

# MINUTES OF MEETING VIERA STEWARDSHIP DISTRICT

The regular meeting of the Board of Supervisors of the Viera Stewardship District was held Thursday, June 22, 2017, at 9:00 a.m. at the Viera Discovery Center, 7350 Shoppes Drive, Viera, Florida 32940.

Present and constituting a quorum were:

Jay A. Decator, III	Chairman
Todd J. Pokrywa	Vice Chairman and Secretary
Tiffani Bissett	Assistant Secretary
Chris Leffler	Assistant Secretary
Christopher Wright	Assistant Secretary

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Jennifer Kilinski ( <i>by phone</i> )	Attorney: Hopping, Green & Sams
Bill Lites ( <i>by phone</i> )	Environmental Professional
Paul Martell	Treasurer
Eva Rey	Community Manager
Residents and members of the public	

## FIRST ORDER OF BUSINESS

### Call to Order

Mr. Decator called the meeting to order at 9:05 a.m.

## SECOND ORDER OF BUSINESS

### Roll Call

Mr. Decator called the roll and stated a quorum was present for the meeting.

Mr. Leffler was not present at roll call.

## THIRD ORDER OF BUSINESS

### Public Comment Period

There being none, the next order of business followed.

## FOURTH ORDER OF BUSINESS

### Approval of the Minutes of the August 5, 2016, and August 12, 2016, Regular Meetings

Mr. Moyer reviewed the minutes as presented and requested any additions, corrections, or deletions.

<p>On MOTION by Mr. Pokrywa, seconded by Mr. Wright, with all in favor, unanimous approval was given to the minutes of the August 5, 2016, and August 12, 2016, regular meetings.</p>
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**FIFTH ORDER OF BUSINESS**

**Administrative Matters**

**A. Oath of Office for Newly Elected Supervisors** *(November 2016 General Election)*

Mr. Moyer stated I am a Notary of the State of Florida, and as such, can administer oaths of office. Mr. Wright confirmed that as part of his election, he completed the oath of office and returned it to the Secretary of State.

Mr. Moyer administered the oath to Ms. Bissett, to be sent to the Secretary of State.

**B. Resolution 2017-01, Election of Officers**

Mr. Moyer read Resolution 2017-01 into the record by title.

Mr. Moyer stated every two years after we have a general election or a landowner election, we give the Board the opportunity to select officers. You can enter a slate of officers. Or you can approve the officers you currently have, and we would add Mr. Wright as an Assistant Secretary. It is up to the Board how you want to proceed.

Mr. Pokrywa stated I would like to nominate a slate of officers: Mr. Decator for Chairman; Mr. Pokrywa for Secretary and Vice Chairman; Ms. Bissett, Mr. Leffler, and Mr. Wright for Assistant Secretary; Mr. Martell for Treasurer; and Mr. Moyer for Assistant Treasurer.

Mr. Martell asked is Mr. Moyer currently the Assistant Treasurer?

Mr. Moyer stated yes.

On MOTION by Mr. Pokrywa, seconded by Mr. Wright, with all in favor, unanimous approval was given to Resolution 2017-01 electing officers as discussed.
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**SIXTH ORDER OF BUSINESS**

**Presentation of the Proposed Budget for Fiscal Year 2018**

**A. Fiscal Year 2018 Proposed Budget**

Mr. Moyer stated except for Mr. Wright, the Board has gone through this a couple times with me. What we are doing today is, I will ask the Board to adopt a resolution that approves this budget. I differentiate “approve” from “adopt.” I am not asking the Board to adopt the budget. We will set a public hearing in August, and we are considering August 28 for that purpose. At that time, after taking public comment, the Board will be asked to adopt the budget as is or make amendments as you see fit. That will be when the Board will adopt the budget. Today, we are only approving it to start the process. The budget is similar in form to what the Board has been working under in this fiscal year. It identifies the work programs that the District is involved in. The budget amounts have been discussed with staff. Mr. Lites provided his estimates on the items that his firm is

responsible for in terms of the environmental monitoring and other activities. In total, if the Board finds this in order, it is allocated to the properties within the District on platted property and the unplatted acreage that The Viera Company or A. Duda & Sons owns, with the exception of the Viera Wilderness Park. I believe Mr. Decator and Mr. Martell have reviewed the budget and provided input.

Mr. Decator stated I noticed that special assessments direct collected have increased a significant amount. Should that number be decreasing as more land is platted by the developer and collected through the tax collector? I was surprised to see it increase.

Mr. Moyer stated in part, the reason for that is, last year, the total levy was \$273,000, and this year, it is \$283,000. The budget itself has increased.

Mr. Decator stated I understand that. The acreage remains constant, which is direct collected from the landowners. As the developer is platting more and more land, I was surprised to see that number increase as much as it had, whereas, the assessments collected by the tax collector is a modest increase. Perhaps those two numbers should be reviewed to be sure they are correct. I was expecting a dramatic increase in the revenues collected by the tax collector.

Mr. Moyer stated last year, we took a portion of the fund balance as another source of funding of \$50,000. This year, we did not make that extension. If it is the Board's desire to use fund balance to bring this in at the same amount of assessment on the properties, we have sufficient fund balance to do that.

Mr. Martell stated I think the County probably does not have the most current list of properties that have been platted. I think these numbers will change somewhat for the direct-collect assessments, once the County has more current information in their system and provides that to the District.

Mr. Decator asked would that adjustment be made before formal adoption of the budget in August?

Mr. Martell stated we have to rely on the County, so I cannot say.

Mr. Moyer stated it is whenever the County records those plats, and then provides that to the property appraiser. We get the roll from the property appraiser.

Mr. Martell stated the results will be pretty much the same; we will still collect assessments from those properties. It is just a matter of the County having them in their system.

Mr. Decator stated we want the tax collector collecting these assessments to the greatest extent possible, rather than direct billing by the District, especially to the owners of platted lots.

Mr. Martell stated I totally agree for third-party ownership.

Mr. Decator stated regarding the PCT area maintenance, this is an area where we consistently budget a significant amount of funds, but those funds are rarely expended during the fiscal year. Can Mr. Lites or Ms. Rey offer any insights? The PCT areas are typically in areas that are adjacent to residential lots or neighborhoods. It is important that these areas are maintained, but maintained properly. They cannot be maintained in a park-like condition because they are an environmental area, and the native understory must be preserved. What can we do to make sure these dollars are expended when and where they need to be expended? There seems to be a disconnect with the condition of these areas in the community and our ability to maintain them to a higher standard.

Mr. Lites stated there is a disconnect. I have not been reviewing maintenance in the PCT areas surrounded by development. I am not sure who has managed it. The trees are what is important in those areas. The understory probably should be managed (1) to remove exotic species, (2) to reduce the buildup of understory vegetation, and (3) to replace some trees that have been lost from lightning strikes or encroachment of construction equipment when they were building. We should do a couple things in there. I can coordinate with Ms. Rey and review a plan, and we can start applying those budget monies to get those areas cleaned up. I do not know how well everyone thinks they have been managed.

Mr. Decator stated that is a good suggestion. Meet with Ms. Rey and see if we can do a better job of interfacing with the community in keeping these areas under a watchful eye so they are maintained properly. Perhaps we are maintaining it properly, but we do not seem to be spending these dollars. That tells me we probably could do a better job in that area. Ms. Rey can share some ideas on how to improve our maintenance in these areas.

Ms. Rey stated it is really Strom Park we are talking about for now. We do not have a large number of PCT areas that actually have people living behind them. We are just getting started on those, so that is one piece. The other piece is from a customer service and efficiency standpoint. Many times, if we get complaints or if it is encroaching into

the neighborhood association area, the neighborhood contractor will take care of it for us. Nothing is going into the PCT area. It is just the line between the two, the neighborhoods along the trails up to the turf. When there is an encroachment, they will take care of it for the association.

Mr. Decator stated Mr. Lites will meet with Ms. Rey to coordinate this work. If we need to spend money, we have the dollars in the budget to spend. If we do not need these dollars for this item, then this line item could be reduced. We can discuss this further since we may want to make an adjustment in the budget for this line item.

Mr. Lites stated the PCT areas will be expanded soon, if I understand correctly, to include more than just Strom Park. Areas to the south and west will be PCT areas.

Mr. Decator stated those are not significant areas, or at least they have not been so far as they come into development. We also have PCT areas identified in the wilderness park or in the rural area where we can look at spending some dollars to make sure they are preserved. We can discuss that in the weeks ahead as we work toward the final budget.

Mr. Pokrywa stated I want to ask about the professional fees for the ecologist. This current year, we budgeted \$9,200 and have spent \$6,133 to date. We are projecting to spend \$10,000, but we are budgeting \$15,000 for fiscal year 2018. I wondered if Mr. Lites could provide us with a reason for the increase in that line item.

Mr. Lites stated this year, we did the PCT analysis that was not budgeted. It was applied to the professional fee, which made that line item increased this year. This year and next year, we have some burrowing owl monitoring, reporting, and maintenance.

Mr. Pokrywa asked when you say it increased this year, are you saying it could be more than the \$10,000 we are projecting?

Mr. Lites stated yes, it might be by about \$3,000. I do not know how this was raised to \$15,000. I do not think I suggested that amount for next year.

Mr. Decator stated we can reduce it. I noticed in the environmental maintenance, the burrowing owl preserve and bald eagle conservation easement that will hopefully be approved by the U.S. Fish and Wildlife Service. We have a line item for that of \$12,660. Should that not cover your work with maintenance and monitoring of the burrowing owl preserve and the bald eagle conservation easement?

Mr. Lites stated yes. We can reduce the professional fee back to \$9,000. I presumed someone increased it to cover for unexpected things that come up, like this year for the



amount of \$9,200. Work authorization #7 is in the amount of \$29,000. Work authorization #8 is in the amount of \$1,300.

**C. Annual Utilization Program for Fiscal Year 2017**

Mr. Moyer reviewed the annual utilization program for fiscal year 2017 for the habitat wilderness plan.

**D. Lake Maintenance Agreement with ECOR Industries for Additional Ponds at Strom Park**

Mr. Moyer reviewed the lake maintenance agreement with ECOR Industries for aquatic weed control for additional ponds at Strom Park, in the amount of \$861 per month.

**E. Street Lighting Agreements**

**i. Loren Cove Phase 1 Post-Top Traditional Lights**

**ii. Valencia Phase 1 Post-Top Traditional Lights**

**iii. Trasona Phase 1 Entrance**

**iv. Kerrington Phase 1 Post-Top Traditional Lights and Decorative Lights**

Mr. Moyer reviewed the street lighting agreements for the above-referenced neighborhoods.

Mr. Decator stated these are two types of agreements. One is a general agreement, and the other is a custom agreement for special lighting, usually at the entrance of subdivisions. With respect to the special agreements, there is an up-front development fee. I would like to point out to the Board that the fee is paid by The Viera Company – the developer – not the District. The District only pays the month-to-month maintenance and electricity and whatever maintenance may be necessary with respect to the special installations. Those will only be paid by the District after installation by the developer.

On MOTION by Mr. Pokrywa, seconded by Mr. Leffler, with all in favor, unanimous approval was given to ratify (1) the audit engagement letter with Carr, Riggs & Ingram for auditing services in an amount not to exceed \$2,500; (2) work authorizations from Zev Cohen & Associates #5 in an amount not to exceed \$10,500, #6 in the amount of \$9,200, #7 in the amount of \$29,000, and #8 in the amount of \$1,300; (3) the annual utilization program for fiscal year 2017; (4) the lake maintenance agreement with ECOR Industries for additional ponds in Strom Park; and (5) street lighting agreements for Loren Cove phase 1, Valencia phase 1, Trasona phase 1, and Kerrington phase 1, all as presented.

**EIGHTH ORDER OF BUSINESS**

**Action Items for Approval**

**A. Conveyance of Common Area PCT Tracts for Seville Tracts E3 and E4 and Valencia Tract 1**

Mr. Moyer reviewed the conveyance of common area PCT tracts for Seville tracts E3 and E4 and Valencia tract 1.

Mr. Decator stated these are preferred cover-type tracts. They have a purely environmental function. It is appropriate for the District to own these tracts. Typically, if the PCT is within a tract that is integral to a community or a tract that contains a clubhouse or is in a common area used by the community, the tracts are owned by the local neighborhood association. These tracts are unique, in that, they are separate and apart from the neighborhoods. They are not within the communities. The request is for these tracts to be own in fee-simple title by the District, which will be responsible for maintaining the preferred cover type located within these tracts.

**B. Annual Utilization Program for Fiscal Year 2018**

Mr. Lites reviewed the annual utilization program for fiscal year 2018, which is the agreement between the District and A. Duda & Sons to say who is responsible for which part and identifies the activities that are going to occur in the Viera Wilderness Park Stage 1 and the other areas under easement that are under the control of the District to help set the budget for fiscal year 2018. Section 4.1 in the habitat management plan is for conservation planning. We do not really have any new easements other than the bald eagle that will occur in the southeast parts, which is mitigation for the Adelaide eagle impact. Section 4.2 is for prescribed fire. We are burning approximately one-third of the Viera Wilderness Park Stage 1 each year, which is done by A. Duda & Sons. Section 4.3 is vegetation management. We continue to remove exotic species. We added funding for fiscal year 2017, and we have been doing a lot of tractor spraying and targeted spraying, so we are getting that back under control. The end goal is to have it below 5% for the Army Corps of Engineers inspection this fall, and I think we are on track for that. Also in section 4.3 is timber management. They have started to thin the supplemental habitat conversion plan (SHCP) for the U.S. Fish and Wildlife Service. Caracara mitigation is in the rural district, which is performed by A. Duda & Sons. They will continue to mow and burn that area. Section 4.4 is hydrological enhancement. They are going to put in a little riser to enhance some sandhill crane nesting habitat that was the mitigation for Village 1 for the St. Johns River Water Management District environmental resource permit. Section 4.5 is cattle grazing. They are going to continue doing what they did last fiscal

year in maintaining the ditches. Section 4.6 is monitoring. After they burn, we review the photo monitoring points that is part of the Army Corps of Engineers permit. In general, A. Duda & Sons casually looks for listed species when they do management. If they are going to do some management inside a nesting season in the proper habitat, then the District's environmental professional will go out and monitor those species before they perform those actions.

Mr. Decator stated section 4.6b for monitoring other species includes gopher tortoise, sandhill crane, burrowing owl, bald eagle, wood stork, and other. The color on my copy is blue, which indicates it is an activity performed by A. Duda & Sons. Is it blue because we rely on A. Duda & Sons to do the casual observation?

Mr. Lites stated yes, their normal operation is shown in blue, but note the comments. The second sentence says the District will perform other listed species monitoring if maintenance activities are to be performed during the nesting season. I do not know how that becomes blue and yellow. Perhaps I can mark x in both columns. In general, pursuant to the habitat management plan, while they are doing their normal operations, they are on the lookout for listed species. If they need to do some activity during the nesting season, then they will call us, and we will review it before their activity.

Mr. Decator stated for the Board's information, this maintenance is not arbitrary. This maintenance is in accordance with what is required under the habitat management plan that was adopted in conjunction with approval of the Viera development order and was also approved by Brevard County. It is what dictates the activities and the type of environmental management that must be performed within the Viera Wilderness Park and what drives the annual utilization program. The annual utilization program assures coordination between the District's environmental efforts and A. Duda & Sons's agricultural activities. As to the professional fee for the ecologist in the budget, it is a mystery how it was increased to \$15,000. I am looking at the draft budget I reviewed with the environmental professional on June 13, and it shows \$9,200. I am at a loss how it was increased to \$15,000. In defense of Mr. Lites, I do not think he provided that figure.

Mr. Lites stated no, and it does not need to be \$15,000.

On MOTION by Mr. Leffler, seconded by Mr. Pokrywa, with all in favor, unanimous approval was given to (1) the conveyance of common area PCT tracts for Seville tracts E3 and E4 and Valencia tract 1, and (2) the annual utilization program for fiscal year 2018.

## **NINTH ORDER OF BUSINESS**

## **Staff Reports**

### **A. Manager**

#### **i. Financial Statements, September 2016 and May 2017**

Mr. Moyer reviewed the financial statements, which are included in the agenda package and available in the District Office for public review during normal business hours.

Mr. Moyer stated we provided two sets of financial statements. September 2016 was the close of our fiscal year, and we wanted to provide those figures for your records. It served as the basis for the audit that I will review in a moment. The second set is for May 31, 2017, showing where we are in terms of year-to-date actuals to budget.

Mr. Lites stated on the September 2016 statements, if you look at the professional fees for the ecologist, the budget was \$9,200, but \$33,000 was applied to that line item, which shows we are \$24,000 over budget. If you go to the inspections and miscellaneous work line item, none of those funds were used, but we actually billed \$4,500 for that work. I just wonder who I need to get with to make sure our invoices are applied to each of these line items accurately.

Mr. Moyer stated you need to talk with Ms. Brenda Burgess.

#### **ii. Check Register and Invoice Summary**

Mr. Moyer reviewed the check register and invoice summary, which are included in the agenda package and available in the District Office for public review during normal business hours.

On MOTION by Mr. Pokrywa, seconded by Mr. Leffler, with all in favor, unanimous approval was given to the check register and invoice summary, as presented.

#### **iii. Number of Registered Voters – 640**

Mr. Moyer stated I am required to enter into the public record that we have 640 registered voters within the District. We do this annually.

#### **iv. Acceptance of Audited Financial Statements for Fiscal Year 2016**

Mr. Moyer stated we provided this to the Board in electronic form, and I brought hard copies for your records. What is noteworthy about the audit is, they have a comment

under internal control in the back of the audit. The comment was also made last year. Your Treasurer, the Chairman, and I are aware of why they identified this. We are struggling with valuing the properties that have been dedicated to the District. The auditors want us to have a value for that. There are a couple ways to do that, but suffice it to say, at this point, staff is still working with the Treasurer and Chairman on coming up with a way of resolving that. Frankly, my concern is that the utilization of these lands is so limited that if we did it based on some sort of appraisal of real property values in the Viera area, I am afraid it would badly overstate the value of that land for our balance sheet, given its very limited utilization potential for anything other than environmental and conservation. We need to address it at some point, but we are trying to determine what is a reasonable value for that property.

Mr. Decator stated the question of valuing those lands has been around for quite a while. When do we plan to make a decision?

Mr. Moyer stated I think we can probably do that pretty quickly, only because there are similar developments to this District in the State, most notably The Villages, who are acquiring property, some of which is conservation. I can come back to the Board and work with the Treasurer to give you an indication of what those lands are being purchased for now. They have similar use and a similar-type community. Maybe that is the way to value them. Heretofore, we did not have any basis. You cannot value it based on a mitigation bank because it is not a mitigation bank. Those are very expensive, as you are aware, at about \$200,000 per acre. That is not a fair representation of the value, and zero is not a fair representation, either. I think it is probably less than \$1,000 an acre. I will work with Mr. Martell and try to provide some backup to that so we can close this item. The audit is due to be filed with the State agencies by June 30.

<p>On MOTION by Mr. Pokrywa, seconded by Mr. Wright, with all in favor, unanimous approval was given to accept the audited financial statements for fiscal year 2016 and to authorize staff to file it with the appropriate State agencies.</p>
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**B. Attorney**

Mr. Pokrywa asked now that we have gotten through the latest legislative session, is there anything the Board needs to be aware of in terms of any actions that the legislature has taken with respect to special districts?

Ms. Kilinski stated we distribute a weekly *Capitol Conversations* during the legislative session, which closely tracks the bills. Roughly 100 bills were filed that would have potentially impacted special districts in Florida. As it turns out, none of them passed, or the handful that did pass were not presented to the Governor for signature with the exception of one, which was a bill related to attorney fee limitations associated with public records requests, with the goal of trying to limit some of the phishing that has been going on with public records requests throughout the State. That bill does not impact the way we conduct ourselves as a special district. Nothing else passed. The legislative session starts early this year, and interim hearings and committee meetings will start in September or October with session starting in January. We will be tracking that and will let you know if anything comes about that may impact District operations.

Mr. Decator stated as a note to all the Supervisors, each of us is required to file a financial disclosure with the State of Florida. I want to remind everyone that if you have not filed that disclosure, you are obligated to do so by July 1, 2017.

Mr. Moyer stated if anyone needs a Form 1, let me know and Ms. Burgess will forward it to you.

Ms. Bissett stated I saw a notice in the past that you can now email them. I have always had to mail it or file it in person. This year, they are allowing us to send it by email, which makes it easier.

Ms. Kilinski stated I would confirm they received it by email, unless you have a read receipt.

Ms. Bissett stated yes, in the email it said something that they will respond to let you know they received it.

Mr. Martell asked since Mr. Wright is a new Board member, is the July 1 filing date applicable?

Mr. Wright stated I received one and filed it.

### **C. Engineer**

Mr. Moyer stated the engineer will provide a report relative to the budget, which is required as part of our enabling legislation.

### **D. Environmental Professional**

Mr. Lites stated I want to understand the valuation of the Viera Wilderness Park. I need to know who to coordinate with to discuss that valuation. Some of the wilderness park is mitigation, and it would have a higher value. Who can answer that question?

Mr. Decator stated the District does not hold fee-simple title to the wilderness park; it holds a conservation easement over those lands. You would be valuing the conservation easement, which is always problematic to value. I would value it at a nominal valuation. You can coordinate with Mr. Martell or me with any questions or input into the process.

**TENTH ORDER OF BUSINESS**

**Other Business**

There being none, the next order of business followed.

**ELEVENTH ORDER OF BUSINESS**

**Supervisor Requests and Comments**

Mr. Wright stated at some point, I understand we will have a shift in how we provide canal maintenance. Is there a point when we can add that as an agenda item to discuss for the budget?

Mr. Decator stated I have been talking with representatives at The Viera Company and A. Duda & Sons and asked them to prepare a request to bring to this Board. I expect it will probably be at the August 28 meeting. The District is responsible for community-wide stormwater drainage. Key and fundamental to drainage are the primary canals that funnel the Viera drainage water west. The request concerns the District assuming the responsibility for maintaining those critical drainageways. That should be coming to the Board at the next meeting.

Mr. Wright asked will that impact the budget?

Mr. Decator stated I talked with Mr. Pete Coultas at A. Duda & Sons about that. His view was there would not be major maintenance this fiscal year, even if the District were to assume responsibility in that timeframe. If there is, we have dollars that can be moved around in the budget to address critical canal maintenance that must occur this fiscal year, if indeed, there is any.

**TWELFTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Leffler, seconded by Mr. Pokrywa, with all in favor, the meeting was adjourned at 9:55 a.m.

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Todd Pokrywa, Secretary

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Jay A. Decator, III, Chairman