

SOUTH VILLAGE  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, May 7, 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
Dean Vincent	East West Construction

The following is a summary of the actions taken at the May 7, 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.

Mr. Oliver stated we are going to amend the agenda and the third item will be the consideration of contract renewal for the Middleburg High School Swim Team to use the Eagle Landing lap pool for practices and swim meets scheduled in consultation with Matt Biagetti.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS****Middleburg High School Swim Team Agreement Renewal**

Mr. Biagetti stated we have a longstanding relationship with Middleburg High School, they have been here utilizing our swimming facility for a long time and it has been a great relationship and a great asset to the community. I do get a lot of volunteer hours from the swimmers on the team and I would like to continue this relationship with Middleburg High School.

Coach Rix stated the relationship has been positive over the years. We have had new teams that we swam against since our team has grown. The summer league that you have here ends the 27<sup>th</sup> or 28<sup>th</sup> and our season starts on July 29<sup>th</sup>. During the busy summertime I have worked it out to where we come early in the morning from 7 – 9 so we won't affect your community swimmers who want to enjoy the facilities. When school starts we will swim from 2 – 4 and hopefully be done by the time the parents come home and want to use the facility.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the swim team agreement with the Middleburg Swim Team was renewed.
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**FOURTH ORDER OF BUSINESS****Approval of the Minutes of the April 2, 2019 Meeting**

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the minutes of the April 2, 2019 meeting were approved.
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**FIFTH ORDER OF BUSINESS****Update Regarding Phase 6 Construction Matters**

Mr. Hadden stated Phase 6 is moving along quite well and you will see some model homes under construction pretty soon. All the stormwater infrastructure is in, the lakes are built, most of the water reuse and most of the sewer is in.

Mr. Rick Smith asked when will the road that connects us to Tynes be accessible to cars?

Mr. Vincent stated we have a single lift in 5A when we build the 77 lots there is a single lift there, we can't put the second lift on until a certain level of homes is met. You will have the single lift in 5A going through that street that connects to Tynes Boulevard and that will have a single lift as well.

Mr. Hadden stated the reason the county does the one lift is because when you are building the homes you have concrete trucks, trust trucks and all that stuff coming in and the road gets beat up so you come back in when most of the houses are done and they get the second lift so you have a nice clean finished surface. If they let us finish that it would be great.

Mr. Vincent stated I'm sure if I sent them some kind of guarantee that if there was damage to the surface that we would come back and do some repairs to it.

Mr. Oliver asked for budget preparation purposes, when will the 77 lots be platted.

Mr. Vincent stated the lots are to be platted in the next month or so.

#### **A. Conceptual Plan for Westbank Park**

Mr. Payton stated I met with Dean Vincent, Roger Arrowsmith and Keith to talk about park plans. We are all aware there is \$500,000 of bond money going towards that large park area. There are three smaller parks and my understanding from today's meeting that if the county didn't require those parks to be put in they would not have been designed. The suggestion was that we pull \$120,000 from the small parks, which would leave those parks with irrigation, grass and a gazebo or picnic tables and that is it. Then we could use the extra \$120,000 to add some things to the larger park.

Volleyball has been taken out everything else is there. We talked last month at length about landscaping and irrigation and things like that and I think we agreed with Alan that irrigation is a must, irrigation is one of our highest costs. We talked today about instead of bringing in sod for this much acreage we would propose sodding the area around the playground to the parking area and seed the rest and let it grow in.

Considerations that the board needs to make, everything else that is there is there, we have the dog park, open play fields as we all discussed last time there is not going to be any lined fields that is just open field space, a walkway that comes in from the top comes down to the park area and a walkway from the park area past the dog park and out to the sidewalk in front of those homes. The circles with lines on the drawing are trees that will be put in. Those trees and the grass that will be planted with sod is the extent of planned landscaping. Ten parking spaces are currently planned, if we want to talk about adding more they are about \$1,500 each. Anything to be added or changed we will need to talk about where the money is going to come from. Right now this plan as shown is the \$500,000 plus the \$120,000 taken from the three pocket parks and

that uses up all of it. If there is something we want to add we have to take something away or find other funding.

The board and staff discussed a jogging path, signage and management of the dog park, lighting for restrooms, volleyball was taken out but could be put back in the plans, pavilion or covered area with picnic tables, build into the budget re-seeding and maintenance of dog park.

Mr. Vincent will tighten up the numbers and get something to Mr. Payton for the next board meeting.

