

MINUTES OF MEETING
SAMPSON CREEK COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Sampson Creek Community Development District was held Wednesday, May 27, 2009 at 6:00 p.m. at the Clubhouse at the Swim Club Meeting Room, 219 St. Johns Golf Drive, St. Augustine, Florida.

Present and constituting a quorum were:

Mike Yuro	Chairman
John Thibault	Vice Chairman
Brenda Griffey	Supervisor
Charles Sheppard	Supervisor
Rose Bock	Supervisor

Also present were:

Jim Oliver	District Manager
Wes Haber	District Counsel
Heather Mickelson	Art of Living Director
Emile Benoit	GMS, LLC
Rich Whetsel	GMS, LLC

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 6:00 p.m.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the March 25, 2009 Meeting

Mr. Oliver stated the next order of business is approval of the minutes of the March 25, 2009 meeting. Are there any comments or corrections to those minutes? If not, I ask for a motion to approve the minutes.

On MOTION by Mr. Yuro seconded by Mr. Sheppard with all in favor the minutes of the March 25, 2009 meeting were approved.

THIRD ORDER OF BUSINESS

Acceptance of the FY08 Audit

Mr. Oliver stated the next item is acceptance of the FY08 audit. It was a clean audit. The third paragraph of the Opinion Letter states “In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the district as of September 30, 2008.” You have a number of schedules and notes with the audit. On Page 28 is a Report On Internal Control Over Financial Reporting. In the first paragraph on the next page, the last sentence states “We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.” On the very last page, the third paragraph states “Sampson Creek Community Development District has not met one or more of the conditions described in Section 218.503(1), Florida Statutes and is not in a state of financial emergency.” I spoke with the Vice Chairman before the meeting regarding the audit and he didn’t have any concerns about the audit.

Mr. Yuro asked John, are you comfortable with what’s in here?

Mr. Thibault responded I reviewed it. I think we are pretty good.

Mr. Sheppard asked did the value of the assets go down because of depreciation?

Mr. Haber responded they take that into consideration, the assets and then depreciation over time.

Mr. Thibault asked as far as depreciation, do we do a single entry at the end of the year to depreciate the assets or are we depreciating monthly and can we get a live balance sheet at any time?

Mr. Oliver responded I will have to ask the accountant. I’m sure they make a journal entry at the end of the fiscal year. If there are no other questions, I ask for a motion accepting the FY08 audit and allowing staff to transmit the audit to agencies, bond holders, and dissemination agent.

<p>On MOTION by Ms. Griffey seconded by Ms. Bock with all in favor the FY08 audit was accepted and authorizing staff to transmit the audit to various agencies was approved.</p>
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FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2009-04,
Approving Proposed Budget for Fiscal Year
2010 and Setting a Public Hearing to Adopt
the FY10 Budget**

Mr. Oliver stated the next order of business is consideration of Resolution 2009-04, approving the proposed budget for Fiscal Year 2010 and setting a public hearing to adopt the FY10 budget. By approving today's budget you start the budget process. We cannot hold a public hearing any sooner than 60 days after approval of this proposed budget. Following that we will have adoption of the budget. We are proposing an adoption date of August 26, 2009. You have almost 90 days to refine the budget. There was a goal to keep assessments level so there is no change in assessments proposed for this year. In the revenue section, we had youth program income set at \$46,000 for the last two years. We are actually going to generate about \$32,000 worth of revenues and costs in those programs. We increased the engineering number because we had more use of the engineer in the past year.

Mr. Yuro asked why is the clubhouse income so much higher than what was projected?

Mr. Oliver responded in this past fiscal year we did not predict so many people would take advantage of the non-resident user fees. That fee is set at \$2,887 with a 5% appreciation each year.

Mr. Yuro stated these are non-residents that pay a fee to use the facilities.

Ms. Mickelson stated we currently have five families.

Mr. Yuro asked do we know where the five families are from?

Ms. Mickelson responded the neighborhood behind us.

Mr. Sheppard asked was that paid by the builder?

Ms. Mickelson responded it was paid by D.R. Horton. They purchased two year passes for the last two families.

Mr. Thibault asked did they pay in advance for the second year?

Ms. Mickelson responded yes, but they pay the inflated rate for the second year.

Mr. Oliver stated the accounting will include it as revenues for the two years.

Mr. Thibault stated it's deferred revenue.

Mr. Oliver stated I spoke with Mark Deary, counsel for D.R. Horton, and he said it's not their intent to use that program any more. It was just one of many programs builders were trying. Another was paying down assessments. Overall you will see total administrative as a

slight drop. Part of that is because there won't be a required arbitrage this year. The GMS line item is management fees. We had a fee last year of \$46,305. We have asked for a 3% increase to \$47,694. Any other changes are pretty routine. On the next page are the field services costs. Rich has done a good job with the descriptions on the succeeding pages, which break down some of these costs. For instance, the landscape maintenance, you will notice the contract for Down To Earth is for \$186,540. There is also a piece that is paid to St. Johns Golf and Country Club for the fertilizing and the mowing they do for the district and a contingency for the inevitable things. Lake maintenance has come down. We projected a 3% increase for the amenity director. Over the next almost three months you will have plenty of time to refine the budget. If for some reason the district decides that assessments would increase we will need to send out mailed notice to residents within 20 days of the hearing. As it stands right now, I couldn't imagine any scenario where we would need to raise assessments.

Mr. Sheppard asked why did security go up?

Mr. Oliver responded it went down from \$99,515 to \$83,293. During the year, when we first started the security program with the combination of Gidden's Security Company and the St. Johns Sheriff's Office, we had a certain number of hours allocated to both. At the recommendation of the board we shifted the ratio and by shifting that you are getting more St. Johns County Sheriff's Office hours and have improved the security mix, but at a lower cost. You are using Giddens less, but you did not increase St. Johns Sheriff's Office by the same amount. The coverage is better because you get more bang for your buck with the Sheriff's Office.

Mr. Sheppard stated you are suggesting we are going to spend \$59,000 this year, but next year you want to spend \$83,000.

Mr. Yuro stated you are saying with the ratio we currently have that seems to be working we are only using \$58,000.

Mr. Thibault stated we started the Sheriff's Office part way through the year.

Mr. Oliver stated you will have another meeting before the budget hearing. We can get you the breakdown on how that number was arrived at. If you decide to lower that we can certainly do that.

Mr. Sheppard stated in the event we save some money it would go into reserves, correct?

Mr. Oliver stated correct.

Ms. Griffey asked is there no need for anything in capital outlay for next year? Last year is was \$8,000 and this year is \$0.

Mr. Oliver responded staff will work on that. You replaced the carpet about a year ago and replaced the windows and doors within the last couple of years. If there are any other capital projects now is the time to bring that out.

Ms. Griffey stated I find it hard to believe there won't be something that will need to be replaced.

Mr. Oliver stated we will come up with a prioritized list and bring it to the board to look at. We will do some of this by e-mail before the meeting.

Ms. Griffey stated as far as special events, I want to know how many residents actually attend. We spent \$4,000 on a snow machine and \$1,300 on a rock climbing wall. We have some high dollar items at some of these festivals. How many of our homeowners actually attend these events? Is it more than 50%?

Ms. Mickelson responded I wouldn't say 50%.

Ms. Griffey stated I know of other subdivisions where they pass on extra costs for special events by charging the families that actually attend.

Ms. Mickelson stated a lot of the high priced stuff is just trying to keep up with the standard.

Ms. Griffey stated there's no reason we have to keep up with a standard necessarily.

Mr. Thibault stated I tend to think the people that do live here expect a certain quality in the events.

Ms. Griffey stated in the day of our budget world things have to be cut back. I assume a lot of us have had to cut back at home. I feel we should also make an effort to keep our costs to a minimum. Those people who enjoy these events, so what if they have to pay a buck or two to attend an event.

Ms. Mickelson stated I guess that is something we could do.

Ms. Griffey stated a lot of people who live around me don't have small children and don't attend the events, and there's also people who do.

Mr. Haber stated you have to go back through the public hearing process if you want to adopt new fees for those types of things.

Mr. Yuro stated you mean adopt any fees because we haven't been charging them before.

Mr. Haber stated if you are going to look at doing new fees to supplement the budget line item you are going to have to hold a public hearing to adopt those fees.

Ms. Griffey stated it's my personal opinion, but I see it as very frivolous to pay \$4,000 for a snow making machine. If the parents really want a snow making machine and want to keep that standard some of it should be passed on just like the kids programs. These are extra-curricular things; not a real necessity. We have to maintain the roads and we have to maintain the center. It's a frivolous thing and I guarantee there are a lot of people who do not attend who would like to see some of that cost deferred to the people who do attend.

Mr. Sheppard asked any savings out of the projected expense budget, would that drop to the reserve fund or would it be turned back into lower assessments?

Mr. Oliver responded whatever you want to do with it. If you want to lower assessments with it you could do that.

Mr. Sheppard asked how did you come up with the contribution amount for the reserve fund? We have nothing for this year.

Ms. Griffey responded we budgeted \$20,000.

Mr. Oliver stated more than anything else it's a float number.

Mr. Sheppard asked what is in the fund now?

Mr. Oliver responded about \$200,000. Page 3 shows what we are projecting for reserves.

Mr. Yuro stated the \$214,646.

Mr. Oliver stated that is what we are projecting to be the surplus at the end of Fiscal Year 2009. You can see that carried over in the fourth column on Page 2. We take the beginning balance, along with projected surplus, and the \$250,000 for the first quarter operating expenses and the difference of \$468,111 is what you would have for capital projects or reserves.

Mr. Sheppard stated we don't have a capital reserve study for long term.

Mr. Oliver stated correct.

Mr. Sheppard stated we really don't know how to fund the reserve account for long term other than put as much money in without raising assessments.

Mr. Oliver stated we just had a capital study done for one of our other districts.

Mr. Whetsel stated I just passed information along to Mike for a capital reserve study we had performed at Viera East, which is down by Melbourne, to let him review it. We haven't been through one in north Florida yet. It would be a good idea to look into it.

Mr. Sheppard stated it's a fairly new facility and we have some time, but long term you don't want to get caught 10 years down the road and not have the money.

Mr. Haber stated you will want to do it on the roadways, as well.

Mr. Yuro stated I assume the report would be all inclusive.

Mr. Oliver stated we could have the Chairman look at that, and anyone else that wants to look at, and if it's something you want to consider we can put it on the agenda for the next meeting.

Mr. Sheppard stated my theory has always been if you have assessments, at some point, everybody who lived in the neighborhood and left never got impacted by that, but if you have a fund set up and you are contributing along the way everybody shares in that burden.

Ms. Bock stated getting back to Brenda's point about how many people participate in the events, I wonder if we could get better records of how many people participate.

Ms. Mickelson stated I have records.

Ms. Bock stated maybe that is something we can look at at the next meeting before we do anything.

Ms. Griffey stated if it's only a third of the people attending then I don't think it's appropriate to raise it for 100% of the people. It's not a necessity. You have a nice budget. We didn't always have all of those things.

Ms. Bock stated having so many functions a year for the community is adding value to our homes, and I don't want someone who has lost their job to be adding value to my house. I think there is a little bit of value that we need to take into consideration, but we also need to look at some hard numbers. For example, the Christmas event may be much more attended than the Memorial Day event.

Ms. Griffey stated I would like to see more of what is actually spent in areas. I would like to see where the actual \$18,000 is going.

Mr. Oliver stated we will bring back to the board some historical numbers for these events and the proposed events for FY10.

Ms. Griffey stated I could see my money being better spent in another part of the budget.

Mr. Oliver stated this is just the start of the budget process. You will have another meeting before the public hearing where we can address some of these issues.

Mr. Yuro asked if we agree to what's currently proposed, what is the next step?

Mr. Oliver responded adopt the resolution approving the proposed budget and setting a public hearing date for August 26 at 6:00 p.m. at this location. We would send this budget to St. Johns County as required by statute. We will continue to refine the budget based on what we talked about and any additional guidance from the board.

Mr. Yuro asked does a mailer go out to the residents for the public hearing?

Mr. Oliver responded only if you are increasing assessments. We will put it on the website.

Mr. Haber stated you are only obligated to send a notice out if assessments are going up. If you wanted to, so you could have community input, you are certainly welcome to send a mailer out. The district is not obligated to do that.

Mr. Yuro stated we need to at least put it on the web to make it available for people who want to look at it.

Mr. Thibault asked where is the interest in this budget for servicing the debt?

Mr. Oliver responded on Page 10.

Mr. Thibault stated these funds have to come from somewhere and I would assume they come from the general fund.

Mr. Oliver stated they are not coming from the general fund. When you do your assessments you have the assessments collected by the tax collector. They are allocated to the debt service fund and also to the general fund. You are only earning about 1% right now because of the low interest rates.

On MOTION by Mr. Thibault seconded by Mr. Yuro with all in favor Resolution 2009-04, approving the proposed budget for Fiscal Year 2010 and setting a public hearing date for August 26, 2009 at 6:00 p.m. was adopted.

FIFTH ORDER OF BUSINESS

Consideration of Lake Maintenance Proposals

- A. Clear Waters, Inc.**
- B. Future Horizons, Inc.**
- C. The Lake Doctors, Inc.**

Mr. Oliver stated the next order of business is consideration of lake maintenance proposals. We put an updated sheet in front of you. There were some numbers that were reversed between Clear Waters and Lake Doctors in terms of the charge for Grass Carp. It didn't

affect the fact that the lowest price for both the annual cost and the grass carp was from Lake Doctors. At the Chairman's request we did get three bids. We work with all three of these companies at different districts and they all do a good job.

Ms. Griffey stated Lake Doctors is the cheapest and they include the carp. We have not had any issues with them as far as maintenance, have we?

Mr. Oliver responded within most communities they are considered the best firm.

Mr. Yuro asked is stocking the lakes with carp every year really necessary?

Mr. Benoit responded they do a study. They time when they install them as a growth factor. Once a fish gets to a certain size they become inactive so they will restock them. They really don't have to stock every lake every year. They basically look at the lakes appearance and judge it from there. They have number from the state and can only put so many fish per acre per lake.

Mr. Thibault stated Future Horizons has a cost of \$3,000 for the grass carp. Obviously that is not part of the monthly cost.

Mr. Benoit stated that is an annual cost.

Mr. Thibault asked do they only stock the lakes once a year?

Mr. Benoit responded yes.

Mr. Thibault stated I have seen Lake Doctors come out more than once. They use my yard to put fish in the pond. I have seen them go through there a couple of times.

Mr. Whetsel asked a year?

Mr. Thibault responded I know I have seen them more than once in the last year with their net and fish.

Mr. Benoit stated usually it's an annual thing. They usually do it in the cooler seasons. I also talked to the golf course and they love Lake Doctors. They work well with them.

Mr. Thibault stated I saw in the budget where the lake maintenance decreased significantly. Is the \$43,972 what we are currently paying Lake Doctors?

Mr. Whetsel responded no, there was a contingency for the mitigation.

Mr. Yuro asked have we used any of the contingency for mitigation?

Mr. Whetsel responded we were not required.

Mr. Oliver stated that was the last year for that requirement. That will be a reduction in that line item. Would you like the district to enter into a contract with Lake Doctors for Fiscal Year 2010?

On MOTION by Mr. Thibault seconded by Ms. Griffey with all in favor the proposal from Lake Doctors, Inc. for lake maintenance services for FY10 was approved.

SIXTH ORDER OF BUSINESS

Other Business

Mr. Yuro stated I want to bring a proposal before the board. There's a conflict because I'm on the board, so if there's any discussion or vote I am going to stay away from it. In addition, if the board agrees to accept what I am proposing, I would defer to Wes for direction, but I think it would likely mean I would have to step down. Some of you know I no longer work for St. Joe and have started my own consulting firm. In looking at things I can offer, consulting engineering, development services, I think I have something I can offer to this community from my background with the community I think would be of value. I have been on the CDD or the HOA since the neighborhood started. I didn't want to get off the board to be able to talk to you guys ahead of time because in the event you don't think it's a good idea I want to maintain my position on the board. I have some information I would like to pass out.

Mr. Haber stated for the board's knowledge on the law on the conflict of interest issue, generally speaking a governmental body and an officer of the government, which Mike would be as a board member, cannot enter into a contract with that governmental body that would benefit Mike's company. There's an exception in the law for CDDs that would allow it. However, the exception includes language that says to the extent that using the exception would frustrate the intent of the overall conflict of interest law then it's not appropriate to rely on that exception. The intent of the conflict of interest law is to prevent the appearance of impropriety. In looking at the cases and looking at the annotations to the statute, it occurred to me that to the extent that the board decided to do business with Mike's company, I think it would seem too intertwined with his everyday work on the board and whatever it was he would be doing for the district that you couldn't get over that appearance. I know Mike is very interested in the community and wants to continue to participate in the community, whether that's through a contract with the district or remaining on the board. What I advised Mike is he could make this presentation to the

board, advise the board, and for everyone who is listening at the board, that he is going to have no input whatsoever on the board's determination, whether it agrees to enter into business with him, and if the board does, he resign. He wants to preserve the ability if the board decides not to enter into a contract with him to remain on the board. As long as he is entirely removed from this entire process, and there's also a memo I will get to Mike he is going to have to fill out declaring the conflict that goes on record in the district file, then I'm comfortable that both Mike and the district are in compliance with Florida Law as it relates to conflict of interest issues.

Mr. Yuro stated after a lot of reflection and looking up what I believe I can offer, obviously I have been on the board and want to continue to serve the community, I think I can serve the community in a better capacity if I enter into a contract with the CDD.

Mr. Sheppard asked are you suggesting you would take the role of the district engineer?

Mr. Yuro responded yes. In no way is this a reflection on anyone who has been serving the board to date. I just feel like I have a certain set of skills based on my history with the neighborhood. I was with the developer that built the neighborhood; I have been involved in the neighborhood since day one, so I have a unique understanding of the different relationships in the neighborhood, the easements, the utilities, the different functions of the properties. I'm not suggesting anything that is going to deter from what Jim is doing as a CDD manager, but as it relates to the facilities and operations I think I am in a better position to provide service to the community based on my experience. A side benefit of that is as a licensed PE I can also serve as the district engineer, basically consolidate that instead of having to have somebody look at it and call the engineer to look at again, multiple people, I can serve that role, as well. I have given you a cover letter. The second page is some of the benefits that I see that I can bring to the community. The third page is a proposed scope of services that could be tweaked with the board's input and input from counsel. I wanted to present it to the board for consideration and see if it's something the board would consider. If you think it's a good idea great, we can move forward. If not, that's fine too. I will continue to serve in my capacity. I also think it will help with some of what I consider as lack of checks and balances, as well, with some of the expenditures I am seeing. I think it would be good to have another entity involved to provide some check and balances.

Ms. Griffey asked would you be taking over the engineering position?

Mr. Yuro responded these two services are what we are paying for the field services.

Ms. Griffey stated maintenance manager and field management services.

Mr. Yuro stated correct.

Mr. Thibault stated currently GMS is doing the field management services. Is that correct?

Mr. Yuro responded field management and maintenance manager. Those two line items are generally speaking what I am talking about.

Mr. Haber stated one issue I wanted to raise is the engineering, I think, needs to go through a consultant's competitive bidding process as part of the Competitive Negotiations Act. It's an ad in the paper the district puts out.

Mr. Yuro stated we have a current CDD engineer. If it's something the board wants to advertise again. Again, I would at least be in a position where I could offer some input to the board on behalf.

Mr. Haber stated if it's the one role of field maintenance and the benefit of your engineering background I don't think we would need to. If you are looking to replace the district engineer then I think the district needs to go through what's called the CCNA, Consultant's Competitive Negotiations Act, which is the procurement process a body of government needs to follow in order to enter into contractual services with professionals, such as architects, engineers, and things like that, which is something the district did a long time ago with its current engineer, Hill, Boring & Dunn. We have an ongoing contract with them. To the extent you wanted to terminate that contract and enter into a new one, we would have to go through that process.

Mr. Yuro stated I'm not certain that's necessary because the engineering services are minimal right now.

Ms. Griffey asked what is your quoted price? We are talking budget.

Mr. Yuro responded I would propose a 15% reduction for the remainder of this year and an 18% for next year. This year the total of fees we are paying is \$44,200. I would be looking for \$37,570.

