well.

Ms. Carvalho noted the trust accounts, that relate to the bonds, will remain the same.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-03, Authorizing to Establish a Checking Account.

Consideration of Resolution 2025-04, Adopting Internal Controls Policy

Ms. Ripoll stated this is pursuant to statute requirements that require the Account Manager and the person who signs the checks to be two different people. This allows PFM to internally control this.

On MOTION by Mr. Wellman seconded by Ms. LeCesne, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-04, Adopting the Internal Controls Policy.

Consideration of Resolution 2025-05, Adopting Investment Guidelines

Ms. Ripoll stated this is regarding any additional monies earned. These monies and how they will be invested/used will be reviewed by Mr. Montejano and brought before the Board to consider.

On MOTION by Ms. LeCesne, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-05, Adopting Investment Guidelines.

Consideration of Resolution 2025-06, Appointing District Officers

Ms. Ripoll stated this is to add PFM staff to the District Officers. This adds Ms. Ripoll as Secretary, Ms. Carvalho as Assistant Secretary, and Ms. Glasgow Ms. Lane, Mr. Montejano and Ms. Champagne as Treasurers and Assistant Treasurers.

On MOTION by Ms. LeCesne, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-06, Appointing District Officers.

Consideration of Resolution 2025-07, Designating the Authorized Signatories

Ms. Ripoll stated this resolution is to add PFM to the bank account for authorized signatories.

On MOTION by Ms. LeCesne, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-07, Designating the Authorized Signatories.

**Consideration of Resolution
2025-08, Designating Primary
Administrative Offices**

Ms. Ripoll stated this is to designate PFM's office as the primary administrative office for the district.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-08, Designating the Primary Administrative Office.

Consideration of Resolution 2025-09, Changing Registered Agent & Office

Ms. Ripoll stated this is regarding the new District Management.

District Counsel gave an overview and stated that his office is the current registered agent and office. Mr. Pawelczyk stated this is how all his current Districts are listed, but it is up to the Board's decision. He does not recommend the change because any legal action that is taking place should be served to his office first, not to another location. Any packets of information received as it relates to legal matters are immediately sent to the District Management office as needed.

Ms. Carvalho stated they work with other Districts and have seeing both ways.

Ms. LeCesne discussed how this resolution would affect the district. She feels it is the District Manager who informs the Board immediately when anything is going on, not District Counsel. In the little time that PFM has been on board, there has been movement within several issues that have been stagnant and not resolved until now. This is why the District Management Company, PFM, was hired.

There was a discussion regarding District Counsel's reasons on keeping the registered agent as their office. This can be changed at any time.

On MOTION by Ms. LeCesne, with no one in favor, the Montecito Board of Supervisors CDD did not approve Resolution 2025-09, Changing Registered Agent & Office. Motion failed.

The registered agent will remain the same.

**Consideration of Resolution
2025-10, Confirming Local
District Office**

Ms. Ripoll stated this the PFM office.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Board of Supervisors CDD approved Resolution 2025-10, Confirming Local District Office.

**Discussion Pertaining to Request
from Brevard County Natural
Resources Management Pilot
Program**

Charlie Venuto a resident, gave an overview as the representative for this program. He stated this is to look at the main issues facing the lagoon, which includes septic, load, and stormwater.

A Brevard County representative, Melanie Howarter, handed out a flyer regarding the program, which included their annual report. She stated that the program is a half-cent sales tax initiative, where funds are collected for 10 years. It was started in 2016 and all funds go towards water quality improvement projects for the lagoon. This includes education, outreach, upgrades, projects, and more.

In her overview, she stated that one of the top polluters to the lagoon is stormwater. The pilot program is to start a "Stormwater Pond Best Management Practices" for HOA's or communities. It will have two components: to engage citizen science and community outreach. Within the citizen science portion, volunteers would be needed to collect monthly water samples. Everything needed will be given to the volunteers, including safety equipment. These samples are then sent off to a lab and tested for various water quality standards. Melanie is the project manager for this initiative and will need at least one volunteer, with a possible backup, at each community. This program would start mid-November or early December. This would run through September 2025. There would be several meetings to attend in order to ask questions and gain information throughout the project. The time commitment for the volunteers will be 1-2 hours per month. There are 4 other communities currently within this pilot program.

There was a brief discussion in regard to pond maintenance and who was responsible for maintaining the ponds. It was noted that the CDD is responsible, not the HOA.

A resident had questions regarding the process of collecting the samples and the equipment costs. All of this is provided and covered by the grant that the program has.

Ms. Howarter would come in and train everyone volunteering in order to use the equipment properly.

Ms. Ripoll noted that the CDD requires additional insurance for any volunteers.

Ms. LeCesne discussed the benefits of the program, but also questioned the issues with having volunteers as this community as it is covered by the CDD. The current grant contract lists an HOA.

Ms. Howarter noted that the contract is between the county and the National Estuary Program. There would not be a contract between the program and the CDD. It would just be a community commitment.

Ms. Carvalho stated that due to the rules and regulations of the CDD, in order to have this type of program, the CDD would have to notate the names of those participating and contact the insurance to see what additional costs would be incurred to cover the volunteers. It would have to be two individuals that committed to doing this for the entire time of the program. No matter who the volunteers are, the liability falls on the CDD.

Ms. Glynn asked for clarification on the difference between this data and the data that is being collected from the CUP vendor.

Ms. Carvalho stated that there are requirements within the CUP that must be submitted by a certified lab for testing and adhering to the CUP requirements.

It was asked that the District Manager obtain the cost of volunteer insurance coverage for this program and bring it back to the Board at the next meeting.

There was a discussion regarding the number of volunteers that would need coverage.

THIRD ORDER OF BUSINESS

Other Business

Staff Reports

District Counsel – No report.

District Engineer – No report.

District Manager – Ms. Ripoll noted that the next Board meeting will be November 13, 2024, at 9:30am. She asked for a motion to name herself the Public Records Custodian.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Board of Supervisors CDD designated the Public Records Custodian and Management Liaison Officer.

General Manager –

- **Review and Consideration of Hoover Pumping Systems Preventative Maintenance Agreement**
- **Review and Consideration of Brown Fitness Services, LLC Proposal**

There was a discussion regarding the playground equipment. Ms. Wagner stated that the flooring and equipment needs to be replaced. The quote that has been received is for \$74,000, which includes the removal and replacement of the flooring. It was requested to obtain two additional quotes and to bring those back to the next Board Meeting.

There was a brief discussion regarding the existing Capital Improvement Plan and the reserves for this project. It was noted that within that plan, there was \$77,000 for playground equipment/repairs and \$30,000 for the flooring.

Ms. LeCesne asked for an update on the sinkhole.

Ms. Wagner stated she contacted a utility company to make sure there were no other leaks that would lead to more issues. The company has confirmed there are none. The Facility Attendant has filled and patched the sinkhole/depression. She will contact the company again to come out and recheck for any leaks.

Ms. LeCesne asked for updates on the swimming pool install from one of the homeowners in the community as it relates to irrigation pipe CDD damage.

Ms. Wagner stated that during the homeowner pool install, two irrigation lines have been broken. There will be a discussion with the HOA and CDD repairing the pipe and the cost associated with such repair.

Ms. LeCesne asked for clarification on how the facilities are locked when there are night events/activities.

Ms. Wagner stated no event should be after 8pm. There are security cameras in place and the facility is locked. In order to enter, someone has to let others in.

Ms. LeCesne stated the facilities need to remain locked and someone needs to be on property to lockup if there is an event taking place.

A resident stated they had rented in the past and the event was agreed to be done at 10pm. However, the alarm is set for 9pm and the police came due to it going off.

Ms. Wagner stated the alarm has since been updated to 10pm. She also suggested obtaining a copy of the facility agreement and keeping that at the event, in case anything should happen.

There was a brief discussion regarding the homeowner pool install and the irrigation lines. It was noted that there should be a Temporary Easement Agreement that would cover those issues of getting the lines repaired. Ms. Wagner stated that Ms. Beth Morris was taking care of notifying the residents of the water line issue.

ProGreen Services Representative Rusty Kahoe stated that there was a major water outage on the single-family homes side last week, unrelated to the homeowner pool install. There were an additional two zones that went down due to the homeowner pool install. As of today, everything should be fixed.

Ms. Wagner provided quotes for repair or replacement of the treadmills. Repair would cost \$792.38, and replacement would cost \$5,951.61.

There was a discussion regarding what reserves are set aside for this replacement. The Board requested a quote on replacement of both treadmills, to see if that would provide a better price. It was noted there was \$38,000 set aside for the fitness equipment replacement. This will be placed on the agenda for the next meeting.

Ms. Wagner stated there is a leak on one of the separation tanks at one of the pools and Brevard Pools has provided a quote. The tanks come in a set of 4 and all 4 have to be replaced, not just one. This quote also includes 2 valves. The quote is for \$4,415.00. This feeds the chemicals into the pool.

Ms. Ripoll called for a motion.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Board of Supervisors CDD approved the Brevard Pools proposal.

The next item to come before the Board, from Ms. Wagner, was the renewal of the Hoover Pumping Systems Preventative Maintenance Agreement.

On MOTION by Ms. LeCesne, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD approved the Hoover Pumping Systems Preventative Maintenance Agreement.

Mr. Henson asked for an update on the sidewalk repair along the Shearwater area.

Ms. Wagner stated that someone is coming today from the City to walk the area. A proposal has also been received from ProGreen that will be reviewed. She will gather three suggestions/proposals and will bring back to the Board at the next meeting.

Mr. Henson stated his concern with the trees in that area that may be causing the issues.

There were no further questions for the General Manager at this time.

Vendor Report –

- **Review of ProGreen Services LLC Proposals**

Rusty Kahoe gave an update. He stated the community is on a bi-weekly mowing schedule right now. There are now 4 crew members on the Montecito team. They are helping identify quality issues throughout the community. The weed controller and fertilizer were delayed due to the Hurricane but will be done this week. The irrigation issues were previously discussed but should be completed today.

Rusty Kahoe gave an overview on the irrigation issues that happened due to the homeowner pool installation taking place. The deposit that is on file will not cover the amount to fix the lines that were broken. An invoice has been provided, but he needs to know how to proceed with payment.

Ms. Carvalho stated this is an unfortunate situation, but pursuant to the ARB application and Temporary Easement Access Application that were completed, this is the homeowner's cost.

There was a discussion regarding the cost of the repair, the timeline to complete the repair, and the process of collecting the monies due from the homeowner. The cost of the repair is \$2,411.32. This is not a District cost; this is the homeowner's cost.

District Management will draft a letter to give the homeowner notifying them of the cost. It is temporarily fixed, but there is still work going on in that area. Once complete, a permanent fix will be done. This is where the cost will be incurred. The deposit and the work that was just completed are not factored into the invoice at this point.

There is an estimate for shrub removal in the amount of \$250.00. This is at the resident's cost.

There is an estimate for preventative fertilization treatments for the palms at the entrance. One royal palm had to be removed already due to it being diseased. There are currently 62 trees to be treated. The cost of this proposal is \$4,650.00.

There is also an estimate to remove the firebush around the playground area. It attracts bees, wasps and is a hazard in that area. This is proposal #7248. This will be tabled until after the playground is complete.

There previously was a quote to repair the sidewalk as well.

There was a brief discussion regarding the shrub growth, placement, and removal.

On MOTION by Ms. LeCesne, seconded by Mr. Henson, with all in favor, the Montecito Board of Supervisors CDD approved the Shrub Removal #7249 proposal.

There was a brief discussion regarding the disease of the palms and surrounding plant life. This fertilization treatment would be required once a year.

On MOTION by Mr. Wellman, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD approved the Preventative Fertilization Treatment #7247 proposal.

A Board Member had a question regarding broken fronds on trees located on his property and a neighbor's property.

Rusty Kahoe noted this requires a climber to be brought in and only certain people are certified to use that due to insurance purposes. Right now, the arbor division is still doing hurricane clean up. He is going to try and have someone else come this week to complete it. This is billed to each homeowner.

There was a brief discussion about the removal of the birds of paradise bushes.

Supervisors Requests & Comments

Ms. Glynn passed out a landscaping vendor list that was from Mr. Smith.

Ms. Ripoll stated she had received a letter of resignation from Mr. Smith. She called for a motion.

On MOTION by Ms. LeCesne, seconded by Ms. Glynn, with all in favor, the Montecito Board of Supervisors CDD acknowledged Mr. Eric Smith's letter of resignation.

Ms. Ripoll stated the replacement of this Supervisor would be on the next meeting's agenda after results of the Election.

There was a brief discussion regarding the open Seat and the process of nominating/appointing a new Supervisor.

Ms. Ripoll announced that the next scheduled meeting was November 13, 2024, at 9:30 a.m. and the following meeting would be December 4, 2024, at 9:30 a.m. Following that, meetings will be held the first Wednesday of each month. This will be placed on the website.

Ms. LeCesne had a few comments regarding the campaign and nominating Supervisors to the Board. There have been various accusations and comments that she has heard and wanted to clear those concerns up.

Mr. Wellman stated his wife had made comments on social media and felt the Board was spending too much money on the golf cart and on Vesta Contracts.

Ms. LeCesne stated there were several proposals and quotes that were reviewed by the Board prior to making decisions. These were not out of the ordinary or extravagant in anyway. There has always been full disclosure.

The Board agreed that questions are always welcomed and encouraged at the meetings. Integrity is important.

Ms. LeCesne presented Mr. Henson with a community service plaque for serving on the Board and honored him for his time served. The Board agreed wholeheartedly.

Mr. Henson stated he has enjoyed his time on the Board and thanked everyone.

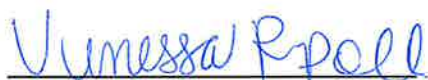
A resident requested for an email blast to be sent out to remind residents of the meetings.

Ms. Ripoll stated this can be worked on for future meetings.

Adjournment

There was no further business to come before the Board.

On MOTION by Ms. LeCesne, seconded by Mr. Wellman, with all in favor, the Montecito Special Board of Supervisors CDD adjourned the October 28, 2024, Board of Supervisors' meeting at 11:39 a.m.


Secretary/Assistant Secretary


Chairperson/Vice Chairperson