

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, June 4, 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 (by telephone)
Rick Smith	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel
Keith Hadden	District Engineer
Matt Biagetti	Director of Operations, Honours Golf
Jim Hahn	General Manager, Honours Golf
Josh Heintzman	Golf Professional, Honours Golf
Alan Slaughter	Golf Course Superintendent, Honours Golf
Dean Vincent	East West Partners
Several Residents	

The following is a summary of actions taken at the June 4, 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.

SECOND ORDER OF BUSINESS

Audience Comments

A number of comments were made by residents on the potential purchase of the cottage lots that included: it is woodland not building lots and the price is based on building lots; if the lots were developed as apartments or condos it would have an adverse effect on the golf course; let the residents vote on it after you come to a decision; can the property be designated environmental wetlands.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the May 7, 2019 Meeting

On MOTION by Mr. Payton seconded by Mr. Rick Smith with all in favor the minutes of the May 7, 2019 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Acceptance of Minutes of the May 8, 2019 Workshop

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the minutes of the May 8, 2019 workshop were accepted.

FIFTH ORDER OF BUSINESS

Update Regarding Phase 6 Construction Matters

A. Conceptual Plan for Westbank Park

Mr. Hadden stated Phase 1 of Eagle Landing 6 is on schedule, most of the curbing is down, water, sewer and stormwater management facilities are in. The project in total will be wrapped up by Labor Day. They will start construction for four model homes in the next 30 days.

Mr. Vincent updated the board on the updated costs of the improvements for the park that included 12 parking spaces, restroom building, a cart path and golf cart parking area, some type of picnic shelter/big shade structure, segregated playgrounds based on age grouping, dog park, gazebo and benches for dog park, defined walking paths, sidewalk, areas of sod and seed. Preliminary costs did not include site work and choice of materials may bring the price down a little.

B. Consideration of Series 2019 Requisitions (13-20)

Mr. Hadden reviewed the requisition summary, copy of which was included in the agenda package.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor requisitions 13-20 from the series 2019 bonds were approved.

C. Consideration of Agreement from CCUA for Irrigation Water Meter

Mr. Hadden stated this irrigation water meter is for the new part of Tynes, you are not paying for the installation of the irrigation or the meter, but you are agreeing to pay the water bill once the area is sodded and irrigated. You will just be irrigating the sod and trees between the curb and sidewalk.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the agreement with CCUA for irrigation water meter was approved.

D. Consideration of Vallencourt Change Order for Electrical Conduits

Mr. Hadden stated this change order for electrical conduit is required by Clay Electric. It was not included in the bid because it was not a requirement when this job was bid.

On MOTION by Payton seconded by Mr. Krueger with all in favor change order no. 2 with Vallencourt for electrical conduit in the amount of \$93,270.00 was approved.

E. Consideration of Change Order no. 2 for Tynes Boulevard

Mr. Hadden stated change order no. 2 for Tynes Boulevard is authorization to advertise for construction bids for Eagle Landing Phase 6 section 2, which is the 85 lots on the east side of Tynes. We will get the bids in, rank them and bring them to you for approval.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor staff was authorized to issue an RFP for Eagle Landing Phase 6 Section 2 using the same evaluation criteria used for Section 1 was approved.

Ms. Buchanan stated as I understand it that would include the park.

Mr. Hadden stated when Dean was talking about the park he said whoever the contractor is doing Section 2 we would like to include it in the same bid and have them do the earthwork, grading, drainage and that kind of thing and have that as part of the same bid. It is items 1 – 5.

Mr. Payton stated that will give us a true amount when you get the bid.

Ms. Buchanan stated we can do alternates as we have done in the past so we can do just the sitework for the park.

SIXTH ORDER OF BUSINESS

Ratification of Agreement for Website Development and Services - MembersFirst

Mr. Oliver stated there is a copy of the agreement in the agenda packet. There was some discussion that Randy Smith and I had as well as Jim Hahn about the timing of the final payment for that and the final payment won't be made until we have inspected and it is ready to turn on.

Mr. Hahn stated yes and no. They expect by the time we get into August that we will be on the website working, training, developing and ready to turn it on. It is written in the contract.

Ms. Buchanan stated if it is written in the contract that way and they are talking to you with a slightly different message if the board wants to move ahead and taking it on good faith that we are going to be done I would suggest that Jim write his understanding in an email and submit it back to them so that we have something that shows that.

Mr. Hahn stated their point is by August 1st the website will be live. We will be training on it, it will be live, it will be functional.

Mr. Randy Smith stated that is what they are telling us but there are no assurances that it will be but they expect us to pay them.

Ms. Buchanan stated you are correct it is not the same as the contract. If your request of the board is to amend the contract to make payment contingent on the website being live then the board can vote on that and we can take it back to the vendor and say this is what we want to change the deal to.

Mr. Randy Smith stated yes, that is what I would like to do.

Mr. Randy Smith moved to amend agreement with MembersFirst for website development and services to make the final payment contingent on the website being live.

Mr. Hermening stated I think payment should be when we reach the user acceptance testing phase versus live because it won't be live without the payment.

Mr. Payton asked Randy, do you find amending your proposal that we suggest amending the contract to state that final payment won't be due until after UAT?

Mr. Randy Smith stated that is fine.

Mr. Payton seconded the motion as amended that final payment won't be due until after the user acceptance testing phase and on voice vote with all in favor the motion passed.

Mr. Hahn stated I will let them know.

SEVENTH ORDER OF BUSINESS

**Consideration of Resolution 2019-13
Approving the Proposed Budget and Setting
a Public Hearing Date for Adoption**

Mr. Oliver stated you each have copies of the various budgets as well as a brief slide show to go over the budget process. All of you have been involved in the budget process either sitting at this table or in the audience. Important to note that per unit assessments remain the same as FY19. Total assessments increase as a result of 77 Phase 6/West Bank units being added to the assessment roll for FY20. The big difference in this budget format is you have unified all the onsite management under Honours Golf. They have taken management and accounting responsibilities for the Recreation, Golf, and Capital Reserve Fund budgets. The format for those budget will look similar to the Honours Golf financials you review monthly.

Mr. Oliver reviewed the general fund budget. The administrative budget expenditures go from \$157,000 to \$181,000 and community appearance budget increases from \$440,000 to \$517,000. Included are the three debt service budgets for the 2016 bonds and the debt service budget for the 2019 bonds. He then reviewed the capital reserve budget that included \$188 for each lot, initiation fees, Phase 6 lots, interest earnings, carry forward surplus, for a total of \$471,000. Under capital reserve expenditures we budgeted \$250,000 and expenditures were greater than that and the projection is \$194,000 for FY20.

Mr. Hahn reviewed the recreation fund budget that included the residents center, café, pool, tennis, and golf operations fund.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in Resolution 2019-13 approving the proposed budget and setting the public hearing for August 6, 2019 at 6:30 p.m. at the same location was approved.

EIGHTH ORDER OF BUSINESS

Discussion of Setting a Public Hearing to Adopt Rules for Amenities

Ms. Buchanan stated we had a hiccup with publication and we have the option to move forward with this public hearing in August.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the public hearing to adopt rules for the amenities was reset for August 6, 2019 at 6:30 p.m. at the same location.

NINTH ORDER OF BUSINESS

Discussion of Purchase of Sales Center and Cottages Parcel (to be continued to June 5)

Mr. Payton stated we will move this item to tomorrow night for more in-depth discussion and community involvement. The original plan when Eagle Landing was designed was to build 40 townhomes on that parcel with access from the road going through the parking lot. After this place was built many years ago they decided that probably wasn't going to fit so they put it on pause. Now they have come to a point where they decided they would move forward with development. They did a tree survey and marked every tree, they decided to build a less dense residential area. Originally when bonds were issued they issued bonds for 18 sites for a total of about \$310,000. Recently we got a proposal from the developer to purchase the property, it is the first proposal, there has been no negotiation, there has been very limited board discussion. They are proposing to sell us the entire property for \$900,000. The talk of they are going to sell us 18 lots that is my understanding of how the developer came up with the \$900,000 was the amount of money they would get per lot should they sell it to a builder times 18. We are looking to purchase the entire parcel of land not just 18 lots. The developer has also included in the current proposal the sales center for \$500,000 and those two pieces plus the \$310,000 for the bond that we would need to pay once we purchase the property brings it to \$1.7 million. No negotiations have happened, no board discussion has happened, that was a proposal I received between the last meeting and tonight. I understand Grant has a proposal he is going to present tomorrow for funding. They offered to finance it with \$300,000 down and the remainder over 10 years at 5%.

The following issues and concerns were raised and discussed: can it be separated from the sales center, the developer proposes to lease back the sales center for 3 – 5 years, are there site plan approvals, definition of cottage lots, wanted assurances that the land will remain as a

wooded parcel, land could be used to expand facilities, did a zoning change occur, using the parking lot for access.

TENTH ORDER OF BUSINESS

Consideration of Proposals for Eagle Landing (community sign) and Oakland Hills (neighborhood signs)

Mr. Hadden stated there are two that say Eagle Landing and three neighborhood signs. They will be built in the new phase of Eagle Landing and it is the same contractor that built all the signs you have now. One does the brick work and one does the lettering.

Mr. Vincent stated there are going to be five signs, right now two are being built in Phase 6 Section 1. The first sign is basically a brick base with Eagle Landing logo and that sign goes on Tynes Boulevard from the roundabout heading south approaching the second and that will be on the left adjacent to the existing pond that is on the left hand side of the road. Across the road by lot 51 will be the next sign that will say Oakland Hills because that is the name of that section. The other three signs will be built in conjunction with building. When we do the next phase that has lots on each side which is now Two Creeks then we will have a sign for the approaching traffic from the other direction.

ELEVENTH ORDER OF BUSINESS

Update Regarding Series 2016 Capital Projects

A. Project Update

Mr. Hadden stated Phase 5A is almost built out, there are very few empty lots. Phase 5B they have cleared the trees and they are piled up but the county will not allowing burning them right now. They are hoping they can burn them in the next few weeks and if not they have to bring in a mulcher. They are on schedule.

B. Vallencourt Invoices Series 2016 A3 Requisitions

Ms. Buchanan stated two things happened when Dream Finders issued bonds, they got proceeds they could use to construct 5A and we required them to collect \$10,000 at closing on each lot that they sold to put that in a pot for them to use for the construction of 5B. They are now asking us to tap into those funds and assist in payments for their 5B construction costs. The reality is at the time the underwriter was thinking we would collect \$10,000 per lot for 198 lots and that would be close to \$2 million and that won't happen because they can't sell the lots in 5B

until they actually put this infrastructure in the ground. The maximum we will ever collect is \$980,000.

Mr. Oliver stated the balance in the supplemental account is \$671,000.

Ms. Buchanan stated they have a decent amount. Does anyone have a concern about releasing these funds to them? Instead of actually collecting \$10,000 on 5B we will accept the infrastructure in lieu of assessments of that \$10,000 to cancel the obligation because the money we have will not be enough to do the improvements for 5B.

On MOTION by Mr. Payton seconded by Mr. Kreuger with all in favor the series 2016 A3 requisitions were approved.

TWELFTH ORDER OF BUSINESS

**Honours Golf Management Agreement
Renewal – Key Performance Indicators for
Fiscal Year 2020 Incentive Payment**

Mr. Oliver stated you had a workshop last month to discuss this and we are moving toward the July 1st date that we were supposed to bring some type of agreement to

THIRTEENTH ORDER OF BUSINESS

Staff Reports

A. General Manager - Report

A copy of the operations report was included as part of the agenda package and included the operations of the amenity center, athletic center, tennis facility, golf and clubhouse operations, common areas and retention ponds and landscaping.

B. District Counsel

Mr. Randy Smith asked where are we on the document that was to be prepared outlining who the district is?

Ms. Buchanan stated I will confirm but I'm pretty sure after our last meeting I sent out a draft to you and Jim and Jim Hahn but I will recirculate that.

Mr. Randy Smith stated you did. Is there a way you can send one I can make comments on? There are two or three things that I think we ought to add.

Ms. Buchanan stated sure, I will resend it.

C. District Manager

There being none, the next item followed.

FOURTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

The following items were raised and discussed: new picker for driving range, just need new wheels, placing a bucket on the driving range, status of ridge repair, litter in parks, less rounds of golf being forecast but revenues projected to be higher, bunker repairs to take place in September/October timeframe, watering the hanging baskets, issues with electrical outlets for swim meet computer, cabana bar open during swim meets, water levels are low and it is a good time to clean trash out of ponds, extending resident's irrigation to cover the monument sign at Prairie Dunes monument, adult pool rules, need to restrict guests at certain times, put up the torches to deter flying pests, pickleball courts and littering in general being an eyesore.

FIFTEENTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet as of April 30, 2019 and Statement of Revenues and Expenses for the Period Ending April 30, 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.

SIXTEENTH ORDER OF BUSINESS Next Scheduled Meetings:

A. 06/05/19 Continued Meeting (possible) at 6:30 p.m. at Eagle Landing Residents Club

B. 07/02/19 Regular Meeting at 6:30 p.m. at Eagle Landing Residents Club

Mr. Oliver stated we will ask for a motion to continue this meeting to tomorrow right to discuss the consideration of purchase of the cottage lots and the next regular meeting will be July 2, 2019.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the meeting was continued to Wednesday, June 5, 2019 at 6:30 p.m. in the same location.



Secretary/Assistant Secretary



Chairman/Vice Chairman