

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, January 9, 2018 at 6:30 p.m. at the Eagle Landing Residents Club, 3975 Eagle Landing Parkway, Orange Park, Florida

Present and constituting a quorum were:

Gary Cross	Chairman
Grant Krueger	Vice Chairman
Kelly Hermening	Supervisor (by telephone)
Chris Payton	Supervisor
Bobby J. Poole	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Michelle Kim	Hopping Green & Sams
Matt Biagetti	Director of Aquatics & Recreation
Steve Andersen	Operations Manager
Corey Hamlin	Region Manager, Century Golf Partners
Dan Steiner	GM, Eagle Landing Golf
Josh Heintzman	Professional, Eagle Landing Golf
Roger Johnson	Tree Amigos Landscape Maintenance

The following is a summary of the actions taken at the January 9, 2018 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 6:30 p.m. and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the December 5,
2017 Meeting**

On MOTION by Mr. Poole seconded by Mr. Krueger with all in favor the minutes of the December 5, 2017 meeting were approved as presented.

FOURTH ORDER OF BUSINESS Golf Update

Mr. Hamlin gave an overview of the financials for the golf course operations and reviewed all the new membership offerings.

Mr. Steiner gave an overview of the events held in December, previewed the upcoming January events, highlighted menu changes and reported that the bunker renovation started yesterday with an expected completion in 30 days.

FIFTH ORDER OF BUSINESS Ratification of Agreement with Clay County Sheriff's Office

Mr. Oliver stated the sheriff's office off duty personnel provides security and patrol services of CDD owned facilities. CCSO has a hourly rate change for 2018. We needed to update the agreement in advance of the January 1st start date. I executed the agreement and request the Board to ratify that action.

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the agreement with the Clay County Sheriff's Office for off duty sheriff's officers was ratified.

SIXTH ORDER OF BUSINESS Update Regarding Capital Improvements

- A. Review of Cost to Complete Schedule**
- B. Remaining Construction Funds – Obligated and Unobligated**

A copy of the breakdown of funds for the capital projects was included in the agenda package.

C. Status of Remaining Projects

Mr. Andersen stated the tennis court construction is on schedule with a March completion. The new fans and televisions have been installed outside the clubhouse. We had sound proofing in the ceiling but it wasn't doing a lot if anything and Kelly came up with a good idea when he talked to a sound engineer on how this works. We are going to put 17 photos

mounted on sound proofing material around the walls. A divider made out of sound proof material will go in the dining room, a screen material that will block the sun but you can still see the golf course through it will go over the windows and tint will go on the doorways. We have additional furniture to purchase for this room and the bar because we are getting more use.

Mr. Andersen then outlined the changes that will be made in the bar with an eight-week construction timeline once permits are received and reported that they will be working to determine the cause of the smell emanating from the shower trap in the women's restroom/shower area.

D. Ratification of Series 2016 A1/2 and Series 2016 A3 Requisitions

Mr. Biagetti stated there are outstanding items on the fitness equipment and gym that need to be addressed and I will follow-up on those.

Mr. Cross stated I prefer not to pay the requisition until these things are complete.

Mr. Oliver stated the requisition has been processed for payment.

On MOTION by Mr. Krueger seconded by Mr. Cross with all in favor requisitions 39 and 40 out of the Series 2016A1/3 Bonds were ratified.

SEVENTH ORDER OF BUSINESS

Discussion of Process and Scope of Services for Purpose of Soliciting Proposals for Management Services (Golf, Food & Beverage, Operations, Amenities)

Mr. Oliver stated you have in front of you the RFP with the scope of services for golf management services including restaurant services, although they may be bid separately, amenity management services, general manager/operations manager and a separate proposal for restaurant management services. The timeline we are looking at is to release some or all of these RFPs at the end of January with mandatory onsite meetings in late February with proposals due in late March. Do you want these four proposals to go out on the same timeline or a staggered approach and as we look at the restaurant proposal do we want to give some tightened parameters on what type of food service we are looking at? Do we want to put it out to a broad spectrum so that we get everything from fast food to fine dining. When we go through the

process and have the onsite meeting we may have a better idea of our expectations. Do you want to send out four scopes at the same time?

Mr. Krueger asked are we going to have another meeting this month to go over these and perfect them before they go out?

Mr. Oliver stated you can continue this meeting or assign a supervisor to work with staff prior to issuance.

Mr. Cross asked what are the benefits of doing them all at once or staggered?

Mr. Oliver stated if you hire a general manager first, the new general manager can be involved in the proposals processes for golf, F&B and recreation management. Additionally, some of these processes may take longer than others. You may be able to fill one of these needs after three months and the others may take longer. I imagine in all of these cases you are going to be invite the finalists for these different proposals for an in-depth presentation and Q&A.

We will continue to scrub these documents and give them to you before your next meeting. Before we end this meeting, we need to determine when we are going to meet next in January.

EIGHTH ORDER OF BUSINESS

Ratification of Agreements for Tennis Court Construction Project

On MOTION by Mr. Cross seconded by Mr. Payton with all in favor the agreement with Premier Tennis Courts, Inc. for construction of two Har-Tru hydro tennis courts in the total amount of \$172,809.00 and the agreement with Premier Tennis Courts, Inc. for the construction of two asphalt tennis courts in the total amount of \$178,176.00 were ratified.

NINTH ORDER OF BUSINESS

Update Regarding POS Systems Proposals

Mr. Biagetti stated from our standpoint everything is manageable except for the concern of a connection if the clubhouse were to house the server we still don't have that direct fiber line straight connection from the clubhouse to the resident's club and vice versa to the tennis center. We are rerouted and attached to the sales center still. Our concern is that our existing conduit has been crushed and we couldn't fish a direct connection at this point. We are seeking proposals of what it would cost and what is the process of running new conduit to run a direct fiber.

Mr. Cross stated we have bond money that has to be used for a capital project and we may end up running conduit underground from here to the recreation facility and to the clubhouse and gym.

Mr. Biagetti stated the best case scenario would be to run new conduit to all the buildings.

This item was deferred to the next regular meeting.

Mr. Hermening left the telephone conference call at this time.

TENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

D. Golf Course General Manager

There being no additional report, the next item followed.

E. Director of Aquatics & Recreation

Mr. Biagetti stated I have a request from Kristi Baldwin, a social studies teacher at Oakleaf Plantation High School, for a proposed event that is put together by the students at Oakleaf. They need space to have an event called Canine Carnival. The Safe Animal Shelter of Middleburg and Clay County Animal Care and Control would bring pets for adoption and there will be food trucks, small games, bounce houses, DJ, raffle. I see no problem with something like this directed by the students, some of whom are our residents.

Mr. Cross asked where is she? When people request things from us I expect to see them here.

Mr. Biagetti stated it is the students making the request.

Mr. Cross asked is this a non-profit?

Mr. Biagetti stated no this is just a student group not for profit but they are not a non-profit either.

Mr. Cross stated the only problem I have is the food trucks. I have always wanted food trucks here but I understand they take away from our restaurants. I'm not saying no but that is the only problem I have with it.

Ms. Buchanan asked is this something we would want to take up at the continued meeting? That still gives them time.

Mr. Cross stated yes I would like to see a representative here to answer our questions.

This item tabled to the continued meeting.

Mr. Biagetti stated tonight is the first spin class and they are looking to put a permanent banner at the lake house to let people know this is available.

Mr. Payton stated they put temporary Zumba signs on the street when they have Zumba why can't they do that for the spin classes?

Mr. Cross stated I agree with Chris. If they market it correctly through the email blast and our webpage they will get more advertising than with a banner.

Mr. Biagetti stated the Salvation Army sent us a thank you letter for our involvement in the Angel Tree program.

Mr. Cross stated when they started on the fitness facility they did a great job then just walked away and there are things that still need to be done. I would appreciate it if you could get them to finish it.

Mr. Biagetti stated we still have a lot. The ceiling tiles, the lighting, thermostats, and paint downstairs. We talked about in the capital improvement program, painting the downstairs, flooring in the athletic center, flooring in the kids club.

Mr. Cross stated let's get the ones we have going finished so we can move forward.

F. Operations Manager - Report

Mr. Andersen stated Dan and I are looking at replacement of the HVAC systems and we will have options to present to the board at the next meeting.

TWELFTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Mr. Krueger stated when I was looking to become a member of the golf course I got some paperwork that was outdated and referenced East West. We need to make sure that all of the documents associated with our amenities has been updated to remove all references to East West.

Mr. Hamlin stated our attorney is looking at documents we use and we will work with Katie to make sure they are all in sync.

Mr. Payton stated we need to revisit the maintenance/repair list that we worked on briefly a few months ago. We talked about adding \$20,000 to \$30,000 extra and the money has been spent but then things come up like the HVAC units that need repair. We need to know as a board what is outstanding on our list. There are a number of things that I see as I walk around the facility that I don't know if these things are on the list. We need a list so that I can look at the list and if it is not there I can point it out to you.

Matt needs a reservation system for the gym. People have tried to make reservations for pickle ball and it looks like the current method is to tape a note to the door. Let's figure out a reservation system.

As far as court reservations we talked about making a rotating schedule. There is a group of adults in the neighborhood who play Sunday morning basketball. If there is no objection from the board unless there is less than a full court activity going on then let the two smaller courts be used. That is the way the YMCA works. On Sundays we could rotate weeks with full court and on off weeks all four pickle ball courts.

I would like to work with Matt on the golf cart issue. When you are in neighborhoods that allow golf carts there are signs that say golf carts share the road and when you leave the area there is a sign that says no golf carts beyond this point. I would like to work with Matt or Steve to get some of that signage.

Mr. Biagetti stated we have a sign at the entrance.

Mr. Payton stated I think we should have a sign at the exit. I would also like to work with Steve on revamping our sign out front. The design is okay but the lighting is horrible.

Steve, neighborhood markers some of them need to be pressure washed. Is that something our landscape company can do or something we should talk about?

Mr. Biagetti stated we can do that, we have a portable pressure washer.

Mr. Cross stated the election is this year and I'm not running again so if you are thinking about running or know someone who wants to run now is the time to start thinking about it.

A resident stated we talked about how to grow and maintain membership. Since you have been involved part of our fulltime membership included an all-inclusive breakfast, lunch and drinks program. I walked into the shop this morning and was told that is no longer available to you if you want breakfast, lunch or drinks it is \$6. To me that amounts to a 25% increase in my membership cost. The second issue is I have no communication that was going on other than the counter guy at the pro shop told me that. There was nothing that said this was coming be prepared. That is not the way to encourage membership.

Mr. Cross stated I apologize for the lack of communication. I believe that should have been communicated to them, they are members and valued customers. If you are going to tell your manager and employees something it should also be communicated to the members. As to the cost, we were always talking about doing away with that completely.

Mr. Hamlin stated I apologize the club should have communicated that to you.

A resident stated we have a lot of people who are only here in the winter they should be included in seasonal offerings.

Mr. Hamlin stated I can see some of these membership offerings changing over time. One of the things that Katie and I discussed is that we need to make sure that we cross all the "t's" and dot all the "i's". I don't see anybody purchasing a seasonal offering in mid-February. At some point in August, September and October you will see a seasonal snowbird offering. The incentive program is to grow and make it simple. We are focused on growing memberships and from a financial standpoint the dues are flow through dollars that hit the bottom line versus 38,000 public rounds that are a little suspect, there is not a loyalty involved. There is a loyalty of member revenues. As we focus on member revenue you will see more stable financials going forward.

A resident asked do all the contracts expire at the same time?

Mr. Oliver stated yes, September 30th.

A resident asked are the actions you are taking this evening put you in a position to transition at September 30th?

Mr. Cross responded yes, that is our goal.

A resident stated I believe you are going to have to extend the contracts at the pace you are going.

Mr. Cross stated that is why we said we are going to have to have more than one meeting a month to get this done.

A resident stated we have already paid for the fitness center equipment and it is not working properly. You did this with Vallencourt and have done it again with the fitness center. I can't encourage you enough to stop paying people for work that is not completed.

Mr. Payton stated we didn't know it was paid.

Mr. Oliver asked what specifically is faulty with the equipment without regard to the connection with the television and Wi-Fi?

Mr. Cross stated we are missing equipment, all the Bluetooth is not working yet, not all of them connect through the app.

Mr. Poole asked who on staff approved this for payment?

Mr. Oliver stated it was signed by staff and we have a prompt payment act requirement to process a requisition within 30 days of billing. To clarify this fitness equipment, you brought up three issues, two of the issues are likely not the responsibility of the fitness equipment company. Typically a third party is hired to work with the cable or satellite company to hook up to the Wi-Fi connections. If we are missing equipment, we should not have submitted the invoice for processing.

Mr. Biagetti stated when we did the final setup we did not receive the bike and that was the Southeast Fitness repair to provide the delivery and installation.

Mr. Payton stated the bike is still not here. Why are we even considering paying the bill?

Mr. Cross stated we need better communication with the board. Obviously, we are on different pages.

Mr. Biagetti stated all these things are going to happen.

Mr. Payton asked is it possible for us to set a threshold such as \$10,000 that no final payment of a bill over \$10,000 gets paid without board approval?

Mr. Oliver stated let's not ratify any requisitions. Let's bring them all to the meeting, especially since you are going to meet twice a month anyway. We meet monthly at a minimum and in most of my districts we don't process and ratify requisitions prior to full board approval unless there is an emergency. In those rare cases, the Chairman or Vice Chairman can approve, with Board ratification to follow. Also as a Board, please review the requisitions included in each agenda package and ask questions of staff about the requisitions and invoices before they get approved.

A resident stated item seven on the agenda going out for RFPs as I read that we are not going out for an RFP for a "general manager".

Mr. Oliver stated one of the four scopes is for a general manager/operations manager.

A resident stated I see four separate operations mentioned and it doesn't talk about a general manager for all the functions.

Mr. Oliver stated to clarify the four documents that the Board has been reviewing are scopes general manager, F&B management, golf management, and amenities management. Right now the operations management contract is not for a fulltime position. This Board is considering taking that funding for the operations manager and transitioning to a fulltime general manager with operations management responsibilities.

A resident asked would the other functions report to that general manager?

Mr. Oliver stated that is one model being explored..

A resident asked doesn't the agreement with East West expire on September 30th depending on the percentage of homes that are occupied?

Mr. Oliver responded it is not tied to a percentage of homes. It is an agreement with the district with an expiration date of September 30th. Based on what we have seen in other districts, there is no reason any of these four processes should not be concluded by September 30th.

THIRTEENTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet as of November 30, 2017 and Statement of Revenues and Expenses for the Period Ending November 30, 2017

The balance sheet and income statement were included as part of the agenda package.

B. Assessment Receipt Schedule

The assessment receipt schedule was included as part of the agenda package.

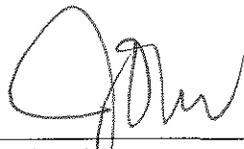
C. Approval of Check Register

On MOTION by Mr. Krueger seconded by Mr. Payton with all in favor the check register was approved.

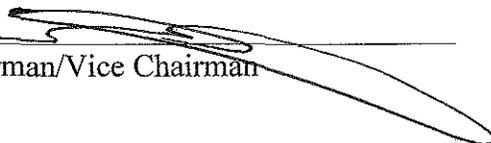
**FOURTEENTH ORDER OF BUSINESS Next Meeting Scheduled for Tuesday,
February 6, 2018 at 6:30 p.m. at Eagle
Landing Residents Club**

Mr. Oliver stated the next scheduled meeting is February 6, 2018 but we are going to continue this meeting to January 24, 2018 at 6:30 p.m. and the location will be determined and it will probably be at the residents club.

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the meeting was continued to Wednesday, January 24, 2018 at 6:30 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman