

**MINUTES OF MEETING
ARTISAN LAKES EAST
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Artisan Lakes East Community Development District was on Thursday, February 1, 2024 at 3:30 P.M. at the Eaves Bend at Artisan Lakes, 5967 Maidenstone Way, Palmetto, FL 34221.

Present and constituting a quorum:

Travis Stagnitta	Chairperson
Marc Ferlita	Vice Chairperson
Michael Piendel	Assistant Secretary
Matthew Sawyer	Assistant Secretary

Absent:

Craig Fisher	Assistant Secretary
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Also present were:

James P. Ward	District Manager
Victor Barbosa	District Engineer
Ben Steets	Grau and Associates

Audience:

All residents' names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS WERE TRANSCRIBED IN *ITALICS*.

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. James Ward called the meeting to order at approximately 4:47 p.m. He called roll and all Members of the Board were present, with the exception of Supervisor Fisher, constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Resignation

Acceptance of the Resignation of Mr. Robert Lee from Seat 1 effective December 15, 2023, whose term is set to expire November 2024

- a) Appointment of individual to fill Seat 1**
- b) Oath of Office**
- c) Guide to the Sunshine Law and Code of Ethics for Public Employees**

d) Sample of E-filed Form 1 – Statement of Financial Interests (2024 Changes to the Law and filing requirements)

Mr. Ward called for a motion to accept Mr. Lee’s resignation for purposes of inclusion in the record.

On MOTION made by Michael Piendel, seconded by Matt Sawyer, and with all in favor, Mr. Robert Lee’s Letter of Resignation was accepted for purposes of inclusion in the record.

Mr. Ward indicated statute allowed the remaining Board Members to appoint an individual to fill Mr. Lee’s unexpired term which expired November 2024 for Seat 1. He called for a motion.

On MOTION made by Michael Piendel, seconded by Matt Sawyer, and with all in favor, Mr. Marc Ferlita was appointed to fill the unexpired term for Seat 3.

As a Notary Public, Mr. Ward administered the Oath of Office to Mr. Ferlita. He advised Mr. Ferlita to file his Form 1 online within 30 days. He indicated he would provide Mr. Ferlita with a link to the Ethics website to file the Form 1. He discussed Form 1, the Code of Ethics, the Sunshine Laws, and public records noting the most important thing to remember was not to discuss (in any manner) any subject which might come before the Board for consideration outside of the Board Meetings with other Board Members. He told Mr. Ferlita to contact himself (Mr. Ward) or District Counsel with any questions.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2024-1

Consideration of Resolution 2024-1, a Resolution of the Board of Supervisors Re-designating the officers of the Artisan Lakes East Community Development District

Mr. Ward asked the Board to choose a Vice Chairperson. He said Mr. Stagnitta would serve as Chair, he would serve as Secretary and Treasurer, and the remaining Board Members would Serve as Assistant Secretaries.

The Board appointed Marc Ferlita to serve as Vice Chairperson.

On MOTION made by Travis Stagnitta, seconded by Matt Sawyer, and with all in favor, Resolution 2024-1 was adopted, and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS

Consideration of Minutes

September 7, 2023 – Regular Meeting

Mr. Ward asked if there were any corrections or deletions to the Minutes; hearing none, he called for a motion.

On MOTION made by Travis Stagnitta, seconded by Matt Sawyer, and with all in favor, the September 7, 2023, Regular Meeting Minutes were approved.

FIFTH ORDER OF BUSINESS

Consideration of Audited Financial Statements

Consideration of the Acceptance of the Audited Financial Statements for the Fiscal Year ended September 30, 2023

Mr. Ward introduced Mr. Ben Steets.

Mr. Ben Steets with Grau and Associates indicated this audit was required by the State of Florida and the bond indentures. He reviewed the Audited Financial Statements indicating the first page declared the auditor’s opinion which was clean, which meant Grau and Associates believed the financial statements were fairly presented in accordance with generally accepted accounting principles (GAP). He stated next was the Management’s Discussion and Analysis which was a recap of the financial activity for the year comparing the current figures to the prior year. He indicated starting on page 7 were the Financial Statements including the government wide financials; statement of net position; statement of activities; balance sheet; and statement of revenues, expenditures, and changes in fund balance. He reported page 13 through 22 were the notes to the financial statements. He discussed the remainder of the Audited Financial Statements which included various reports required by the State of Florida and the Florida Auditor General. He indicated the District was in compliance, Grau issued a clean opinion, and there were no findings.

On MOTION made by Matt Sawyer, seconded by Travis Stagnitta, and with all in favor, the Audited Financial Statements for Fiscal Year ended September 30, 2023, were accepted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2024-2

Consideration of Resolution 2024-2, a Resolution of the Board of Supervisors Designating new location for the remaining regular meetings of the Board of Supervisors of the District; providing for conflict; providing for severability and providing an effective date

Mr. Ward stated Resolution 2024-2 did two things, it changed the location of board meetings to 5967 Maidenstone Way, Palmetto, FL 34221, and it also removed the July 4, 2024 meeting date. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Matt Sawyer, seconded by Travis Stagnitta, and with all in favor, Resolution 2024-2 was adopted, and the Chair was authorized to sign.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2024-3

Consideration of Resolution 2024-3, a Resolution of the Board of Supervisors Addressing Real Estate Conveyances and Permits; accepting a Certificate of the District Engineer and declaring the 2018 Project Complete; addressing contribution requirements; providing direction to the Trustee; finalizing the 2018 Assessments; authorizing conveyances; authorizing a mutual release; providing for a supplement to the improvement lien book; providing for severability, conflicts, and an effective date

Mr. Ward explained 2024-3 and 2024-4 were basically the same thing; they were conveyance documents accepting the certificate from the District Engineer and declaring the 2018 bond series and 2021 bond series projects complete. He noted it did address some additional contribution requirements the developer had with respect to completing infrastructure pursuant to those two bond issue projects and provided some direction to the Trustee.

Mr. Stagnitta asked if everything was done.

Mr. Ward explained this Resolution simply deemed the project complete for purposes of the CDDs trust indenture; as the District had expended all the funds in the trust account, it was completing the project as it related to the trust account. He stated there would be completion obligations on Taylor Morrison to finish other infrastructure within the project, but that was under a separate agreement.

On MOTION made by Michael Piendel, seconded by Travis Stagnitta, and with all in favor, Resolution 2024-3 was adopted, and the Chair was authorized to sign.

EIGHTH ORDER OF BUSINESS

Consideration of Resolution 2024-4

Consideration of Resolution 2024-4, a Resolution of the Board of Supervisors Addressing Real Estate Conveyances and Permits; accepting a Certificate of the District Engineer and declaring the 2021 Project Complete; addressing contribution requirements; providing direction to the Trustee; finalizing the 2021 Assessments; authorizing conveyances; authorizing a mutual release; providing for a supplement to the improvement lien book; providing for severability, conflicts, and an effective date

Mr. Ward indicated 2024-4 was basically the same as 2024-3 but for the 2021 series bonds. He called for a motion.

On MOTION made by Michael Piendel, seconded by Travis Stagnitta, and with all in favor, Resolution 2024-4 was adopted, and the Chair was authorized to sign.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2024-5

Consideration of Resolution 2024-5, a Resolution of the Board of Supervisors Reaffirming, Restating and Re-Establishing the District’s adoption of an Electronic Records Policy and a policy on the use of Electronic Signatures; addressing severability, conflicts, and an effective date

Mr. Ward explained 2024-5 restated and reaffirmed the District’s existing policy regarding electronic records, added some of the new provisions and brought the current policy into alignment with state statute.

On MOTION made by Michael Piendel, seconded by Matt Sawyer, and with all in favor, Resolution 2024-5 was adopted, and the Chair was authorized to sign.

TENTH ORDER OF BUSINESS

Consideration of Resolution 2024-6

Consideration of Resolution 2024-6, a Resolution of the Board of Supervisors Approving an Agreement with the Artisan Lakes Community Development District and the Master Association relative to the Maintenance of certain Infrastructure Improvements; Authorizing the Chairman and Vice Chairman to approve changes; providing a severability clause; and providing an effective date

Mr. Ward explained 2024-6 and 2024-7 were companion items. He said the resolutions were approving agreements between the Artisan Lakes CDD and the Artisan Lakes East CDD and the Master Association relative to the maintenance of the existing facilities. He explained it codified the existing relationships between the Master Association and the two CDDs.

Mr. Piendel asked if existing relationships needed to be codified from time to time.

Mr. Ward explained the existing agreements needed to be updated and upgraded.

Mr. Piendel asked if Artisan Lakes CDD approved these resolutions.

Mr. Ward responded in the affirmative.

On MOTION made by Michael Piendel, seconded by Marc Ferlita, and with all in favor, Resolution 2024-6 was adopted, and the Chair was authorized to sign.

ELEVENTH ORDER OF BUSINESS

Consideration of Resolution 2024-7

Consideration of Resolution 2024-7, a Resolution of the Board of Supervisors Approving an Agreement with the Artisan Lakes Community Development District relative to the Maintenance of certain Stormwater Improvements; Authorizing the Chairman and Vice Chairman to approve changes; providing a severability clause; and providing an effective date

Mr. Ward called for a motion.

On MOTION made by Marc Ferlita, seconded by Michael Piendel, and with all in favor, Resolution 2024-7 was adopted, and the Chair was authorized to sign.

TWELVTH ORDER OF BUSINESS**Staff Reports****I. District Attorney**

No report.

II. District Engineer**a) Update of SWFWMD Permits (Status of Statements of Completion)**

Mr. Victor Barbosa indicated he was continuing to work with SWFWMD to get the phase 1 permit modified to allow for the Statement of Completion. He noted there were some repairs which needed to be made to pond banks and other things. He stated he anticipated this would take until March before the permit modification was approved and the District could move forward with the Statement of Completion.

III. District Manager**a) Discussion of FY 2025 Budget to move the CDD's operations for the water management system to the CDD****b) Important Board Meeting Dates for Balance of Fiscal Year 2024:**

1. April 4, 2024 – Present Proposed Fiscal Year 2025 Budget
2. Proposed - June 6, 2024, Public Hearings – Approval of Budget Fiscal Year 2025

c) Financial Statement for period ending October 31, 2023 (unaudited)**d) Financial Statement for period ending November 30, 2023 (unaudited)****e) Financial Statement for period ending December 31, 2023 (unaudited)**

Mr. Ward: I have two things for you. One is the preparation of your fiscal year 2025 budget. What we just approved now, and what has been occurring in this District, is that we have operating agreements with the Master Association for the maintenance of the District's facilities. They basically included Artisan Lakes Parkway landscaping, and the entire water management system within Eaves Bend. Over the last number of months, I have heard a lot of discussion about the maintenance of the water management system, who maintains it, etc. I recently found out that the Master Association is actually not maintaining these facilities. It's being maintained by the sub-associations, whether it's the Esplanade or the Eaves Bend associations. My opinion is that it either needs to be maintained in totality by the Master Association or it needs to come back to the two CDDs for a preparation of a joint budget between those two CDDs to maintain only the stormwater management system. I think the landscaping can stay with the associations. We had a very length discussion of this topic at the Artisan Lakes Board. It was long. I am not sure they are all convinced that's what we should be doing, but I do believe that is exactly what we should be doing. The maintenance of the water management system and it's a single water management system for the whole community, which should be maintained by one entity, not by two separate entities in an HOA environment with two separate HOA boards. It needs to be maintained at the same time by one entity. In order to do that, I've got about 90 days' worth of work to prepare the operating budgets for the two CDDs. My thought is it will be one operating budget that maintains the entire system, the total cost being divided by the total number of units in Artisan Lakes and Artisan Lakes East, so you will get one rate, the same rate, for each resident, for the maintenance of the one

water management system. Then we will operate it as one operating entity, basically through both CDDs, but since I manage both it will end up as one operating entity for purposes of going forward. I bring this up today because in order to start this process it takes a good three months to get the budget ready, I need to hire a consultant team to help me do this and help prepare the capital plan needed to strategically manage a system of this size and complexity, spend the time with Victor's team to make sure we know what is required from a permit perspective to maintain it, and then get prices for purposes of budgeting. That's the thought process. I'm asking you to provide direction about whether you all want to do this, and if you do, then we can start to move down the path to prepare those budgets.

Mr. Piendel: When you say stormwater system, are you including the treatment of the ponds, the systems in and of itself.

Mr. Ward: Yes. The stormwater system is all of the lakes, preserves, littoral shelves, stormwater pipework that drains from the roadways to the lakes, the weir structure, those kinds of things.

Mr. Stagnitta: How does that get paid for? Shouldn't you just bring a proposal to the table and let people know about it?

Mr. Piendel: Well, this would be reducing HOA budgets and increasing CDD budgets, but the CDD has to pay for the investigation.

Mr. Ward: The CDD would have to pay for the investigation anyway.

Mr. Piendel: Is the money in the budget? Are you increasing their fees to do this?

Mr. Sawyer: We have some funds in the HOA, but the maintenance aspect of it is not where it should be, and that's where hiring consultants, reviewing it with engineers, having counsel, having the conversations, we would reduce the HOA budgets, increase the CDD budgets, but the investigation portion, no, it's not in there. That's an additional cost. Regardless, the CDDs need to be the entities working as one. The agreement that's currently set with the Master Association would be terminated.

Mr. Piendel: The CDD would be responsible with the maintenance company to maintain it.

Mr. Sawyer: Yes. I think you should absolutely move forward.

Discussion ensued regarding whether or not the CDD should move forward with developing a budget for maintenance of the stormwater management system.

Mr. Piendel: I don't know if moving forward with an open checkbook is the way to do it.

Mr. Ward: It's not an open checkbook. The top end of the problem is the maintenance of the system is not being handled the way it should be. Somebody has got to prepare a budget to do all of this. It's going to take both of the CDDs 90 days for me to get this work done, and I'm going to obviously have to hire a consulting team to do this. It's no different than you hiring somebody to prepare a set of plans to do something. You've got to maintain the system. And it's not an open checkbook because all we are doing is preparing the budgets of what this is going to cost to do it,

and how much it's going to cost each resident. It's a limited amount of funding to do the work, but at some point --

Mr. Ferlita: Then we would bid the project out to a maintenance company to maintain it? Is that how that would be facilitated?

Mr. Ward: Yes. It's component parts, so it's going to be multiple companies. You are going to have a company that maintains the lakes; this may be the company that maintains the littorals. Lake bank restoration is usually done by separate companies. There are other companies that do the cleaning of the drainage pipes. Preserves is a whole other company. All of that goes through a bidding process or quotes, issue purchase orders, whatever it may be. It's not any different than what you do in the HOA.

Mr. Piendel: I'm not opposed to it. If I was the Artisan Lakes people, I'd be, give me a proposal to do this.

Mr. Sawyer: He's just preparing the budget. He's going to have to do some investigation work. The conversation has already arisen within the communities.

Mr. Piendel: I'm just saying if we asked our engineer for a proposal then we would know exactly what we would have to spend.

Mr. Sawyer: It's a little larger than that because of the system and all of the maintenance. They are going to have to prepare the scope, get the consultants.

Mr. Piendel: Okay, but what are they spending to do the investigation? Do we have a not to exceed?

Mr. Ward: I'm guessing this will cost \$20,000 to \$25,000 dollars.

Discussion ensued regarding setting a not to exceed amount of \$25,000 dollars which would be split between the two CDDs.

Mr. Ward explained the shared cost of the maintenance of the stormwater system would be split between the two CDDs according to the number of units in each CDD; each homeowner would pay an equal share of the cost. He asked if the Board was comfortable moving forward with the budget planning process.

The Board agreed to move forward with the water management system budget planning process with a not to exceed amount of \$25,000 dollars.

Mr. Ward said the other thing he wished to discuss was the changes to the Ethics statute. *Don't worry, it's not the Form 6. In past years, you had to file your Form 1 with the Supervisor of Elections. This year you file directly on the State of Florida's Ethics Commission website. We will send you the links for the website so you can go on and do your filing. Your Form 1 filing is due July 1, 2024. It is for the year 2023. On that form is going to be a checkbox to check whether you have done the Ethics training. You do not have to check the box on the Form you are filing this year, but you do have to file it electronically. We will send you the documents not, and we will also remind*

you in May to do it. The other change to the law which has been made is that in past years the Supervisor of Elections could fine you for late filings. Those were voluntary fines the Supervisor of Elections could send you. It's \$25 dollars per day. The law is now not permissive, it's mandatory, so if you file late, you will automatically be charged \$25 dollars per day not to exceed \$1,500 dollars. Because it is an individual filing, the District cannot pay your fines. You have to pay them personally, so I would strongly encourage you to get your filing done by July 1, 2024. You can file early. The thing to remember is, this website just went up a month ago, so I'm guessing of the thousands of public officials, the middle part of June to July 1, that website is going to crash. So, I would do it sooner than that. The other part of the law which is changing is you do have to do Ethics Training this year, 4 hours, which has to be done. We will send you the links to the Ethics site. There are three separate categories. It is not for this year's form, it's for next year's form, but it has to be done this year. Again, I would not wait until the end of the year, and you forget about it. I would do it within the next six months and get it out of the way. We will send you reminders, but don't wait until the last day.

THIRTEENTH ORDER OF BUSINESS

Audience Comments and Supervisor's Requests

Mr. Ward asked if there were any Supervisor's requests; there were none. He asked if there were any audience members present on audio/video or in person with any comments or questions; there were none.

FOURTEENTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the Meeting at approximately 5:17 p.m.

On MOTION made by Michael Piendel, seconded by Matt Sawyer, and with all in favor, the meeting was adjourned.

Artisan Lakes East Community Development District


James P. Ward, Secretary


Tina Golub, Chairperson