

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, April 2, 2019 at 6:30 p.m. at the Eagle Landing Residents Club, 3975 Eagle Landing Parkway, Orange Park, Florida

Present and constituting a quorum were:

Chris Payton	Chairman
Grant Krueger	Vice Chairman
Kelly Hermening	Supervisor
Randy Smith	Supervisor
Rick Smith	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Keith Hadden	District Engineer
Jim Hahn	General Manager, Honours Golf
Matt Biagetti	Director of Operations, Honours Golf
Josh Heintzman	Golf Professional, Honours Golf
Alan Slaughter	Golf Course Superintendent, Honours Golf

The following is a summary of the actions taken at the April 2, 2019 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 March 5, 2019 Meeting

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the minutes of the March 5, 2019 meeting were approved as presented.
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FOURTH ORDER OF BUSINESS

**Acceptance of Minutes of the March 5, 2019
Workshop**

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the minutes of the March 5, 2019 workshop were accepted.

FIFTH ORDER OF BUSINESS

**Update Regarding Phase 6 Construction
Matters**

Mr. Hadden reported on the progress of Phase 6, the Westbank project with construction being on schedule and they plan to build three model homes shortly.

Ms. Buchanan stated they are anticipating taking the plat for Phase 6 to the county next week. One thing that is going to be different about Phase 6 from the other phases within the district is how the roads are going to be maintained. Every plat in recent years in Clay County has had language, a layer of government that the county imposes that allows them to collect extra funds to put towards the maintenance of roads for just that particular area. That means the Phase 6 lots are probably going to have a tax that is a little higher than Phases 1 – 5 because that extra money will go to the county for the maintenance of the roads and the county has not imposed that on the earlier phases. The county asked if we would be interested in taking the roads for Phase 6 and then adopting our own special assessment to maintain those roadways and my answer on behalf of you was no, you are not interested in that. I don't think we want the challenge of having the extra assessments on Phase 6 and continuing to explain that over and over again.

Plat Bond

Ms. Buchanan stated I do have an additional item I would like you to vote on and that relates to the plat bond. Although it has always been in the code the county is starting to request that a bond be filed at the time of platting to ensure that the improvements are going to be completed. This has never been used before and the county attorney is trying to work out that the county would become a dual obligee on our payment and performance bond. Essentially Vallencourt would just add the county as another entity that has the ability to enforce the bond or the surety. I don't think it affects us detrimentally and that is not the county attorney's first stop, she is hoping they can just be persuasive and say South Village has a payment and performance

bond and the work is going to get done but if the county needs something conveyed to them that would be the path that will be our first option. I would like you to authorize staff to move forward with that in between meetings if that is what the county comes back with.

On MOTION by Mr. Randy Smith seconded by Mr. Payton with all in favor staff was authorized to work with the contractor to add the county as a dual obligee on the payment and performance bond with any costs be borne by the developer.

SIXTH ORDER OF BUSINESS

Resident Input Regarding Preferred Components for Westbank Park to be Developed

Mr. Oliver read into the record an excerpt of the agreement with the developer regarding Westbank on compensation for the Westbank boundary amendment, copy of which was included in the agenda package and stated we are in the conceptual phase where the board will have input as to what that park should look like.

Ms. Buchanan stated this agreement addressed the main recreation area not the other three neighborhood parks and we understood that was going to be \$500,000. How you fund the other three parks whether it is part of the completion obligation or whether we have excess proceeds that is up to you.

The board and staff discussed the obligation of the developer, number of parking spaces, timeline of development, the results of a Facebook survey that included a splash park or lazy river, pool, dog park, walk/bike/run area, soccer, football, frisbee, covered picnic area, skatepark, volleyball, basketball courts, RV parking, boat storage, gun range, drinking fountains, outdoor fitness stations, rubberized mulch for play area.

District counsel was authorized to have a conversation with Mr. Arrowsmith the following day on the discussions regarding the park and the district engineer will come back to the next meeting with costs for the following: A looped asphalt running path, options on types of sod, irrigation for play areas and 20 parking spaces.

SEVENTH ORDER OF BUSINESS

Consideration of Series 2019 Requisitions

A. Series 2016 A1 A2

Requisition 082 in the amount of \$9,249.50, a 50% deposit payable to SSE& Associates for the room dividers.

B. Series 2019

Requisition 006 in the amount of \$1,106.50 payable to Hopping Green & Sams.

On MOTION by Mr. Krueger seconded by Mr. Payton with all in favor the series 2016 A1 and A2 requisition 082, and the series 2019 requisition 006, were ratified.

EIGHTH ORDER OF BUSINESS

Ratification of Acquisition of Improvements from Developer

Ms. Buchanan stated next is a cleanup item and it is ratification of the acquisition of improvements from the developer. Generally, the way I prefer to do this is to have the board acquire the improvements simultaneous with the approval of the requisition. In this particular instance all that work product was still owned by East West and it wouldn't be appropriate to pay East West for it until the ownership of that work product transferred over to us. We did it between meetings, since you had already authorized the payment I felt comfortable advising the chairman to sign the acquisition documents but I did want to bring them back for the board to ratify.

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor acquisition of improvements from the developer was ratified.

NINTH ORDER OF BUSINESS

Update Regarding Series 2016 Capital Projects

Mr. Oliver stated the room dividers and those are in process.

Mr. Payton stated I think the only thing else is the outstanding amount for the tennis project. We have not heard from the contractor; the check has not been cashed. We are still considering our options in making the contractor move or not move. We had given him what we feel is what is due, we sent the check, he has made no movement and had no contact at all.

Mr. Randy Smith stated we made an offer I don't think we should make another offer.

Mr. Payton stated I wasn't suggesting we make another offer. My only concern is that if he were to come back and file a suit against us and if he were to win we would need the money to pay him. I think we have a strong case and it is well documented. We are going to let it sit for now.

TENTH ORDER OF BUSINESS**Consideration of Special Warranty Deed
Relating to Parcels Previously Dedicated and
Accepted by Plat**

Ms. Buchanan stated several months ago Ashley Sweat came in and requested the board allow him to acquire a portion of the common element to round out his lot line and I think the board had no opposition to it. When I was researching it I concluded that particular tract along with all the other common elements were dedicated to the district via plat. Our firm's position is that plat dedications are not actual conveyances of property because conveyance of property by law requires a deed, two signatures and recording. What you have in the agenda package is pure belts and suspenders, it just goes through and lists all the common elements that have been previously dedicated to the district by plat that we have been maintaining for years but it cleans up the title issue and that allows us to move forward with the conveyance for Mr. Sweat.

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor the special warranty deed relating to parcels previously dedicated and accepted by plat was approved.

ELEVENTH ORDER OF BUSINESS**Consideration of Special Warranty Deed
Relating to Conservation Easement**

Ms. Buchanan stated this is another deed and this is at the request of the developer. The golf course is surrounded and interwoven with green space that we generally refer to as conservation easements. At the time we purchased the golf course they were not willing to convey this property. Now they have requested that we accept title to the property. This is only one of two parcels that include conservation area, the second one still has the 18 cottage lots wrapped up into it so that is not part of this deed. It would be a special warranty deed; they have provided title work to us and the property is subject to a recorded conservation easement that essentially says it just lies naturally.

On MOTION by Mr. Randy Smith seconded by Mr. Krueger with all in favor the special warranty deed relating to conservation easement was accepted.

TWELFTH ORDER OF BUSIENSS**Consideration of Change Order no. 1 with Vallencourt**

Mr. Hadden stated this change order is in the amount of a \$360,272.13 deduction from the contract price for the Westbank Phase 1 Eagle Landing 6 from the original \$1.9+ million. The CDD cannot pay for any work on the lots that is going to be transferred to individual owners so we took that out of that contract and that is going in a separate contract to the developer and he will pay for the lot clearing and grassing and mulch. On the first sheet where it says traffic signal that is a scrivener's error.

On MOTION by Mr. Krueger seconded by Mr. Payton with all in favor change order no. 1 with Vallencourt for a net decrease of \$360,272.13 was approved.

THIRTEENTH ORDER OF BUSINESS**Discussion of Jonas Proposal for POS System**

Mr. Hahn stated I sent a packet to the board last week that outlined the Jonas and Members Frist proposal. As you know we are heavily involved in it. Both proposals have been sent to the corporate office from our side it has been reviewed and I was given a green light that it was a good option for us to go forward with the Jonas and Members First to satisfy our needs. You have a spreadsheet that outlined the comparison that was requested by this board to get a sense of what we are paying for now versus what we will pay for with the new systems. I also gave you a capital outlay for the 2018/2019 fiscal budget that includes the implementation, training setups, hardware needs for both Jonas and Members First to go forward and get that completed by the end of this fiscal cycle. The hardware is an estimate of about \$14,000 and represents the needs that would be required to be compatible with the Jonas and a new system. All of our computers at the golf course are Windows 7 and none are compatible with Jonas. The computers here at the Residents Center were upgraded a year or two ago and all those systems other than one need to be upgraded. We received an IT plan from Jonas that outlines what is needed to be compatible with their system and it requires new computers at the clubhouse as well as some upgrades to our server for all the systems to work properly. The last part of the spreadsheet gives the cost of the annual support moving forward but that is not a capital cost that

is an operational cost and will be part of the 2019/2020 budget. The goal was to get it approved and move forward so we can get it up and running before the end of the fiscal year if not sooner.

On MOTION by Mr. Hermening seconded by Mr. Krueger with all in favor the POS system by Jonas and website system by First Members was approved in an amount not to exceed \$43,142.

FOURTEENTH ORDER OF BUSINESS Proposal Regarding Installation of Parking Lots at Parks

Mr. Hadden stated Randy and I looked at the area by the parks to see where we would place parking for cars. The first is by the parkway by the main entrance behind the bathroom and golf cart pathway. Most people in golf carts pull up and park at the bathroom or adjacent to the play area. There is no place for automobiles to park. We looked at a pull-off area where you can park three or four automobiles and we got prices for concrete and crushcrete and bark. We also looked at a play area in the back and there would be room for about three parking spaces there. The third area is where the golf cart cross is and lift station and we could put crushcrete in there and park cars. The problem is that area and the one up front is damp.

Mr. Randy Smith stated Matt sent us an email and the first park's parking the concrete would be \$7,100 and crushcrete would be \$4,700, on Pines it would be \$4,100 concrete or \$3,100 for crushcrete and the one on Eagle Landing Parkway would be \$4,050 for concrete and \$2,700 for crushcrete.

Mr. Hermening stated the concern I have with putting in permanent marked parking space not so much on the Eagle Crossing but on the other two is those turn into additional parking spaces for the residents and you end up having permanent vehicles parked there.

Mr. Payton stated if you use crucherete it is not marked or lined, which is kind of free for all parking. My concern is also visually how it is going to look, there are nice grassy areas now. I personally don't see a lot of automobiles parked at parks. A lot of golf carts go to the parks. Are they going to park in designated parking or just keep driving on the grass to park next to the park?

Mr. Krueger stated these are supposed to be walk up parks not drive up parks. If you are going to spend money putting in concrete or crushcete why don't we just spend the money and put in one of the other parks that was designed for a play area rather than spend the money for this.

Mr. Randy Smith moved to approve crushcrete parking lot at sand park and there being no second the motion died for lack of a second.

FIFTEENTH ORDER OF BUSINESS

Discussion of Smoking Policies at Golf Clubhouse Outdoor Patio Area

Ms. Buchanan stated I understand there was an inquiry from a patron of the restaurant as to whether the board would consider removing smoking from the patio area of the restaurant.

Mr. Payton stated I did ask Jim for his opinion and my understanding is that typically at just about every clubhouse managed by Troon that he is aware of smoking is allowed in the outside patio areas. We are on par with every other golf clubhouse in general.

Mr. Hermening stated if it is a matter of I don't want to dine where there is smoke then we have the ability to dine inside. I'm comfortable either way.

Mr. Rick Smith stated I would be in favor of a designated smoking area because I do enjoy sitting on the patio, but I don't like smoke.

Mr. Hahn stated we could look at some kind of barrier, it wouldn't have to be a wall but some kind of drop down that doesn't create a sense of separation between smokers and non-smokers. We would look at options like that and identify areas that are non-smoking areas that we could enforce.

SIXTEENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SEVENTEENTH ORDER OF BUSINESS

Staff Reports

A. General Manager

Mr. Hahn reviewed the monthly operations, upcoming events, the P&L report that was distributed at the meeting and discussed proposed cost effective repairs of the planks on the bridges, bunker renovations that will begin in the fall, signage on the golf course, and initiation fees.

B. District Counsel

There being none, the next item followed.

C. District Manager

Mr. Oliver stated I want to remind everyone that our next CDD meeting is May 7th but on May 9th you have the workshop for key performance indicators.

EIGHTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Mr. Rick Smith asked where did we end up on the speeding?

Mr. Biagetti stated we put in a request to the sheriff's office to focus their efforts on radar and speed control and it is within their duties to issue tickets. I will see if what kind of report I can get.

Mr. Rick Smith stated I walked around the tennis center this afternoon and pulled away some vines that are growing. I guess that is still being monitored.

Mr. Biagetti stated it is unbelievable how they grow, but whenever we see them we need to spray them and rip them out.

Mr. Hahn stated we did hire another person who is going to focus on the maintenance and the little things that we see that recur that he will focus on. He is taking off doors and painting them, we are getting the bathroom painted, we painted the gym, pressure washed the decks and preparing the courts for the tournament, cleaning the edges that has not been done for a while.

Mr. Rick Smith stated I also read about the sign improvement through the community. Is that the entire community?

Mr. Biagetti responded it is, all the brick neighborhood signs is getting some sort of attention.

Mr. Payton stated the invoice in the financials for the cross-bar devices. What location were those installed?

Mr. Biagetti stated that was the golf clubhouse, the front door, the breezeway door.

Mr. Payton stated in the budget the Clay County Utility Authority was in there twice. Should one have been the JEA power?

Mr. Hahn stated there is one for golf and one for rec.

Mr. Biagetti stated that is all the common areas that Patti pays directly for the district.

Mr. Payton stated both these documents are the same and we usually have one document to show the power readers. None of these look like power and it looks like we are missing the power.

Mr. Biagetti stated that is water.

Mr. Payton stated also missing from the package is anything to do with the Clay County Sheriff's Department. Did we not get a bill from them last month? We usually have a breakdown of the hours they were here and how much we paid them.

Mr. Biagetti stated I will check with Patti on both items, she receives those directly.

Mr. Oliver stated it might just be a timing issue. It could be the same for the Clay Electric invoices.

Mr. Payton stated getting back to the speed control, when you send your emails out to the scheduler I would like to be copied on those?

Mr. Krueger stated I want to talk about the speed control issue. I want to make sure that we talk to these people about monitoring the traffic and speed that we don't run afoul with any of our regulations as a government entity. We are a CDD, our function is maintenance and support of the facilities not sitting out here in a spot that is not related to CDD properties. I think we can run afoul of some things. If they are traveling from one point to check on an area that is fine but if they just pull up in a spot away from the CDD then I think we are running against our guidance of a CDD.

Mr. Payton stated I have asked that they park in places like our park areas so if we are asking them to sit and watch what happens in the CDD owned parks and someone happens to speed by and they catch them that is fine. If I see them sitting in places where I saw one today I assume that is not somebody we are paying right now that is their regular duty. I understand your concern.

Mr. Krueger stated I think you are doing a good job on 10, I like how you trimmed some of those trees. I noticed some windows in the clubhouse by your office, in the dining area and a few others need to be replaced.

Mr. Hahn stated we have two quotes to replace those windows and we will get going on those.

Mr. Randy Smith stated thanks for painting the gym. The sales office is not on the assessment roll. That means they are not paying O&M. I don't know why they wouldn't be responsible for paying that.

Mr. Oliver stated going back to the establishment of the district when bonds were first issued, that property was not included in the assessment methodology report to be levied assessments. In broad numbers, about \$26 million of bond debt was issued and total infrastructure and recreation improvements were around \$41 million. It is reasonable to say the developers paid their fair share of the improvements and this particular property probably doesn't need to be assessed for debt service. Historically, until just a couple of years ago, O&M assessments collected from property owners did not fully fund the operations and maintenance of the CDD. In accordance with developer funding agreements approved annually during the budget process, developer contributions covered any budget deficits beyond the administrative assessments they had been billed. This allowed assessments for homeowners to ramp up gradually, rather than the shock of sudden doubling or tripling of O&M assessments as the CDD reached fully staffing and operations. We are now in a period of no developer contributions for O&M. The board can look at levying O&M on that property on a going forward basis.

For this upcoming budget cycle there are a few things we need to get in place and one would be to have an assessment methodology put together to determine what the assessment would be. We have residential assessments and we have an assessment for the clubhouse. We would have to come up with a commercial rate. The CDD would need to have a public hearing to levy assessments on the property, also

Mr. Krueger asked how would that play out if the HOA owned that building?

Mr. Oliver stated the HOA would be exempt from assessments.

Ms. Buchanan stated Jim can explain it further but the basis for the methodology would have to be based on the amount of benefit they receive.

Mr. Oliver stated Randy and I talked about this a little bit probably they would only be subject to assessments for the general fund, but not the recreation fund or golf fund as they would not have access privileges as a commercial entity.

Mr. Randy Smith stated that means none of their employees are treated as members of any of facilities as well. I have heard East West employees ask, don't forget to get our employee discount on dining at the restaurant. Whether or not they got it I don't know.

Mr. Hahn stated that has come up, but they are not getting that.

Mr. Oliver stated we will prepare an assessment process timeline to bring to the board for discussion at the May meeting.

Mr. Randy Smith stated I have something that was put together by a resident and I changed it a little bit. Based on what Jim or Katie said there was a document available that clarifies what South Village CDD is responsible for and what we do and who are we what the HOA does, who they are and what Clay County is responsible for. All three entities have an impact on our community and the idea was when people walk in and begin to ask questions we want to provide them something that clarifies what each of these three entities do and how they interact or don't interact with each other. I will email that to Katie and if you want to look at it or add to it and I will send it to Jim and he can email it to the board.

A resident stated I believe the railing on the bridge between 15 and 16 is questionable. Regarding speed, I have seen a school bus speeding through Autumn Pines twice the same day and I went to the school bus garage and reported to the supervisor. Is there any rule about golf carts staying on golf paths on par threes? I live on 6 and constantly see carts over by the water, driving on the green and sitting on the tee box and typically the starters will say cart paths only on Par 3s and I never heard any of that and I have been here two years.

Mr. Heintzman stated it is on the score card.

A resident stated there is an unwritten rule for members that it is okay for them to do it.

Mr. Hahn stated that is not directed by me.

A resident stated I think the POS on cell phones is a bad idea regarding membership versus paid, you have all erroneous orders, people jumping through hoops trying to get orders done nobody ever picks them up and it costs more because of personnel time and the cost of food.

Mr. Hahn stated that is a good point; we face that with call in orders. We will see what options we have and how we deal with it the best.

NINETEENTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet as of February 28, 2019 and Statement of Revenues and Expenses for the Period Ending February 20, 2019

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. Krueger with all in favor the check register was approved.

TWENTIETH ORDER OF BUSINESS

Next Meeting Scheduled for Tuesday, May 7, 2019 at 6:30 p.m. at Eagle Landing Residents Club

Mr. Oliver stated the next meeting is May 7, 2019 and we will have a workshop on May 9th.

Mr. Hahn stated we will be working on the budget for 2019/2020.

On MOTION by Mr. Payton seconded by Mr. Rick Smith with all in favor the meeting adjourned at 9:10 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman