

MINUTES OF MEETING
CANDLER HILLS EAST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Candler Hills East Community Development District was held on Tuesday, February 19 at 9:00 a.m. at Circle Square Commons, Cultural Center, 8395 SW 80th Street, Ocala, Florida.

Present and constituting a quorum were:

Philip J. Moherek
Elmer Greene
Robert Scherff
John Bain
Larry Garvin

Chairman
Vice Chairman
Assistant Secretary
Assistant Secretary
Assistant Secretary

Also present were:

George Flint
Gerald Colen
Rachel Wagoner
Robert Stepp
Residents

District Manager
District Counsel
Colen & Wagoner
On Top of The World Communities

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll. A quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: Is there any public comment on the Candler Hills East CDD? If you would step to the microphone and state your name and your address, and try to limit your comments to three minutes.

Brad Purfeerst, 8635 SW 83rd Loop: My question is, we put a lot of facts and figures as to the amount of water reductions and so on and so forth. I apologize for not knowing exactly how this is all encompassing, but I'm kind of curious how far the bounds of the water district that is involved with us is and all the future expansion that is planned. How will this impact the water for our area and how much we will have to even reduce our amount of water or how much we will be paying in excess because there is lack of water? How big is this water aquifer? How

sustainable is it over the number of years? Those are just some general questions, but I don't know whether you folks have those answers or where we can be provided with those or are they on a website someplace where we can hear about them?

Mr. Flint: The appropriate meeting for that question was the one that we just concluded. That was the Bay Laurel Center Community Development District and the Bay Laurel Center CDD actually operates the water and sewer system.

Mr. Purfeerst: Ok, I apologize for that.

Mr. Flint: That's okay, this is the Candler Hills East CDD and it really doesn't have anything to do with the water and sewer system. It owns the storm water system within Candler and funded some of the water and sewer improvements when the community was constructed, but then those improvements were conveyed to the Bay Laurel Center CDD. Bryan Schmalz is in the back and also Crystal House and I am sure they would be happy to get with you and answer any questions that you have. They're both in the back row over there.

Mr. Purfeerst: Alright, thank you.

THIRD ORDER OF BUSINESS

Notice for Meeting

Mr. Flint: The affidavit of publication was included in your agenda package and in the Ocala Star Banner.

FOURTH ORDER OF BUSINESS

Organizational Matters

A. Administration of Oath of Office to Newly Appointed Supervisor

Mr. Flint: We need to go ahead and swear in Mr. Garvin before we move any farther in the agenda. Mr. Garvin as a citizen of the state of Florida and of the United States of America and as an Officer of the Candler Hills East Community Development District, and a recipient of public funds as such officer, do you hereby solemnly swear affirm that you will support the Constitution of the United States and the state of Florida?

Mr. Garvin: I do.

Mr. Flint: If you could sign where is says Board Supervisor, I can notarize that for you. I also wanted to point something out that I stated in the minutes from the last meeting. I indicated that Mr. Garvin did not go to the Supervisor of Elections to qualify and I was corrected. He did go to the Supervisor of the Elections, but apparently there was a miscommunication on the

process to qualify. You all reappointed him at the last meeting and so we are swearing him in today.

FIFTH ORDER OF BUSINESS**Approval of Minutes of the November 20, 2018 Meeting**

Mr. Flint: Did the Board have any additions, deletions or corrections to those? If not, is there a motion to approve them?

On MOTION by Mr. Moherek, seconded by Mr. Greene, with all in favor, the minutes of the November 20, 2018 meeting, were approved as presented.

SIXTH ORDER OF BUSINESS**Consideration of Proposal with VGlobalTech Regarding ADA Website Compliance**

Mr. Flint: Next is a proposal from a company called VGlobalTech. I am not sure if I mentioned this at a previous meeting, but government websites as well as private sector websites have come under scrutiny with in the last year or so with claims that they are not ADA compliant. The ADA laws actually apparently apply to websites as well. There was a plaintiff and an attorney that filed at least 18 lawsuits against community development districts around the state of Florida claiming that their websites were not compliant. As a result of that, it's not just websites of districts that we manage, all 500 or so websites of CDDs were not technically compliant. So, the insurance company Florida Insurance Alliance, which insured all 18 of those districts subject to lawsuits and also insures about 280 other CDDs in Florida, negotiated a settlement with the plaintiff and their attorney. Part of that settlement was a requirement that with in 24 months all the districts' websites would be ADA compliant. That entity, Florida Insurance Alliance, there's only a couple of entities out there that insures CDDs. It's the best option for the District based on our review. So, we not only want to make sure that we comply with the terms of the settlement agreement, but we also want to make sure that, if there is an issue with our website, we're addressing it. It wouldn't prevent any other plaintiff for coming forward and filing a lawsuit. So, this company, VGlobalTech, we interviewed a number of companies that provide these services and this is the most cost-effective approach. When I say cost-effective the least cost approach. Some of the options can tend to be very expensive. What

this company will do, they'll go through the existing website, they will evaluate it for compliance and then they will basically make any changes necessary to bring it into compliance. They will provide the District a certification that it is compliant. There are two components to it. The first is a one-time conversion fee and compliance costs and then the other one is an optional ongoing maintenance cost. We would only recommend that the Board consider the one-time website conversion and compliance cost which is \$1,975. Then our hope would be going forward, we would be able to provide the maintenance of the website under our existing contract and not have to pay this company to do that. At this point I would suggest you just approve the one-time and then we can reevaluate going forward whether the other services are necessary.

Mr. Scherff: I just have one question for our attorney, where in the Disability Act does it say that we have to have a website?

Mr. Flint: Well, let me answer part of that. The Act doesn't say we have to have a website. The state of Florida says we have to have a website.