**B. Consideration of Series 2019 Requisitions**

On MOTION by Mr. Randy Smith seconded by Mr. Payton with all in favor requisitions no. 5 and 7 – 12 were approved.

**C. Consideration of Agreement with Clay County Regarding Third Party Rights Related to Vallencourt Construction Agreement**

Ms. Buchanan stated at the last meeting the board authorized the addition of a rider to our payment and performance bond that we have in connection with the Vallencourt contract making Clay County an obligee. Subsequent to our last meeting the county did come back and request an official agreement with the district that acknowledged that they will be a third-party beneficiary and able to enforce the bond for which they were named on the rider.

Ms. Buchanan reviewed in detail the proposed agreement.

On MOTION by Mr. Randy Smith seconded by Mr. Payton with all in favor the agreement with Clay County regarding third party rights related to Vallencourt Construction Agreement was approved.

**SIXTH ORDER OF BUSINESS**

**Update Regarding Series 2016 Capital Projects**

Mr. Oliver stated I checked with the accountant today and the current balance in the Series 2016 construction account is \$18,823. We will soon exhaust the balance and take actions to close out the account.

Mr. Randy Smith asked does that count paying for the dividers?

Mr. Biagetti stated the down payment of \$9,000 has been paid. We have a remaining balance of \$9,000 to be paid after the project is complete.

Mr. Hahn stated we won't pay the remainder until we are satisfied.

**SEVENTH ORDER OF BUSINESS**

**Ratification of Agreements:**

**A. Jonas POS System**

Mr. Hahn stated Troon has a Jonas department and they will be doing the installation and that will result in real savings to the district. We still have to cover the expenses of the people coming here but that is all part of our contract.

On MOTION by Mr. Payton seconded by Mr. Hermening with all in favor installation of the Jonas system was ratified.

**B. MembersFirst Website Services**

Mr. Oliver stated the District's suggested revisions to the agreement have been sent to MembersFirst for review. A final version of the agreement can be considered at the next meeting.

Ms. Buchanan stated you can delegate authority to Mr. Hermening to authorize the MembersFirst agreement assuming it is in substantially similar terms to what is in front of you.

On MOTION by Mr. Randy Smith seconded by Mr. Payton with all in favor Mr. Hermening was authorized to approve the final agreement with MembersFirst that will be ratified at the next meeting.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Proposal for Golf Course  
Bunker Renovations**

Mr. Hahn presented the proposal from MacCurrach Golf Construction to redo 20 bunkers and stated we would like to get this approved for planning purposes but the work wouldn't be done until the fall.

Ms. Buchanan stated we can put in the agreement that the work will be performed in accordance with industry standards.

On MOTION by Mr. Hermening seconded by Mr. Payton with all in favor the proposal from MacCurrach Golf Construction for bunker renovations was approved in an amount not to exceed \$138,000 and Mr. Hermening was authorized to work with the golf staff and the contractor on the details of the project.

**NINTH ORDER OF BUSINESS****Discussion of Proposed Rates for Recreation and Golf**

Ms. Buchanan stated you may recall that the board has to officially adopt its future fees and rates via a rulemaking process. This will require that we publish notice of rule development and notice of rulemaking for 29 and 28 days in advance of having a hearing. Generally your meetings are not sufficiently spaced to allow us to publish this 29 and 28 days between meetings so what we are doing today is discussing the proposed rate increases by management with the understanding that we would bring back and have the hearing in July.

Mr. Hahn stated the main change in the rates applies to what we consider the public rate for people outside our demographic, outside our local counties. It doesn't impact the resident rate or local rate but gives us more freedom and it also allows us to work with wholesalers at a higher premium as well.

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor the proposed changes to the rates were approved and staff authorized to publish notice of rule development and rulemaking for a July hearing.

**TENTH ORDER OF BUSINESS****Board Guidance Regarding Preparation of Fiscal Year 2020 Proposed Budget**

Mr. Oliver stated we will bring a proposed budget to the June meeting for board approval and to set the public hearing. From my discussions with Jim and looking at the budget I don't think we are in a position to lower assessments this year.

After June 1, we will receive the tax roll from the tax collector based on property ownership as of January 1, 2019. We will compare that roll to last year's roll and also work with amenity staff on the ground to determine which new property owners have not yet paid the \$500 initiation fee due upon closing. Once these receivables are documented, The District will send notices to them requesting payment or provide documentation the fee has been paid at or after closing. In the absence of payment, , the \$500 will be collected via the assessment roll. On

an annual basis that is going to be our true-up to make sure everyone is paying that \$500 initiation fee that rolls into the golf capital reserve fund.

At the last meeting we talked about levying an assessment on the sales center. Right now there are no CDD bond debt levied on the sales center property. Also, there is no O&M assessment on the sales center. The levy of a debt assessment in the property under its current ownership is unlikely because although the Series 2005 issue provided approximately 25.5 million in construction funds, the total capital projects funded through the District was in the neighborhood of \$41 million. The developer funded any costs in excess of the construction fund. The O&M fee is different, but there is a process to levy O&M and the board would have to determine whether or not that process would be cost efficient to levy O&M. An assessment methodology would be commissioned to determine the specific benefit that property receives to determine a valid O&M assessment amount. The assessment report will cost between \$5,000 to \$10,000. There is a legal process involved, to include published notice and a public hearing. You will be spending a significant amount of money up front to receive what could be a modest assessment. That property does not necessarily benefit from the recreation components of the budget. If the assessment consultant determined it did not find recreational benefit for the sales center property, you would only be levying an assessment for the general fund budget as well as community appearance. That would be very similar to what we are looking at for the undeveloped lands that we have for the cottage lots, which translates to about \$1,000 to \$2,000 worth of general fund assessments. If that property were sold to some type of governmental organization or HOA, the property would become exempt from assessments. It would be a three to four-month assessment process if you decide to move forward, but it is important to consider the process costs.

The budget process was discussed, the proposed budget will be presented at the June 4<sup>th</sup> meeting, with per unit assessments to remain the same. New revenues will be generated by the additional 77 phase 6 lots to be platted this summer.

**ELEVENTH ORDER OF BUSINESS****Other Business**

There being none, the next item followed.

**TWELFTH ORDER OF BUSINESS****Staff Reports**

**A. General Manager - Report**

Mr. Hahn gave an overview of the golf operations report and financials, upcoming social events, repairs to the planks on the golf bridges, tennis clinics, and fountain maintenance.

**B. District Counsel**

There being none, the next item followed.

**C. District Manager – Report on the Number of Registered Voters – 2,487**

A copy of the letter from the supervisor of elections indicating there are 2,487 registered voters residing within the district was included in the agenda package.

**THIRTEENTH ORDER OF BUSINESS      Supervisor's Requests and Audience Comments**

Mr. Hermening stated we entered into the fee agreement with Hopping Green & Sams a couple years ago and given the workload and since it is lower than for any other agency, we may want to consider an increase and still maintain the budget. The proposed increase is from \$215 per hour to \$275.

Mr. Payton asked do we need a motion?

Ms. Buchanan stated you don't, our contract allows me to increase rates.

Mr. Hermening stated the other part is the assistant, Michelle.

Ms. Buchanan stated I think her rate is \$175 to \$225.

Mr. Payton stated if we don't have to take action, then take this as so noticed.

Mr. Randy Smith asked are we going to consider acquiring the sales office and cottage lots? I think we need a separate meeting with Roger present and get whatever the offer is, clarified.

Mr. Krueger stated Roger sent me a proposal and I put together a little packet. Right now it is scheduled for 18 cottage homes, a little bit closer to the water.

The consensus of the board was to continue the June 4th meeting to June 5<sup>th</sup> in order to discuss the possibility of purchasing the cottage lots.

Mr. Randy Smith requested that a list of the houses that paid the \$500 be included in all future agenda package and stated we talked about preparing a document explaining what the HOA does, the CDD and the County.



Ms. Buchanan stated we will put that together.

A resident asked what has been done to create a separate smoking area at the clubhouse patio.

Mr. Hahn stated we separated the left hand side the patio to the right hand side of the patio and moved the tables further apart and have signs on both ends of the patio.

A resident stated the discussion on the dog park needs to be thorough, the expense is going to be constant and it is going to be a mess. If 50% of the people pick up after their dogs that is doing very well, it will require daily maintenance and I don't think we need it.

**FOURTEENTH ORDER OF BUSINESS      Financial Reports**

**A. Balance Sheet as of March 31, 2019 and Statement of Revenues and Expenses for the Period Ending March 31, 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.

**FIFTEENTH ORDER OF BUSINESS      Next Scheduled Meetings:**

**A. 05/08/19 Workshop at 6:30 p.m. at Eagle Landing Residents Club**

**B. 06/04/19 Regular Meeting at 6:30 p.m. at Eagle Landing Residents Club**

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor the meeting adjourned at 8:52 p.m.

  
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Secretary/Assistant Secretary

  
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Chairman/Vice Chairman