Mr. Sheppard asked who is doing the field management? Is that GMS?

Mr. Whetsel responded yes.

Mr. Thibault stated didn't we vote last year to move the field management into GMS for ease of communication and contact. Is that correct?

Mr. Oliver responded GMS has had the field management for a few years.

Mr. Thibault asked what did we move in house? We had something like changing light bulbs and all that kind of stuff. I could swear last year we specifically talked about moving something in house. It had to do with maintenance because of ease of communication.

Mr. Oliver responded we may have restructured a line item, but I don't recall. A few years ago you had a separate janitorial service.

Mr. Sheppard asked do the field management services have to be competitively bid?

Mr. Haber responded it does not.

Mr. Sheppard asked what is the difference between the district engineer and the field management services from a legal standpoint?

Mr. Haber responded the Consultants Competitive Negotiations Act specifies the types of professionals that are required to be publically procured through that process and I don't think a field manager fits within those definitions. It's real specific as to architects and engineers. There is a requirement for maintenance services or maintenance contracts be publically procured and I guess arguably it would fall within there, but the minimum before you actually go out and get public bids is \$207,000 and you are not going to reach that threshold. I think you are safe under either that or the CCNA. The Florida Statute section 287.017, which may have \$150,000 for example in that particular statute, provides the method of grossing up using certain factors. My office went through the various statutes to have the set amounts and actually did those gross ups. The gross up for this year happens to be \$207,327. If you are interested I could, off record, give you the chart of everything that is required to be publically bid and the amounts.

Mr. Sheppard asked can you e-mail that out?

Mr. Haber responded I certainly can.

Ms. Bock asked on Page 2, which category is Hill Boring?

Mr. Oliver responded there's just one and it's on Page 1 under engineering. We are at a point in the district's life where there's not a lot of construction going on, but there are the occasional drainage issues that need to be handled and that type of thing. You will certainly need the services of an engineer.

Mr. Thibault stated for the engineering and maintenance contract do you have a staff that if there's a problem like a pothole needs to be fixed, that is going to go out and do it, or are you going to go out and do it yourself?

Mr. Yuro responded fixing a pothole I would bring in someone to get it fixed. I'm not talking about doing the actual maintenance, although I can certainly on minor things handle that. I'm talking about managing the contracts, the Lake Doctors, the maintenance guys, making sure the three potholes that are out here on Leo Maguire right now are taken care of, calling the county, making sure the FPL bills are being paid appropriately, not paying like we are now, we are paying JEA's lift station bill on one of the invoices. It's managing those entities and if something needs to get done identifying it and it's it minor enough that can get fixed, certainly I have no problem fixing it, if not, I would arrange to get it fixed. I would also recommend that there be a threshold for those types of fixes that anything over a certain threshold has to come before the board so you don't have surprises. Guys, please don't take this the wrong way, I'm in a situation where I have started my own business and I have to do what I need to do, but at the same time, as I mentioned earlier, it's checks and balances. I was quite surprised that we just spend \$1,200 on a TV in here. I don't remember authorizing it and maybe there's money in the budget, but I think there needs to be a threshold and having the contract scope management by myself, but then still I would envision recommending for approval based on satisfying the scope, and then it's still going through Jim for payment as a second set of eyes to look at it, as well, to provide some of those checks and balances.

Mr. Sheppard stated it appears now that a lot of the day to day maintenance functions, clean up, fix up stuff, are done by your guys.

Mr. Whetsel stated yes.

Mr. Sheppard stated they are kind of small things in some cases. How would you handle that?

Mr. Yuro responded if GMS has those kinds of services I don't necessarily think you have to stop that, but again, I think in my opinion, it makes sense to have someone other than GMS managing their maintenance guys, basically giving them direction on what to do and then paying for them out of our account. I think there needs to be some oversight there that's separate. If it's minor maintenance stuff, depending on what the board prefers, if it makes more sense to contract that out separately, we can go that route, as well.

Ms. Griffey stated I have a question about the cost. When your guys paint the light poles what part of our budget does that come out of?

Mr. Thibault asked is it allocated per hour or is that a fixed cost we are already paying?

Mr. Whetsel responded the guys fill out timesheets for the time they spend out here. We have a lot of projects going on out here.

Ms. Griffey stated their pay doesn't come out of the field maintenance service, that's just your salary, correct? If he needs to hire someone to fix something it comes out of the same budget you would have hired someone to fix something.

Mr. Whetsel stated correct.

Ms. Griffey stated there's no increase as far as that is concerned.

Mr. Sheppard stated it appears to me we are doing a whole lot of maintenance now that the facility is getting older. I didn't know how this current year's level of maintenance and how good of shape it's in now and has it improved over previous years? We seem to be spending more every month with your guys, but they are doing the work.

Mr. Whetsel stated we try to in house as much as possible; it's a lot cheaper than outsourcing.

Mr. Sheppard asked has the level of quality been raised? Have you seen an increased level of maintenance?

Mr. Thibault responded I don't see the maintenance happening. I'm sure it's getting done. I don't see that the light poles need painting, I guess, and I see that they are painted. I see they maintain a good quality. Every once in a while I swerve to miss a pot hole on Leo Maguire.

Mr. Whetsel stated if there is a pot hole my e-mail address is out there, I have a phone, if for some reason we miss something.

Mr. Thibault stated I just assumed the work was being deferred because of the rain last week. I understand that it takes time to get things done, but as far as checks and balances go, I do not disagree with Mike. I know that we have been pushing things on to GMS over the years and having everything done in house for a cost savings, but those checks and balances are removed as we start compiling all the work into one entity. That's something that I have felt ever since I have been on the board, ever since I have been in the community. I don't necessarily like being a government entity.

Ms. Griffey stated you are going to save us 15 to 18% on the management services. Can you outsource any work for the same price they are outsourcing work for or providing the services for?

Mr. Yuro responded I feel like I can.

Ms. Griffey stated I'm interested in what we pay as a homeowner.

Mr. Yuro stated so am I. One of the reasons why this is extra appealing to me in this neighborhood is I live here, I'm in the neighborhood every day, I see a lot more, and obviously I am interested in minimizing the costs in the neighborhood. As I said earlier, I have been on one or the other boards, and sometimes both at the same time, since day one of the neighborhood and it's because I want to give back. I want to help the neighborhood be the best it can be and I see this as an opportunity to use my background and skills to do even more and help in more ways. I'm not trying to point a finger and say other people aren't, but I look at a lot of things in detail. I look at the power bills, the JEA bills. I would go back to FPL and either transfer some of those that we don't need to be paying or cancel some that haven't have any kilowatt hours. It's little things, but they add up. I do it because it's my neighborhood to, and I want the neighborhood to function as good as it can be and I want to make sure we are being as efficient as we can be.

Ms. Bock stated I think all of us are on this board because we bring some talent to it. I'm having a little trouble separating what you do as a member of this board and what we would then up with a salary to have done. Why could we not get that skill? I need you to explain that to me.

Mr. Sheppard asked for free?

Ms. Bock responded yes.

Mr. Yuro stated there's a lot of contracts, meetings, and overseeing the landscapers, for example, when they are supposed to be out here and claim to be checking irrigation someone needs to be checking to make sure they are doing it. It takes a lot of time. As a member of the board it is certainly more time than a board member has to give, particularly if you have another job. Now that I have my own entity created I'm in a position that I have the time to put in to the neighborhood, to meet with Lake Doctors when they are out here and see what they are doing, to meet with the landscapers, to make sure we get things fixed with the pot holes, or coordinate with FPL, as necessary, and stay on top of it. It's daily; it's hours and hours a week, as opposed to a couple of hours every other month.

Ms. Bock stated I'm just concerned about how it would work with your entity and GMS. I can see where something isn't getting done because you didn't think it was yours and GMS didn't think it was theirs.

Mr. Sheppard asked what mechanism do we have now? These gentlemen are in charge of supervising all the maintenance. How do you take direction? I know you walk the facility and write up some work tickets and then do the work.

Ms. Griffey stated homeowners call them when things are wrong.

Mr. Sheppard asked what would be different? I'm trying to understand how you would operate, unless someone is doing inspections and giving you homeowner requests and then you guys execute those. Is that the mechanism?

Mr. Benoit responded for example, when we have something at the pool Arsenault will tell us when a pump is starting to go bad. We get a quote to replace it and bring it back to the board. Areas like the light poles, we pay ASE \$75 just to drive out here and you pay their fee to change the light bulb, where we just charge to replace the light bulb. We were trying to save some money in those types of areas. Heather does her inspections and walk-throughs and if there's something wrong our maintenance guy takes care of it. When I do my drive-throughs if I see stuff, like today I am over off of Pepperstone, the irrigation is running. When I did my drive through with DTE we identified it, we shut the valve off, and they will be back tomorrow to replace the valve. We drive the area, police the area, and as we see things that are breaking down we write them up and get them repaired, or if it's above a certain cost we take it to the board.

Mr. Sheppard stated looking at the invoices there looked like there was a fair amount of tickets for your labor guys to do stuff that obviously needed to be done. You don't have a labor pool. Are you suggesting you would use GMS as labor pool?

Mr. Yuro responded I certainly could.

Mr. Thibault asked could you, would they allow it?

Mr. Yuro responded if they didn't allow it then I would make other arrangements.

Mr. Oliver stated it would be a business decision that Rich, Jim Perry, and Darrin Mossing would have to discuss from the operations side.

Mr. Griffey asked do you have a current labor pool hired?

Mr. Yuro responded I don't have staff, but it would not be a problem.

Mr. Thibault stated my concern is when we are dealing with someone else's labor pool, GMS is going to want theirs so we might see a little bit of a mark up on their labor pool. It's strictly a business decision and I completely understand it. Where we are currently paying \$8 to

\$10 per hour we might start paying \$14 or \$15 per hour, maybe less. Maybe that's something we need to take into consideration.

Mr. Yuro stated we are paying \$22 per hour.

Mr. Thibault stated we are paying \$22 per hour for someone to paint the light pole? What?

Mr. Oliver responded you are paying their wage, the profit margin, the overhead and benefits.

Mr. Sheppard stated that's not high at all.

Mr. Thibault stated I understand, I'm a CPA and deal with this every day, but 14 ½% for your FICA. I'm going to have to run those numbers.

Mr. Oliver stated nonetheless, this is the first time I have been exposed to this before tonight's meeting. I certainly can't speak to what type of partnership could be formed, but certainly we wouldn't slam the door on anything. This district is a valued customer and we want to find the best working solution we can. I have nothing prepared beyond that.

Mr. Sheppard stated since the board never really entered into an agreement with GMS to do these services, they just directed GMS? There's no formal document.

Mr. Oliver responded when an agreement is made with a district there are other services that can be provided.

Mr. Sheppard stated we selected to use those on an a la carte basis.

Mr. Oliver stated I can't say this for sure, but you may have had the same agreement with Sampson Creek or maybe the developer back then used to handle some of these things. I think the district was in a transition from a developer board and I think the developer heavily subsidized the district in years past.

Mr. Sheppard asked would you remain on the board?

Mr. Haber responded my recommendation is if the board decides to enter into a contract with Mike that he does resign. As far as the district engineer was concerned I was saying if he was looking to replace the district engineer, there is additional advertisement and additional procurement steps he would need to take. It's my recommendation, based on review of the law, that if a contractual relationship is entered into with Mike, it's so intertwined with the everyday business of the district, that I don't think he could get over that appearance of impropriety. I'm

comfortable with him making this presentation and if it doesn't work out remaining on the board, but if a business relationship is established my recommendation was that Mike resign.

Mr. Sheppard asked how would we enter into an agreement with Mike while he is on the board?

Mr. Haber responded he is declaring a conflict of interest. He is not participating in this vote. Depending on the outcome of the vote will dictate Mike's actions.

Mr. Sheppard asked are we voting on this?

Mr. Haber responded it's something that at some point you will have to vote on.

Ms. Bock asked are we saying we would dismiss Hill Boring and replace them with Mike?

Ms. Griffey responded no.

Mr. Haber stated you couldn't until you go through the process I described earlier. That's another decision the board would have to make.

Ms. Bock asked did you take that into consideration with your monetary part of this proposal that you would be doing Hill Boring's part?

Mr. Yuro responded it's a service I can offer to be more efficient. I had forgotten about the CCNA. As part of this it's something that could happen down the road if the board chooses. I think there's enough value, quite honestly, with my background as an engineer that I think it could minimize the need for the CDD engineer.

Mr. Oliver stated I agree with that.

Mr. Sheppard asked does this have to be filed with the state?

Mr. Oliver responded it's really just a matter of noticing it in the newspaper, soliciting the qualifications, and the board or a committee could rank those qualifications. It's not a complicated process.

Mr. Sheppard asked Mike, are you saying you would do what we pay now \$22,750, for around \$20,000?

Mr. Yuro responded I was looking at two line items.

Ms. Griffey stated maintenance manager and field maintenance services, which is a total of \$44,200.

Mr. Sheppard asked who is the maintenance manager?

Mr. Whetsel responded there is a staff person. He is the guy that blows off the tennis courts, arranges the pool deck, repairs.

Mr. Sheppard asked is he the guy we get the timecards from?

Mr. Whetsel responded yes.

Mr. Sheppard asked are all the hourly charges are from one person?

Mr. Whetsel responded no, it could be multiple people. There's times when we move all the equipment out of the fitness room to clean the floors and repaint the walls so it takes more guys to do that.

Mr. Sheppard stated that's a little misleading, that's not really one person; it's a group of people.

Mr. Oliver stated it's not a position as much as it is services being provided. The functions that Rich and Emile perform come out of the line item field maintenance services.

Ms. Bock asked would this affect what we pay you?

Mr. Oliver responded no, I'm out of the first budget and mine is more accounting and administrative.

Ms. Bock stated I meant GMS.

Mr. Oliver stated I think we are discussing two line items right now, certainly the first one. The contract administration is the first line item.

Mr. Thibault asked which line item is the maintenance, the actual work being done, the hourly employees coming out of and painting the light poles?

Mr. Oliver responded you will notice on the invoices they are posted to different line items based on the type of work, like janitorial or maintenance.

Ms. Griffey stated if it's for the pool it goes under pool maintenance.

Mr. Oliver stated correct. I think there is one just for street lights and other functions.

Mr. Thibault stated this budget item of \$25,950, the maintenance manager, that's the physical work being done.

Mr. Oliver stated that's based on an hourly rate.

Mr. Thibault stated this number probably wouldn't change because it's actual man hours.

Mr. Sheppard stated if all the work being done is required, which it appears that it is.

Mr. Oliver stated the only things that would change through efficiency is there may be fewer hours and through cost savings it may be a lower hourly rate.

Mr. Sheppard stated it could go up.

Mr. Thibault stated that number is based on need and that number is uncontrollable except for the hourly cost that Mike can potentially negotiate with his staff. It's the first line item we are really looking at that can change because that is someone's salary. Is that correct?

Mr. Oliver responded correct.

Mr. Thibault stated their allocation to this district of your salaries is the \$22,750 based on the amount of hours you spend at this district. If the hours and the hourly rate remain the same, Mike's proposal will decrease. Did you say it would be \$35,000?

Mr. Yuro responded let me interject here because I was always lead to believe that the field management services and the maintenance manager were two separate items, one was Emile and one was Rich.

Mr. Whetsel stated that's both of us for the field management services.

Mr. Yuro stated the field management service covers both of your time.

Mr. Whetsel stated that would include the landscape RFPs that we spend a lot of time on.

Mr. Sheppard stated it has been a little confusing.

Mr. Yuro stated most of the hourly charges typically get charged to repairs and maintenance, they don't get charged to those two line items.

Mr. Thibault stated that's a very good point.

Mr. Yuro stated there's always a lump sum, \$1,600 or whatever, for the month, which is again why my understanding was much different. The hourly charges always get coded to street light repairs or repairs and maintenance or general cleaning.

Mr. Sheppard stated we need to get rid of that line item and distribute that money throughout each. I'm sure the money is spent; it's just the way it's allocated.

Mr. Yuro stated I would be willing to work with the board to determine how many hours we think we are going to need and clean it up. Obviously I'm hearing something different than what was my understanding, as well.

Mr. Sheppard stated going back to my question, I guess what you thought was \$47,000 is now \$22,700 and you can still save us 15% or roughly a couple of grand.

Mr. Yuro stated I need to look at it and see what hours it would entail. I'm hearing something today that's different from what I've always been lead to believe and different from what I have observed based on the invoices that have come through.

Mr. Sheppard asked when your company does this work and these gentlemen are on site, are they covered under your liability insurance?

Mr. Oliver responded correct.

Mr. Sheppard stated the CDD is not paying an insurance fee.

Mr. Oliver stated all GMS employees are insured. All staff and the Board of Supervisors are also insured by their policies, as well as there is a liability policy that covers accidents that may occur on district property.

Mr. Sheppard asked the burden of insurance cost, is that in this \$22,750?

Ms. Griffey responded no.

Mr. Sheppard asked where does the CDD pay your company for its pro-rata share of your liability insurance?

Mr. Oliver responded in that portion that we are talking about the cost and overhead. It's across the board; it's not specifically allocated to one line item.

Mr. Thibault stated it's part of the \$22 hourly rate we are paying.

Mr. Oliver stated right. When Rick Arsenault does a proposal he is covering his overhead to include insurance for his employees.

Mr. Sheppard stated Mike thinks there is \$22,750 of hourly money and I'm assuming part of that would have to be some insurance.

Mr. Oliver stated the \$22,750 is a flat fee; it's not based on hourly, whether it takes five or 50 hours, it's an annual fee. The other one that may be misnamed as maintenance manager is based on an hourly fee. It's normally the same person that cleans the restrooms that performs other functions in the Amenity Center area. He does it at two different hourly rates. We can certainly provide a breakdown of what he does here.

Mr. Sheppard stated I understand that, I just want to make sure Mike understands to factor in some sort of insurance. We would require him to have some sort of insurance to do this work.

Mr. Haber stated I would draft up the contract that you see the district has with many of its independent contractors, the lake maintenance, the landscape maintenance, which has the indemnity and insurance and all the other typical obligations you see running in favor of the district. That would be my expectation of any contract we enter in to.

Mr. Sheppard asked does that requirement also apply to GMS because we are talking about parallel services here?

Mr. Haber responded it's been a while since I have looked at the GMS contract.

Mr. Sheppard stated that's why I was trying to drill down to see how the insurance worked for not your management, but your company doing work here as a vendor. It's no different than Lake Doctors.

Mr. Haber stated it's possible that because those services were tacked on to the management agreement that those may not be in the district's contractual relationship with GMS. I don't know that for sure, I would have to look at the agreement.

Mr. Sheppard stated we may not be paying you for the insurance you are having to buy.

Mr. Oliver stated no, I'm sure they factored that into the overhead. On an issue like insurance it's probably dealt with at more of macro level. Certainly, if the board or attorney ever wanted to see a copy of the insurance policy I would be happy to make it available. We don't depend on individual insurance for each district.

Mr. Thibault stated I suggest we table this until our next meeting, if it's okay with Mike, to let Mike re-evaluate and crunch his numbers.

Mr. Yuro stated I appreciate you all listening.

Mr. Haber stated I would say for the last discussion Mike was acting in a capacity of making a proposal to you, not as a board member. Any vote you make he will recuse himself from that vote. If the board is completely complete with that consideration and conversation then I would say Mike is now back in his capacity as a board member.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There not being any, the next item followed.

B. Engineer

There not being any, the next item followed.

C. Manager

Mr. Oliver stated I put a letter in front of your from Penny Halyburton, who is the Supervisor of Elections in St. Johns County. It indicates as of April 15, 2009 there are 1,653

registered voters within the district. That is required to be put on record each year by statute. The reason being is these positions are elected by the general election process.

D. Art of Living Director

Ms. Mickelson stated the Memorial Day Ice Cream Bash has been cancelled. It is now called the Kick Off To Summer Boom. The new signage for the health department has been installed.

Mr. Yuro asked how often do we sanitize and scrub the fitness center floor?

Ms. Mickelson responded about every other month and a half.

Mr. Yuro stated on Emile's report it says GMS will be removing fitness equipment around to complete semiannual floor scrubbing.

Mr. Benoit stated we do our daily cleanings and semiannually we move all the equipment to one side and do a complete cleaning and then move the gear back to the other side.

E. Operations Manager

Mr. Benoit stated we completed pressure washing of the pool deck, slide tower, patio pavers, and pool furniture. As you can see we have done some other things around here tennis courts, timers, restrooms, at the swimming pool we have to replace a flow meter, flapper door in the kiddy pool, and chlorine dispenser. Down to Earth replaced a transformer on the irrigation clock at the Amenity site at no cost to the district. We did a very complete inspection with DTE. They are going through now and cleaning things up and taking care of different things we have written up from our inspections.

Mr. Thibault stated as far as the irrigation meters, they are all on battery right?

Mr. Benoit responded no. You have electric and battery.

Mr. Thibault asked how many do we have on battery?

Mr. Benoit responded about 52.

Mr. Thibault asked what kind of batteries do they take?

Mr. Benoit responded 9 volt.

Mr. Thibault asked how often do we have to replace them?

Mr. Benoit responded most of the time they will last about a year.

Mr. Yuro asked how often are we pressure washing? In March we spent \$960 pressure washing. Is there a schedule and how often are we doing this?

Mr. Whetsel responded for the pool deck and everything out here we try and get it before Spring Break.

Mr. Benoit stated the front entrance is a heavy traffic area so if it starts to look bad we do that or if Heather has had a party of something has happened where we need to get out there and take care of it we do. The pool slide, from the water sitting on the steps, will get a lot of mildew so we have to pressure wash those because it becomes a safety issue.

Mr. Sheppard asked do you do that yourself?

Mr. Whetsel responded yes, we have a commercial pressure washer with heat.

Mr. Yuro asked is there a threshold that needs to come before the board before money is spent like that? For example, the \$960 spent for pressure washing, is that something that should come before the board? I go through the check run summary and I see some of these expenditures, whether it be for painting the light poles, pressure washing, or buying a new TV, that's adding up to thousands of dollars that as a board member I don't recall approving.

Mr. Oliver stated there is a threshold we established for this district at a meeting like this. I think it was at the suggestion of Mr. Value of \$1,000. Getting back to the TV, I think the TV cost \$700 and I realize some installation work was done and there was a VCR. We got the TV not only for the summer programs, but there was request by the board to have more visuals for the meetings for the audience.

Ms. Griffey stated I was under the assumption we were going to see if we could do it on the TV we already had, not buy a new TV.

Mr. Sheppard stated it does make a nice presentation.

Mr. Oliver stated nonetheless, there is a threshold, but certainly we would be happy in the future, unless something is an emergency, to bring it to the board. Every district is different.

Mr. Sheppard stated I don't think we can wait on all the maintenance issues for a board meeting. The \$1,000 threshold seems reasonable to me.

Mr. Whetsel stated I pulled the invoices for pressure washing from another company providing that service and for everything out here it was over \$1,400. I can e-mail the past invoices to you.

Mr. Benoit stated the other thing is if you say we need to hit an area again we are back out here. If it was another company we would have to fight to get them back out here.

Mr. Sheppard stated I agree with you and if we were subbing all this stuff out there could possibly be a lag in service where your guys are here.

Mr. Whetsel stated my guys are a phone call away for any emergency, such as last weekend with the pool pump going down.

Mr. Oliver stated we will react to what the board's guidance is on an issue such as that.

EIGHTH ORDER OF BUSINESS **Supervisor's Requests**

There not being any, the next item followed.

NINTH ORDER OF BUSINESS **Audience Comments**

Mr. Muller stated I live at 1100 Stonebridge Trail. I'm the first house as you turn in on the right. There's a berm right off of Leo Maguire Road. There's some confusion. We got a letter from the Homeowner's Association stating there are brown spots on your lawn. My wife talked to the Homeowner's Association and told them it wasn't our property, it was common property. You also mentioned there were some trees dead on the berm. I guess that message got to Emile's group and they trimmed the trees. The problem is now that they trimmed the trees my house is completely open to Leo Maguire Road. There were probably eight trees that were trimmed back. I guess that berm was intended for privacy and I'm really the only house and the house across from me has that berm, as well. We are the only two houses on Leo Maguire Road that have that berm with the trees. The issue we have is now that the trees have been trimmed there was some bushes put back in there, but it doesn't block any of the ditch with the trees up. Looking down further on Leo Maguire Road, the road around the back, there's a fence up along 10 houses. My request is if there is anything that can be done or put a fence up along the back end of that berm. There's no way it's going to grow back.

Mr. Yuro asked where these dead trees?

Mr. Muller responded these weren't dead trees that were pruned away. The dead trees are still there.

Mr. Yuro stated the dead trees are still there and the live trees were pruned back and thinned out.

Mr. Muller stated pruned from the ground six feet up. You can visibly see right through.

Mr. Yuro asked why was that done?

Mr. Benoit responded the trees weren't trimmed six feet up. The trees aren't that tall. There's a lot of dead grass in there. I got a call from the HOA and his wife saying there were dead trees and to remove them. I told DTE to go in there and trim back all the dead grasses and all the dead branches. By trimming branches, if you trim a branch on this side and there's still a branch hanging low on this side, they trimmed them up about three feet. Any of the dead trees were replaced. We replaced three trees and pulled out any ornamental grasses that were dead and replaced it with ornamental grass. That area across the street is pretty much the same way. There is Crape Myrtles and grasses and a couple of Pine trees. There's a lot of dead growth around the ground stuff. With the way the plants are set up and some of the growth it was stopping irrigation so we added two rotors in that area to help keep that grass green and growing.

Ms. Griffey asked how tall are the trees if you trimmed them up three feet?

Mr. Benoit responded 10 to 12 feet.

Mr. Yuro stated we will take a look at it.

Mr. Thibault asked does it look like what we did on the berm further down Leo Maguire on the other side of the pond?

Mr. Benoit responded there's a roadway and a ditch and then it comes up and there's a large berm and Pine trees and a lake. That was more for cars coming by with headlights. There was a vinyl fence there and we were talking about putting fence up, but we didn't want to go that way, so we put plantings and trees in.

Mr. Yuro asked is there a vinyl fence there now?

Mr. Benoit responded yes, about 15 feet. I don't know how it ever got there.

Mr. Haber stated one suggestion I would make is the district has wide latitude to deal with the issue depending on the extent to which the district wants to take or not take action. If it's not take action, at a minimum one possible alternative is providing him an easement and the ability, if you are comfortable with a fence or something else there and don't want to spend the money on it, if you want to provide him an easement and the provision to do so that fits within whatever architectural review that may be required, that's a possibility so at least you are providing him the ability to do it, if not paying for it for him. Again, I feel like you have the latitude to do whatever you think is appropriate.

Mr. Thibault asked if we approve him to put a fence in there the architectural review committee is going to turn him down because it's outside of the covenants of the community. He

is going to have to pay for the review and they are going to turn him down and they are going to turn us down, they have that power.

Ms. Griffey asked why do you think they are going to turn it down? You can have a vinyl fence on a preserve area; you just can't put it up against the lakes.

Mr. Thibault stated you can't put it up against the main road either.

Ms. Bock stated whoever was there first put up a fence and as the developer we asked them to take it down because it was vinyl.

Mr. Thibault stated the fence that is there, I bet they did that before it was a road, it was all preserve.

Ms. Bock stated the developer put the fence up. I thought we put it on more than one lot.

Mr. Sheppard asked are our decisions subject to the HOA architectural review committee?

Mr. Haber responded it has to be specifically addressed by the HOA documents. I have reviewed HOA documents that limit the control of their architectural review to, and it will say homeowners or homeowner owned property, and we ultimately concluded that the CDD fell outside of the scope of the architectural control. I would have to look at the HOA documents and see how it defines the scope of their review. There's a possibility that the CDD and the CDD property falls outside the scope of that review.

Mr. Yuro stated without seeing it, it is hard to give an opinion on what I think is right to do. Can we have the opportunity for the board members, over the next day or two, to take a look at it and provide feedback to the management company and address it that way, or does it have to come back for a vote?

Mr. Haber stated I think what you have to do is entrust one of you to go over there; otherwise I think it has to be at an open meeting.

Mr. Sheppard stated pending your review of the HOA documents that will tell us what we have the authority to do.

Mr. Haber stated assuming you have the authority to do it, if you didn't want to discuss it in an open board, you would have to entrust someone to say please look at the area and determine if the district is authorized to do it. If you are not comfortable giving someone that authority, I'm not comfortable with you calling the district manager and essentially asking him to poll the board, which is a violation of the Sunshine Law.

Mr. Sheppard asked how much would the fence cost and why would we get in the business of putting a fence up at the request of a homeowner when there's not one there now? I would think we would be obligated to put back some bushes.

Ms. Griffey responded the plants have probably not grown back all the way. Anytime you newly plant it's not going to be full and obscuring.

Mr. Benoit stated it's like when your kid mows your lawn and he cuts it too short. It looks bad, but within a couple of weeks it's going to grow back. We are talking about trees and grass.

Mr. Sheppard asked is that area irrigated?

Mr. Benoit responded yes.

Mr. Yuro stated it's hard to give an opinion when I haven't looked at it. I hate to wait two months.

Mr. Haber stated you could continue tonight's meeting for a week to give everyone a chance to look at it and then in a week hold a quick meeting for the sole purpose of discussing your thoughts.

Mr. Sheppard stated I haven't seen the property, but I have a hard time believing that trimming a few trees makes this guy's life miserable when he has been living there for a period of time.

Mr. Thibault stated he was telling me before the meeting he has been there for about a year. He bought the property knowing it was on the primary road of the development. He could see it goes another mile and a half past his house.

Mr. Yuro stated I think the landscaping was there. Without seeing what it looks like now and seeing his complaint it's hard for me to give an opinion.

Mr. Oliver stated staff has looked at it and I have looked it and I have had several conversations with both Mr. and Mrs. Muller regarding it and I said we don't have the authority to improve something beyond its original state. When I saw it shortly after it happened it was not my opinion or Emile's opinion that Down To Earth did other than what they were instructed to do and they did it within the standards. Beyond that we still had some bushes and dead trees replaced, as we normally would, but did not want the District to incur costs for potentially unnecessary improvements.

Ms. Griffey stated I have real issues with spending money on a vinyl fence that is very expensive to entail on a project to that extent that once those shrubs and grasses grows back, and that will take a couple of months to grow back.

Mr. Oliver stated I would suggest you authorize staff, with the Chairman, to render an opinion on it, with a not to exceed amount. It may be your opinion it's fine we are not going to do anything else and you can bring it back up at the next meeting.

Mr. Benoit stated part of the coverage in there was a lot of weeds growing up. When they went in and cleaned it they pulled a lot of the weeds. What was providing some sort of blockage were actually weeds. When we cleaned up the area that took some of that away. I feel it cleaned up the area. To me they did not go in and butcher anything.

Mr. Oliver stated let's take a quick look at it and take recommended action, if there is any, and ratify it at the next meeting, if it rises to that level. If it's just a routine maintenance item it does not need to be ratified.

TENTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet as of April 3, 2009 and Statement of Revenues & Expenditures for the Period Ending April 30, 2009

Mr. Oliver stated behind Tab A are the unaudited statement of revenues and expenditures, as well as the balance sheet.

B. Check Run Summary

Mr. Oliver stated behind Tab B is the check register. You will notice some card tables were purchased. The petty cash fund was reimbursed twice for those so the petty cash fund will be writing a check back to the general fund.

Mr. Yuro asked how much petty cash do we keep on hand?

Ms. Mickelson responded it varies, but I think right now it's \$6,000 or so.

Mr. Yuro asked what did we need card tables for?

Ms. Mickelson responded to replace the ones we have now that we use for parties and the lifeguards use them.

Mr. Oliver stated check 2502, the accountant wrote the check for \$2,679.27. Those were the current charges. The check should have actually been written for \$578.05. We will see a credit for that on the next bill. Are there any comments or questions on the check register? If not, is there a motion approving the check register?

On MOTION by Mr. Thibault seconded by Mr. Yuro with all in favor the check register was approved.

C. Special Assessment Receipts

Mr. Oliver stated behind Tab C is the special assessments receipts schedule. Right now we are at 96.88% collected. The balance of that will come through the tax certificate sale.

Mr. Yuro stated I have one clarification. I am going to step back to the other side for just a second and ask about the proposal I presented. I would like to look at the numbers and the hours and the effort, sooner rather than later, for my own personal reasons. Is there a way, since it's already been brought up, that I can present something through the attorney to the board members, or does it have to wait until the next board meeting? I would rather not wait two months to finalize something.

Mr. Haber stated let me think about that. My concern is that even though you have recused yourself you are still a board member and it would be a board member sending other board members information. The difference being you are sending them information about an item that will come before them for a decision and a decision you have recused yourself from. I honestly don't know the answer, but I can look into it. To the extent I am comfortable with you doing that, I could let you know and the information could be forwarded on to the board. If I'm not, it would just have to wait.

Mr. Yuro stated either way, a final decision has to wait until the next board meeting, is that correct?

Mr. Haber responded yes, unless a special meeting was held.

ELEVENTH ORDER OF BUSINESS

Next Scheduled Meeting -07/22/09 at 6:00 p.m. @ the Swim Club Meeting Room

Mr. Oliver stated the next meeting is scheduled for July 22, 2009 at 6:00 p.m.

TWELFTH ORDER OF BUSINESS

Adjournment

Mr. Oliver asked do we have a motion for adjournment?

On MOTION by Ms. Bock seconded by Mr. Thibault with all in favor the meeting adjourned at 7:47 p.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman