

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 on Wednesday, March 28, 2012 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
Tracey Hayes	Supervisor
Mike Veazey	Supervisor
Ed Randolph	Supervisor (by phone)

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
KC Williams	Kerry Construction
Residents	

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 January 25, 2012 Meeting

Mr. Oliver stated included in your agenda package is a copy of the minutes of the January 25, 2012 meeting. Are there any additions, corrections or deletions?

Ms. Bock responded on page five it says audit system, but it is supposed to be audio system. I also have a list of changes for you.

Mr. Oliver stated okay. We will incorporate those corrections into the minutes.

On MOTION by Veazey seconded by Mr. Thibault with all in favor the Minutes of the January 25, 2012 Meeting were approved as amended.
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THIRD ORDER OF BUSINESS

Approval of the Minutes of the February 22, 2012 Continued Meeting

Mr. Oliver stated included in your agenda package are the minutes of the February 22, 2012 continued meeting.

Mr. Veazey stated I have a few changes I will give you.

On MOTION by Mr. Veazey seconded by Ms. Bock with all in favor the Minutes of the February 22, 2012 Continued Meeting were approved as amended.

FOURTH ORDER OF BUSINESS

Discussion of Matters Relating to Construction of Fitness Center Expansion

A. Construction Update

Mr. Yuro stated they have the doors and windows installed. They have installed the insulation this week. Sheet rock is scheduled to be delivered this week and next week they are going to start putting up the sheet rock in the new room. Probably tomorrow, they are going to cut through this wall here for the door to join these two rooms. They did have a few week setback because the doors and windows were delayed. Completion is now pushed to the second week in May. I have forwarded that information to Sears, so they could plan accordingly for the delivery of the equipment. The biggest critical item from our standpoint, is the restrooms. When this got put on hold, everything got put on hold. We believe the restrooms are going to be open by Friday. All of the old fixtures are out of the bathroom. All of the structural work has been done. The tile is all in. The new sinks are in. It has been painted. All that is left to do with the restrooms is to install the new fixtures and install the new partitions. There will likely be some punch list items that they will have to address next week but at least we will be functional.

Ms. Bock stated I saw in the newspaper that we are having a grand opening the 19th.

Ms. Mixson stated that is probably not going to happen. We are still going to have the race part of it but we are just not going to have the fitness center opening part of it.

Mr. Thibault asked why did the bathrooms get put on hold?

Mr. Yuro responded I can't speak for the contractor. All that I know is the restrooms were scheduled to be completed a week or two ago. I know we started making them very aware of what was pending, as far as our spring break.

B. Update Regarding Purchase of Fitness Equipment

Mr. Yuro stated it sounds to me like they are ready to deliver with our schedule. The representative with Sears has been reaching out to get a better handle on exactly when substantial completion will be, so we can coordinate the delivery. In fact, he was gearing up to be ready to deliver by the end of April and I emailed him today on the revised schedule. It sounds like he is ready to ship it.

C. Consideration of Change Orders

There being none, the next item followed.

D. Approval of Pay Requests/Cost to Complete Schedule

Mr. Oliver stated you will see pay application number three in your agenda package. It is in the amount of \$69,462.94. On pages two and three, you will see how those funds are allocated.

Mr. Thibault asked is there any contingency in the contract that if something is delayed because of no fault of ours that we could capture back some of the payment that we made?

Mr. Lucas responded typically, you only do that if you give them a bonus for getting done early, so we didn't put that in there. We didn't have any liquidated damages.

Mr. Veazey stated in some of the other ones we have had the discussion that they add a little bit to their bid just to cover themselves, so we have taken it out of the contracts that are lower in number.

Mr. Thibault stated but that makes it so easy for a contractor to say we will get it done by this timeframe to be able to get the bid and then in reality they can't do it. What if it doesn't end up getting opened until June?

Mr. Haber responded the contract isn't open ended. I don't have the contract with me but there is presumably a schedule and the law imposes a reasonable timeframe. If the contract is silent to it then what the law would provide, is what is reasonable. We would have to go in front of a judge and prove what our damages are as a result of the two or three week delay.

Mr. Yuro stated I am hoping that his second week of May date is 100% finished. They will be substantially complete probably a couple weeks ahead of that and then there will be punch list items.

Mr. Haber stated we are subject to the agreement that we included in our bid package, which it sounds like based on Mike's comments, is silent to liquidated damages. I will take a quick look at the contract and I will give you a call.

Mr. Yuro stated as soon as the building is substantially complete then they can start delivering the equipment.

On MOTION by Ms. Bock seconded by Mr. Veazey with all in favor Pay Application No. 3 for \$69,462.94 was approved.

E. Consideration of Other Construction Related Improvements

Mr. Oliver stated included in your agenda package is a proposal from Kerry Construction. As you recall, at the last meeting the Board has not yet decided what you are going to do with the room we are sitting in now, as well as the current fitness room. Mr. Williams is here tonight to discuss the proposal he has included in your agenda package.

Mr. KC Williams stated we have spoken with some current users of the fitness center now and what they felt a good use of this room would be, as well as some of the homeowners. We felt this room would make a good aerobics workout area. I spoke directly to Stacie Bowe, who runs her fitness business out of this area and provides a lot of her services to the homeowners here and she felt a lot of things that we incorporated would be used by her and her clients. 90% of her clients are homeowners in the neighborhood. She is kind of using this room now for those functions. She has some of the lift boards and some of the aerobic balls already. Her comments were doing it on carpet is not typically how they function. They usually have an aerobics room with mirrors. The circulation from a temperature standpoint isn't very good. If they crank it down to where it is bearable in this room for their workout then it can freeze out the office for the Art of Living Director. As you can see, we have kind of separated those two. I gave some storage access to her, which is lockable. I also gave a direct entrance or independent entrance from the existing door here into the Art of Living Director's office, instead of a pass through. We have also proposed the existing fitness center to be turned into what the Board and others use this room for currently, which are meetings and parties. We also included some potential audio/video options with potential for outside entities to come in and have conferences. Then you can see our proposed estimate. We did include some additional things that Mike was asking for, as far as painting the exterior of the existing building, the swimming pool, the ladder and attachments. Interior painting of this room and the other room is also included in that top

bid. There are some options there, which were discussed at the last meeting. Then I gave some pricing with respect to the doors here that need to be replaced.

Mr. Thibault asked didn't we talk about replacing these doors in the last meeting?

Mr. Yuro responded at the last meeting you authorized to fix the hardware on the doors.

Mr. Thibault asked so they will not replace the doors?

Mr. Yuro responded no.

Ms. Bock asked how would you be in that part and then get into this room?

Mr. Williams responded you don't.

Ms. Bock asked but if I am in the office and I go in the storage room and I get out some stuff to bring in here, do I have to go out and around?

Mr. Williams responded no. There is a door here that goes in the storage room that connects to the door in the office. We thought we could reuse those cubbies. They seem to be in pretty decent shape. Everything fit from this wall. It seemed to fit that we didn't really have to do any real ceiling renovations or AC renovations. It is only a recommendation. She may not need that much space in her office. Two things that drove us into that plan was having dual control for air conditioning and how that is actually going to play into the fact that this is an open door area to the new fitness center.

Mr. Hayes stated the only thing in the other room would be to design some sort of storage area there for the table and chairs.

Mr. Williams asked don't the tables and chairs currently in this room get set up along the wall?

Mr. Thibault responded no. They go in there. Didn't we talk about this as a change order last time with getting rid of that sink and putting the sink somewhere else and putting walls right there?

Mr. Yuro responded we didn't approve it. I brought it up at the last meeting but the Board put everything on hold.

Mr. Veazey stated I appreciate the fact that you went through the effort and obviously, we like to support people that live in the community for business. We didn't bid this out but there are certain parts of this that were already bid, like the exterior painting. For painting the exterior, we can pay a painter. We don't need a general contractor to do that. If we are just putting in flooring then I think we can probably save a little bit of money if we got a flooring

company. I think we would need to get a scope together and bid it out, whether it is separately or as a whole.

Mr. William stated I can certainly break out each of the items that may have been previously bid out. If you take out each one of the items that were previously bid then we can compare them with the bids that were already provided. We are a general contractor but we are a self performing general contractor, so when you make a comment about painting or flooring, we do a lot of that in-house. All I would ask for is to compete. In putting this all together it actually brought everything requested together and then it is to help decide what the use of the rooms could be.

Mr. Thibault asked, “Mike, do you have the drawings on what was presented to us for this room previously?”

Mr. Yuro responded I have a copy. It is different than what he is proposing.

Mr. Oliver stated I think the most important thing that the Board does first is to make a decision of what purposes these two rooms will serve. When we know what the purposes will be, then we will draw up the plan and scope. You have to decide if this room will be used exclusively for one purpose or will it be multi-purpose.

Ms. Bock asked would everyone like to come to the next meeting with ideas of what you want to do with the two rooms?

Mr. Thibault responded I think most people already have a strong feeling of what they would like to do with these rooms.

Mr. Hayes stated I have been pretty much saying the bonus or all purpose room and meeting room over there from the beginning.

Mr. Thibault stated I agree with Tracy. I think it makes sense that this be some sort of athletic room, since it is attached to the fitness center. They already use this for aerobics. We would just have to retrofit that room, which I think would be pretty easy. It is a square room. It doesn't have any closets.

Mr. Williams stated when the bathrooms were open, we actually saw the wall next to the meeting room has sufficient plumbing in there. It would be easy to punch through and pull that water and sewer out of that wall.

Mr. Yuro stated the contractor just installed that as part of this project, specifically for that.

Mr. Veazey asked does it need to be competitively bid?

Mr. Haber responded no. It is under the threshold. By the District policies that have been adopted and the rules of procedure, you need to get competitive proposals. You do not need to offer the right to protest.

Mr. Veazey stated but we would like to get three bids with a scope.

Mr. Haber stated I think you have to identify what you want to use them for. It sounds like you have nearly done that and then you need to figure out what the scope is and get your bids and make a decision.

Mr. Thibault asked how long would it take to punch out a wall there?

Mr. Williams responded the whole room could probably be done in 10 days.

FIFTH ORDER OF BUSINESS

**Consideration of Renewal of Agreement
between CDD and Stingrays Swim Team**

Mr. Haber stated this agreement is included in your agenda package. It is an agreement the Board has approved on an annual basis. It is between the District and the St. Johns Stingray Swim Team. It details the relationship between the District and the swim team as it relates to the swim team using the pool. The most substantive change you will see from this years to last years is in the guidelines. It deals with the use of the pool by non-residents and it is just to update the grandfathering in policy that you guys adopted at the last meeting. It is just to say those swim team members that were grandfathered in last year, continue to be grandfathered in this year.

Mr. Hayes asked how many do we have left that are non-residents?

Mr. Oliver responded there are 10 to 12.

Ms. Bock asked have all of the people on the 2012 list been there since 2010?

Mr. David Binghi responded we don't have a 2012 list yet.

Ms. Mixson stated I have it right here. Everyone joined in 2010 and there are 12 swimmers that are non-residents.

Mr. Binghi stated we haven't done our registration yet, so we don't know if they will be here this next year.

On MOTION by Mr. Hayes seconded by Mr. Thibault with all in favor the Renewal Agreement with Stingrays Swim Team was approved.

Mr. Veazey asked do we want to do the time clock thing, while we are on the pool?

Mr. Armstrong responded I tried to measure the wall and the ligustrum tree got in my way and I couldn't get a proper measurement of how big the window was.

Mr. Hayes asked how big is the actual fixture?

Mr. Armstrong responded it is eight feet long and about a foot and a half to two feet tall.

Mr. Hayes stated because that tree is right there maybe put it to the left of the tree.

Mr. Armstrong stated per a conversation I had with Mike, if this is approved they were going to take that ligustrum out and put two trees on either side of the scoreboard.

Mr. Hayes asked so it would hide the posts a little better?

Mr. Armstrong responded correct. I talked to Colorado Timing Systems and we do have to use posts because we have to be able to reach back there to access the back panel if something goes bad. We can paint the posts to match the same color as the building, so it will blend in.

Mr. Hayes stated I like this idea.

Ms. Bock asked who is going to do this work?

Mr. Armstrong responded I am going to put the posts in. I am a general contractor. Then I will cement them in the ground. There is an electrical outlet directly in front of the stone wall. I talked to Mike about moving that outlet or putting an extension to it and bring it up to the wall, so that way all of the cords drop straight down with a piece of pvc pipe next to one of the pillars.

Mr. Veazey asked how are you hanging the scoreboard?

Mr. Armstrong responded it has screw holes on the back side of it that we can actually go straight into the 4x4's with it.

Mr. Veazey asked if we are cementing this in the ground, should we add a little bit to it and make it like a trellis, so when you take the scoreboard down it still looks aesthetically pleasing?

Mr. Armstrong responded my neighbor has one across the street that he did on the back side that covers the back windows. He put a trellis on top. I can take a picture of that and show it to you.

Ms. Bock stated we wouldn't let someone come and do something to the outside without a professional drawing.

Mr. Veazey stated I don't know if we can without insurance and all that stuff.

Mr. Haber stated before you made any decision it was going to be my recommendation that the Board get some sort of agreement with whoever is doing the work to protect yourself from liabilities. It would be a pretty straight forward and simple agreement. I don't know if you would need a permit for it.

Mr. Yuro stated no.

Ms. Bock asked what if we wanted a trellis like that?

Mr. Armstrong responded I would contract it out because I know I couldn't build that.

Mr. Veazey stated besides the trellis, I think we need to make sure it is the right scale. 4x4's might look a little skinny out there.

Mr. Armstrong asked how about I will take a picture of my neighbors trellis from both sides and I will send you the two pictures.? Then you can draw it. I will give you the exact measurements.

Mr. Yuro responded send me what you have and I will take a look at it.

Mr. Thibault stated I am okay with Tracy taking the lead on this.

Ms. Bock stated me too.

Mr. Haber asked who is going to be doing the actual installation?

Mr. Thibault asked would the current indemnification we have with the swim team cover this?

Mr. Haber responded I could add 10 words to this to be absolutely sure it does. What I would recommend is that by motion you authorize an amendment to it to include any improvements made to the swim area by the swim team.

Mr. Armstrong to the extent we went with this trellis, I would have a contractor do that for us with a contract that we will sign because now we are going beyond my scope.

Mr. Haber stated the way I would see that relationship work is the District isn't contracting with the contractor should you choose to do that. What this Board is saying is the agreement we are entering into with the swim team, the swim team would be responsible to the CDD, so you may want to make sure that any contract you enter into with a contractor that they are going to take care of you guys. You may even want to say the CDD is a third party beneficiary to your contractor contract. We would primarily be looking at you based on this agreement.

Ms. Bock asked what does the clock weigh?

Mr. Armstrong responded 30 pounds max. We would like to leave it up year round. If you all don't like it, we do have the capabilities to remove it and take it down for the winter.

Ms. Bock asked is it something that someone would like to steal?

Mr. Armstrong responded once it is put up, you can't steal it. We would like to make sure we have a seven outlet electrical plug by the wall.

Mr. Hayes asked so you have a timer for each lane?

Mr. Armstrong responded right. They said they each use an individual outlet. We can't daisy chain the power.

Mr. Veazey asked do they just hook on by a chain or do we have to design this trellis to be able to mount all of them?

Mr. Armstrong responded we can just stack them altogether.

Mr. Hayes asked but they attach altogether?

Mr. Armstrong responded they attach to the posts.

Mr. Binghi stated we are ready to move forward with the ordering of the lane lines. Is that going to Mike for ordering?

Mr. Oliver responded just get it to us and we will get it ordered.

Mr. Binghi asked are we okay about this wall over here?

Ms. Mixson responded Mike and I don't see a problem with it.

Mr. Binghi stated we are getting a new record board. We are going to take the old record board down. Then we are also going to be able to change it yearly, so everyone will know the meet schedule, in advance. We would like to do that on this wall here. We would like to take the old glass box and put it where the old record board used to be. It is going to be just like the other one but bigger. It will be St. Johns colors.

Mr. Veazey stated I just want to make sure they don't come in with colors that people are going to complain about.

Mr. Hayes asked do you have a picture of it?

Mr. Armstrong responded Buchanan Signs is actually designing it for us.

Mr. Haber asked once the stand is constructed is it owned by the District? This District usually handles business very formally. These swim team issues are being handled less formally.

Mr. Armstrong responded if we make the improvement and you guys tell us to take it down then we have to follow you because you own the pool. I would say leave the CDD out of it with respect to maintenance.

Mr. Haber stated the language I contemplated putting in there was just to indemnify for installation type things.

Mr. Yuro stated in regards to the guidelines of the swim team usage, number five talks about no swim team practices may be held on weekends or on days or times that the family pool is closed, unless the practice is held prior to the facility opening to the public. The only day the pool is closed is Monday.

Mr. Binghi stated we don't have practice on Mondays.

Mr. Yuro stated okay. I was just concerned because that is when we do heavy cleaning.

Mr. Veazey asked, "Wes, can you take the "unless" part of the sentence out?"

Mr. Haber responded yes.

<p>On MOTION by Mr. Hayes seconded by Mr. Thibault with all in favor the Agreement was approved in substantial form, subject to amendments to address the swim team's installation of certain improvements & authorizing Mr. Veazey to approve & execute the agreement to protect the interest as it relates to indemnification, ownership, maintenance, etc.</p>

Mr. Matt Barr stated just a thought instead of cementing in 4x4's, maybe you could use pins, so you could release them and they are not concreted to the ground.

Ms. Bock stated that is a good idea.

SIXTH ORDER OF BUSINESS

Consideration of Draft FY 2011 Audit

Mr. Oliver stated this is a draft of the Fiscal Year 2011 audit. Once the Board accepts it, we will send it to the auditor general and also provide it to the dissemination agent, in accordance with the bond indenture.

Mr. Thibault asked why is this opinion not dated if it is ready to go to the auditor general?

Mr. Oliver responded this is still a draft. They will put the date in it when it is in final form.

Mr. Thibault stated I know governmental accounting standards do not require a controls audit to be performed but I hear that is has been customary for not for profits and government type audits to add an additional paragraph to the opinion to show that they have done some kind of controls testing.

Mr. Oliver stated if you want the auditors to do that, you can put it in the engagement letter the next time. I don't have that for any of my districts but we can certainly engage them and have that added.

Mr. Thibault asked can you find out if they have done any controls testing?

Mr. Oliver responded I will. Inside the table of contents is the opinion letter. You will see that this is a clean audit. It states, "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities in each major fund of the District as of September 30, 2011, and the respective changes in financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America." Then you have management's discussion and analysis. On page 1 it states, "Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2011." Then on page 22 is the report on internal controls. The last sentence of the third paragraph says, "We did not identify any deficiencies in internal control of financial reporting that we consider to be material weaknesses as defined above."

Mr. Thibault stated that is what I was looking for.

Mr. Oliver stated at the top of page 24 you will see there were no current year findings or recommendations. Number eight on page 25 says, "The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes." You do have a clean audit. Typically, we have had the vice chairman review this a little closer and once he gives us the green light, we put it in final form and then send it out.

Mr. Thibault stated I took a look at where our investments are sitting and the Florida Prime. I know according to Florida Prime's financial statements, it says that they beat benchmark but it is all in short term low yield bonds. What are the rules on investments? I know we have had discussions before that we can't money on our funds because then it would require arbitrage.

Mr. Oliver responded that is tied to the bond funds. For the general fund, the yield is not an issue. You can earn as much yield as you can possibly get but the most important thing with these public funds is security, liquidity and then yield. It is very important that we protect these monies. Just a few years ago there were a lot of funds that were tied heavily to these real estate trusts and bundled mortgages, creating huge losses. Your funds are invested very conservatively and that is why we use the Florida State Board. Some of the funds are with US Bank but those are in treasury holdings. The State of Florida gives us very specific guidelines regarding investment of public funds.

Mr. Thibault stated if you look at the breakdown of who is in the funds, it is 100% government. It is all schools, cities, counties, etc. The beauty is, they are in short term, so as the interest rates start to grow as we experience inflation, we will start to see additional returns.

Mr. Oliver stated we did take a look at another District trying to lock into some five year CDs; however, the Chairperson, using her banking experience, advised that we just don't know how quickly the interest rates will go up and we don't want to be locked in at those lower rates.

On MOTION by Mr. Thibault seconded by Ms. Bock with all in favor the Draft FY 2011 Audit was accepted, subject to review by Vice Chairman.

SEVENTH ORDER OF BUSINESS

Discussion of St. Johns County/DOT Roadway Improvements

Mr. Haber stated there are additional documents under the attorney report that relate to this. What you will see under section seven is an email from Cecilia Aldridge, who is with St. Johns County. In connection with the improvements the County is looking to do out on County Road 210, FPL needs an easement. We were provided with a copy of that easement. We marked it up and sent a proposed easement back, saying it is fine but we need these protections. The protections that we included in our draft, in large part, before FPL did work out there they needed to give us notice. We need to have an understanding of what they are doing. They would have limitations on cutting shrubs. In large part, it is to protect the District to make sure they are not damaging our property. I didn't hear anything for a long period of time and then we received this email that said sorry, FPL does not negotiate their form of easement. What I have included in your agenda package behind tab eight is a copy of the FPL form easement. It has been awhile since this Board has seen it. You will see that it does grant FPL very broad

authority without the protections that we originally asked for when we were negotiating the easement. It gives them the right to reconstruct, improve, add, enlarge and change voltage. In the next paragraph it talks about the right to clear the land and to keep it cleared of all trees, undergrowth and other obstructions. The reality is that often times when a development is starting, a Developer needs FPL's services, so FPL says we are not negotiating these easements. In this case it is the County that needs FPL in here. It is not the CDD. Could we say no? Yes. The fact of the matter is, utilities have eminent domain powers, as well, so they could seek to get the easement rights via eminent domain. The impact that would have on the District is hard to say at this point. It has been my experience that FPL has not abused the powers that they are granted. They do what they tell you they are going to do but you are leaving yourself with an easement that is out there forever, where they do have these very broad rights to go in there and rip down shrubs and make changes to those improvements. It is not without risk and I couldn't tell you it is without risk. In my experience, I don't see FPL taking advantage of this wide range of latitude that they are being given.

Mr. Yuro stated one of my biggest concerns about this is not so much the vegetation clearing but it says they reserve the right to go above or underground utilities. St. Joe spent a lot of money when the neighborhood was developed to underground our front entrance. If you notice everyone else on either side of us has above ground poles. That concerns me because with the widening of the road, it would be much cheaper for them to come back with above ground poles.

Mr. Haber stated it is possible that the County may have some ability to persuade FPL to do one thing or the other. Where you see the pink that I tried to highlight is sort of the measures of protection I saw, including such things as indemnification.

Mr. Veazey stated I think we negotiated some down at Six Mile Creek. This easement runs parallel to County Road 210?

Mr. Yuro responded it runs parallel to 210 but then it turns up our entry road up to just about where those center medians stop.

Mr. Veazey asked are there any wooded lands that they could actually timber or take down?

Mr. Yuro responded we have landscaping there. Where it looks like it is showing is coming up along the landscaping as you come along the neighborhood on the right. It is to feed

their new pumps that they need for the pond. It is coming up 210 from where Jenks is and then it is turning. If it is underground and they went behind our entry landscaping then that is not a big deal but I certainly wouldn't want to give them the ability to put six power poles in at the front.

Mr. Veazey stated and typically they will put in Bahia, not St. Augustine grass, which matches our grass.

Ms. Bock asked what would they do if we won't sign theirs?

Mr. Haber responded I think they can take it by eminent domain. I am comfortable with ongoing negotiations and I can go back with a proposal. My firm represents FPL on some very large issues, so there would be a conflict there. I could call them back and say this is what my Board wants to do and they could come back and say no and I think we are okay but if we say no and they sue us for eminent domain, I would have to recommend that you hire separate counsel to work on that particular issue. You would have to sign a waiver for me to represent you on unrelated issues.

Mr. Hayes asked can we draft a letter of our concerns and put it forth to them?

Mr. Haber responded yes. I think what they are clearly saying is they are not going to enter into this. I am comfortable with going back and saying it has to be underground and you have to put St. Augustine grass in, instead of Bahia.

Mr. Thibault stated my position is, we have an agreement with the County that says we will allow them to use the pond. They will restore our area aesthetically and functionally as it is currently.

Mr. Haber stated one thing we may be able to do is to negotiate with the County to say you are also going to take the responsibility for FPL, so if FPL comes in there and tears it up then it is the County's responsibility to fix it. Maybe that is how we do it. I don't know if we can deal with the overhead underground issue, unless the County says if FPL will only do it overhead then the County foots the bill to do the extra underground. It is really a County problem. It shouldn't be your problem.

Mr. Yuro stated FPL is going to get a price for overhead. If the Developer wants to put it underground, the Developer is paying the cost difference.

Mr. Haber stated so maybe we tell the County, we need you to tell FPL to pay the extra dollars to get it underground. We don't have a signed agreement with the County yet and we can make this part of the negotiations with the County.

On MOTION by Ms. Bock seconded by Mr. Hayes with all in favor to Authorize Mr. Thibault to Work with County & Attorney to Negotiate Agreement was approved.

EIGHTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

NINTH ORDER OF BUSINESS Staff Reports

A. Attorney

Mr. Haber stated I got a call from St. Joe today to say they are no longer requesting that the District take this property. They were asking the District to take these two parcels; one is a lift station and one is a conservation easement. They finally convinced JEA to take the lift station parcels, so they no longer want us to take it. The other tract, they are not looking for the District to take and the reason they told me they are not looking for the District to take it is because apparently, the District already owns it. I haven't had the opportunity to independently verify that. We either own it or we don't from that first transaction but either way they are looking for us to take it if we don't already own it.

Mr. Veazey stated on the lift station, we have landscaping around that lift station that I believe we maintain. I don't know if we need to make sure that we can go on there and maintain that landscaping.

Mr. Haber stated I will give St. Joe a call because as I understand JEA doesn't own it yet.

B. Engineer/Property Manager

Mr. Yuro stated the restrooms are going to be completed by Friday. The tennis courts were repainted again. We had some issues with when they put the fiberglass on the cracks to prevent the cracks from coming through, some of that fiberglass was peeling, so they came back out and they repainted it and redid all four courts again.

Mr. Hayes asked is just repainting them going to solve that problem?

Mr. Yuro responded they repaired those issues and then they repainted the whole court.

Mr. Oliver stated initially they were just going to make the repairs but Mike stayed on top of them until they agree to repaint the courts.

Mr. Yuro stated fortunately we have a much better product now. It looks great. All of the ADA improvements are complete. The lift is installed. The double handrails are in position. The sidewalks have been put in. We take care of the mulch and clean up of the shrubbery around

the pool area. We are getting ready to open up the pool area for spring break. The lifeguards came out yesterday and had an orientation meeting.

Mr. Hayes asked did we get the wind screens from the same company that did the courts or did we order them from someone else?

Mr. Yuro responded same company.

Mr. Hayes asked why is it that we would go into an agreement with them and then we have to pay you to install them? Why wasn't it in the deal for them to install them?

Mr. Yuro responded because it was less than half the price. It was \$1,800 for them to install the windscreens. My price was significantly less than that.

Mr. Hayes stated I would agree with your hours but I don't remember seeing that in the agreement though.

Mr. Yuro stated because we didn't enter into the agreement because that is how much it was going to cost.

Mr. Hayes stated but their proposal didn't say anything about installing them. For future purposes have that broken out, so if it is cheaper for us to have you do it then that would be the way to do it.

Mr. Yuro stated I would be happy to show you the original proposal.

Mr. Hayes stated that is fine.

C. Manager

Mr. Oliver stated at the end of this meeting, we will likely continue it to April 25th. Until we get through this construction period, we want to continue to meet once a month.

D. Art of Living Director

Ms. Mixson stated we had the spring fling on Sunday. It was pretty successful. There was probably 300 people at it. The Easter egg hunt was very successful. I got really good feedback. Movie night was cancelled on Friday, due to the rain. We are going to reschedule that for April 13th. We also have the garage sale on April 21st. The 5K run is scheduled for May 19th. We are going to do a Memorial Day dive in movie at the pool and then we have etiquette classes, as well.

Mr. Veazey asked is the 5K run benefitting someone?

Ms. Mixson responded it kind of stemmed from an idea that Tracy had and that was to do a fair with the fitness center opening, so I decided to do a run and then do a health fair. There are going to be vendors out here that are all healthcare related. The idea is that the fitness center is open and the trainers will be on hand to walk people through the gym and show them the new equipment. We are going to have drawings for free personal training sessions, etc. If the fitness center is not open then we will just do all of that other stuff.

TENTH ORDER OF BUSINESS**Supervisors' Requests**

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS**Audience Comments**

Mr. Milford Rathjen asked did you say there was an open doorway between this area and the fitness center?

Mr. Hayes responded right.

Mr. Rathjen asked will there be no doors?

Ms. Mixson responded there will be doors.

Mr. Matt Barr asked are the fitness trainers that you said will be showing us around, are they fitness trainers for the community or are they personal trainers?

Mr. Oliver responded the District does have a contract with these fitness trainers and in exchange for that contract, they are nonexclusive but they have to provide certain documents, such as liability insurance, to protect the District and its residents.

Mr. Barr asked and they are just for personal use and not for the community?

Mr. Oliver responded exactly, it is a service provided to the community residents at no cost to the District. The District does not get any of those funds that are generated by the personal fitness trainers. Payment flows directly from user to vendor.

Mr. Barr asked so the personal trainers that come here and work with the individuals are using our gym and our equipment, where no benefit comes to us as residents?

Mr. Oliver responded the benefit is to the residents that use those services. For instance, there are other communities that pay for a fitness trainer. Our hope is that by the District not serving as a middleman between users and vendors, our residents pay more competitive fees.

Mr. Haber stated the other thing to take into consideration is that only people, who are residents or paid users are supposed to be using these facilities. These fitness trainers entered into an agreement with the District, whereby they are providing insurance and they are indemnifying the District. We are getting certain protections. They are not charging us and we are not charging them.

Mr. Hayes stated the secondary benefit is they do look after the facilities to a certain extent.

Mr. Matt Barr asked but they have their own lockers in there, where they can keep their own personal stuff, so is that going to be accessible to us as residents?

Ms. Mixson responded they bought their own storage facilities. That is not something the CDD provided to them.

Mr. Thibault stated the thing you have to realize is any person is allowed to bring a guest to use the facilities, so someone could go out and contract with a personal trainer that is not already here and then there is no contract and no indemnification.

Mr. Matt Barr asked is that something we would like to keep that way? Are we going to get a slice of the pie?

Mr. Hayes responded if they have a class and no one shows up then we are still paying them, so right now, we don't have enough information to say we know there is going to be 10 to 15 people for that aerobics class, so we can afford to pay someone x amount of dollars. Right now, if her class doesn't show up then it is her hour of loss and not ours.

Mr. Veazey stated I think it is something that the Board needs to look at with the new gym.

TWELFTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending February 29, 2012

Mr. Oliver stated included in your agenda package is the balance sheet and income statement.

B. Check Run Summary

1. General Fund

Mr. Oliver stated included in your agenda package is the general fund check run summary.

On MOTION by Ms. Bock seconded by Mr. Veazey with all in favor the General Fund Check Run Summary was approved.

2. Capital Reserve Fund

Mr. Oliver stated included in your agenda package is the check register for the capital reserve fund. Most of these are associated with the fitness expansion.

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

C. Special Assessment Receipts

Mr. Oliver stated included in your agenda package is the special assessment receipt schedule. You have a collection rate of 95.86%.

THIRTEENTH ORDER OF BUSINESS Next Meeting Scheduled – May 23, 2012 at 6:00 p.m.

Mr. Oliver stated the next regularly scheduled meeting is May 23, 2012 at 6:00 p.m. but we are going to continue this meeting.

On MOTION by Ms. Bock seconded by Mr. Veazey with all in favor the Meeting was Continued to April 25, 2012 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