

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, November 1, 2016 at 6:30 p.m. at the Eagle Landing Golf Club, 3989 Eagle Landing Parkway, Orange Park, Florida

Present and constituting a quorum were:

Gary Cross	Chairman
Grant Krueger	Vice Chairman
Richard Townsend	Supervisor
Bobby J. Poole	Supervisor
Chris Payton	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Keith Hadden	District Engineer
Matt Biagetti	Director of Aquatics & Recreation
Steve Andersen	Operations Manager
Daniel Laughlin	GMS, LLC
Rob Dugan	Eagle Landing Golf General Manager
Josh Heintzman	Eagle Landing Golf Professional
Josh Smith	Arnold Palmer Golf Management
Corey Hamlin	Arnold Palmer Golf Management

The following is a summary of the actions taken at the November 1, 2016 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. Junius Hill stated I am running for one of the seats on the South Village CDD board of supervisors. My bio is on the election site so feel free to check it out. The people who are running have a lot to offer as well as the current board members and we are in good hands no matter who is elected to the board.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the October 4, 2016 Meeting

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the minutes of the October 4, 2016 meeting were approved.

FOURTH ORDER OF BUSINESS

Update Regarding Golf Course Operations and Transition

Mr. Smith stated we talked at the last meeting about the lease options for golf carts and due to the size of the lease it will have to be noticed and bid and we are working with Katie to accomplish that. We also discussed the Toro Rough unit and yesterday I sent the lease documents to Katie and Jim for review.

Mr. Smith then reviewed the financials and was requested to provide a hard copy to the board in the future.

Mr. Smith stated one of the things we talked about was going out with a design/build RFP for our renovations and we didn't feel that would be the right thing to do, we needed to have a better starting point and some general concepts. Is there a way we can engage a firm to create two or three different rough concepts to be used to create a proper and more fleshed out RFP.

Mr. Cross stated work with Steve, Keith and the working group and if everyone decides that we need to hire a firm we will go from there.

Mr. Smith stated I sent a note to Jim to pass on to the board earlier this week. After almost 15 years with Arnold Palmer Golf I am excited to take an opportunity to buy a golf course in Dallas, Texas. My last day will be next Friday but I have worked out a deal to consult for another six months and will be available if anything comes up. Please feel free to reach out to me at any time. I have thoroughly enjoyed working with this property, with East West and with the board. My replacement will be Corey Hamlin who has worked with our company for a long time.

Mr. Hamlin stated I have been with the company quite a while and am excited to be here and my goal is to make sure I exceed the expectations of the board and community. I live in a community in Tallahassee that has a CDD so I am familiar with the process. I am currently a regional manager with our company and previously had four properties in Houston and have a depth of experience with clubhouse renovations, golf cart leases and golf course maintenance

equipment. Currently at Florida State we are working on a \$10 million to \$12 million renovation of clubhouse facilities, golf course a complete renovation and we are working through that process and funding for that.

Mr. Oliver thanked Josh thanks for everything he has done over the last 18 months throughout the purchase and transition process.

FIFTH ORDER OF BUSINESS

Update Regarding Construction and Capital Projects

Mr. Hadden stated Phase 5A is moving well. We had one weir structure that blew out during the hurricane and Steve called me and we looked at it and notified the water management district. We are searching for an easy and cheap fix because it is difficult, cumbersome and expensive to reconstruct the structure type that we had there and since it is gone it would be difficult because of the homes and golf course to bring in the equipment that we used to build the old structure. The district is working with us to find another way we can take the water back up to the level that it was pre-storm and do the proper treatment.

Mr. Poole asked do we know why the failure occurred?

Mr. Hadden stated too much rain in a short period of time. In the pipe system you have a trash removal system so with a normal flow any trash that would go downstream is trapped then the maintenance crew can come pull that out. The weir is designed for a 25 year storm and anything above that we have an overflow system and the overflow system is designed for any storm greater than that. I think it was too much wind, which knocks down debris from the trees and it goes into the lake and too much rain is all going to collect right there. The erosion started on the sides and there must have been some debris that got in there and stopped it and got the water level up enough that it was overtopping that and breached the sides of the concrete.

Mr. Poole asked should we have a protocol for periodic inspections?

Mr. Hadden stated that is not a bad idea we can always do that. We haven't done that in twelve years and typically the maintenance guys if they see something they will call Steve or me. This is the first weir we lost in all those years and it happened to be during the hurricane.

A resident stated access to that area is next to my house and I have a fence that I will gladly take down to allow access.

Mr. Hadden stated thank you.

Mr. Cross stated Steve if you would look at the rest of them I would appreciate it.

amendments will bring them into budget. It is required by Florida Statutes to do this for governmental accounting.

Mr. Oliver went through the financials and reviewed the line items that were over budget and the line items that were under budget after which the following actions were taken.

- A. **Resolution 2017-03 Amending the Fiscal Year 2016 General Fund Budget**
- B. **Resolution 2017-04 Amending the Fiscal Year 2016 Recreational Fund Budget**
- C. **Resolution 2017-05 Amending the Fiscal Year 2016 Capital Reserve Fund Budget**

On MOTION by Mr. Krueger seconded by Mr. Poole with all in favor Resolution 2017-03, Resolution 2017-04 and Resolution 2017-05 were approved.

NINTH ORDER OF BUSINESS

Other Business

Mr. Cross asked what was the big variance in tennis?

Mr. Biagetti stated we had preventative maintenance scheduled for the fitness equipment and we overhauled the elliptical machines and treadmills that was about \$7,000 and the other was the decking around the tennis court area.

Mr. Oliver stated Matt gave me the details earlier today to that same question. Some of the larger items contributing to the tennis overage such as the deck were initially going to be part of the capital plan, but it was posted to the recreation fund. We will reclassify that it should properly come out of the capital reserve fund.

Mr. Cross stated I thought the developer was going to pay for that. Now you are saying we are paying for it.

Mr. Biagetti stated I think it hits initially through the regular rec fund on the building for the decking.

Mr. Oliver stated to the extent that is accurate we will seek reimbursement of those funds.

Mr. Cross stated I want to make sure that is accurate. The reason we agreed to it is because we understood someone else was going to pay for it. So, we are going to get our money back.

Mr. Andersen stated that is accurate, what you are saying is correct.

Mr. Oliver stated we will seek reimbursement from them and put that as due from developer.

Mr. Cross asked are we putting the maintenance contract for the equipment under tennis?

Mr. Biagetti stated it all falls under tennis.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Buchanan stated as you will recall at the last board meeting we expected the reconciliation numbers in connection with the golf course true-up. The \$30,000 that was placed in escrow with their attorney has been provided to us. The \$47,000+ that was in East West’s account managed by Century has been transferred over to the CDD account and the balance that was due and owing from East West has also been paid to us.

The attorney for the HOA responded and indicated that she didn’t have any significant issues with the form of our lease. I will get that finalized if everyone is comfortable with that. I would ask if someone would serve as point on that if I have any changes.

Mr. Cross stated since I have been involved since the beginning I will do that.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

D. Director of Aquatics & Recreation

Mr. Biagetti reviewed his report, copy of which was provided in the agenda package.

On MOTION by Mr. Cross seconded by Mr. Krueger with all in favor the proposal from Pool Tec to replace the pool heater with two smaller heaters in the amount of \$10,902 was approved.

E. Operations Manager

Mr. Andersen gave an overview of his report, copy of which was provided in the agenda package.

F. Golf Course General Manager

There being no additional report, the next item followed.

ELEVENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

A resident stated when we started talking about adding four tennis courts the big incentive was to host larger tournaments we needed 12 courts and we decided to go with 12. My recollection of a tournament is that you have to have 12 courts all the same. We have 10 that are the same and 2 that are not and we are still not going to have the 12 to host big tournaments. Is this our objective or an ultimatum to begin with?

Mr. Cross stated that was never my objective that was the developer's objective. My objective was to have something that could be used by all residents that is why I went with the two multi-use courts so we would get more use out of them. I can't speak for the rest of the board.

Mr. Andersen stated originally the four courts were dictated by the golf purchase so the board has been able to negotiate with the developer to back off of the four HydroCourts and now we are getting 2 of the Hydro and 2 of the hard courts that gives the ability for the residents to play in poor weather.

A resident stated the amenities management contract we have now talked about for four years in a row that we ought to see if there is someone else who can do a better job for the same money. We are now going to keep them for another year is that my understanding?

Mr. Cross stated yes, we always planned on another year. It is going to have to be a priority soon.

Mr. Krueger stated it can be month to month and when we get ready to send out an RFP we can do it.

Mr. Poole stated at the last meeting we talked about going out and establishing a focus group. I don't see any reason why we should be delaying this process for another year.

Mr. Oliver stated every District contract with service providers has a termination clause, so fiscal year deadlines don't restrict your ability to consider contract changes. As directed by

the Board, following last month's meeting, I emailed each of you the previous scopes we presented to the board. I worked with Chris and Katie on putting those scopes together.

Mr. Cross stated let's put it on the next agenda.

Mr. Oliver stated although one of those scopes attempts to anticipate most tasks to be accomplished within each departments, it may be helpful to issue a broad scope. This will allow interested vendors to assess the situation and project to not only prepare a proposal responsive to meet the requirements of the scope, but also make some suggestions for process improvements based on best practices at other communities. This approach may bring offer innovations that we may not be aware of. Sometimes a looser scope offers more opportunity for different types of solutions.

A resident asked is there anything in the RFP directed towards a tennis backboard?

Mr. Andersen stated yes, there is one.

A resident stated I didn't hear an update on the driving range remodel.

Mr. Andersen stated we talked to Arnold Palmer and Vallencourt and there are some inexpensive ways to get rid of that pond. The biggest question for Arnold Palmer is when they want to do it so the grass grows. We will come back to the board with a scope and proposed timing and possible phasing.

A resident stated I suggest you maintain timelines with a leader, we have a focus group but we rarely get together. Also operating procedures for the different departments for example the golf course, the restaurant, the amenity center.

Mr. Cross stated not yet.

A resident stated going forward let's put in place standard operating procedures as a process so we can anticipate issues we are having with the retention ponds for example. We have to have a process and we have to have timelines.

Mr. Cross stated here is the problem with the Sunshine Law. When board members start getting involved in that, then it has to be an open meeting and we have to schedule it and notice it. We have to let you loosely work on your own so when you get together you can say this is what we would like to do and the timelines we would like.

A resident stated I'm concerned that there are very intricate timelines in regards to the sliding boards and the playground, the pool and the tennis courts that we don't have.

Mr. Cross stated yes because we are further along in the process with those. Six months ago we didn't have a timeline. Six months ago we didn't know that we were going to get the pool done this year and now we are able to get it done.

A resident asked in regards to moving forward, can the next step be that we request proposals for design similar to what you are doing regarding pool amenities?

Mr. Cross stated yes if you are at that point.

Ms. Buchanan stated I think you told Josh he couldn't do that.

Mr. Smith stated we will get with Steve and Keith and talk about it and come back to the next board meeting with ideas and concepts, make sure everybody is comfortable with those ideas and concepts and then my assumption based on what I heard is the next phase would be what does the board want to see to begin to approve and move forward.

Mr. Cross stated bring that to us and we can say yes we are okay with that, move this move that and we will have the engineer here and at that point we can go into a concept design

A resident stated I think you need design involved prior to that.

Mr. Cross stated I have to know what I want before I start designing it.

Mr. Krueger stated I have done design work for 15 years, I have designed kitchens for 15 years and you need a picture. Your designer is going to tell you where is the best place for that thing to be, whatever it happens to be. I need a picture and the sooner we get to that picture the better off we are. Whether they bring somebody in that knows what they are doing for designing things and paying them to give me a picture to develop it that is what we need to get this moving.

Mr. Hadden stated when you go out with an RFP you have to write up the document and put it out there and then get proposals.

Ms. Buchanan stated I think we scratched the design/build concept.

Mr. Hadden stated from a construction standpoint the best way to get the tightest group of bids is to have the best set of plans as far as the more detail the less questions there will be. There is going to have to be a designer or architect at some point to put out a document that the contractors can bid on.

A resident stated or do a site visit for a pre-bid conference and this is what our vision is make it mandatory for the bid.

A resident stated you need to know what the designer is going to provide. Is the designer is going to provide drawings, is the designer going to provide the layout of the furniture, what are they going to provide and how much are they going to charge to provide it.

Mr. Hadden stated I think if you or several members of your group and Arnold Palmer people, Steve and I spend two hours together I think we can tighten it up enough that by next month we would have something for the board to say this is what we want to do next.

Mr. Cross stated I do want to get it done and I want to get it done quickly for revenue purposes. At the same time we have a bunch of residents and everybody is going to have input, not everybody is going to be happy. I want to make sure that everybody has input and from there I agree with Keith the next meeting we should be able to sit down and say this is what we want to do with a few changes or whatever, go from there get the design consultant and get it drawn up. To hire one now I think is premature.

A resident stated my suggestion was to get proposals so at the next meeting we can look at the proposals.

Mr. Smith stated when we proposed to work with Katie is something that wouldn't have to go out for RFP, this would be the golf course going out retaining these people for a one off job to create and basically facilitate all the discussions. Jump-start the discussions to move it forward with much more tangible things, images, drawings, ideas on furniture and counters and things not one visual but multiple visuals. My experience with these guys is this is what they do day in and day out. They design and build golf course clubhouses, restaurants and bars and pro shops so they have seen a lot of different variations, they understand the flow of business and they are going to know all the pitfalls. That is why I wanted to start with them.

Mr. Krueger stated we have this focus group working with the golf course they should come up with one opinion and that is the opinion that should come to us.

Mr. Cross stated I agree.

Mr. Poole stated it sounds like we have enough knowledge between all the people involved to do this, get together establish a plan and bring it back to the board.

TWELFTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet as of September 30, 2016 and Statement of Revenues and Expenses for the Period Ending September 30, 2016

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. Cross seconded by Mr. Poole with all in favor the check register was approved.

Mr. Krueger asked where do we stand on the IT conversion?

Mr. Oliver stated I think what we need to do as board and staff is take a hard look as to whether we allow the sunk cost of the current system with TAI to drive whether we stay with the current system, that has some challenges synching with the golf operations EZLinks system. Is it better to take a fresh look at other vendors to see if they have better systems in place. If you recall the TAI system was put in initially and was custom made for this district when the amenity center and golf course first opened. It has been upgraded along the way, but seems to have a few weaknesses that we need to address ,or investigate other systems in the market.

Mr. Krueger asked why don't we go out and see what we can find?

Mr. Oliver stated I'm sure there are many highly amenitized communities like Eagle Landing that also have a golf operations and that there are vendors that offer complete systems rather than trying to link separate point of sales systems. We will start that process.

**FOURTEENTH ORDER OF BUSINESS Next Meeting Scheduled for Tuesday,
December 6, 2016 at 6:30 p.m. at Eagle
Landing Residents Club**

Mr. Oliver stated the next meeting is scheduled for Tuesday, December 6, 2016 at 6:30 p.m. at the Eagle Landing Residents Club. At that meeting we will have organizational matters, to swear in the newly elected or re-elected supervisors.

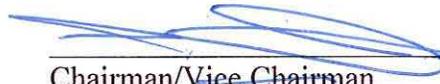
Mr. Townsend moved to adjourn the meeting at 8:43 p.m.

November 1, 2016

South Village CDD



Secretary/Assistant Secretary



Chairman/Vice Chairman