

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, July 11, 2017 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
Chris Payton	Supervisor
Bobby J. Poole	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
Rob Dugan	General Manage, Eagle Landing Golf
Josh Heintzman	Golf Professional, Eagle Landing Golf
Corey Hamlin	Regional Manager, Century Golf Partners
Darrin Mossing	GMS, LLC
Mark Smilek	SoFitco

The following is a summary of the actions taken at the July 11, 2017 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 June 6, 2017 Meeting

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the minutes of the June 6, 2017 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Presentation Regarding Evaluation and Selection of Fitness Equipment

Mr. Smilek of SoFitco gave an overview of the proposals for the new Life Fitness equipment and proposed spacing for a total of \$115,000 including trade-in, installation and shipping

Ms. Buchanan stated I think we had a prior study done by an ADA consultant that dealt with the arrangement and the way the equipment is placed now. Are we going to re-commission that or does your company do that?

Mr. Smilek stated the layout that is there is ADA that is why it is spaced out a little more. The layout programming I use and the person I work with are required to make sure it is ADA compliant. We know this is a process that won't happen overnight and we want to be able to address your comments and concerns.

Mr. Cross stated we have discussed this for several months and after Mr. Payton gets with you we should be able to work something out.

FIFTH ORDER OF BUSINESS

Consideration of Amenity Center Policies Violations

Mr. Oliver stated you have a copy of the amenity center policies and there are electronic copies available on the CDD website. We want to talk about a recent policy violation and also start the process for the board to do an annual review of these policies to update them. The last time you updated them was October 4, 2016.

At the last meeting we talked about a violation that occurred on the pool deck on May 26, 2017. The Clay County Sheriff's Office came out to investigate and at that time it was a police matter. Although the Clay County Sheriff's Office completed an investigation and recommended prosecution, the State's Attorney's office decided not to prosecute based on their determination, of insufficient evidence to prosecute successfully. That legal process does not preclude the district from taking action for violation of the district's published policies and that is where we are tonight. With the CCSO investigation over, the Board can consider appropriate actions. In

Based on the policies, I sent a letter of suspension to the resident based on the violations that allegedly occurred. A letter was mailed to the resident telling him he was suspended until the next board meeting and he would have the right to address the board if he wanted to give his side of the story. I did have a phone conversation in response to my letter and he indicated he would not be here tonight. Tehj Board can now decide what action what disciplinary steps they may wish to impose in accordance with the policies.

Mr. Cross stated I spoke with him also and his statement to me was that it never happened. I was able to obtain through a public records request the incident report along with statements of the alleged victims about the incident along with his statement and I disseminated it to the board and it is open for discussion.

Mr. Krueger stated in looking at the statements it seemed to be intentional and he deserves some kind of suspension beyond this and I'm thinking a year.

Mr. Cross stated a year and a half that is basically this summer and next summer.

Mr. Payton stated a year and a half is fine.

Mr. Hermening stated I think that is a long time regardless of what occurred, the State's Attorney chose not to prosecute.

Mr. Cross stated the State's Attorney has to be able to prove it beyond a reasonable doubt but we don't we just have to believe there was a disturbance. There was a disturbance and the police were called.

Mr. Poole stated I think we have three residents who are giving credible observations about what occurred and I would support at least a year.

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the resident was suspended from using the amenity center for a year and a half from the date of the incident.
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SIXTH ORDER OF BUSINESS

Acceptance of the Fiscal Year 2016 Audit Report

Mr. Oliver stated next is acceptance of the fiscal year 2016 audit report. Florida Statutes requires that governments have independent auditors provide an annual financial audit. This board through the RFP process selected an auditor to perform that audit and a copy of the audit is included in your agenda package. It is a clean audit and this will be posted to the district's website and a copy has already been provided to the auditor general of the State of Florida. On

page 2 of the opinion letter at the top it says, in our opinion the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities, business type activities, and each major fund of the South Village CDD as of September 30, 2016 and the respective changes in the financial position, cash flows for the enterprise fund and the budgetary comparison for the general and special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. On page 8 under economic factors and next year's budget it says South Village CDD purchased Eagle Landing Golf Course in June 2016. As a result the district expects to experience increased activity as the golf course will have a full year of operation in fiscal year 2017, which is the year we are in right now. Pages 20 through 36 are the notes to the financial statements and are a narrative format of what is reflected in the annual financial statements in the preceding pages. On page 37 is the independent auditor's report on internal control and at the very bottom of that page the auditor writes, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. The next page is the management letter and one of the requirements of the auditor is to list any prior audit recommendations they made and in the second to the last paragraph the last sentence says there were no recommendations made in the preceding audit report. Next is financial condition and this has to do with emergency financial conditions and you will note the district is not in a state of emergency financial condition and the last sentence says in connection with our audit we determined that the South Village CDD has not met one or more of the conditions described in section 218.501(3), Florida Statutes, which is good news.

On MOTION by Mr. Cross seconded by Mr. Krueger with all in favor the fiscal year 2016 audit was accepted.

SEVENTH ORDER OF BUSINESS

Discussion of Fiscal Year 2018 Budget

Mr. Oliver stated we are going to have a public hearing on September 5th so we are about two months out from the public hearing for the budget. I will give an overview and as we get to each of the budgets have the manager for each of those budgets talk about some of the things they are looking to change in this budget and at the end of that discussion get some additional board guidance and that will help us prepare the draft for discussion at the August meeting. As a result of the August meeting there should be minor changes during the September 5th budget

hearing., One of the assumptions for this year's budget is that there is no change in assessments for landowners of Phases 1-5. You will recall Phase 5 lands are to be fully assessed as they are platted. A couple of months ago, the board allowed the developer to plat all units with the understanding in FY18 100 units are to be fully assessed and the remainder will be fully assessed for FY 2019. As a result of bringing those 100 units on board for the FY 2018 budget you are receiving additional revenues for three different funds and those revenues in the general fund and rec fund combined you will receive an additional \$101,000, the capital reserve fund an additional \$9,400 and the golf fund an additional \$24,000. With those additional funds the goal at this time is to not change assessments, and to have each department manager work with the board and staff. The goal is to stay within those budgets, adjusting line items up or down based on historical data and any anticipated operational changes during the upcoming budget. Some line items may increase, supported by cuts in other line items, or the additional revenues generated by the Phase 5 platting.

In the format that Corey will be talking about later during his financial update, he has compiled year to date actuals. The FY18 golf budget should be in the same format that you see for the general fund and recreation fund. You will be able to see the actuals year to date, the projected actuals for the rest of the year and take that data into effect and come up with proposed line items.

The general fund went up over the last couple of years largely due to the number of meetings. At one point we met quarterly, then semi-annually and now we are meeting on a monthly basis and having workshops.

Mr. Oliver gave an overview of the general fund budget, community appearance budget, capital reserve fund, staffing levels, recreational fund and debt service fund budgets.

Mr. Biagetti reviewed the recreation fund budget revenues and expenditures.

Mr. Hamlin gave an overview of the golf course budget.

Mr. Payton requested more fully defined line item descriptions.

After board and staff discussion a budget workshop will be scheduled shortly after the August meeting.

EIGHTH ORDER OF BUSINESS

Discussion of Investment of Public Funds

Mr. Oliver stated because these are public funds there are certain requirements we have to meet and the requirements are set forth by the chief financial officer of the State of Florida as well as the bond indenture. The most important thing to remember about these funds is we have to look out for the security of these public funds, they have to remain liquid and the third priority is to achieve maximum yield. We have to be conservative in investing these public funds. The debt service funds are managed by the trustee, U.S. Bank, and they put excess funds in the governmental fund that I mentioned earlier that today is at .577% return. Then you have the funds in the operating accounts and right now you have operating accounts for the general fund, recreation fund as well as the golf fund. The general fund and recreation fund use Wells Fargo Bank and the golf fund uses Bank of America. Both institutions are qualified public depositories, as designated by Florida's CFO. The District's capital reserve fund and any surplus funds we have on a short-term basis are invested with the Florida State Board of Administration. The Board of the SBA is comprised of Florida's the governor, attorney general, and CFO. You already have an agreement with them and have had it for several years and they invest these funds overnight and they tailor this for governmental agencies. Right now there is not a lot of difference in investment vehicles available to us with the focus on security first, liquidity and then yield. As interest rates climb in the future, we can investigate other suitable investment opportunities.

NINTH ORDER OF BUSINESS

Golf Operations Update

A. Financial Update

Mr. Hamlin reviewed the financials and the golf operations and stated we have a new executive chef who started July 5th. Over the next couple of weeks the team at Eagle Landing will be trying to get menu ideas from our members and residents and we are going to redo the fall menu with the goal of retooling our menu every quarter. You can send menu ideas to Chef Greg. In addition a survey is being developed that will go out to all the residents by email that should be in your email on Friday. We want to get feedback as to what the residents like about the restaurant, banquet, weddings, catering, what they don't like and what items they would like to see.

B. Update Regarding Golf Course Maintenance Equipment

Mr. Dugan gave an overview of the proposal for the lease of golf course equipment for a 60-month lease with a buy-out for 13 pieces plus the grinders.

Mr. Dugan stated the current lease has a year left on it for the greens mowers, fairway unit, tees and a couple other pieces of equipment as well as spray equipment. We will bring back options at the next meeting as to how to handle the leases.

C. Update Regarding District Facilities Point of Sales and Access Control systems and Options

Mr. Hermening gave an overview of specs he had researched on a point of sales and access control system.

On MOTION by Mr. Cross seconded by Mr. Krueger with all in favor Mr. Hermening was authorized work with staff to finalize the specs for a point of sales system to include security.

TENTH ORDER OF BUSINESS

Update Regarding Capital Projects (New or Renovated)

A. Projects Overview and Update

Mr. Andersen updated the board on the progress of both parks as being nearly complete and stated we still have issues with people driving ATV's through the park and we are talking about putting a fence across the front and rebuild the fence on the backside.

Picnic tables for the pool deck should be in within the next 14 days. Some of the outdoor furniture is at the clubhouse and some is still being built. We have a bar height community table being built and that should be installed next week. The fire pit table will be here in two weeks. The outdoor bathrooms are done the outside areas are being painted. The next project is the men's bathroom then the women's bathroom and dining room. Once those are complete we will move into the bar area.

I'm waiting to install the televisions and sound because a lot of them use the same cabling as the security cameras and I don't want two separate contractors and we can cut costs by having one contractor.

We have ten sets of outdoor furniture at the clubhouse that I would like to declare as surplus and sell.

B. Cost to Complete Schedule for Series 2016 Project

Mr. Oliver stated Steve circulated a project schedule to the board within the last couple of weeks and we are on a timeline to bring these projects in to a landing. Typically in most districts you are going to end up with more projects than dollars remaining. Although you have more than \$1 million in the construction account, you should continue to prioritize any remaining projects and operate within that budget. There is no additional funding source if some of these projects go much higher than anticipated.

Mr. Andersen stated we have \$879,589 left to spend out of \$1.378 million.

The following items were discussed and staff given direction.

Conversion of the sink to a water fountain in the athletic center.

Get the sink upstairs repaired at the same time.

Staff to put beverage center on existing sink top until the fountain is put in.

Industrial push bars on the doors with a loud alarm.

Mr. Payton will work with staff to move one security camera.

Pressure wash sidewalks and repair landscape lights and trim shrubs on the main thoroughfare

C. Consideration/Ratification of Series 2016 Projects

Mr. Oliver stated your agenda packets include requisitions 7, 8 and 12 – 16 for Series 2016 A1/A2. Earlier today we circulated series 2016A3 requisition 24 for Phase 5 improvements and the engineer is here if you have any questions about Vallencourt pay application 12.

On MOTION by Mr. Krueger seconded by Mr. Cross with all in favor the 2016 A1/A2 requisitions 7, 8, and 12-16 and the 2016 A3 requisitions 24(2) were approved.

ELEVENTH ORDER OF BUSINESS

Update Regarding Capital Asset Repairs and Replacements (Capital Reserve Fund)

This item discussed earlier in the meeting.

TWELFTH ORDER OF BUSINESS

Consideration of Proposal for Update of Capital Reserve Study

Mr. Oliver stated the last capital reserve study was conducted and completed on September 2014. This document lists all the capital assets throughout the district and comes up with funding recommendations to build the capital reserve funds and cost estimates to repair or replace existing assets. The 2014 study spans to Year 2044 to assist the district in identifying the funding necessary to build funds to handle these expenditures. Since the report was published, you have initiated extensive renovations and purchased the golf course and clubhouse. It is time to update that report. The company that provided the last capital reserve study has prepared a proposal to update that at a cost of \$5,600. There are other companies that do this type of work and they are typically more expensive than this one but we don't have a preference. The consultant would not complete the report until after Series 2016 capital improvements are completed, but in time for our use as we begin the FY 2019 budget process.

It was the consensus of the board to look at the proposal at the October meeting.

THIRTEENTH ORDER OF BUSINESS Discussion of Staffing Levels at District Facilities and Contractual Requirements

Mr. Oliver stated I emailed to you yesterday and provide hard copy the three basic management agreements that we have for onsite management for golf, amenities and operations. By having these documents you can take a deeper dive into what the responsibilities are for each of those contracts and it will probably help you with the analysis of what the staffing needs to be on a going forward basis. Since our last meeting, I had discussions with Kelly, Chris and Grant regarding some of these items. I also had a discussion with counsel. The way two of the agreements are formatted we had two basic agreements that were prepared in 2008 and 2009 and through a series of amendments or addendums we have updated those. Each of the three agreements are in effect until September 30, 2018.

Mr. Krueger stated it would be a good idea to update the agreements.

Mr. Cross stated I wonder if we need a workshop on that.

Mr. Payton stated we could have one but the first thing you do is combine these into a new document, I also propose that we make changes to staffing.

Mr. Oliver stated we went through the budget amendment process during fiscal year 2017 and eliminated the requirement for developer contributions and one of the trade-offs to that was that we would hold steady at the annual management fee of \$448,000 with the understanding if there were additional staffing needs those would be covered by the developer.

Mr. Payton stated my proposal is that in the agreement there is a schedule of staffing.

Ms. Buchanan stated it became cumbersome to amend the agreement every year so what we ultimately required was the management company submit an addendum every year that was supposed to be an updated budget, updated staffing plan and updated operations, emergency report, those four items are supposed to come every year.

Mr. Payton stated that is them telling us what their plan is.

Ms. Buchanan stated we were supposed to approve it.

Mr. Payton asked can we put in here now minimal staffing requirements for each area. Right now at our two main facilities the desks are not staffed during working hours. I would like to mandate to our management company that during our hours of operation that the desk near the pool and the desk at the athletic center are staffed fully, every minute we are open and that those desks are never unattended. My proposal to Matt was that they accomplish that by hiring enough staff to cover those two desks and a rover that would go back and forth because they need lunch breaks and bathroom breaks and things like that and those things are pulling them away from their desks today by going upstairs and cleaning the facilities or emptying trash and things like that. Since they wouldn't be able to leave the desks for those periods that rover person would be able to cover for them or take care of those things, also check the wristbands at the athletic center, have more frequent walk throughs of the athletic center, the tennis courts. I don't care how they do it but I think the board should mandate effectively immediately that those desks be staffed.

Mr. Cross stated I agree with that 100%.

Mr. Oliver stated first of all we need to take this product that we have now, the staffing plan, make the suggested revisions to it and bring it back to the board for discussion. I don't think it was the developer's intent to fund any and all staffing costs over \$448,000. I think we are going to have to reach some type of understanding, explain why certain staffing increases are mission essential and provide a cost estimate.

Ms. Buchanan stated the form of the agreement that relates to the boundary amendment that extra staffing conditions, the golf course payoff, we haven't finalized that because Roger is nowhere close to closing on the property to require the boundary amendment so I didn't want to have our obligations come into play before we actually had the request. I think we are getting

close to the point where we do need to have that agreement in place and we can attach the revised staffing schedule as an exhibit. That seems like the appropriate form.

Mr. Hermening asked how do we increase staff now?

Ms. Buchanan stated I think we can make an immediate request and Matt will work with us to figure out a solution and I think it is going to have to go to Roger and Chris Dura as well.

Mr. Cross stated I always thought we should have those positions filled but I understood from this seat the funding and I would like to get that funding as soon as possible.

Mr. Biagetti stated I want to be clear we do have those positions filled and staff there but you made a good point they do have other obligations to clean the equipment or the facilities. In the shoulder season maybe we do need to have staff here, which I don't disagree with.

Mr. Payton stated if this facility is not open then we don't need staff here.

Mr. Cross stated if we could get a rover they could fill in on the off season.

Mr. Payton stated I'm not asking them to do anything more I'm asking them to do what is in the contract.

Mr. Oliver stated our case for any negotiations that may occur is to have good data including what the staffing weaknesses are in the current operation and what the costs generated by the extra staffing.

Mr. Payton asked how can we not drag this out to the next meeting?

Ms. Buchanan stated Matt if you can come up with a schedule that Chris can sign off on then we can take it to the developer or management company before the next meeting. There is no reason we have to wait.

Mr. Krueger stated if we need it we need it and we have to come up with a plan.

Mr. Biagetti stated here is a simple one that Chris and I talked about, Monday through Friday from 1:00 p.m. to 7:00 p.m. we have a floater, Saturday and Sunday from 12:00 p.m. to 7:00 p.m. we have a floater.

Mr. Payton asked does that exist today?

Mr. Biagetti stated no this could be a proposal.

Mr. Payton stated then the person is there from 9:00 a.m. to 1:00 p.m. and he can't go upstairs to check on something and leave the desk.

Mr. Biagetti stated if you look at it that way we would need two people at each desk from open to close.

Mr. Cross stated not if you hire one person as a floater then they can have other chores. I'm looking at adding one floater right now. It is an issue when we are trying to put alarms on the backdoor when we don't have anybody at the front door.

Mr. Payton asked can I work with Matt to get something done as soon as possible?

Mr. Cross stated yes.

Mr. Payton asked how do we move forward with any changes? Who does that?

Ms. Buchanan stated I'm happy to do it I think the most important thing is to know what you want your scope to be. This agreement has been a painful agreement and I don't have another one like it. The others are generally more generic in their body with a very detailed scope of services, that is the part I would focus on. I can help you prepare it but subsequently I need to know what you like about the scope and what you want to change. The scope of services is the place to start and if anybody has any comments on those we can work them in. The form of the agreement is going to be pretty simple.

Mr. Payton stated for this upcoming year Matt tell us what you need to operate the system. Tell me what you need to operate the facilities appropriately.

Ms. Buchanan stated I do understand what you are saying but I also think that maybe Matt needs direction on what you want then he can prepare that information. At this point you are asking him to kind of work against his own boss. Tell him what you want and he can perform it.

Mr. Payton stated he is not going to pay for everything we want in here we are going to have to increase the budget somehow to meet what our demands are.

Ms. Buchanan stated as long as he is clear on what your demands are then so be it I just want to make sure he understands.

Mr. Cross stated I would have to sit down with him to discuss what I would like and what he has because I'm not sure on a day to day basis.

Mr. Payton stated this has to be done to be included in the budget.

Mr. Biagetti stated what I initially had put together for the \$491,000 was more in line with pay increases for staff and we talked about the shoulder season and that is tough. Just for a decreased staffing schedule yet we still have nice weather especially around the pool area so there is a lot of activity and based on the structure we have two lifeguards, we can't operate with two lifeguards it is unrealistic. Some of this we have been operating on how we need to without

it showing or being paid for, reimbursed for based on our current agreement. We were basically stuck with 2013 staffing and these programs are growing and we are adding more staff but our fee structure is still in a mess. This would bring it more in line and I still don't think it is covering what we are doing but it is a start.

Mr. Cross stated that is what we need to know, not really working against your boss but what do you need so we can go to your boss and say this is what we need and you need to pay for it or we will have to pay for it.

Mr. Biagetti stated that is what we have been doing we have been paying for that.

Mr. Poole stated currently our dining facility at the clubhouse is not open Monday and Tuesday.

Mr. Hamlin stated the kitchen is open until 7:00 p.m. on Sunday, Monday, Tuesday, the bar is open until 8:00 p.m. or 8:30 p.m. we just don't offer entrees we offer lunch sandwiches, burgers and all that.

FOURTEENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

FIFTEENTH 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

Mr. Oliver stated our next meeting is August 1st and we talked earlier about having a budget workshop later in the month. If this board has any inclination to change the assessment levels we are going to have to have time we need 20 days mailed notice to residents for the September 5th public hearing. The only reason I bring that up is some of the discussion when Chris was talking about incrementally instituting some of these changes quickly like the rover and stuff those are the type of things I think our current budget can absorb. If you are talking

about something with a price tag of \$40,000 or \$50,000 you would have to find a way to fund that if the district is going to pay for it. Realize that several months ago when you were talking about the scope of services to go out for RFP we were talking about getting that process going maybe around January 2018 maybe sooner. It could be that you make the needed changes now like the rover and maybe some other changes and look at more wholesale changes as you go through the RFP process.

Mr. Payton asked can we put out a notice for August?

Mr. Oliver stated you only want to put out a notice for a potential increase unless you are very serious about having a potential increase.

Mr. Hermening stated especially since we said for the last three meetings that next year we see no need for any kind of increase.

Mr. Oliver stated I believe you could work through the must have changes in the short term to get through 2018 using various funding sources and working with the developer but if you are talking about some significant changes it is going to take some time.

It was the consensus of the board to schedule a budget workshop on August 15, 2017.

Mr. Oliver stated we will have a regular meeting on August 1st and a budget workshop on August 15, 2017 at 6:30 p.m.

D. Golf Course General Manager

Mr. Dugan stated the estimates for the range ball dispenser machine range from \$9,000 to \$11,500.

On MOTION by Mr. Cross seconded by Mr. Krueger with all in favor the purchase of a golf ball machine for the driving range was approved in the amount of \$9,000.

E. Director of Aquatics & Recreation

1. Consideration of Proposals from Southeaster Surfaces and Equipment to Repair the Center Curtain and Two Height Adjusters for the Basketball Court

Mr. Biagetti stated the proposal from Southeaster Surfaces and Equipment to repair the center curtain and two height adjusters for the basketball court is \$4,525 and the second quote is in the amount of \$2,400 to do preventative maintenance on all the basketball equipment in the

gym, the remaining hoops and everything. There are a lot of adjustments, how they hang, how they sit back.

Mr. Cross stated since I have been on the board we have had a lot of repairs and I think it would behoove us to have a maintenance agreement.

Mr. Biagetti stated this may incur more costs as they start going through, it doesn't include additional labor or parts.

Mr. Payton stated I think we need to do it to see what else is broken. It seems like every time they move one of the back boards it breaks.

Mr. Biagetti stated another topic of discussion is how do we pay for this. Do we use capital reserve dollars?

Mr. Oliver stated yes.

Mr. Biagetti stated I have been talking to Chris about this as well the lines in there, I believe this company does that and we will check with other companies in the next couple of months to restripe the lines. Right now we are set up for volleyball and basketball and we are looking at possibly adding some portable pickle ball nets inside the gym and that is something we are working on.

On MOTION by Mr. Payton seconded by Mr. Hermening with all in favor the proposal from Southeaster Surfaces and Equipment to repair the center curtain and two height adjusters for the basketball court in the amount of \$4,525 and the proposal to inspect the rest of the equipment in the amount of \$2,400 were approved.

2. Consideration of Proposal from Sofitco for Fitness Center Equipment

Mr. Payton stated if it is okay with the board his proposal for the SI was \$99,600 and the additional separate proposal for \$13,600 and we don't need both so we are talking about less than \$110,000. We currently have budgeted \$115,000 so if the board would like I would propose a not to exceed amount of \$110,000 and I will negotiate with them to see if we can lower that price a little bit.

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor Mr. Payton was authorized to negotiate the purchase of fitness equipment in an amount not to exceed \$110,000.

F. Operations Manager

1. Report

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

2. Proposal from The Lake Doctors for Fiscal Year 2018

On MOTION by Mr. Payton seconded by Mr. Poole with all in favor the proposal from The Lake Doctors for fiscal year 2018 services for 27 ponds in the total amount of \$23,112 was approved.

SIXTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Mr. Krueger stated I know we talked about this before but the people who work the cabana bar need to clean up after themselves at night. Having trash sitting out here all weekend is unacceptable.

Mr. Payton stated maybe we should hire a private security firm for after hours. Complaints that I'm seeing personally is that she is just one person there usually we have people in the pool that she can't see, we have people bringing drinks up of their own. She tries her best the police have been called a couple of times. I want some thoughts on what we are paying towards the sheriff's office or just having private security, someone to enforce our policies not just the general law.

Mr. Hermening stated we may just need security cameras here.

Mr. Payton asked and handling issues after the fact?

Mr. Cross stated I don't know what nights you want to hire them and you are going to have a minimum staffing so many hours a night such as 10:00 p.m. to 2:00 a.m.

Ms. Buchanan stated if we have one staff member and you are not sober if you are here at 2:00 a.m. and we are not enforcing the no swimming policies we need to reevaluate.

Mr. Payton stated there are some areas at the pool that the bartender can't see from behind the bar.

Ms. Buchanan asked is your revenue that much?

Mr. Cross asked is it worth having it open if we have to hire a security guard?

Mr. Krueger stated I think we should handle it internally if we have cameras or video and if people are not going to abide by the rules.

Mr. Cross stated I can see if I can get them to schedule some people from 10:00 p.m. to 2:00 a.m. on weekends. Generally we let them decide their own schedule but if we know we are having issues at a certain time I can talk to them and have them schedule people during that time.

Mr. Payton stated my next item is update on the tennis facility. We are back to two clay courts and two hard courts it would be a mirror of the facility on the other side. The request for new quotes went out today and we can bring something to the board at the August meeting.

Mr. Hermening stated going back to staffing, if we are supposed to have six people sometimes it seems like we are not the priority. I have had discussion with the Arnold Palmer folks and with Matt and the maintenance guy. If we are supposed to have the people, let's get them.

Mr. Cross stated I know some people are here because of a news story about a crime in Eagle Landing. The crime that occurred was a bad incident but it was solved because of our procedures, because of our security measures we were able to determine who did it when they did it and how they did it. The individuals are in juvenile detention right now because of it. People were blaming our procedures on him getting his keys stolen but we couldn't have stopped it, there was a party here he came in with the party apparently but wasn't part of the party. It is one of those things that just happen but we were able to determine who it was from security measures that we have in place. That is the only crime that has occurred in Eagle Landing.

I tried to start a Neighborhood Watch Program six years ago but didn't get one person to respond. There is a new program that the sheriff has started called the Sheriff's Net and we already have one participant. I'm in charge of it for the sheriff and you meet once a month it is for all of Oakleaf. The sheriff's office discusses issues that he is having in your community and there will be guest speakers and it is the community's meeting not the sheriff's meeting. If you want an application give me your name and email and I will send you an application to fill out. You have to be approved and have a background check to be able to attend.

A resident stated we talked a number of times over the last year or two about having three playgrounds in parks and at the last meeting we talked about where was the third park going to go. What happened to the third park and can we get it back on the agenda?

Mr. Andersen stated I'm not sure there were always three because we talked about three locations but one of the locations was behind someone's house and I mentioned to the board this is not a good place.

A resident stated one was supposed to be on my street by the lift station.

Mr. Andersen stated I wasn't directed by the board to build one there.

Mr. Poole stated we did talk about that location at one time. Can you look at it and come back with a recommendation?

Mr. Andersen stated absolutely.

A resident stated we talked about in the budgeting process when I look at the management fees, we have three, the golf course, the pool, then fitness and tennis and if you look at the management fees they are in the wrong order. The golf course management fees are the lowest and I think that is the most complex of our facilities, the pool is in the middle and that is probably the second most complex and the fitness and tennis center is probably the simplest of them and has the highest annual fee, which screams that we have to get the scope of work done and this RFP done and get a new management structure in this place.

Mr. Payton stated there aren't three management agreement one is for the golf course and one is for everything else.

Mr. Hermening stated the money that East West is getting includes all their labor whereas Arnold Palmer's is a management fee set aside strictly for the management of the contract all the expenses are separate.

A resident stated management fee is about \$450,000 a year to East West. You were talking before about maybe we have enough people provided for under that agreement in terms of man hours. You have two primary desks you want to staff seven days a week for part of the year and the exercise center and that adds up to so many man hours and that is what they are supposed to provide, so many man hours, whether it is three people or four people ten people it shouldn't be our concern. There is \$450,000 there and seven days a week you need people part of the year five days a week you need people. We shouldn't be talking about maybe we have to pay more.

Mr. Cross stated you misunderstand. They actually provide more lifeguards than we are paying for. We are asking for more but they are already providing more than is provided in our contract.

A resident asked why can't adults swim in the adult pool before hours because there is never a lifeguard at the adult pool during the day.

Mr. Biagetti stated right now we don't have access control so we have to have some kind of gate with key card access piggybacking on the athletic center system, which would require some other things but it is something we have talked about we just never moved forward on.

Mr. Payton stated the last time we looked at it, it was all about access control and that facility was not designed for after hours unattended use and the other pools you had access to them.

Mr. Andersen stated we will take a look at an access system and putting fencing up.

Mr. Cross stated we will look into insurance, access control and the fencing.

A resident stated this meeting ran really late tonight. Is there a different way of getting information to you about questions we have so that we don't necessarily have to wait to get our ideas addressed?

Mr. Cross stated all of our email addresses are on the website and I think my phone number is on there too.

Mr. Poole stated at the beginning of the agenda there is a place for audience comments.

Ms. Buchanan stated we usually do request that the first round of comments be related to agenda items.

A resident asked how do you handle guests when guests come? I still feel like I'm being held hostage if I have a guest I have to accompany them.

Mr. Cross stated I told you to get with Matt.

A resident stated I did but I have not gotten any results or any feedback when I talked about my grandkids. When people come to town and you have to work you want your guests to be able to enjoy the amenities but they cannot because you have to be with them. My thought was to call ahead and say you have guests coming and they let your guests in.

Mr. Biagetti stated this is a board discussion but the policy states now that you must be with your guests. I fear if we open it up to where you can call and say so and so can come in it opens the floodgates to abuse of the system.

Mr. Cross stated we will put it on the agenda for the next meeting.

A resident stated there are so many kids driving golf carts on the streets it is a dangerous situation. They are driving 10 mph and you can't safely pass them.

Mr. Cross stated they have to be 14 to drive a golf cart. I just had this discussion with the developer the other day. He was asking how to get golf carts in the community he was building because he could ask more for the lots. You can have golf carts or not have golf carts. Before I was on the board I took it upon myself to get golf carts approved for the community because I thought it would be a good idea and I thought it would improve the resale value of my home. What you are saying I agree with 100%. Maybe we should get rid of the golf carts.

Mr. Krueger stated if you have a golf cart it is supposed to be registered with the CDD and you are not supposed to be able to park it in our facilities if you don't have a sticker.

Mr. Biagetti stated I need to do a better job of giving out violation tickets.

Mr. Cross stated the child can get a ticket and the parent can get a ticket by allowing an unauthorized driver to drive the golf cart. I will reiterate to the deputies again to make sure they write tickets.

A resident asked upstairs in the gym area where the desk is and office is it possible to repurpose that area to put more equipment in?

Mr. Cross stated we could look at it. We couldn't go in where the elevator is but maybe that little area there.

A resident asked can you get the water fountain on the golf course fixed? It works but it is rusty.

A resident asked how much revenue are we making off the tennis courts compared to the operating costs?

Mr. Payton stated the cost of the courts is more than the revenue raised.

A resident asked why are we adding more tennis courts?

Ms. Buchanan stated it is a contract requirement.

Mr. Cross stated tennis was never meant to earn money, the pool was never meant to earn money and the gym was never meant to earn money. We signed a contract when we bought the golf course to build tennis courts. We are not building them someone is building them for us we just have to maintain them.

SEVENTEENTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet as of May 31, 2017 and Statement of Revenues and Expenses for the Period Ending May 31, 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. Payton seconded by Mr. Poole with all in favor the check register was approved.

NINTH ORDER OF BUSINESS

Next Meeting Scheduled for Tuesday, August 1, 2017 at 6:30 p.m. at Eagle Landing Residents Club

Mr. Oliver stated the next scheduled meeting is August 1st three weeks from tonight and we will have a workshop August 15, 2017.

On MOTION by Mr. Cross seconded by Mr. Poole with all in favor the meeting adjourned at 11:05 p.m.


Secretary/Assistant Secretary


Chairman/Vice-Chairman