

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, July 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 (by telephone)
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 July 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 Minutes

- A. June 4, 2019 Meeting
- B. June 5, 2019 Meeting

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the minutes of the June 4, and June 5, 2019 meetings were approved as presented.

FOURTH ORDER OF BUSINESS

Update Regarding Phase 6 Construction Matters

A. Consideration of Series 2019 Requisitions 21-24

Mr. Hadden stated on Eagle Landing Phase 6 all the curb is in, all the lime rock is in and curbing and lime rock came across the old Eagle Landing 5A. All the utilities are in and have been accepted by CCUA, drainage is in and they graded the park that will be built in the next phase. They started construction of four model homes and we are going to have all of Tynes finished and all of the first phase, Eagle Landing 6-1 finished by Labor Day.

Mr. Randy Smith asked what is the status of 5B?

Mr. Hadden stated 5B is under construction and it will probably another six to nine months before it is completed.

Mr. Randy Smith asked they will have to extend that road to Royal Pines before they begin any homes?

Mr. Hadden responded yes, and Royal Pines will be extended from where it is today over to the Greyhawk property line. They are allowed to build four model homes, but they have to have all the roads in and accepted before they can start selling.

Mr. Hermening stated a few months ago you said the construction easement should have been completed by the first of July and today begins the \$300 per day liquidated damages if it were not completed.

Mr. Hadden stated I'm drawing a blank. Katie, do you remember what that construction easement is?

Ms. Buchanan stated I do not but I can look for it and circle back under my report if you like.

Mr. Hermening stated yes because if there is anything not completed we start charging \$300 a day liquidated damages as of the first.

Mr. Hadden stated I'm not aware of any of them hanging out there.

Mr. Oliver stated for Phase 6 the Westbank the district received its first distribution of those \$4,000 per lot payments. We received a check yesterday for five lots. Initially just for flow of funds we will deposit in the general fund, we will have a separate line item so we can account

for it and then we will park it in the capital reserve fund and the board can use it for any legal purpose.

In your agenda package you have requisitions, the first set of requisitions you have a cover sheet for requisitions 21 – 24 for the series 2019 bonds Westbank for Clay Electric, England Thims & Miller, Riverside Advertising for signage and Vallencourt for road work. In addition to those you will see requisition 25 and that is a requisition payable to the district, South Village CDD, and that is reimbursing from the construction fund the general fund for legal invoices that were paid relating to construction, you can see the invoices are clearly marked Westbank construction to be paid from the construction fund and that requisition totals \$2,620.50.

We also have another requisition, requisition 2016 A3, the Dream Finders supplemental fund and this is for reimbursement of legal fees that are associated with construction project in Phase 5 and this reimbursement totals \$8,148.

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor the requisitions 21 – 25 from the Series 2019 account and requisition 28 from the series 2016 A3 Dream Finders supplemental account were approved.

Mr. Oliver stated I submitted to the developer a request for reimbursement for the legal fees we had associated with the boundary amendment processes for both Westbank Phase 6 and Armstrong. If you will recall we had boundary amendments, Armstrong was de-annexed from the district and Westbank was moved into the district. The developer had an agreement with the district that they would reimburse us for any fees associated with that process. I submitted reimbursement requests to them. The Armstrong reimbursement request is for \$10,733 and the Phase 6 reimbursement is for \$9,712 for a total of \$20,000 coming to the district. This amount due from developer will be added to the balance sheet as a receivable until the reimbursements have been made.

FIFTH ORDER OF BUSINESS

Discussion of Fiscal Year 2020 Budget

Mr. Oliver stated the hearing date is August 6, 2019 and the main thing about the budget this year is per unit assessments stay the same. However, total assessments increase because you have 77 more units that will be platted in the Westbank. A total of 1,409 units that will be paying

the full assessments. On a gross per platted lots basis, the assessments for the general fund and recreation fund are \$1,175, reserves are \$200, and golf is \$256. The total for each platted lot is \$1,631. If homeowners pay their tax bill by November 30th that will be reduced by the 4% discount.

Related to the budget and assessment process we have the roll in on June 1st from Clay County so we will compare the roll for this year's assessments to last year's assessments. We compared the new roll with last year's roll to determine any changes in ownership. In those cases, the new property owners have paid the \$500 initiation fee. In case where the fee has not been collected, we will send mailed notice to those property owners stating we can find no evidence that they paid their \$500. They will have the opportunity to call us and provide evidence that they did pay it or why they shouldn't pay it. If payment evidence is not provided, they will be asked to submit payment. If payment is not paid after that process, the \$500 will be collected on the assessment roll. The bad thing about this process is it has to be reactive because we are waiting for the roll to come in, which is published once a year by the tax collector. In the future we may want to link access privileges to payment of the initiation fee.. If we can find a way to more closely mirror what the HOA did when they were collecting, I think we could make that happen more in real time. They don't have to contact the CDD to sell or buy a house.

Mr. Randy Smith stated the carry over in the capital fund is that net of the bunker repair?

Mr. Oliver stated I will have to find out.

Mr. Hahn stated it is and I will share with you the spreadsheet on the capital projects still planned for this year, the bunker work with the capital balance that you shared with me today as well as the capital balance from the corporate office, with a balance of \$397,000 as of July 1st and I have a copy of projects we had planned and talked about, bunker projects are in there and that leaves a balance of \$98,000 if the decision is to do all the bunkers at one time. I shared with the board a proposal from the company that to do all the bunkers at one time, which was a request by the board and that cost was \$198,000.

Mr. Oliver stated regarding the earlier question, this document does not include the bunkers.

Mr. Hermening stated it is pretty vague as far as the reshaping, we need to know what that number is.

Mr. Krueger asked why don't we hold this until we get into the presentation for the bunkers?

Mr. Oliver stated we are talking about FY20 and the projects you have to prioritize to execute during the remainder of this year.

SIXTH ORDER OF BUSINESS

Staff Reports

A. General Manager – Report

Mr. Hahn reviewed the general manager's report, the timing of the POS system to be operational by October 1st if not before.

B. District Counsel

Ms. Buchanan stated going back to Kelly's question on the liquidated damages, the notice to proceed was issued on January 9th to Vallencourt Phase 6 section 1 for Westbank and they have 170 calendar days to complete the work, which would have resulted in a substantial completion date of June 28th. That is what I think Kelly is referring to and I will ask them to confirm if there have been any weather days requested and granted to extend the calendar out and I'm sure Keith will follow-up with Dean to determine whether we need to put them on point for liquidated damages.

Mr. Oliver stated we did circulate an email you received today regarding a Carriage Crossing survey and land purchase.

Ms. Buchanan stated if the board has had the opportunity to look through it the homeowner ordered an appraisal on the property and provided it to us today and we forwarded it on. We can go through it in detail. I'm not sure if he is in the audience and wants to address the board. If you are prepared to make a decision today we can talk about it or if you want additional time to review the appraisal that is up to you.

Mr. Biagetti stated he is on his way but is probably another half hour out.

The board discussed the offer of \$3,000, the fact that the homeowner incurred the cost of the survey and appraisal and took the following action.

On MOTION by Mr. Randy Smith seconded by Mr. Payton with all in favor a counter offer of \$5,000 was approved.
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Mr. Oliver asked Ms. Buchanan to respond to the email with the counter offer of \$5,000.

C. District Manager

There being none, the next item followed.

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

The following items were brought up and discussed, if there was a need to have part time tennis employee, cost to reconfigure parking lot, possible speed bumps through parking lot, how to fund the construction and how to assess the condos for maintenance, counter offer from Roger for Cottage lots of \$600,000 plus \$300,000 to pay off the debt, sales center is out and he is offering the \$300,000 from the HOA account or borrow the money from the HOA with a balloon payment when the bonds are paid off, request use of bond reserves, cleaning debris out of ponds, the need of a proposal from Lake Doctors to skim the top of ponds, possibly replacing golf carts in advance of the expiration of the 21 month lease, damage to golf course caused by golf carts not on cart paths, driving range irrigation upgrade, ownership of pond by cottage lots over which the district has an easement, Katie to look at easement language, good condition of golf course, focus on monuments, sod installation, possible installation of fence to take place of rotting posts and rope fence by the lake, proposal to finish the bunker renovation, expected capital expenditures in 2020, expand the parking area for carts in the back, painting the kids club, a total of \$130,000 for projects, amount going into capital reserves,

On MOTION by Mr. Hermening seconded by Mr. Krueger with all in favor the proposal from MacCurrach Golf for the bunker renovations in the amount of \$198,000 was approved.
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Mr. Biagetti stated Mr. Sweat has just arrived.

Mr. Payton stated our counter offer is \$5,000.

Mr. Sweat stated I accept.

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor district counsel was authorized to prepare a deed for the property being acquired by Mr. Sweat.

During audience comments the following Issues were discussed, accent lighting of the trees will be taken care of, void in sidewalk by cable box, cleanliness of restaurant, damage to golf cart in parking lot, continuation of Royal Pines, registration of golf carts, get proposal from forest service to clear brush and website domain.

EIGHTH ORDER OF BUSINESS

Financial Reports

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

NINTH ORDER OF BUSINESS

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

Mr. Oliver stated the next scheduled meeting is Tuesday, August 6, 2019 at 6:30 p.m. at which time we will have the budget hearing.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the meeting adjourned at 8:25 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman