

**MINUTES OF MEETING**

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**PALMA SOLA TRACE  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Palma Sola Trace Community Development District was held on Thursday, January 26, 2012 at 1:47 p.m. at the Palma Sola Trace Clubhouse located at 7408 Hamilton Road, Bradenton, FL 34209.

Present and constituting a quorum:

Mac McCraw	<b>Board Supervisor, Chairman</b>
Peter Gelman	<b>Board Supervisor, Vice Chairman</b>
James Fleming	<b>Board Supervisor, Assistant Secretary</b>

Also present were:

Greg Cox	<b>District Manager; Rizzetta &amp; Company, Inc.</b>
Katie Buchanan	<b>District Counsel; Hopping Green &amp; Sams, P.A. (via speakerphone)</b>

Audience Members

**FIRST ORDER OF BUSINESS**

**Call to Order**

Mr. Cox called the meeting to order and read the roll call.

**SECOND ORDER OF BUSINESS**

**Consideration of Minutes of the Audit  
Review Committee Meeting Held on  
October 27, 2011**

Mr. Cox presented the minutes of the Audit Review Committee meeting held on October 27, 2011 to the Board for consideration.

On a Motion by Mr. Fleming, seconded by Mr. Gelman, with all in favor, the Board approved the Minutes of the Audit Review Committee Meeting held on October 27, 2011 as presented for Palma Sola Trace Community Development District.

**THIRD ORDER OF BUSINESS**

**Consideration of Minutes of the Board of  
Supervisors' Meeting Held on October 27,  
2011**

Mr. Cox presented the minutes of the Board of Supervisors' meeting held on October 27, 2011 to the Board for consideration.

On a Motion by Mr. Gelman, seconded by Mr. Fleming, with all in favor, the Board approved the Minutes of the Board of Supervisors' Meeting held on October 27, 2011 as presented for Palma Sola Trace Community Development District.

**FOURTH ORDER OF BUSINESS**

**Consideration of Operation &  
Maintenance Expenditures for October,  
November and December 2011**

Mr. Cox presented the Operation and Maintenance expenditures for October (\$13,109.35), November (\$22,222.16) and December 2011 (\$12,639.77) to the Board for consideration.

On a Motion by Mr. Fleming, seconded by Mr. Gelman, with all in favor, the Board approved the Operation and Maintenance expenditures for October (\$13,109.35), November (\$22,222.16) and December 2011 (\$12,639.77) for Palma Sola Trace Community Development District.

**FIFTH ORDER OF BUSINESS**

**Street Light Update**

Mr. Cox updated the Board on the status of recent street light repairs. He noted that he has received much correspondence from residents who have begun to understand the importance of reporting the outages. Mr. Cox also informed the Board of an update from the contractor stating that a few of the lights are located on a construction site, so the contractor will wait until work is completed before making repairs. He also reported to the Board conversations he has had with Bellmore Electric, the contractor, in which Bellmore has proposed a monthly maintenance/repair contract equal to current typical annual repair costs. The contract would be that Bellmore would assume responsibility for regular inspection and maintenance/repair of the streetlights, billing the District monthly. Discussion ensued. No formal action was taken.

**SIXTH ORDER OF BUSINESS**

**Pond Maintenance Update**

Mr. Cox presented the latest pond maintenance reports to the Board for consideration. Mr. Fleming made a motion to approve the aquatic plantings proposal from Aquagenix; the motion was not seconded and therefore failed.

Mr. Gelman stated the original plantings in ponds 1, 6, and 9 were installed with a 90-day warranty of an 80% survival rate by Aquagenix, and there has been more than 20% loss. He had emailed an inquiry regarding this to Mr. Kaigen, who replied that springtime would be a better time to investigate and install any necessary replacement plantings. Mr. Gelman asked that with this in mind, the warranty should be extended as the 90 days will be ending very soon (end of January). Mr. Gelman then noted that they received a proposal for planting in ponds 7, 8 and 10;

but the new issue of erosion in pond 4 arose, which Mr. Gelman emailed Mr. Kaigen for a price. In summary, he would like to approve the proposal for ponds 7, 8, and 10 and also pond 4; and to not approve any plantings in pond 6, as it is not needed. Mr. Cox will contact Mr. Kaigen regarding the warranty and to prepare proposals of the Board's requests for presentation at the next meeting in February. Discussion ensued.

Mr. Cox then presented a proposal (Exhibit A) from Unique Gardens, LLC, as referred by Aquagenix, for painting of the outflow structures and also the mitered end sections to the Board for consideration.

On a Motion by Mr. Gelman, seconded by Mr. Fleming, with all in favor, the Board approved the proposal from Unique Gardens, LLC to paint the outflow structures only in the amount of \$980.00 for Palma Sola Trace Community Development District.

**SEVENTH ORDER OF BUSINESS**

**Creek Maintenance Update**

Mr. Cox informed the Board there was no new information to report regarding the creek area.

**EIGHTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**  
No report given.

**B. District Engineer**  
Not present.

**C. District Manager**  
Mr. Cox stated that the next regularly scheduled meeting will be held on February 23, 2012 at 1:30 p.m. He then presented the most recent unaudited financial summary to the Board and reviewed it for them. Brief discussion ensued.

**NINTH ORDER OF BUSINESS**

**Supervisor Requests and Audience Comments**

**Supervisor Requests:**

Mr. Gelman expressed his interest in a complete walk-around inspection and reserve study. Mr. Cox presented a summary of District-owned items that would be included, the majority of which is two gates, ten ponds, and the stormwater system. Mr. Gelman inquired about obtaining a copy of as-built information from the District engineer in order to determine more precisely the amount of infrastructure is in the ground and how much it cost. Mr. Cox will contact King Engineering for assistance and information.

Mr. McCraw asked about reserves as part of the budget. Mr. Cox advised any monies not spent due to coming in under budget stay in the general fund but can be moved to the capital reserve and earmarked for future expenditures use only, and carried forward each year.

Mr. Gelman stated that as they are still a developer-controlled Board, he would not recommend making any transactions in moving money from one side to the other until a resident-controlled Board is established. He then requested a written explanation of the \$991,065.00 "owed to Developer by the end of the bond period" (as shown in Note 6 of the 2010 year-end audit). Mr. Cox stated he would obtain a written explanation for him but in the meantime could explain verbally, advising that over the course of development the developer contributes certain monies above and beyond what was brought in by bonds and that money, through the process of engineering requisitions, etc., finally creates a construction fund balance that is sitting there and there are bond indenture documents which explain that once the project is declared complete and there are funds remaining in the construction fund, if it's determined through the engineer analysis that those are excess funds paid in by the developer, they go back to the developer. Mr. Fleming asked if any funds have gone into the CDD general fund except from CDD collections. Mr. Cox replied any revenues could be possibly interest or reimbursement of expenditures by Taylor Morrison, but that that primary source of revenue should be almost entirely from assessments. Mr. Gelman still had questions, and as such Mr. Cox advised he can have an accounting staff member attend the next meeting to review and explain everything in greater detail.

Mr. Gelman then noted that he and Mr. Cox had talked about assembling a package of information on the November 2012 general election to give to those residents interested in running for the District Board of Supervisors. Mr. Cox advised he would do this for presentation at the February meeting and confirmed that there would be two seats open for election.

**Audience Comments:**

Trevor Dieffenthauer inquired about the progress of installing security/decorative lighting across the wooden bridge between the single family homes and the villas. Mr. Gelman replied that this would be a task for the Homeowners Association but that the District would not object and would possibly help fund the project; he also stated that the District does not own the bridge but the District does own the lights. The Board suggested that the homeowner association present a proposal to the District for consideration. Discussion ensued. Mr. Cox will communicate with the HOA regarding easements and ownership.

Garry Metcalf, a new resident, asked general questions about the CDD. He also voiced his concern that the finish on the bases of several street lights is looking bad, perhaps from the landscapers' weed eaters. Brief discussion ensued regarding concrete pedestals, mulch and other possible solutions. Mr. Cox will contact the landscape company.

Tom Miller asked about the common area along the path from the single family homes section, stating the path looks bad and around the lake looks bad also. Mr. Fleming and Mr. Cox advised those areas would be the HOA's concern; Mr. Gelman concurred.

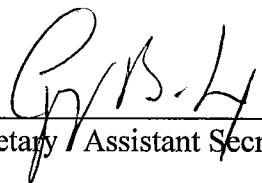
Roger Goodman asked about maintenance of the river banks. Mr. Cox advised the creek area was purposefully designed to be left in a more natural state but that the CDD would take care of any necessary maintenance.

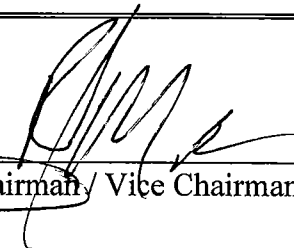
Mark Quehl inquired about the timing, process and cost of replacing the clubhouse carpet with tile. Mr. Cox advised that is an HOA issue. Mr. Fleming advised that the HOA is indeed considering flooring solutions and other improvements through Melrose-Sovereign, the master association's management company.

**TENTH ORDER OF BUSINESS**

**Adjournment**

On a Motion by Mr. Gelman, seconded by Mr. Fleming, with all in favor, the Board adjourned the Board of Supervisors' Meeting at 2:55 p.m. for the Palma Sola Trace Community Development District.

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman

# **Exhibit A**

# Unique Gardens, LLC

Design & Installation

Aquagenix  
Mike Kaighin  
2147 Porter Lake Dr.  
Sarasota Fl. 34240

January 18, 2012

Paint work control sections and mitered end sections around the ponds of the subdivision Villas at Palma Sola Trace.

Work to perform:

-Cleaning and painting concrete and stainless steel parts

We will clean all concrete with water mixed with 10% muriatic acid.

We will sand all stainless steel parts.

All sections will be primed and painted in the chosen color.

Total of sections:

-7 control sections with a total of 100 sqft

-3 small mitered end section of 40 sqft

-14 large mitered end section of 100 sqft

Estimate total job materials and labor:

-7 control section x \$ 140=	\$ 980
-3 small mitered end section x \$ 90=	\$ 270
-14 large mitered end section x \$ 140=	\$ 1,960
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-total estimate	\$ 3,210

This estimate is valid for when all work completed at once, not in phases.

At the moment the water level is on the low side and it's the perfect to do the job.

If you have any questions, please call us on 941-284-0475.

Wilfert Verweij  
Unique Gardens, LLC  
2533 Webber place  
Sarasota Fl. 34232

Licensed & Insured