

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, July 27, 2011 at 6:00 p.m. at the Swim Club Meeting Room, 219 St. Johns Golf Drive, St. Augustine, Florida.

Present and constituting a quorum were:

Rose Bock	Chairperson
John Thibault	Vice Chairman
Ed Randolph	Supervisor (by phone)
Tracy Hayes	Supervisor
Mike Veazey	Supervisor

Also present were:

James Oliver	District Manager
Wes Haber	District Counsel
Mike Yuro	District Engineer
Erin Mixson	Art of Living Director
Mike Lucas	Basham and Lucas Design Group
Residents	

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Affidavit of Publication

Ms. Bock stated included in your agenda package is an affidavit of publication for the notice of public hearing on the budget.

THIRD ORDER OF BUSINESS

Approval of Minutes of the May 25, 2011 Meeting

Mr. Oliver stated included in your agenda package is a copy of the minutes of the May 25, 2011 meeting. These have been reviewed by District Counsel. Are there any additions, corrections or deletions?

Ms. Bock responded on page 14 there are three times where the word complaint should have been compliant.

On MOTION by Mr. Veazey seconded by Mr. Thibault with all in favor the Minutes of the May 25, 2011 Meeting were approved as amended.

FOURTH ORDER OF BUSINESS**Consideration of Proposals for Construction of Fitness Center Expansion**

Mr. Oliver stated the District has been looking at options for about a year and a half now. At the last meeting you authorized staff to issue an RFP. In response that request for proposals, six proposals were received from contractors. They were provided to you last week for your review prior to the meeting.

Mr. Haber stated I have spoken with each member of the Board about the review of proposals. It is your job to review the proposals. There was evaluation criteria included in the RFP package. You should score the proposals in accordance with the evaluation criteria and then, if you choose to, award the contract to the highest scored proposer. I will note that at the time this process was started the Board was working with the belief that all of the proposals and the budget for the construction aspect of the project was going to be below the threshold to publicly procure and offer protest rights, which is \$300,000. The six proposals that were received all came back over that threshold; the lowest of which was \$313,000. As a result of the proposals all coming in over that threshold amount, to the extent the Board chooses to award a contract, my recommendation would be that in any notice of award, all of the proposers be given the protest rights that the RFP package originally indicated that they would not get. The language in the RFP package said that it is the District's understanding that this is going to come in under that amount and as a result you will not be provided those protest rights. But not a single one of them came in below that amount. I think that is going to be a threshold issue for you and that is just the amount of these proposals and whether you want to move forward with the project in light of those amounts. My review of the proposals was strictly from a legal sufficiency aspect. I don't really have a recommendation as to which proposals are the best and which contractor can do the best work, but if a proposal had any variance and the variance was material, I noted that. In order for a variance to be material under Florida Law it will have one or both of two factors: the first one is whether the variance results in a competitive advantage to the proposer who had the variance or does the variance result in this Board believing that the proposer is unable to complete the project. Is it such a deficiency that you would conclude that we don't think they can do the job. If a proposal has either of those variances then generally

speaking they should be disqualified from consideration. In reviewing the proposals I noted that the Angelo Group specifically excluded the removal of unsuitable soils as part of their proposal. This is an issue that I dealt with, with the Angelo Group probably two weeks ago or so. My recommendation to that Board and my recommendation to you is that the Angelo Group be removed because I interpret that as giving them a competitive advantage. The other proposers that did not specifically exclude that work take the risk that if there are unsuitable soils to deal with, than that is going to be part of their price. By excluding that, they have given themselves the ability to potentially provide you a lower price. I think it does give them a competitive advantage. If you score them, there is no exact way you need to go about scoring these proposals. In other words, if one of you has actually gone through and assigned your own score then you can be the leader of the discussion and if the remainder of the Board agrees with your scores then you don't have to get a score from everyone else and you could adopt that as your score. If you can't agree to scores and you each want to score, then you would each provide a score and add those up and that would be the score. It is really up to you to decide how you want to do that. The only objective aspect of the scoring is price. I have taken the liberty of doing that calculation for you.

Mr. Thibault asked would it be that the lowest priced got a 20 and the highest priced got a zero?

Mr. Haber responded no. The lowest priced got a 20 and the highest priced got some fraction of the 20. The way I calculated it is the highest priced got a 14.3.

Mr. Thibault stated we will be close because I did 10. The highest priced got a 10.

Mr. Haber stated I scored them all. It is up to you whether you exclude the one deficiency I have raised at today's meeting. If you choose to award the contract tonight my office will prepare a letter and send it to all the proposers saying so and so was awarded the contract and you have 72 hours to protest. If there is no protest after the 72 hours then you are sort of in the clear. If there is a protest then I would discuss with you what happens after that.

Mr. Thibault stated I have been recently dealing with an insurance company and discussing rebuilds. They said that the area's market for less than a three story structure is no more than \$120 per square foot. Michael Holder came in at \$128 and that is the only one that comes in close to what the insurance companies current standard is for this area. I'm a little confused with what happened here, especially with the estimates we got at the beginning of this

process. Mr. French had identified that he got estimates from builders. Does anyone remember what those estimates were?

Mr. Oliver responded I think it was in the range of \$105 per square foot.

Mr. Thibault stated and now we are sitting at a 25% increase.

Mr. Lucas stated but if you look at my notes I always say it was \$150.

Mr. Veazey stated there is a difference between residential and commercial.

Mr. Hayes stated 2,471 square feet is the actual new structure and you have the bathroom remodel added in there.

Mr. Lucas stated I think the price was \$256,000 for the 2,400 square feet addition and then you have the site work and then you have the bathroom addition.

Ms. Bock stated I would like to see us get rid of what we have and go back to the drawing board and possibly look at going to the existing fitness center and taking off from that point and see if we can add onto that, instead of over here.

Mr. Veazey stated let's get a budget and work from that, instead of going one way or another.

Mr. Lucas stated when I talked to David he said we could easily take a bay off. Where we added the 16 feet, I can take the bay out. Maybe we can take it out of the L shape, so if you decide you want to add on to it, it would be an easy add on. It is sort of hard not knowing what the budget is.

Mr. Hayes stated from a couple people I have talked to, Michael Holder seems to be right on target if his cost factors are correct. He is right at 12%, which I was told is actually very good. I think we are building a structure that the community needs. I think the due diligence was done for the right size. I don't know if making it substantially smaller is the right thing to do.

Mr. Lucas stated Tracy called me Monday or Tuesday and asked me a few questions. I have worked with Michael Holder before. They have done three jobs for us. They did the welcome center at Nocatee. They did the Coastal Oaks clubhouse and they did the amenity center for the East West Group. They did a fine job on all of those. I talked to Jason, who is Michael's son and he said he went back and looked at his numbers and he said the only thing he knew he missed was the mirrors. He said he was confident he could do it for that number.

Ms. Bock asked are you in favor of awarding it tonight?

Mr. Veazey responded there are several options. Where I look at it is at the end of the day where do we want to be. At the end of the day this is going to be a \$500,000 building. I don't think it needs to be the square footage of Palencia. I don't think we need as much equipment as Palencia.

Mr. Thibault asked what were the estimates that we were talking about before? I know we were talking about \$400,000 with the equipment and everything, weren't we?

Mr. Oliver responded I know at the last meeting when we were issuing the RFP, we needed to know whether or not it would exceed that \$300,000 threshold.

Mr. Thibault stated I am talking about everything.

Mr. Lucas stated \$450,000 is the number I had.

Mr. Thibault stated it seems like we were comfortable with that back in May but now we seem worried.

Mr. Oliver stated I don't think you are worried. I think you are concerned and prudent, simply because you are working with one builder's estimated costs and these numbers have come in higher, so you are thoughtfully looking at this. You are deciding if we should move forward with the plan as it is or do we find ways to value engineer to reduce it some but still be big enough for current and future needs. What I have done is taken a look at the capital reserves. Mike and I had a conversation yesterday. This is using the capital reserve study that you did last year. You see the balance that we will have October 1, 2011 in the capital reserves of \$729,000. The next column is all the expenditures that are anticipated for capital reserves by year. The third column is this expansion cost. My estimate not counting the landscape and soft costs was about \$463,000. The fourth column is the recommended contributions in accordance with the capital reserve study and then it shows the ending balance at the end of each fiscal year. You will see that the District doesn't run into any issues until you get into year 2022. If you look at the second set of numbers, that is when the road repairs start. The big question out there right now is whether the County will accept these roads. With \$1M of road repairs in the future, it seems worth it to spend some amount of money to have them make a determination.

Mr. Randolph asked what did we estimate the fitness equipment to cost?

Mr. Oliver responded about \$120,000.

Mr. Randolph stated I agree with the statement you just made that we are not really looking at spending much money on infrastructure until about 10 years out.

Mr. Oliver stated every step of the way this Board has taken its time and made clear that there are no commitments to move forward with this project. You are taking it one step at a time. You can pull the plug at any time.

Mr. Haber stated just a clarification on Jim's comments, as far as pulling the plug at any time. Once you award the contract then there is no pulling the plug.

Mr. Hayes asked how big is the L wing?

Mr. Yuro responded it is about 480 square feet. It also could affect the covered patio, as far as reducing cost. If you eliminated the covered patio in that wing and just did a straight out the back then you are going to save a chunk of money.

Mr. Rocky Adams asked how much have we spent so far on this project?

Mr. Oliver responded I think around \$30,000 so far.

Mr. Adams stated I do like Mike's idea that you can go back and tweak it. I am a building contractor. I want to be fair to the contractors.

Mr. John Thompson stated I got some input tonight just before I left work. I don't like cutting it back. My friend that lives in Palencia said you would be surprised how many more people use the facility now. If we have a better facility then you might find residents that are going to outside facilities to work out then coming back to use ours. I just offer that as we decide where to cut.

Mr. Lucas stated the outside is designed to look like this, so it doesn't look like an addition. There is not a lot that you could really cut out from the outside.

Mr. Phil Valyou stated I have the privilege to be able to use Palencia. I was there this afternoon at 2:00 p.m. and there was only one treadmill open. Both bicycles were being used. I am usually there from 2:00 p.m. to 4:00 p.m. and it is more crowded than I would have expected. I talked to Alex, the manager, and he said they have gone up to about a third more people since the new facility has opened. Back when we were talking total cost, you folks also threw in \$40,000 for renovation of the old fitness facility. Also, when I look at the plans for this there is no flat area. I sent Rose some literature out of the State of Illinois Parks & Recreation Department and they said that no fitness facility should have less than 400 square feet of flat space for stretching, etc. This plan has nothing in there for that, so you are deficient in that.

Mr. Thibault stated I believe there is a lot of space between the machines.

Mr. Hayes stated I think our discussion was this room was going to be some sort of overlap of a universal space for aerobics and so forth. The idea that I had to put out the pavers and pave this area at the L shape had two purposes; not only for Erin's events but also in the morning people can go out there and stretch.

Mr. Greg D'Lessio stated I haven't been here the last couple of meetings and I'm a little shocked because I thought we already had a facility planned here. Taking out a whole section of a building is not a tweak. What was the original estimate that we thought was going to be below \$300,000 and why are we talking so high? Instead of starting at square one, let's go back to the builders and say reevaluate your bids and see what you can do because we want to do it for less, so we would let them come up with some suggestions.

Mr. Haber responded on your second issue because it is a public procurement process, we put out the RFP and they submit the proposals, but there is no ongoing communications with the proposers. It would be in violation of law to do so. If we were privately negotiating for this and just had informal proposals then that would be a great idea.

Mr. D'Lessio asked what was the original estimate and how does the builder explain the difference in that to what proposal they submitted?

Mr. Oliver responded the builder that provided the original estimate did not bid on this job.

Mr. D'Lessio stated what I am suggesting is the people that submitted the bid should explain the difference. Didn't we pay someone to give us that original bid?

Mr. Oliver responded no, it was a courtesy bid.

Mr. D'Lessio asked so they just came in and gave us a bid for what purpose?

Mr. Oliver responded actually a resident started this initiative and he worked with a contractor to get a courtesy estimate of what it would cost to build a project such as this. Based on that pricing, the Board made a decision to look into it. Once the RFP is issued, contractors have the opportunity to bid and these were the six that provided firm pricing.

Mr. D'Lessio asked where is the difference between the pricing?

Mr. Oliver responded the biggest difference that we have talked about was the difference in square foot pricing. The original one was estimated around \$100 per square foot.

Mr. Veazey stated I think we are close to where I thought it would be with attorney fees and engineering fees, etc. I'm not sure we are way off. I know the floor that we are putting in is

fairly expensive. You don't need to put \$120,000 worth of equipment in there day one. We need to remember that come March 15th of next year that facility loses half of its equipment if we don't do something fairly soon.

A resident asked how big is the current space?

Mr. Lucas responded 800 square feet.

Mr. John Burnett stated I appreciate how conscientious you guys are being. My concern has been whether or not this is going to add anything to my CDD fees. I'm not sure how it's not going to. Does that leave us some reserve in case we have storm damage or something like that?

Mr. Thibault responded we haven't had an increase in CDD fees in several years. One of the things that Jim handed out was our capital budget account and it shows that we wouldn't run into any issues until 2022 and that assumes we maintain the same spending and same savings rates. In 2010 we had identified that we were going to save \$80,000 in the capital reserve. We ended up putting in about \$150,000 because we were able to operate this facility under budget. These are just estimates based on what our budget will be. We are in the process of trying to hand the roads over the County. Right now according to our capital reserve study, our expected expenditures and our contributions we would be at negative \$156,000 in 2023 but if you add that \$982,000 back into it then we are at a positive \$700,000.

Mr. Burnett asked but that assumes the County takes over the roads?

Mr. Thibault responded yes. We see no reason for them not to. We kind of have a bargaining chip because we are allowing them to use our pond for the expansion of the roads. We may be able to use that as a way for them to take over the roads.

Mr. Haber stated we are negotiating with them. If we were to have a major issue, like a storm, we have insurance.

Mr. Oliver stated the roads are a big question mark. You are correct that expanding this fitness center will add additional operation and maintenance costs. If nothing else there will certainly be some additional costs for the electricity and the janitorial and other maintenance associated with it.

Mr. Burnett stated my concern is with the timing with the economy and the housing market. St. Johns County has already announced that they are raising property taxes.

Mr. Oliver stated when this Board approved their FY12 proposed budget back in May, they approved it with no increase in assessments this year. Any increased costs that would come from this expansion would be absorbed from other line items.

Ms. Bock stated we are not planning on paying for this with a special assessment to you and all of us.

Mr. Thibault stated in my mind, this money is coming from our diligence in running this facility at a below budget rate for the last 10 years. We have accumulated this capital reserve and by doing that we can improve the facilities that we all use. We haven't raised assessments in several years and two or three of those years we actually did decrease them.

Mr. Oliver asked if you were in a position to award a contract and a contract was executed, would the Board still have the option to do value engineering with the selected contractor?

Mr. Haber responded I would have to look at the contract. It would be a change order to the contract. I think you are entitled to a change order. Yes, I think you could. There may be some contractual limitations. You couldn't award the contract and then make contingent the award on successfully value engineering the contract. You would have to award the contract and then begin the negotiation process with the contractor and then abide by the terms of the contract. The way the law looks at this process is by putting out the RFP, which included a form of the contract, that is sort of an offer. By submitting a response, that would be the acceptance and then if you award it, you have your contract. Any changes to that contractual relationship needs to be in accordance with that contract. There is room for negotiation for change orders for value engineering, but you can't make the award of the contract contingent on successfully value engineering any portion of it.

Mr. Thibault asked what if we put out another request for proposal with the new parameters of the downsized fitness center and the proposals come in lower but in our mind the decrease is not valued, so could we go back to the original ones?

Mr. Haber responded no. If you decide to change the plan then you are going to have to reject all bids. I think this RFP probably provided that prices are only good for 120 days, so there is a chance that by the time you get through with your second process they don't have the obligation to hold on their prices anyways.

Mr. Oliver asked could they rank the proposals tonight but not issue letters at this point?

Mr. Haber responded yes. You could reject them all for being over your estimate. You can certainly rank them and continue the meeting. Just because you score them you are not obligated to award the contract.

Mr. Thibault stated I want to know the scores that everyone did but my fear is if we submit an additional request for proposals then we risk the chance of them saying forget it.

Mr. Veazey stated we need to know what the budget is for this project first.

Mr. Thibault stated I look at this capital reserve study and the \$463,000 seems like it works.

Mr. Oliver stated just to be conservative I would say \$500,000.

Mr. Thibault stated that puts us at \$193,000 over, as far as the capital reserve if we don't get the roads taken over, that would be \$22 per homeowner per year. I'm not opposed to move forward with it because I don't think we are going to save much by going back and taking things out and we risk losing the opportunity to do it at all.

Ms. Hayley d'jock asked if we spend this money on the fitness center, does it in any way hamper the ability to upgrade other amenities at a future date?

Mr. Thibault asked like what?

Ms. Hayley d'jock responded like if we wanted a splash park or something else. Are we not going to have the funds?

Mr. Thibault responded it depends on how much it costs. We have funds if we wanted to expand something. We just expanded the playground. We put in the volleyball court.

Ms. Bock stated and we have some things we have to do to the pool to get it ADA compliant.

Mr. Yuro asked but it is out of reserves, right?

Ms. Bock responded yes.

Mr. Veazey stated I think we need to put all of this down on a piece of paper and see where we end up because we have more improvements to make with the ADA requirements and the basketball courts and the tennis courts.

Mr. Oliver stated with the exception of the ADA, the other things you are talking about are contemplated in the reserve study.

Mr. Veazey asked but it comes out of this \$790,000, right?

Mr. Thibault responded yes, but he is saying they are already in the expenditures per the capital reserve.

Ms. Bock asked if we don't award tonight, can this just stay on the back burner for two weeks, so we can have a continued meeting and could staff come up with the report that Mike is talking about?

Mr. Oliver responded sure.

Ms. Bock stated so we won't get rid of what we have done so far. We will just see if we can work with it.

Mr. Haber stated August 18th at 6:00 p.m. works good for me.

A resident asked when you meet again, is it to rank them and make a choice or is one of the choices to start all over?

Ms. Bock responded we want to come back to actually see the numbers and see if the \$463,000 is a real number and then we would award the contract based on the plan that we have now or scrap it.

Mr. John Mueller stated I know you have this fixed price for the fitness equipment and I believe the fitness equipment that is in there now is going to be donated or tried to be sold off, but maybe you can reduce the cost of the equipment by trying to use some of this equipment before eliminating portions of the building. You are going find that you don't have enough space. The equipment is where you might be able to save some money.

Mr. Lucas stated I had people calling and asking if I would release the tabulation of the proposals and I have not done it.

Mr. Haber stated you can release the tabulations, but not the proposals. Are you talking about just the name of the contractor and the amount?

Mr. Lucas responded yes.

Mr. Thibault stated that one page is not right. We have two here, where the bonds were excluded in the total amounts.

Mr. Lucas stated I made sure that everyone had the addendum and I read the lump sum. I did not go back because some included it and some did not. I really do not have bottom line numbers.

Mr. Haber stated get the bottom line numbers.

Mr. Thibault stated I have them. Akon was \$423,000. K&G was \$381,102. Michael Holder was \$317,130.39. The Angelo Group was \$429,223. KBT was \$436,427 and Legacy Builders was \$426,900. You can see there is quite a large span in the per square foot price. They range from \$128 a square foot to \$176 a square foot. I find that one of the biggest differences was that bond. One was \$2,000 or \$3,000 and one of them was like \$20,000. I don't understand the difference.

FIFTH ORDER OF BUSINESS

Presentation of ADA Evaluation Report

Mr. Yuro stated I finalized the report between the last meeting and now. There are really no substantial changes to the report. The spacing of the exercise machines and equipment currently do not meet the ADA standards. If we don't go ahead with the new fitness room then the existing fitness facility will need to be looked at to remove some equipment. Our swimming pool is greater than 300 linear feet, so we need two means of accessible access. One of them has to be a lift and then another could be steps, a lift or a sloped entry. The only way to bring the wading pool into compliance is to reconstruct it with a sloped entry. The sloped entry does not need handrails but it will require construction of the deck around it. I talked to our pool contractor and there is certain criterion the State has for the amount of plumbing and filter, so it would basically be a reconstruction of the kiddie pool. My estimate for that is anywhere from \$15,000 to \$35,000. It is hard to put a number on it because no contractors have ever done it.

Mr. Thibault asked how much would it cost to build that pool?

Mr. Yuro responded I don't know.

Mr. Thibault asked what is the slope requirement, like one inch per foot?

Mr. Yuro responded approximately.

Mr. Haber stated there is an exception under the ADA if a specific item is cost prohibitive. I haven't really researched the standards but this may reach those standards. I can look into it. My advice is typically conservative, so I don't know whether we would be able to take advantage of it or not.

Mr. Hayes stated if we are looking at this kind of money maybe we should look at retrofitting that into a splash area that is all level.

Ms. Amelia Johnson stated at least determine what you are going to do with the pool before you adopt the budget. I am pro the amenity center but that is a giant eye sore and it is not being used for anything and we have kids that could be using it.

Ms. Bock stated it is closed right now because of the drain.

Mr. Yuro stated the third area that was looked at was the play area. I gave the Board three options if you are going to keep all of the elements that are currently in the playground. One option was to build a wheelchair ramp. A second option was to reduce the amount of elements and then you could alter the existing wooden structure and use a transfer station. A third option would be if you felt like you were going to replace that in the near future anyways then replace it. The sports court facilities needs a couple sidewalks to the basketball courts. There is nothing to do at this point with the exercise machines. I think the sports courts could get done now.

Mr. Thibault asked how much does it cost per linear foot of sidewalk? Also, we will probably want to put pavers out next to the basketball court, so it will match what is there currently.

Mr. Yuro responded I had about \$25 a linear foot for just the sidewalk.

Mr. Hayes stated you can get bids for the sports court then.

Mr. Yuro stated my recommendation would be for a lift for the swimming pool. I can certainly get bids for lifts. Then I will look for some direction from the Board on whether you want to move forward with the wading pool, a splash park or fill it in.

Mr. Veazey stated so get pricing on one lift and rails.

Mr. Yuro stated you could turn one of the existing steps, by putting the rails at the appropriate spaces, turning that into the second means of access.

Mr. Thibault asked is there any rule that they have to be so many feet apart?

Mr. Yuro responded my recollection is it is not a rule but it is recommended that you space it out.

Mr. Thibault stated one thing we have to consider is the lane side, where the swimming lanes are.

Mr. Veazey asked do you know how far the rails go into the pool?

Mr. Yuro responded just to the bottom step. Now I will just look for direction on how to proceed with the playground. Rose, myself and a resident had a meeting on Friday discussing the existing playground machines. It is our strong opinion to keep the existing wood structure. My recommendation would be to remove enough elements to get us below the threshold. We discussed ranking the existing elements in priority to what is most important to least important

and then the Board setting a budget to work with. Then I would just work with the contractor to say here is the budget, so what can we eliminate.

Mr. Thibault asked when we say there are 20 elements, do the 14 inch drops count as one or two?

Mr. Yuro responded I did not count the 14 inch drops as a play element. I counted the climbers, the slides, the poles, the bridge and the tunnels. The way I interpreted it that was part of the platform.

Mr. Thibault stated because it makes no sense for it to drop down and then go back up if it is not a play element.

Mr. Yuro stated that is part of the improvements that are going to be required anyways because in order to get access to those elevated structures we need to make that level accessible. Those steps are a hindrance to the elevated components.

Mr. Thibault asked what about that one that is one foot of elevation per inch?

Mr. Yuro responded that is not accessible.

Mr. Thibault asked so that is going to have to go away completely.

Mr. Yuro responded no. If there are 10 elevated components then five of them need to be accessible. If we can modify the deck on the existing structure enough, so that you have five elements then the other five that are part of that steep ramp don't need to be on an accessible route.

Mr. Thibault asked do the five need to be continuous or can we put three on one side and two on the other?

Mr. Yuro responded they do not need to be continuous but they need to be on an accessible route.

Ms. Jennifer Hayes stated we would have six accessible if we just changed the first step, where the transfer station comes in. We can go further and we can change two steps on the right side and make eight components accessible, which is way above the 50% threshold and not even touch the components on the right side.

Mr. Hayes stated I think we take the path of least resistance.

Mr. Thibault stated I agree.

Ms. Jennifer Hayes stated I sent a PowerPoint after our meeting and I showed the path of least resistance and showed exactly what to take out and what to put in. My estimate was \$12,000. It included all that and buying a transfer station and \$2,000 worth of wood to put in.

Mr. Yuro stated I have not had a chance to look at that but I can do that before the 18th.

SIXTH ORDER OF BUSINESS

Ratification of Agreement with St. Johns County School Board to Provide Transportation for Activities/Field Trips

Mr. Oliver stated included in your agenda package is an agreement with St. Johns County School Board to provide transportation for activities and field trips. I executed this between meetings. This is the school bus that brings the residents children on field trips that we have during the summer camp program.

On MOTION by Ms. Bock seconded by Mr. Thibault with all in favor the Agreement with St. Johns County School Board to Provide Transportation for Activities/Field Trips was ratified.

SEVENTH ORDER OF BUSINESS

Public Hearing to Adopt the Budget for Fiscal Year 2012

A. Consideration of Resolution 2011-04, Relating to Annual Appropriations and Adopting Budget for FY12

Mr. Oliver stated the budget for this District relies almost exclusively on assessments. At the top of page is the revenue section. There is a small amount of revenue that comes in from the clubhouse rentals. You will see the youth programs income at \$32,000. If you turn to page two of the budget the last item you will see, that is \$32,000 of expenditures and that is a pass through. The next section is administrative. The budget pretty much stays stable. The next page starts the operation and maintenance budget. You will see a very small change there. Assessments did not change for this year. If you do move forward with construction, completion would be sometime around late winter/early spring. There will be some operation and maintenance costs associated with that. One of the line items you will use is that capital outlay line item. You always seem to have money left over there that you could use. The next page is something we used to show we have adequate cash flow. As you will recall, assessments don't start rolling in until the end of November. You will see you have approximately \$979,000 at the end of the fiscal year. We put aside \$250,000 just so you can pay those bills until your revenues start coming in. We have a new line item in the budget this year, which is the capital projects budget. This will help you

track anything you are taking from your capital reserve fund. The next item is debt service fund. This is for the debt service repayment on the bonds. They were refinanced in 2006. The budget is not remarkably different from what you have seen before. The one item we did add was holiday decorations. It is a pretty small amount at \$3,000.

Mr. Veazey asked do we think we have enough to cover the fitness center and the landscape RFP?

Mr. Oliver responded I think that you do. We will probably start the RFP process to bring bids back to you at the November meeting. It has been our experience over the last two years or so that we have seen cost savings as we have gone out through the RFP process. I do suspect that will change in the years ahead but I think we have one more good cycle of good pricing for landscape maintenance.

Mr. Thibault stated you know what I have seen since we have changed to Down to Earth and we moved away from Turfection, we have a lot fewer sprinkler repairs.

Mr. Oliver stated it is included in the Down to Earth contract.

Mr. Thibault stated because we were seeing about \$5,000 a month for sprinkler repairs.

On MOTION by Mr. Thibault seconded by Mr. Veazey with all in favor the Public Hearing to Adopt the Budget for Fiscal Year 2012 was opened.

Mr. John Thompson asked in the capital reserve, that is just where we are taking excess monies and putting it in there?

Mr. Oliver responded this year was a bit different than other years. There were quite a few capital expenditures that we made this year. There was about \$129,000 of capital repairs and replacements this year. The largest capital work being done was the playground equipment at a cost of \$56,000. You will see a new budget in here called the capital budget. From now on, the contribution will flow untouched directly to the capital budget and all expenditures will come out of the capital budget rather than from the O&M budget.

Mr. Thompson stated it would probably be informative to residents if we had something that shows this is what we budget every year and this is what we have budgeted over the last three to five years and this is what we put in. I think it would take some anxiety out of some of the discussions that have come up.

Mr. Oliver stated I am happy to do that. We do that internally.

Ms. Bock stated it is kind of like a marketing piece for what we are doing. I think that would be good.

A resident asked who is the contact person for common ground area? I live in Meadowview and I live on a lake. The lake used to be mowed and it is not being mowed anymore. It hasn't been mowed all year.

Mr. Oliver stated Mike Yuro is the property manager.

Mr. Yuro stated I will check into that.

On MOTION by Mr. Thibault seconded by Ms. Bock with all in favor the Public Hearing to Adopt the Budget for Fiscal Year 2012 was closed.

Mr. Haber stated Resolution 2011-04 adopts the budget. Over 60 days ago you adopted a resolution, which approved a proposed budget and authorized Jim to send that proposed budget to the County and that has taken place. Chapter 190 also requires that you adopt an appropriation resolution adopting the budget. Attached to this resolution will be a copy of this budget that you adopt. The general fund budget is your O&M budget. The debt service fund is the budget for the year that the District is going to be obligated to pay for the principal and interest on the bonds. Your adoption of this resolution will result in the formal adoption of the budget.

On MOTION by Mr. Veazey seconded by Mr. Hayes with all in favor Resolution 2011-04 Relating to Annual Appropriations and Adopting Budget for FY12 was approved.

B. Consideration of Resolution 2011-05, Imposing Special Assessments and Certifying an Assessment Roll

Mr. Haber stated Resolution 2011-05 is the assessment levying resolution. In connection with the adoption of the budget you have to come up with a funding source to pay for the budget you just adopted. It really levies the assessments for O&M and it certifies for collection both the O&M and debt assessments. The reason why there is a distinction is the debt assessments were levied when the bonds were issued and that assessment was levied for a 30 year period. You are

not levying debt again, you are just certifying it for collection but you are levying the O&M. It certifies the assessments for collection on the County's tax roll, which means the assessments for both debt and O&M will be collected on the ad valorem tax bill that each homeowner receives. By virtue of you adopting this resolution you will be levying the assessment on each lot within the District.

On MOTION by Mr. Veazey seconded by Mr. Hayes with all in favor Resolution 2011-05 Imposing Special Assessments and Certifying an Assessment Roll was approved.

EIGHTH ORDER OF BUSINESS

Other Business

Mr. Veazey asked did we decide anything on the kiddie pool?

Mr. Yuro responded I was going to reach out to a contractor or a couple of contractors and see if they can give me a price to retrofit the pool and one to install a splash park. We can see if we can utilize the existing pump.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer/Property Manager

Mr. Yuro stated my report is included in your agenda package. There has been some confusion that the new State law was going to require us to change our chlorinating system and to use liquid chlorine and then it turns out that was only for wading pools and not for the big pools. It is kind of a backdoor way to come to the same result. The criteria they are now proposing on bigger pools can only be met with a liquid chlorine system, so that is what we have to do. Rick Arsenault is moving forward with the modifications. It is going to be about \$2,500. In the long run we are going to save money. He said we will probably recoup that within two years and then moving forward we will be saving money.

Mr. Thibault asked are they replacing the whole external system?

Mr. Yuro responded no. Right now, they chlorinate the pool using chlorine sticks and they are going to have to go to a liquid chlorine system and that is the change.

Mr. Thibault stated I was thinking about the more natural way and use the salt. There is a system that ionizes it and cleans it. It doesn't damage people's clothes.

Mr. Yuro stated I will ask about that. Rick Arsenault is pretty good and I feel like he would have brought that up as an option but I will double check on it.

Mr. Thibault stated find out the price difference on going that route.

Mr. Veazey asked where is that tank going?

Mr. Yuro responded it is going to go behind the existing pump and then we are going to have to fence it.

A resident asked if he changes the way that system is done, does that mean that the pool will not have to be closed all day Monday now?

Mr. Yuro responded no. The pool being closed on Mondays is for heavy cleaning after the weekend loads. I think it is going to make the pool cleaning easier, but I don't think it will get rid of the need for the cleaning schedule.

A resident stated as far as I can tell we are the only similar neighborhood to ours that closes the pool for a complete day to clean.

Mr. Haber stated it is pretty common for a lot of CDDs that I represent to have one day where it is closed for those types of things.

Mr. Yuro stated I asked our pool contractor last year and it is his recommendation to close it because over the weekend there is a really heavy bathing load and they need to use heavy chemicals and shock.

Mr. Hayes asked what is our plan of attack because the pool looked like it had green in it?

Mr. Thibault responded every couple of years it gets this film. It happened two years ago and they went and did a deep cleaning without draining the water to get it all cleaned up.

Mr. Yuro stated it has to do with the pumps. They treat it in the heavy spots around there and you can actually go out there and see where it has been treated around the intakes. I was told that is a natural occurrence. I was told you combat it as best as you can and you spot treat the heavy areas. He said it is not a detriment to the pool. It is not hurting the pool.

Mr. Hayes asked can we put this on the calendar to do a deep cleaning in January, February or March?

Mr. Yuro responded I'll check with him about doing it in the off season.

Mr. Oliver stated we are scheduled to resurface the pool in 2014, so you don't want to put too much money into it.

Mr. Yuro stated at the last meeting I presented proposals for basketball court resurfacing and tennis court resurfacing and wind screens. I was asked to go back to the contractors and see if they would provide a discount for getting all three and also if they had any nearby projects that we could look at. Three of the four contractors offer a discount of either 4% or 5%. When I totaled them all together the low contractor was Welch Tennis. Their comment to me was they bid it is as low as they possibly could and even without the discounts you can see they are significantly lower than the other ones who offered the discount. They also had close facilities that you could go visit if you wanted to. They did Bartram High School, Nease High School and they are working on the Ponte Vedra Inn also. Fast Track Courts and Sports Services were about the same price when you totaled them together with the discount. The difference there being that Sports Services didn't provide any local references. They provided a number of references but they were all Orlando and South Florida.

Mr. Veazey stated I know that Fast Track had a three year warranty and they were using the fiberglass membrane.

Mr. Yuro stated Welch Tennis added the fiberglass membrane. I think the only difference was one of them had an extra year warranty.

Mr. Thibault asked so they added the fiberglass membrane and then didn't increase their price?

Mr. Yuro responded no. I think their price always included in the fiberglass membrane and they just didn't point it out.

Mr. Thibault stated I would like to table this and go see some of their courts.

Mr. Hayes asked have these other projects just been done in the last 12 months or so?

Mr. Yuro responded I don't recall the exact timeline. I know Bartram Trail was resurfaced last year.

Mr. Oliver stated Welch has resurfaced here before.

Ms. Bock asked what did we say was the ideal time to do it?

Mr. Yuro responded we talked about during the break in the winter. I did go back and speak to the fire inspector about the tree trimming. He said that it is a County wide item and if we know of any other communities that have issues that we want to point out they would be

happy to pay them a visit. He was willing to work with us on the timing. He said if we just ignored them and didn't do anything that they have the ability to fine us and I think it was \$58 a day until we complied. We had contacted four contractors and three provided a quote. They included utilizing the County, where they would just pile up the debris on the curb side and the County would pick it up during a Thursday pick up. We had Callahan Timber at \$27,376. We had JMC at \$30,680. We had Down to Earth at \$45,375.

Ms. Bock asked do we have a budget item for this?

Mr. Oliver responded we don't.

Mr. Hayes asked are we confident that we have all three of them with the same specs?

Mr. Yuro responded yes.

Mr. Oliver stated we have contingency in here for the typical annual tree trimmings for District owned trees, but this is larger scale project. The money can certainly be found though.

Ms. Bock stated I say go with the cheapest guy.

Mr. Thibault stated tell Down to Earth that the fire chief is willing to wait until the leaves drop and see if he will give us a better number.

Mr. Veazey stated I don't think he has the equipment to do it.

Ms. Bock stated I say go with Callahan.

A resident asked is that all the trees or just the bus route?

Mr. Yuro responded it is all the trees that encroach into the street and not just the bus route.

A resident asked so that would include my street?

Mr. Yuro responded yes. It includes over 400 trees.

Mr. Veazey asked and the proposal from Callahan is for the whole tree right?

Mr. Yuro responded yes. I will move forward with them and coordinate the timing of it. I will let the fire inspector know.

Mr. Veazey stated we also need to send something out to the residents too.

Mr. Yuro stated absolutely. We will be happy to draft an email blast.

Mr. Thibault stated and put in there that it will cost them \$58 a day if they protest.

Mr. Hayes asked what about the caps on the front bridge?

Ms. Bock responded they have been ordered.

C. Manager**1. 1,739 Registered Voters within the District**

Mr. Oliver stated we are required by statute each year to state for the record the number of registered voters in the District. According to the St. Johns Supervisor of Elections there are 1,739 registered voters residing in the District.

2. Proposed FY12 Meeting Schedule

Mr. Oliver stated included in your agenda package is a proposed fiscal year 2012 meeting schedule.

Mr. Veazey asked if we move forward with the construction of the fitness room, are we going to want to have more than one meeting per month?

Mr. Oliver responded what we can do is at the end of the meeting we can continue it until another date and time.

On MOTION by Ms. Bock seconded by Mr. Hayes with all in favor the Meeting Schedule for Fiscal Year 2012 was approved.

D. Art of Living Director

Ms. Mixson stated we had our first annual Independence Day block party. We had over 400 people come. We had 350 RSVPs and then another 50 to 75 people just showed up. It was 2:00 p.m. to 7:00 p.m. We had a D.J. at the pool with snow cones and games and events. We had food on the circle and we had a bar set up. The response was really good. I had a lot of feedback that residents would rather have summer events, so I'm thinking about putting out a survey to get a feel for what residents are looking for. We are in week seven of summer camp. It has been really popular. We just had tiny tots registration and about 50 kids signed up. We start that September 2nd. It is for four and five year olds. Upcoming, we have a kindergarten ice cream party, which is for all kids going into kindergarten. The school bus drives around and picks them up and brings them here and they have ice cream and then they go home. We are going to do a dive in movie on August 19th.

Mr. Thibault asked what is the movie going to be?

Ms. Mixson responded Rango. The swim team coach from Bartram Trail High School came to visit me the other day.

Mr. Haber asked are you talking about the high school?

Ms. Mixson responded yes.

Mr. Haber stated there is a letter agreement with the school board.

Ms. Mixson stated I wasn't aware of that. Their season starts on August 9th. They practice in the evenings until school starts. They have three swim meets that are held in here. Their swim meets are September 8th, September 15th and one is October 6th.

Mr. Haber stated I think it was a five year agreement that gave us the option of terminating if we wanted to. It also, at the Board's request, made sure that if they were to cause any damage to the pool or required maintenance to the pool that was in excess of what we would typically do for the residents and paid users then they would cover that cost.

Ms. Mixson asked do you know how long ago that came into play?

Mr. Haber responded I think this may be the third year.

Ms. Mixson stated he did mention to me that they may move to Rivertown.

Mr. Veazey asked has there been any discussion about charging them?

Mr. Thibault responded we have had that discussion. It was during budget season a couple years ago.

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

Mr. Thibault asked would it be possible to allow a vendor to be in the parking lot during the weekends?

Mr. Veazey responded we have the club.

Mr. Thibault stated no kid wants to eat what the club has.

Ms. Mixson stated they have pool delivery on the weekends. Their vision was to offer pool delivery. According to them, they were going to have someone over here walking around taking orders.

A resident stated the thing is you are not allowed to have food on the lower pool deck.

Ms. Bock stated let's talk to them because we want them to be successful.

Mr. Hayes stated I want to get together on the vending thing.

Ms. Mixson stated I did contact vending companies to see if we could get candy bars and things like that and the two people I talked to said they don't do food in an outdoor space.

Mr. Thibault stated it would be better for us to lease the machine and stock it ourselves.

ELEVENTH ORDER OF BUSINESS Audience Comments

A resident stated I brought up at the last HOA meeting that all the mailboxes are falling apart. Can we get more free standing umbrellas at the pool area?

Mr. Thibault responded the concern with them not being in a table is they do not have the structure to hold them up.

Mr. Yuro stated I can look into it.

A resident asked I was wondering why we can't have lifeguards until close on Friday and Saturday nights?

Mr. Yuro responded the security guard typically starts getting people out of the pool about 8:45 p.m. because that is about dusk.

Mr. Thibault asked and the lifeguards leave at 7?

Mr. Yuro responded yes.

Ms. Mixson stated but if residents have a party here then they can pay to have lifeguards stay later. The CDD does not pay for that. The residents pay for that out of their own pocket.

Mr. Thibault asked will there be lifeguards for the dive in movie?

Ms. Mixson responded yes.

Ms. Bock asked so you are asking if the CDD could provide lifeguards on Friday and Saturday nights until 9:00 p.m.?

A resident responded yes.

Mr. Veazey responded I just did this at the Palencia pool for night swimming but I don't know how this was permitted. You need to get an engineer out here. We will put a light meter on the raft and float the raft to the middle of the pool and measure the light that is around the pool to be able to do night swimming. It could be that is the reason.

Mr. Yuro stated that is the reason why.

A resident asked then how can you do it with a party?

Mr. Haber responded it sounds to me that the difference in the law is if you don't have proper night lighting, the pool can only be opened dusk to dawn.

Ms. Mixson stated Mike and I have talked about this because it has been brought up by him and myself. We talked about getting quotes for next year.

Mr. Haber stated you could look up the sunrise and sunset times and make it official by posting it.

Mr. Yuro stated the pool hours are 7:00 a.m. until dusk.

A resident stated there is a group of adults that swim at 5:30 a.m.

Mr. Thibault stated it is a liability issue.

Mr. Oliver stated it is Florida law. It is not a District choice.

Ms. Bock stated we will look into extended hours.

TWELFTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet as of May 31, 2011 and Statement of Revenues & Expenditures for the Period Ending May 31, 2011

Mr. Oliver stated included in your agenda package is a balance sheet and income statement as of May 31, 2011.

B. Check Run Summary

Mr. Oliver stated included in your agenda package is a check run summary.

On MOTION by Ms. Bock seconded by Mr. Thibault with all in favor Check Run Summary was approved.

C. Special Assessment Receipts

Mr. Oliver stated included in your agenda package is the assessment receipt schedule.

THIRTEENTH ORDER OF BUSINESS Next Meeting Scheduled – September 28, 2011 at 6:00 p.m.

Mr. Oliver stated our next scheduled meeting is September 28th at 6:00 p.m. at this location. There may be interest in continuing this, however.

On MOTION by Mr. Thibault seconded by Ms. Bock with all in favor the Meeting was Continued to August 18, 2011 at 6:00 p.m. at the Swim Club Meeting Room, 219 St. Johns Golf Drive, St. Augustine, Florida.

FOURTEENTH ORDER OF BUSINESS Adjournment

Secretary/Assistant Secretary

Chairman/Vice Chairman