

**Coral Bay Community Development District
Regular Meeting of the Board of Supervisors
March 13, 2008**

The regular meeting of the Board of the Board of Supervisors (the "Board") of the Coral Bay Community Development District (the "District" or "CBCDD"), was held at the Coral Bay Recreational Facility, 3101 South Bay Drive, Margate, Florida on Thursday, March 13, 2008 as provided in the notice of the meeting (which is on file with the Records of Proceedings maintained by the District), the CBCDD schedule of meetings published in the "*Coral Bay Buzz*," and posted signs at the entrances of the CBCDD. Materials distributed to the members of the Board in advance of or at the meeting also are on file with the meeting records.

First Item of Business: Call to Order and Determination of Quorum

Tony Spavento (Chair) called the meeting to order at approximately 7:03 p.m.

The following Supervisors were in attendance at the meeting, constituting a quorum of the Board:

Daniel Dean	Sandra McCormick (Vice Chair)
Ronald Gallucci	Tony Spavento (Chair)
John Hall	

Also present were District Manager Leigh Hoffman, Assistant District Manager Millie Otero, District Engineer Robert D. Cole, and District Treasurer Tina Hagen.

It was reported that District Attorney Michael Pawelczyk's arrival at the meeting would be delayed.

Eight residents and guests attended the meeting.

Second Item of Business: Pledge of Allegiance

The Chairman requested those in attendance to join the Board in the recitation of the Pledge of Allegiance to the flag of the United States of America.

Third Item of Business: Approval of Minutes

A motion was made to approve the minutes of the regular meeting held on February 14, 2008. This motion was duly seconded and unanimously approved.

Fourth Item of Business: Approval of Payment of Invoices

Ms. Hagen questioned why the Clubhouse was the only location where the value changed on the insurance. Leigh Hoffman responded that this value change was initiated prior to the

renewal. This value change is on the Recreational Center only. The Board reviewed the items listed in the Checking Account Transaction Register dated March 13, 2008.

After discussion and on motion duly made and seconded, the items listed in the Checking Account Transaction Register were unanimously approved.

Fifth Item of Business: District Engineer's Report

Bob Cole reported that work is in progress on the boat ramp project.

Tina Hagen responded on the status of the fence project stating that she had received confirmation over the phone that the Request for Improved Project was approved. At this time we cannot proceed with the project until such time as this is made official by posting on <http://floridapa.org>. Millie Otero reported that Vic's General Services mailed all the Easement Request letters. The only vendor that has not responded is Comcast. Upon receipt of the Comcast response the City of Margate will issue the Permit.

Mr. Cole discussed the work in progress at Peninsula Park. He explained that the issues with the doors on the lighthouse were resolved. The matter that is still under debate is the installation of tiles on the roof. Richard Noon explained the problems with the flashing around the roof.

Concerning Coral Landing's request for a landscaping easement, Bob Cole advised that Coral Bay has an easement agreement with Broward County. In order for Coral Bay to grant an easement, a permit request would have to be submitted to Broward County.

Mr. Cole stated that survey work outlining the condition of the headwalls is in progress. Tina Hagen explained that once the report is available she would present it to the State's Public Assistance Coordinator for review. If the needed scope of work differs from what was previously reported to FEMA we must submit a Change of Scope before commencing any work.

Bob Cole met with city engineer to discuss the entryway gates. He was informed that the gates on North Bay Drive could not be moved closer to NW 62nd Avenue. The city is concerned with stacking and backing-up into the avenue.

A motion was made to authorize the District Engineer to proceed with the design stage of the headwalls project. This motion was duly seconded and unanimously approved.

Sixth Item of Business: Audience Comments

At this point in the meeting, the Chairman indicated the Board would open the floor to comments and questions from the audience. Questions and comments related to, among other items:

1. Supervisors conversations with vendors should not take place outside of the meeting room;

2. Why was New Community Strategies not scrutinize in the same manner as CHI is at this time;
3. Request for a vandalism report;
4. The towing and tagging in the community should continue;
5. Thank you for the lighting of the entryways;
6. Request to have the district enforce the rules;
7. Everything is looking great, please keep it that way; and
8. Please re-sod the area of the median on South Bay Drive by the entrance of Las Brisas

The District Attorney joined the meeting at approximately 7:45 p.m.

Seventh Item of Business: Supervisor's Comments

Supervisors responded to audience questions and commented on, among other items:

1. The request for a vandalism report
2. Conversation with vendors outside the meeting room
3. Enforcement of rules
4. The re-sodding of the median by Las Brisas.

Tina Hagen explained that vandalism items reported are coded as such in the Quick Books systems. The reports can be issued on the class of vandalism reflecting the item, date and cost.

Supervisor Dean expressed that upon reviewing the current financial reports some budget lines are running over. To address this matter he stated that the Board needs to re-evaluate its spending pattern.

The Supervisors expressed their appreciation to all the individuals that collaborated on the completion of the 2006 Audit.

Supervisor Hall requested IGM look at the trees in Target's parking lot to determine if they were appropriate candidates for relocation. If relocation were recommended we would then contact the Developer for Coral Landings and discuss the process for relocation of the trees. In addition IGM needs to look at the palms on South Bay Drive that need to be replaced.

Mr. Spavento asked the District Attorney; what are restrictions on a Supervisor having a discussion with a vendor. Michael Pawelczyk stated that the Sunshine law only governs communication between elected officials. The conversations being questioned were outside of the scope of the Sunshine law.

Chairman Spavento informed everyone present that the Board of Adjustments of the City of Margate declined the developer's request for a horizontal monument sign for Best Buy and other tenants in the shopping center. The sign on the parapet facing Coral Bay was approved, but the Board of Adjustments was requested to limit such sign usage to the current tenant.

Eighth Item of Business: Presentations

Mr. Dana Moss reported on the preparation of the District's Financial Statement for 2006 and presented a brief explanation on the adjustments needed to finalize the financial statement. Supervisor Dean inquired as to how the discrepancies in the valuation of assets for the 2004 - 2005 audit are going to be handled. Dana Moss advised that the reporting requirements have changed. Previously you had to list the assets with value and depreciation. Tina Hagen and Dana Moss have completed the revision of the District's asset depreciation schedule.

Vice-Chair McCormick questioned Mr. Moss and Mrs. Davis, about the amount of time needed from Christopher Wallace for the completion of the audit. Tanya Davis responded that the discussion of internal controls needs to take place. Only Mr. Wallace can answer the questions on internal controls. She also added that due to all the work completed to date they would not need 30 to 40 hours from Mr. Wallace. Their goal is to present the Final Report at the April 10th District meeting.

Ninth Item of Business: District Attorney's Report

Michael Pawelczyk reported that the Audit letter from the District Attorneys office would be forwarded to S. Davis & Associates no later than Monday.

Ms. McCormick questioned the District Attorney on actions the District can take concerning the accident and damages at the entrance of Mallory Harbor. Mr. Pawelczyk responded that he would prepare a letter to be mailed to the owner involved in the accident.

Supervisor Hall asked the District's legal counsel if a complaint can be filed with the Real Estate licensing authorities by the District or its Board. Mr. Pawelczyk responded that the Board of Supervisors does not have a standing on the filing of complaints. An individual and not an entity should file a complaint.

Tenth Item of Business: District Treasurer's Report

Tina Hagen reported that there is a need to develop an implementation plan for the established goals since there are only seven months left of this year. Ms. Hagen advised that she projected CHI's costs on a straight-line basis to the end of the year. She requested direction from the Supervisors in order to conduct her forecasting.

Ms. Hagen explained how FEMA grant funds received will appear in the reports once the auditor's adjustments are made and the effects are rolled forward into fiscal year 2008.

8:50 pm Supervisor Hall left the meeting at 8:50 p.m.

Supervisor Dean noted that ten budget lines were overextended and a discussion was needed to address this matter. Vice Chair McCormick expressed concern with the impact that vandalism has on the budget. Supervisor Dean noted the need to prioritize the work to be done in order to align the budget.

*A motion was made to schedule and advertise a Special Workshop Meeting of the Board on April 3rd 2008 at 7:00 to discuss prioritizing budget items.
This motion was duly seconded and unanimously approved*

Eleventh Item of Business: Old Business

Michael Pawelczyk explained that Board of Supervisors could (1) extend the engagement with S. Davis & Associates if the original proposal included the 2006 - 2007 audit, or (2) appoint an Audit Committee (as defined in § of The 2007 Florida Statutes) and go through the selection process.

Tanya Davis was asked if the current contract provided for an extension of services for the 2006 - 2007 audit. She replied that she was not certain at the time but would review the contract and advise District Management.

*A motion was made to extend the engagement of S. Davis & Associates for the preparation of the District's Audited Financial Statements for the Fiscal Year 2006 - 2007.
This motion was duly seconded and unanimously approved.*

*A motion was made to continue the engagement with Mr. Dana Moss for the preparation of the Audited Financial Statements for the Fiscal Year 2006 - 2007.
This motion was duly seconded and unanimously approved*

*A motion was made to prepare and advertise a Request For Proposal (RFP) for the Audit Services if required.
This motion was duly seconded and unanimously approved*

Mr. Pawelczyk advised that if a Request for Proposal is advertised, it must include the following five evaluation criteria: Ability of Personnel

2. Proposer's Experience
3. Understanding of Scope of Work
4. Ability to Furnish the Required Services
5. Price

District Engineer was excused at 9:24 p.m.

Chairman Spavento recessed the meeting at approximately 9:24 and reconvened the meeting at approximately 9:37.

Twelfth Item of Business: District Manager's Report

Among the items included in the District Manager's report were:

a. Vehicle towed in Mallory Harbor. Mr. Hoffman reported that All County Towing's position in their written response is that they did not cause the damage to the Acura CL in question. Michael Pawelczyk advised that the District is not liable in this case and if damage was caused by the towing company, the towing company is responsible.

District Management was directed to provide the towing company with all available pictures taken of the vehicle, the invoices provided by the car owner, and the proof of the \$400 partial payment paid by the District to the owner. In addition Mr. Hoffman is to pursue All County Towing for reimbursement of all funds paid by the District to the vehicle owner.

A motion was made to reimburse \$885.54 to Mr. Mark Burke (vehicle owner) upon signing a release.

This motion was duly seconded and unanimously approved

Michael Pawelczyk would prepare the release and forward copy to District Management for execution.

b. Peninsula Park Dock: The District Manager reported that the City of Margate requires full drawings and a report to certify that the pylons in the water are sound. Leigh Hoffman was requested to contact vendors for quotes on the drawings and the certification of the pylons for Peninsula Park and the Recreational Center.

c. IGM Landscaping on NW 62 Ave. Mr. Hoffman reported that IGM is currently planting the approved trees on NW 62 Avenue. District Management was directed to request a recommendation from IGM on what can be planted along NW 62 Ave to provide more coverage.

Chairman Spavento asked Leigh Hoffman who is doing the electrical work throughout the District. Mr. Hoffman responded that Excel Electric has been called in to work on the electrical boxes, working on wires and parts replacement. Supervisor Spavento stated that an electrical contractor must be used whenever electric work requires a license and or a permit.

d. Peninsula Park Pool: Millie Otero reported that she met on-site with Alan from A Plus Pools to discuss the alternatives for the pool deck. She explained that the concern with this process is the appearance that the deck would have after installing three feet of pavers and the balance remaining in concrete. District Management was directed to request from A Plus Pools the cost to remove all the concrete on the deck.

e. FEMA Fence Project: M. Otero requested from the Board of Supervisors the order to follow for the installation of the fence. The determined order was: Indian Key, South Bay Drive, Littoral Preserve and Southwind Lane. Tina Hagen reported that the executed contract for Vic's General Services had the South Bay Drive quote crossed off. At that time the Board thought that we could proceed with the installation of the fence at the areas other than South Bay Drive while we were awaiting FEMA's approval for the PVC fence on South Bay Drive. The discussion to proceed prior to FEMA's approval was reversed after our Public Assistance Coordinator at that time Edmund Saldana advised us to take no action until the approval was given.

A motion was made for Management to amend the proposal to include South Bay Drive as it previously appeared in the contract.

This motion was duly seconded and unanimously approved

Thirteenth Item of Business: New Business

The following items of old business were reviewed by the Board:

- a. Peninsula Park small gazebos:* This subject was tabled for future discussion.
- b. W2 for Supervisors compensation vs. 1099.* Michael Pawelczyk stated that some districts conduct tax withdrawals and others do not. Leigh Hoffman gave an approximate cost for payroll services. The Board of Supervisors concluded that the process for disbursing the Supervisors compensation is not being changed at this time.
- c. Visit to attorney:* Vice Chair McCormick reported on the meeting with legal counsel and the possible claim against NCS. This matter is on hold until the:

audits and the FEMA projects are completed.
- d. The Buzz:* What is needed to publish the Buzz? Supervisor Dean responded that the FEMA article⁰ needs to be replaced if it is not approved for publishing. Supervisor McCormick withdrew her objections to the article, as long as it was modified to use softer language due to the fact that the outlook on the FEMA projects had changed.

District Attorney was excused at approximately 11:17 p.m.

Fourteenth Item of Business: Adjournment

Upon motion duly made and seconded, a motion to adjourn the meeting was unanimously approved and the meeting adjourned at 11:25 p.m.

Leigh Hoffman, Secretary