Mr. Scherff: Okay.

Mr. Flint: And what is going on here, the state of Florida requires us to have a website and then they keep adding items that need to be included on the website. To keep everything ADA compliant drives up our cost of ADA compliance because of the volume of documents. So, they're kind of working against each other but we do have a legal obligation to have a website under the Florida statutes. Then we have an obligation for it to be ADA compliant under whatever federal laws.

Mr. Colen: I agree completely with Mr. Flint. It simply adds to our requirements to comply with these Acts. There is no requirement of the ADA that I've ever seen that says website, but if George says the state of Florida says we have to have a website then it's pretty clear we have to deal with Handicapped and Disabled Persons as well as any other person.

Mr. Bain: I have a question on this. This company, VGlobalTech, is going to look through our website and will they make corrections or advise us on the corrections that we need to make?

Mr. Flint: No, in the other Districts we've used them and they basically rewrite the website for us. It has to be written and there's only certain formats and languages that can be

used because they have to be compatible with these 3rd party software programs that people who are blind use. It converts the website into in audio where it reads out what's on the website for the blind person.

Mr. Bain: Under their stipulations on page 11, they offer to do all of this work and then it says, "find that you are responsible for verifying the quality of work, provide feedback, verify that compliance has been met as required." Why do they put that in when they are responsible for doing the conversion?

Mr. Flint: Well, that's just to cover themselves.

Mr. Bain: I suppose it is.

Mr. Scherff: I have a question too, of all the things that have to be provided, I assume you can provide all that information. Is that correct?

Mr. Flint: Yes, we've already done many conversions with this company. I would say in excess of 40. So, yes, we are comfortable. We developed the existing website and we maintain the existing website. We have all the information that's necessary to provide for them.

Mr. Scherff: Good.

Mr. Bain: So, voting on the one-time only to name all of the corrections that we need to make?

Mr. Flint: Correct.

Mr. Bain: Then after that, we should know when we make additions to that, we don't need to go back through them. We will know.

Mr. Flint: Correct. Any other questions?

On MOTION by Mr. Scherff, seconded by Mr. Bain, with all in favor, Consideration of Proposal with VGlobalTech for one-time website compliance conversion, was approved.

SEVENTH ORDER OF BUSINESS

Ratification of Agreement with Candler Hills Neighborhood Association Regarding Mowing for Drainage Retention Areas

Mr. Flint: The past few meetings we've talked about the adoptive budget for the current year. We dealt with the issue of the Candler Hills Neighborhood Association taking over responsibility for maintenance of the drainage retention areas within the Candler Hills East CDD in an effort to put everyone with in the Neighborhood Association on equal footing as far as storm water maintenance costs. You approved this and you also approved a budget assuming that those expenses would be removed. There were some questions about the scope of work. We verified the scope of work that the Neighborhood Association is the same scope that the CDD had entered into. Everything that was included in the scope when it was under contract with us was also included in the scope of the agreement the Neighborhood Association entered into. In fact, we had attached the scope to the agreement. It is clear that the Neighborhood Association has that obligation to maintain. There are no lingering expenses that were anticipated that we would have to assume. So, this is just a ratification the execution of that agreement, that's already been approved and signed.

Mr. Garvin: Have there been negotiations with the people that are currently doing this? Has all of that been put to bed?

Mr. Flint: Yes, it's now the Neighborhood Association's responsibility. They have an agreement with the landscape contractor.

Mr. Garvin: Good.

Mr. Flint: As of January 1, they took on that responsibility.

Mr. Bain: Does that include the pine straw mulch or do we still own the mulch?

Mr. Flint: Mulch was the only thing that was not. Yes, that was an additional expense. It wasn't in the prior agreement and therefore was not assumed.

Mr. Bain: We have it in the budget anyway.

Mr. Flint: That is correct. So, this would just be a ratification of the agreement with the Neighborhood Association. It has already been executed and signed by the Chairman.

On MOTION by Mr. Moherek, seconded by Mr. Scherff, with all in favor, the Agreement with Candler Hills Neighborhood Association Regarding Mowing for Drainage Retention Areas, was ratified.
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EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. District Manager's Report

1. Approval of Check Register

Mr. Flint: You have the check register in your agenda package for November 13th through February 12th totaling \$209,961.68 of which a significant portion is transferring the Debt Service Assessment Revenue to the Trustee. It's not an actual expense. Anywhere it says C/O US Bank, those are transfers of debt service revenue. Any questions on the check register?

Mr. Garvin: One question, the Trustee fees for \$2,020.32. What is that? It's every year.

Mr. Flint: Right, the Trustee is US Bank and when the bonds were issued, part of the requirement is that you appoint a Trustee and the Trustee serves as basically the gate keeper between the District and the bond holders. They maintain all the Trust accounts, they perform two debt service payments a year, they account for all of that. They make the payments to the bond holders once a year and handle that. There's an existing agreement that was entered into back when the bonds were issued that would allocate the District to pay those expenses.

Mr. Greene: That's a one-time a year expense?

Mr. Flint: Yes, I believe that was for the Series 2016 bonds. I think it's one time a year. Yes, we budgeted \$2,050 and that's pretty close to what was billed.

Mr. Moherek: And when the bonds are done?

Mr. Flint: That will go away, but that will be awhile. Are there any other questions on the check register? If not, is there a motion to approve it?

On MOTION by Mr. Moherek, seconded by Mr. Greene, with all in favor, the Check Register, was approved.
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2. Balance Sheet and Income Statement

Mr. Flint: You have the unaudited financial statements through January 31st. If there are any questions, we can discuss those. If not there's no action required.

NINTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TENTH ORDER OF BUSINESS

Supervisor's Requests

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Scherff, seconded by Mr. Bain, with all in favor, the meeting adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman