

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The continued meeting of October 6, 2015 of the Board of Supervisors of the South Village Community Development District was reconvened Wednesday, October 14, 2015 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
Richard Townsend	Supervisor
Chris Payton	Supervisor
Bobby J. Poole	Supervisor (by telephone)

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Sarah Warren	Hopping Green & Sams
Keith Hadden	District Engineer
Matt Biagetti	Director of Aquatics & Recreation
Roger Arrowsmith	East West Partners

The following is a summary of the minutes and actions taken at the October 14, 2015 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.

SECOND ORDER OF BUSINESS

Audience Comments

Mr. Cross stated this is going to be a negotiation between the board and the developer and if you have any questions or comments about us negotiating you may want to bring them forward now because once we start you are not going to be able to interject.

THIRD ORDER OF BUSINESS

**Update Regarding Negotiations for District
Purchase of Eagle Landing Golf Course**

Mr. Oliver stated we met on the 14th, Roger provided a counter offer to you and you have a copy of that and it was received yesterday afternoon. It has also been provided to Supervisor

Poole who is traveling but will be joining us by phone. Roger is here with us today and this is the opportunity for the board to discuss the counter offer and dig into details about the acquisition of the golf course.

The board discussed with Mr. Arrowsmith the proposed purchase price of \$2.8 million, capital improvements in the amount of \$300,000, de-annexation of the Armstrong property, retaining Century Golf as the golf course management company for one year after close of sale and to all unplatted lands in Phase 5 to continue to be assessed for administrative assessments only after which the following action was taken.

On MOTION by Mr. Krueger seconded by Mr. Cross with four in favor and Mr. Poole voting no the letter of intent to purchase of the golf course was approved with the following conditions and details to be worked out in the actual purchase and sale contract: (a) net purchase price of \$2.5 million with a commitment from the district to use additional \$300,000 of bond proceeds for recreational improvements; (b) support process to remove Armstrong tract from CDD boundaries; (c) retain current golf course management company (Century Golf) for one year after close of the sale; (d) allow owners of unplatted land in Phase 5 to continue to pay admin assessments only for operation and maintenance with level of developer support to be determined.

Ms. Buchanan stated the next step would be to prepare a purchase and sale agreement. I think Roger will have counsel help him with that part of it. I will revise this based on our board's motion and send it back to Roger and then we can move forward with whoever he suggests and set up a meeting and we will discuss who wants to prepare this as opposed to who wants to comment. Eventually it will be worked over by both sides. Do you have a preference?

Mr. Arrowsmith responded no.

Ms. Buchanan stated I think it would be appropriate to continue to have one person that can serve as a point of contact for the board. There will be things that we prepare in the draft purchase and sale agreement but it would be nice to have someone to converse with. Granted the form of agreement will have to come back for approval. Understand you will still have the opportunity to review, comment and make revisions.

Mr. Cross stated Grant can still work on this.

Ms. Buchanan stated Jim sent you a list of the due diligence items that we are going to need to look into. I think we will try to have an initial draft of a purchase and sale agreement prepared for our next board meeting, that seems ambitious and I want you to understand that but once we can have that in place then we would have the 60 day inspection period.

Mr. Krueger stated I have to go out of town at the end of the month.

Mr. Cross stated I may not be here either so we may have to adjusting the date.

Mr. Oliver stated we can push the meeting a week.

Ms. Buchanan stated tied into this we will go ahead and file the validation complaint, we should be able to do that by the end of the week. We have a signed funding agreement by the developer so assuming the chair will countersign tonight that will get that track moving as well. The last thing is do you want MBS to come back to the board at your November meeting?

Mr. Krueger stated we need to sit down and figure out how much money we really need.

Ms. Buchanan stated Rhonda can now that she has a purchase price and she can calculate closing costs she will have a better sense of what it takes just to do the basic transaction and then she can run some scenarios to give you ideas of how much you have to bond.

Mr. Cross stated we probably need to see her in November.

Mr. Krueger stated other things will be required such as working capital. My understanding in talking with Jim is when we take this over we have no money in the bank.

Mr. Oliver stated you are not going to be able to use bond proceeds for working capital.

Mr. Krueger stated if we can do bonds we have to issue short term notes of something for operating capital to run the place.

Ms. Buchanan stated at our next board meeting we will do our best to bring back the purchase and sale agreement, we will also put together a running list of action items so we can all keep track of what is happening and where it is.

Mr. Cross asked also Jim can you get with Roger and get the contract for the management of the golf course?

Mr. Oliver responded yes.

Ms. Buchanan stated there will be a lot exchange of information with the due diligence investigations.

FOURTH ORDER OF BUSINESS

Update Regarding Village Green Marketplace on a Test Basis

Mr. Oliver stated the next item is an update on the Village Green marketplace on a test basis and Matt was working with counsel and the vendor to iron out some details.

Mr. Biagetti stated a rough basis of what we are looking at is one Saturday a month so it is a once a month event from the hours of 10:00 a.m. to 2:00 p.m. We were in agreement to pay the normal rental rate, which is \$100 to rent the green space. I don't have a hard number of what they would be charging the vendors to use the space it is something we can nail down.

Mr. Cross stated it is on a test basis and if we find out it is not working for us or not working for them it is gone.

Mr. Biagetti stated they would like to start the first one on December 5th.

Ms. Buchanan stated they have already sent over their insurance certificate.

Mr. Cross stated let's just go with \$100 flat rate and we can do from there if we feel we need to charge more, it is a test.

Mr. Krueger stated charge the \$100 the first month and we can adjust that as we go along.

On MOTION by Mr. Cross seconded by Mr. Townsend with all in favor an agreement with a 90 day probationary period that can be terminated at any point in time to provide for monthly Village Green Marketplace events was approved in substantial form pending additional staff coordination and review and execution of agreement by the chairman.

FIFTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SIXTH ORDER OF BUSINESS

Supervisors' Requests and Audience Comments

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Next Meeting Scheduled for Tuesday, November 3, 2015 at 6:30 p.m. at Eagle Landing Residents Club

Mr. Oliver stated the next meeting is scheduled for the 3rd and we need to work out our schedules for the following week.

It was the consensus of the board to meet on November 17, 2015.

On MOTION by Mr. Cross seconded by Mr. Krueger with all in favor the meeting adjourned at 8:00 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman