

SOUTH VILLAGE
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the South Village Community Development District was held Tuesday, December 3, 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
Joe Halifco	F&B Manager, Honours Golf
Dean Vincent	East West

The following is a summary of the actions taken at the December 3, 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 November 5,
2019 Meeting**

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor the minutes of the November 5, 2019 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Update Regarding Phase 6 Construction Matters

A. Presentation of Westbank Park Plan

Mr. Vincent gave a detailed presentation on the planning for the lake park and three pocket parks, the projected costs for the base plan and proposed costs for options such as sod versus hydro-seed. This item will be placed on the January agenda.

B. Ratification of Series 2019 Requisitions

Mr. Hadden reviewed the four requisitions.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor requisitions 40 – 43 from the 2019 bonds were ratified.

Mr. Vincent left the meeting at this time.

FIFTH ORDER OF BUSINESS

Matters Related to Cottages Parcel

A. Review of Property Value Appraisal

B. Consideration of Seller’s Offer to CDD to Purchase Cottages Parcel

Mr. Oliver stated at our November meeting the board directed staff to work with Supervisor Randy Smith in getting an appraisal firm engaged to perform an appraisal of that property and provide it at this meeting. That was accomplished and you were provided copies of the appraisal. The appraisal came in at \$320,000 for the property as is and \$1,460,000 if the property were developed with finished lots. There is about \$360,000 in bond debt on the property that would have to be paid off at time of sale. The offer to the district was \$750,000.

The board, staff and residents had an in-depth discussion on the pros and cons of purchasing the property, eventual use of the property, ways to pay for the property by using some surplus cash and going through an assessment hearing, after which the board took the following action.

Mr. Randy Smith moved to make a counteroffer of \$360,000 and Mr. Rick Smith seconded the motion and on voice vote with three in favor and Mr. Payton and Mr. Hermening opposed the motion passed.

Mr. Payton stated I will take this counteroffer to the developer first thing in the morning and we can continue the meeting.

SIXTH ORDER OF BUSINESS

Consideration of Nondisclosure Agreement with Clay County Property Appraiser for Information Exempt from Public Disclosure

Mr. Oliver stated we work with the assessment roll that is provided by the property appraiser and some of the names and addresses are exempt such as law enforcement officers, judges, certain public officials and to protect these officials the Clay County Property Appraiser has asked us to enter into an agreement with them that the district will make every effort they have to keep this information exempt, which we do anyway. They are doing this for all of the CDDs throughout Clay County.

On MOTION by Mr. Payton seconded by Mr. Randy Smith with all in favor the nondisclosure agreement with the Clay County Property Appraiser was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2020-03 Amending the Fiscal Year 2020 Budget

Mr. Oliver stated we discussed this at the last meeting and now we are formalizing it with a budget amendment. This shows that you are taking \$30,360 from the general fund budget and transferring \$15,180 each to the recreational fund budget and the golf budget. This resolution formalizes the action you approved at the last meeting.

On MOTION by Mr. Payton seconded by Mr. Krueger with all in favor Resolution 2020-03 was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Updates to Amenity Policies

Mr. Payton stated I worked with the management team on these suggested, proposed updates to the amenity policies. I removed any reference to things that we don't have such as

annual pass physical cards, we have an online database; clarified check-in policies at all the facilities, changed it to check-in versus registration, made registration the act of initial registration. The only thing missing in this document is Rachel has written a brief description of the initial check-in process and what they do in order to get into the system. We took out a couple things that don't apply, fitness evaluations, the golf club had mention of residents only in leagues and we took that out. We updated the table at the end for rates and fees based on previous meetings we have where we changed the rates and fees.

Mr. Krueger stated in the golf club section the last bullet you raised the age from 14 to 16.

Mr. Payton stated that was suggested by the management company.

Mr. Randy Smith asked do you have to be 16 to play by yourself?

Mr. Heintzman stated we don't let anybody out that doesn't have a driver's license. We have kids that we allow to golf and walk.

Mr. Payton asked should we change that to children under 16 are not permitted to use a golf cart? That is the intent. We will make that change.

Mr. Krueger stated under the social pass you have annual fee of \$240 + tax and monthly fee of \$20. We don't issue those anymore, do we?

Mr. Hermening stated those fees got rolled in.

Mr. Oliver stated we still have the initiation fee.

Mr. Payton stated previously under the tennis center we talked about leagues and clinics and things like that at our amenity centers. It was restricted to residents only that is not something we have ever followed here. For example the tennis teams have non-residents on them, clinics have non-residents on them. We clarified that and leave in for residents only unless the addition of a guest is at the benefit of the resident. What I meant by that is if we have five residents who want to play on a tennis team you need ten people to play on a tennis team, adding five non-residents to play would allow the residents to play in a league. However, I did clarify that they are only allowed to play on the league and then leave. They can't use the facilities as they want and say I'm on a team. Same thing with the junior tennis program.

On MOTION by Mr. Payton seconded by Mr. Rick Smith with all in favor the updates to the amenity policies were approved as amended.

Mr. Payton stated I sent a note to Roger and he said I could talk to him at 9:30 p.m., 20 minutes from now so we can get an answer on that offer and we can have more discussion.

NINTH 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 are you making any headway with the Dream Finders and Laurel Valley signs?

Ms. Buchanan responded I don't know that the district has a fair amount of leverage there and I think the updates we have had have come from Roger applying pressure from his end.

C. District Manager

Mr. Randy Smith stated we used to get payments on all the sales and I haven't seen that report in a while.

Mr. Oliver stated we will get that updated and send it out to the board.

Mr. Randy Smith stated we also talked about getting our capital reserve versus capital project plan for the year on a regular basis. I know that is changing as we spend the money.

Mr. Hahn stated we can get that out too.

TENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Payton stated the message board out front has been brought up on Facebook a couple times. It is my opinion that given that we now have a well-developed website and we have email blasts and information posted digitally, directly to residents that board should simply say, welcome to the neighborhood, welcome to Eagle Landing, please visit us at our website. I don't know that it is ever up to date, it is hard to read and we have looked at a digital sign in the past and it is \$20,000 to \$30,000. Then the next question would be, can we have one at the back too

at the second entrance then at the third entrance? I think it should say welcome to Eagle Landing and visit us at our website because all the information we have is there.

Mr. Hahn stated I don't think it is being utilized and people just drive right by it.

Mr. Payton asked are there any objections to just having a static board and see what the feedback is?

There were no objections to having a static board.

Mr. Biagetti stated we have events listed through mid-December and we can change it then.

Mr. Rick Smith stated I brought this up at the last meeting and hopefully you addressed it. Going back over 13 weeks of data we still don't know Saturday night coverage and only two Fridays in 13 weeks. Camping out on Monday and Tuesday.

Mr. Biagetti stated we have addressed that with the scheduling coordinator and that was for the previous months billings. We should start seeing some changes.

Mr. Rick Smith stated we had damage to the putting green in the back. Was that pretty extensive? Should we have a camera back there?

Mr. Hahn stated they are just as likely to go to another green. If someone is going to do it they will do it.

Mr. Hermening stated the potholes. I brought it up a long time ago and they are getting worse.

Mr. Biagetti stated I have submitted a request to the county. I suggest all the residents submit a maintenance request to the county and see if they will do it. It is low on their priorities. The last time we had paving work done they did fill that section in, but we may have to cut out a larger section as we have done in a couple other areas in the parking lot. I will submit another request.

The board took a short recess after which the meeting reconvened.

Mr. Payton stated I spoke with the developer. I asked him if he would take \$360,000 to pay off the bond and he said effectively for them that means zero and he said he doesn't see how he can get his partners to accept that. However, he is aware of the appraisal we had done and he did bring that to his partners and talked to them about what we possibly would do tonight. He

thought that our counteroffer would be the \$320,000 net to them and that would leave the bonds outstanding for one of us to pay for. \$320,000 plus \$360,000 is \$680,000 so that is his reconter offer, they would take the \$320,000 our appraisal said it was worth and then they would pay the bonds off. I asked him about the deadline of the 31st and he said he has just spoken with the Hutson folks today and he does feel they will be getting an extension. I said if I need to continue this meeting and come back with more offers tonight I will do it but I would like to take the time to let the board think about the new counteroffer. I asked him if we could at the very least have until January and he said we could have time through January. It looks like he and the Hutson Group have come to some sort of agreement that there is not a deadline of the 31st. We don't need to make any more counteroffers tonight. They rejected our offer. The offer back from him is \$680,000 he would pay the bond off.

Mr. Hermening stated for purposes of the board voting and not voting, I will not be available for the January meeting if a decision is made.

Mr. Payton stated he asked Katie if we purchase the property for \$320,000 then we say we take care of the bond the payment would be due immediately. He suggested that through a matter of contracts where they maintain title until such point where we have the money to pay the bonds off so it is not immediately due. He would still be the owner until we have enough money to pay the bonds off.

Mr. Krueger asked about the availability of unassigned funds to pay for a portion of the property purchase.

Mr. Oliver stated a review of the Unassigned line item on the Fiscal Year 19 year end balance sheet shows we have approximately \$220,000 that could be used for other purposes such as transfer to the capital reserve fund or to assist with the land purchase. This line item is used to fund 1st quarter operational expenditures as we await assessment receipts from the tax collector.

ELEVENTH ORDER OF BUSINESS Audience Comments

There being none, the next item followed.

TWELFTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet as of October 31, 2019 and Statement of Revenues and Expenses for the Period Ending October 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. Rick Smith with all in favor the check register was approved.

THIRTEENTH ORDER OF BUSINESS

**Next Meeting Scheduled for Tuesday,
January 7, 2020 at 6:30 p.m. at Eagle
Landing Residents Club**

Mr. Oliver stated the next meeting will be January 14, 2019 at 6:30 p.m. in the same location.

The meeting adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman