

MINUTES OF MEETING  
SAMPSON CREEK COMMUNITY DEVELOPMENT DISTRICT

A continued meeting of May 23, 2012 of the Board of Supervisors of the Sampson Creek Community Development District was reconvened on Wednesday, June 27, 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
Tracy Hayes	Supervisor
Mike Veazey	Supervisor

Also present were:

James Oliver	District Manager
Wes Haber	District Counsel (by phone)
Mike Yuro	District Engineer
Erin Mixson	Art of Living Director
Mike Lucas	Basham and Lucas Design Group
Michael Holder	Michael G. Holder, Inc.
Residents	

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Discussion of Matters Relating to  
Construction of Fitness Center Expansion**

**A. Construction Update**

Mr. Yuro stated we are pretty close to being complete. We generated punch list items for the contractor to address on the inside of the building, outside of the building and the restrooms. This past couple of weeks the landscaping has all been installed with the exception of the annuals out in the very front. I am meeting with the landscaper on Friday morning. We are going to discuss that aspect of it. We have been close to completion for quite some time now. We had an early conversation this morning with Wes.

Mr. Haber stated I have had conversations with both Mike Yuro and Mike Veazey regarding the status of the completion of the project and I have been copied on a number of

emails. As I understand it, the contractor failed to meet the substantial completion date as set forth in the agreement and has been somewhat nonresponsive on the measures to complete the total project, including punch list items. It is also my understanding that a representative of the contractor is present. It is certainly appropriate for that representative to provide the Board with an update regarding the status. With that said, I want to make it clear that the District, based on the emails that I have seen and the conversations I have had, has made every effort to resolve the completion issues and the delay issues as cordially as possible with only a mild level of success. I want to make sure the Board understands that failure to complete and the delay that the Board and District has been experiencing in getting the total job complete, puts the contractor in breach of the agreement. If it becomes necessary, the District certainly has the ability to enforce all of its rights and remedies under the agreement. At this point I am certainly not making any recommendation for any particular legal action; however, depending upon the status update we get from the contractor today and the future performance that we see to get the project complete as quickly as possible, there are options that the Board may need to explore as it relates to rights and remedies under the agreement, in light of the contractors current breach. What I think makes sense for purposes of this meeting is for the Board to get an understanding of where we are. To the extent that the Board is so inclined, continue to try and get this done as cordially and as quickly as possible and then see where we are and evaluate what actions the Board needs to take to bring it in to an official closing.

Mr. Thibault stated I believe I brought up this point back in March and again in April about the delays because we started to see them compounded back then. It was said that there were no liquidated damages in the contract. If there are no liquidated damages in the contract then what are the remedies that the Board can take for the delay of the opening? Also, did we experience any liquidated damages from Sears for the delay of the installation of the equipment?

Mr. Haber responded you are correct. We did not provide for liquidated damages in the contract. That was an intentional decision. I think we addressed at a previous meeting, that if you put in your RFP package that there will be liquidated damages or in the proposed contract then the proposals you are going to receive are going to be a little more costly because they are going to take that into consideration. Just because a contract does not have liquidated damages, it does not mean that the District is without recourse to pursue remedies for damages that it sustained as a result of the delay. The contract is clear that time is of the essence to get the job

complete and that the District is entitled to damages for delays. With that said, I don't know if this meeting is necessarily the right time to discuss what those damages would be. I think it is very safe to say that I think in light of what I have been told the facts are today, the District would have a strong case under the terms of the agreement to successfully bring a cause of action for damages as a result of the delay. What we don't have is a detailed amount per day in the agreement because we did not specify liquidated damages. That does not mean we are not entitled to damages. I do not believe that there has been any charge on the part of Sears for any delay in their part in delivering and installing the exercise equipment. It is my understanding that has been done and they got paid the amount we contracted for without any penalty to the District.

Mr. Yuro stated that is my understanding too. I haven't seen any additional charge or request for additional payment from Sears at all.

Mr. Veazey stated on June 15<sup>th</sup> Mike Lucas did a walk through with Michael Holder and they did a punch list of the facility inside and out and the bathrooms. We re-walked it today and a lot of the items were not complete to our satisfaction. I sent an email out saying we need to get this done. I guess that brings us to Michael Holder and where you stand. I know Jason sent me an email this afternoon saying that you had the drywall and paint contractor coming back tomorrow. Where do we stand with CO and getting the whole project done and what is the date?

Mr. Holder responded the drywall and paint guys will be here tomorrow. Here is the process as I understand the process for the County and the CO. The asbuilt drawing I will get from the surveyor sometime tomorrow or at the latest Friday morning for Mike to review because he has a conflict with the information that Mike gave him and the information that we established. I told him to get it all together and then I will let Mike review it. Once Mike reviews it, I will get it back to him and if there are any changes then he will certify the survey, which then I will get back to Mike and it will probably be Monday at the earliest. I don't have any idea what happens after that other than Mike has to do whatever he does. If that is done by Tuesday the 3<sup>rd</sup> then I will turn it into St. Johns County. The parking lot has to be painted before, which that guy is scheduled here sometime next week. Because of all of the rain, they are all backed up. After that they will issue a CO. I would imagine that will be the end of next week.

Mr. Veazey asked do you know what happens with the County with the asbuilts?

Mr. Yuro responded the County is going to need to review the asbuilts. They will be looking for a certification of substantial compliance from the engineer basically saying that they have completed the site work substantially in compliance with the plans. I will be able to provide that as soon as I can look at the asbuilt drawings. Once the County reviews those, they will take that hold off of their list.

Mr. Holder stated that is the only hold that is left to my knowledge. The building inspector has already been here, so everything else is done other than I had to call him to release a 123, which is a building final. He can't do that because of all of these holes for the landscaping and all that other stuff was done last week when they finished the landscaping. The asbuilt is the only thing left and I have no idea how long it takes them. In a perfect world, it should take a day or so.

Mr. Thibault asked what is the basis behind this asbuilt?

Mr. Yuro responded it is a requirement for any commercial development. It is part of the routine requirements that an asbuilt survey be done at the completion of the project, so that it can be reviewed by the site designer to confirm that they built it in accordance with the plans. Often times the asbuilts will have slight discrepancies in elevations but as long as the general intent is there then it is okay.

Mr. Thibault asked so they confirm we are using it as a gym?

Mr. Yuro responded no. We are talking about an asbuilt, as far as the slope of the ground is going away from the building and towards the inlets. They want to know we are not creating a pond, where its not supposed to be.

Mr. Thibault asked have we attempted that already and got denied.

Mr. Holder stated from the information that Mike had the guys get when they were here, I don't anticipate a problem. The problem was with the old data that he had that he used to generate the plans. When you superimpose the new stuff, there was a conflict. They didn't match up, so they have to now recreate the document and then make sure that those conflicts aren't an issue for him.

Ms. Bock asked would Mike Lucas have the answer to what happens at the County?

Mr. Yuro responded potentially. The question we are trying to understand from a County perspective is what is left in order to get a CO. We understand we have the asbuilt, as far as the site work goes. Mike is going to get me the asbuilt drawing in the next day or two and we will

get it turned around and get it to the County early next week. From the rest of the building elements, is there anything else that you are aware of that may be holding us up?

Mr. Lucas responded no. The certificate of substantial completion is what I was talking to Mike about earlier. It is just sort of a generic guideline when all of the warranties go into the place. Mike doesn't want me to issue the certificate of substantial completion until the painting is done and at that point I will issue it. It is when the warranty starts.

Mr. Thibault asked so those could happen at the same time?

Mr. Holder responded yes.

Mr. Lucas stated the County doesn't see it. It is only an internal document.

Mr. Yuro stated we are really just waiting for the asbuilt to be completed, so we can get that last hold released and get the CO from the County.

Mr. Thibault asked what has been the delay?

Mr. Yuro responded I would have to defer to the contractor.

Mr. Thibault stated I haven't been to a meeting since we knew we were going to fail in May, so I haven't been a part of this. I am curious to know what the delay has been.

Mr. Holder stated there was a two week delay in delivery of the stone in order to finish the stone, which was beyond my control. When we ordered the pavers, which is normally a two to three day delivery, they were two weeks behind because of some failure in their plant. Trimron is the only people around here to get pavers from. You are at their mercy. They deliver them when they are ready. Then Mike had to change the design of the front, in order to match the elevations.

Mr. Yuro stated the step had nothing to do with the delay. The pavers had to be redone anyways.

Mr. Holder stated the pavers had to be redone but the original delay was because we didn't have the pavers here.

Mr. Veazey stated since the slow done, contractors have known that stone, pavers, etc. need to be ordered way earlier than three days before. Trimron and those manufacturers used to stock everything because everyone would take it off the lot quickly back in 2005/2006. Since that time, you have needed to order those when you start a job or halfway through a job. Quite honestly, I think all of that stuff should have been ordered way before it was time to deliver it to the job. It has been four or five years that contractors have known that.

Ms. Bock asked have you been involved in this on a day to day basis?

Mr. Holder responded yes.

Ms. Bock asked so you are the one that is here?

Mr. Holder responded yes.

Ms. Bock stated I am just surprised that we are sitting here and we don't know what happens when it goes to the County, like it is the first time you have ever built one and I know you have done this before.

Mr. Holder stated I have done this before. I know that when I turn it into them, they review it and I know that they send a guy back out here but I don't know what that timeframe is. It is different every time. In other words, I know what I have to do but then it is up to them after that.

Ms. Bock asked so are we trying to establish a date that we think this thing will be open?

Mr. Veazey responded absolutely but that was just the CO part. We still have to have the contractor finish the job. The finishes to the quality that we think they should be. We brought in Mike today. He did the list and brought it back again today. Mike Holder knows where we stand but I think for the last two weeks, since the last walk through, it is generally in the same condition as it was 10 days ago. The question I have for you is when do you think you can get your subs back to finish the job to industry standards and get it done, so we can start using the facility?

Mr. Holder responded I would expect that we would be finished before we get the CO. I can't imagine it will take them that long.

Mr. Thibault asked how much work has been done on it this week? How many people have been here this week working on this original punch list?

Mr. Yuro responded most of the punch list items for the last couple of weeks, Mike has been addressing himself. I think what we found today is there is a number of things that he has addressed but as Mike Veazey just said, they are not to the level of quality that we would expect, so some of that stuff that has been addressed needs to be readdressed.

Ms. Bock asked do you have an issue with our standards? Why do we think it is not up to standard and you think it is?

Mr. Holder responded just the way different people look at things. I will fix it the way you want it.

Mr. Veazey stated you need to keep Mike Yuro informed and if we need to walk it next Friday to try and see if it is done then that is fine. I think you need to hold the hands of these subs, like we did today by walking item by item. It is really you standing here tomorrow and going item to item to item with the painter and everyone and making sure it gets done.

Mr. Holder stated I will be here.

Mr. Thibault asked are we legal to use the restrooms?

Mr. Holder responded yes.

Mr. Veazey stated most of it is cosmetic.

Mr. Holder stated there was only a plumbing permit.

Mr. Veazey stated I think we are fine.

Mr. Haber stated when we meet again in July, you can certainly address this issue again on the 25<sup>th</sup>. Certainly, we hope that we are done and the facility is up and running. I know we have had dates thrown out here, as far as the CO and final completion. If you think it would help to keep the pressure on, this Board can certainly authorize a Board member to monitor it with keeping in touch with Mike Yuro. To the extent that the delay continues and he is unsatisfied with the status of the project to authorize my office to take the necessary actions, whether it is a demand letter or the institution of further legal action. You could always call a special meeting.

Mr. Oliver stated another option is to continue this meeting to July 11<sup>th</sup>.

Mr. Veazey stated I certainly hope we don't come here on July 25<sup>th</sup> and it is not open.

Mr. Thibault stated I drive away from this community for good on July 14<sup>th</sup>. If I don't get to lift one weight or take one step on the treadmill, I am going to be very, very upset.

### **B. Update Regarding of Purchase of Fitness Equipment**

Mr. Yuro stated the fitness equipment has been delivered and installed. There were two minor defects. There is a crack on the bottom of one of the treadmills and one of the feet on one of the machines had a nick on it. The replacement parts have already been delivered.

Mr. Haber stated to the extent that there is any discussion needed, with respect to what we want to do with the old equipment, I think it fits under this agenda item.

Mr. Oliver stated we talked in several meetings about the disposal of the existing equipment. I know that Mike Veazey brought up the option that there are companies out there that will pick it up and ship it other places. I think someone looked at that and gave us an

estimate of the overall value as \$2,500. One of the options suggested by Tracy was that it be donated to a nonprofit.

Mr. Hayes stated The Sulzbacher Center is a homeless shelter downtown. They are in the midst of building a dorm just for veterans, which they hope to have finished by the end of the year. A friend of mine does a lot of volunteer work down there and it came to mind to ask him if they would be interested in it. Their director got back to me and they are interested in the equipment.

Mr. Thibault stated I would rather do that.

Mr. Veazey asked the only question is timing and are they going to come get it?

Mr. Hayes responded they will come and get it. I told them it would probably be another three or four weeks but that was a week or 10 days ago.

Mr. Oliver stated Wes has prepared a resolution that you have in front of you. It does discuss some of the requirements for disposal of government owned equipment. One of the keys is you need to have a cumulative value of less than \$5,000.

Mr. Haber stated that is accurate. There are two findings that need to be made. A finding that the equipment that is going to be sold or donated is either obsolete, uneconomical, inefficient to maintain or does not serve a useful function. I think the old equipment falls within that description. The other finding is that the old equipment is valued at \$5,000 or less, which I understand we have an offer of \$2,500. I think Mike Yuro indicated that someone came to look at it. I don't know if he was able to get a number from them or not. I think we are probably safe relying on the quote we got for making those findings, especially if the ultimate decision is to donate as opposed to sell the property. The resolution that Jim passed out makes the findings prescribed by Florida law in order to provide the District the flexibility to determine what it wants to do with the equipment.

Mr. Oliver stated Mike may be providing additional information in the next day or so. If you were to approve this, it could be provisionally approved.

Mr. Yuro stated we have one company coming to look at it and they offered plus or minus \$2,500 to us and they would take it all. We did have a second company come out earlier this week, so I want to get back in touch with them to see if they have a similar value and if they do then I think we can all be fairly comfortable with it being less than \$5,000 and then you guys have that flexibility.

Ms. Bock asked so could we approve the non profit homeless shelter donation?

Mr. Oliver stated you could adopt this resolution subject to confirmation that the second offer has a value less than \$5,000.

Mr. Thibault asked what if it comes in at a value more than \$5,000?

Mr. Haber responded if it is greater than \$5,000 there is a notice that needs to be done but I don't think you are able to donate it. To the extent that the decision is that it wants to be donated, I think you can approve that and then subject to the value we can either do the notice or not do the notice.

Mr. Thibault stated I think if we had to put a notice out that we were donating it to the non profit homeless shelter, I think the community would be okay with that.

On MOTION by Hayes seconded by Ms. Bock with all in favor Resolution 2012-05 to Donate Fitness Equipment Valued at Less Than \$5,000 was approved.
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**C. Consideration of Change Orders**

Mr. Yuro stated at the last Board meeting, the Board did approve a change order for Michael Holder's contract based on the renovation of this room. It was taking out the kitchen area and building a wall and a closet and doing the floors. In light of the issues that we have been experiencing for the last month and a half, I think staff and some Board members have some concerns about that. The amendment has not been executed yet. I want to at least bring it back to the Board to see if we wanted to entertain other options for this room before exercising the amendment with the current contractor.

Ms. Bock stated I would definitely be against giving someone more of our work when they can't deliver what we gave them already.

Mr. Hayes stated this project would probably take a week if everyone was here on time and did it but obviously, you have the kids in here.

Ms. Mixson stated as long as the equipment is gone, we can use that space.

Mr. Hayes stated I am almost thinking let's wait until school starts.

Ms. Mixson stated it would be better if we could complete it sooner because right now, we are sharing the room between classes and camp and it is extremely disruptive to classes when we have camp. Originally the thought was that we would have two rooms by summer and obviously that hasn't happened.

Mr. Yuro stated as soon as this gets open then Tracy can get with the people from the non profit homeless shelter and get them to get that equipment out. Once that is open we can get that equipment out and then if this construction doesn't happen until a little bit later you still have two rooms.

Mr. Veazey stated I definitely agree with Rose and we shouldn't give them more work. They were half as much as anyone else. I think we should look at a couple other small contractors to get some more bids on this. Holder was at \$6,800 and the next closest guy was at \$13,400. The main thing is the flooring but I think if we had time to go out and get a couple more bids that would make sense.

Mr. Thibault stated I think I remember someone telling me that one of those higher bids, they were going to have Holder do the work. Maybe we ought to be careful about that.

Mr. Veazey stated that goes in line with getting a couple more bids. I think it can be done for less than the \$13,400. Even if we have to do all of the drywall and the flooring ourselves, then I think we can do it for less than \$13,400.

Ms. Bock asked do we need to put out some kind of notice to get new bids?

Mr. Oliver responded I think we can make a motion to revoke the change order awarded to Michael Holder for renovations to the meeting rooms. Then Mike can simply get proposals.

On MOTION Ms. Bock seconded by Mr. Thibault with all in favor to Revoke the Change Order Regarding Meeting Room Renovations with Michael Holder was approved.
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Mr. Lucas asked has Mike fixed those doors yet?

Mr. Yuro responded no.

Mr. Lucas asked do we want to get whoever is chosen for this to also fix those?

Mr. Yuro responded we certainly can. The whole idea behind him fixing those doors is we were trying to get it done as quickly as possible.

Mr. Thibault stated that was a change order that we added to the original contract in December or January.

Mr. Yuro stated right and it still hasn't been done.

Mr. Thibault stated and he convinced us that we only needed hardware.

Mr. Yuro stated at this point I can tell him not to do that part and we can take that off of his current contract, as well.

Mr. Thibault asked how much is left that is owed on this?

Mr. Yuro responded that takes us to the next item.

**D. Approval of Pay Requests/Cost to Complete Schedule**

Mr. Yuro stated he submitted a pay request today. I don't think Mike Lucas has had a chance to review it yet. There are a couple of items on there that I have flagged that I am not comfortable with, so in my opinion he has to resubmit if he wants a pay out to be processed. There is currently \$74,000 outstanding. That would include what he is currently requesting.

Mr. Thibault asked what was the contract with the change orders?

Mr. Yuro responded \$333,808. There were a couple of change orders because we added the windows and some of the plumbing. The original contract was \$317,130. We had \$16,677 in change orders. The total contract sum is \$333,808, including retainage because with every pay app we hold 10% retainage on it, so including retainage there is \$74,000. That \$74,000 includes \$32,000 worth of retainage.

Ms. Mixson asked does that include the credits they gave us?

Mr. Yuro responded not yet.

Mr. Thibault asked what credit?

Mr. Yuro responded there are a couple of credits for sodding because we had the landscaper do the sod, so we took it out of his contract. We provided the light fixtures on the front of the building because we happened to have two in the storage closet. There is probably \$4,000 worth of credit that we are going to get back.

Mr. Thibault stated 22% is what remains outstanding that he thinks we owe him. Is that bill for \$74,000?

Mr. Yuro responded this bill is for \$41,870, which gets him almost 100% complete because there is \$32,000 in retainage that we are going to hold until everything is totally complete. He was billing almost 100% on everything.

Mr. Veazey stated they can either resubmit a pay app that has items 100% complete if it is accurate but I think we need to pay that if Mike and Mike sign off on it being 100% complete. I think we need to pay that pay app, right?

Mr. Haber responded that is accurate. If they are submitting a valid pay app for items that are 100% complete then we have an obligation under the contract to pay it. What we don't have an obligation to do is pay an application that is erroneous and seeking payment for things that aren't complete.

Mr. Veazey asked so basically if they want money they need to resubmit?

Mr. Haber responded correct.

Mr. Thibault stated or finished. If they come in tomorrow and knocked out their punch list and finished everything, would that bill be valid?

Mr. Yuro responded yes.

Mr. Oliver stated I say let's go through the normal approval cycle with the certifications and then we will take the appropriate action and we will ratify that at the next meeting.

#### **E. Consideration of Other Construction Related Improvements**

Mr. Yuro stated at the last meeting we had a price from one contractor to install kitchen cabinets in the new party room, once the fitness room comes out. The Board approved the painter contract but I went ahead and got additional quotes for the kitchen cabinets. J&M Distributors is who I initially talked to and they provided the sketch. Then I used that as the basis to get a couple more prices. We have a price from J&M Distributors for \$3,564 and that includes the cabinets with a countertop and upper level cabinets. It includes a granite countertop, as well. You can see the number from Davilon Interior for the same scope of work and Kerry Construction came in at \$3,834. The two low bidders are just a couple hundred dollars apart. I am told the countertop is just a type of granite. It is a darker granite.

Mr. Thibault asked wasn't Davilon the one that was double on the other stuff?

Mr. Yuro responded they were pretty expensive on the other stuff. The idea from a scheduling standpoint is once that equipment can get out of that other room, we would get in there with the cabinet work and then do the painting. Then that room is ready for camps or whatever else we need.

Mr. Hayes asked do we want to put countertops in over the top of that floor and then say no, we really want to re-do the floor now?

Mr. Veazey responded we can approve it and then just not order it until we see the floors. We can wait or we can do that. J&M typically doesn't do flooring.

Mr. Yuro stated my understanding is J&M is a cabinet distributor. The other two are general contractors, so I am fairly certain they would do floors.

Mr. Thibault asked we are talking about 800 square feet, so how much would it cost?

Mr. Veazey responded you could always go directly to a flooring contractor.

Mr. Veazey asked what about the quartz or granite?

Mr. Thibault asked quartz is not porous, right?

Mr. Veazey responded Joe from J&M recommended the quartz. He definitely didn't recommend a solid surface because if you spill wine it stains. He said quartz will never stain. If you are going with a dark granite then you are never going to see it.

Mr. Thibault stated quartz is nonporous and granite is porous. Technically, you are supposed to seal your granite but not everyone does. The reason you are supposed to seal it is because germs will get down in there. You are not going to have that problem with quartz. My recommendation would be the quartz.

Mr. Veazey stated I agree.

Mr. Thibault stated it looks exactly the same.

Mr. Hayes asked so is it a \$300 difference or a \$1,200 difference?

Mr. Yuro responded my understanding is it is a \$300 difference.

On MOTION by Mr. Veazey seconded by Ms. Bock with all in favor the Proposal from J&M Distributors for Cabinets in Party Room with Quartz Countertop was approved.
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Mr. Yuro stated we talked last time about sound systems. I got four different contractors and I explained to them all the same outcome we were after. We were looking to have music in this fitness room for aerobics, music in the party room and the ability of each to share that music outside on the patio. The prices that you see, what most of these contractors are quoting now is a system that has an in the wall keypad, so there will be a centralized receiver. There will be ipod docks in each room and then whoever is in the room will have a keypad that they can select the source and then plug in their ipod and play the music through that area or project it out to the patios. I have sent them all an email and asked them to give me a couple of sentences that gives me a summary of your systems, so you can better understand it. First Coast Audio/Video is Rob Gale.

Ms. Mixson stated and he actually installed the original system in here.

Mr. Yuro stated several of them came out and looked at it. Several of them checked the existing speakers to see what they could reuse. They have all looked at it differently. They look to be all comparable systems that can get us sound in each room that you are going to be able to select and play. The prices range from \$6,500 to \$8,200. The idea was we were looking to have multiple zones, so if you are in here and you want to play music in here or outside the key pad can turn them on that way.

Mr. Thibault asked will these two systems be connected in any way?

Mr. Yuro responded yes.

Mr. Thibault asked I mean the other room and this room?

Mr. Yuro responded most of these we are considering using a centralized turner receiver, so you don't have to buy multiple receivers.

Mr. Thibault stated my only concern is what if we have two parties and we only have one receiver.

Mr. Yuro stated they described it as very user friendly and able to mitigate for that.

Mr. Veazey stated you can do two different sources. What we had talked about is the party room having the keypad in there and just being that party room. It wouldn't go outside or anywhere else, so that way you wouldn't have people battling. The keypad in here would be the one that the lifeguards could turn on if we wanted music outside. The fitness instructors in here would be able to dock their ipods to do the music they wanted. I don't think you can do four sources but I think you could definitely do a party over there with their own music inside and be putting music out to the pool or doing classes in here. I met with Habitech and Mike and that is what we talked about would happen.

Mr. Yuro stated initially it was about \$11,000 or \$12,000 and we went back to each of the ones that bid it before and asked what we could do to make it less expensive and still achieve what we are after.

Ms. Bock asked does training come with this?

Mr. Yuro responded a couple of them specifically mentioned it.

Mr. Hayes asked does someone who is controlling it actually have to have a pin number to get in there?

Mr. Yuro responded I think they do. I have seen them in other places they do.

Mr. Veazey stated the thought was to put the keypads in this locked area and that locked area.

Mr. Yuro stated keep in mind a couple of these proposals at the bottom included a wireless system that I ended up deducting out because after talking to a couple of them we realized that is probably unnecessary and won't really work with the way the sound is projected. The total on the summary sheet, I deducted it out.

Mr. Thibault stated after reading these, the Habitech seems to be giving more. For example, they have the four zone multi channel amplifier and for their tuners they have am/fm and Sirius.

Mr. Veazey stated he does all of the ICI stuff. They are a separate company from ICI. They do all of their in-home theaters. They do commercial stuff too. They actually did the work at Palencia also.

On MOTION by Mr. Hayes seconded by Ms. Bock with all in favor the Proposal from Habitech for an Audio/Video System was approved.
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Mr. Yuro stated with all of the rains that have happened recently, we have had a couple of drainage issues. We have a sinkhole starting out here again in the same pipe in the pool area. I have reached out to three contractors. I have gotten two prices back. Some of the contractors have done work for us in the past. We have a hole here that needs fixed. The bigger issue is on 1205 Eagle Point. In the front yard there is about a three foot by four foot by two and a half foot deep hole now. There has to be a hole in the pipe. I had a couple contractors come out. It appears that with all of the rain there must be a hole or a bad joint and it is starting to get sucked into the pipe, so we need to get those fixed. My recommendation would be to go with the lowest contractor, which is Vallencourt and they have done some other drainage work for us out here. The repairs here in the pool area are \$2,190 and that is including hand digging because I know they don't want to bring a truck in and tear up the fence.

Mr. Thibault asked so we fixed this before?

Mr. Yuro responded we fixed it before but I don't know if it is the exact same spot. It the same pipe. It could be another joint 12 feet over. The one in the yard is a little bit more expensive but it is a little bit bigger pipe. It looks like it is a 54 inch pipe that they are going to

have to get a machine to excavate down and probably pour a concrete collar around the pipe. It is \$5,520. My recommendation would be to get them out there sooner rather than later.

Mr. Thibault stated send them through the manhole and into the pipe and fix it without digging.

Mr. Yuro stated that is one option they are going to look at. This price includes the redoing the grass and sod.

On MOTION by Mr. Thibault seconded by Ms. Bock with all in favor the Proposal from Vallencourt for Drainage Repairs was approved.
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Mr. Yuro stated at the last meeting Tracy brought up an idea to get unit pricing for the sidewalk repairs. I started reaching out, so that we would have a contractor on call, so if we had an issue we would not have to go out and get bids every time. I would like to get some unit prices, so the Board can approve these unit prices, so we would have one or maybe two contractors. As things happen we can call on them based on their unit prices without always having to go back and get multiple bids.

Ms. Bock stated I would be okay that.

Mr. Thibault asked who is repairing the potholes we are seeing on Leo Maguire?

Mr. Yuro responded the County is doing the ones on Leo Maguire. I have been repairing the ones inside.

Mr. Thibault asked so I guess you know about the big one?

Mr. Yuro responded yes.

Mr. Thibault stated I saw a spot in the sidewalk that looks like it is about six inches popped up and someone had cones out there.

Mr. Yuro stated at the last meeting we had talked about maybe getting an arborist out here to look at the trees. I had an arborist from Davey Tree come out. He did say that there is a way that you can cut the roots back without hurting the tree that would prevent this from happening over and over again. We would have to cut that section of sidewalk, probably two or three pounds of sidewalk. They would come in with this air jet and expose the roots. They would cut the roots and then put in a root barrier. A root barrier goes down about 18 inches, so when the roots start to regenerate, they are going to hit that root barrier and go sideways and not

come underneath the sidewalk. He said if we don't do that, we are going to have this problem over and over again. He is working on a unit price for that. That would go in coordination with the sidewalk repairs. You would have to take out the sidewalk, have them do their work and come back with the sidewalk. The other thing I did talk to him about is most of our sidewalk is five foot wide sidewalk. He said if we can gain a foot on those roots it would make a big difference on the health of the tree. He thinks you can still save the tree by cutting it but some of those trunks are only two feet from the sidewalk. The thought being that if we can narrow the sidewalk at some of these trees then that would be huge for the health of the trees. I was going to confirm with the County that that was okay and if the Board wanted to look at that approach.

Mr. Hayes stated I think it is worth looking into it.

Mr. Yuro stated my hope is by the next meeting I will have the unit prices from the arborist, as well as from multiple contractors for the sidewalks. Then we can know at each tree what it would cost.

Mr. Thibault asked we are only worrying about the ones that are close to the sidewalk, right?

Mr. Yuro responded the other ones that are beyond, are outside of the CDD property.

Mr. Thibault stated but if the roots grow and interfere with the sidewalk then now we are messing with CDD property.

Mr. Yuro stated I don't believe we have any situations, where that is happening yet.

Mr. Thibault asked so we are talking about 200 trees?

Mr. Veazey responded no, because remember phase one is mostly where the trees are.

Mr. Yuro stated it is going to be about 400 trees.

Mr. Thibault stated that can't be because there is only 800 homes and the sidewalk only goes on one side of the street.

Mr. Yuro stated you are right. When we did the tree trimming it was 400 and something trees but that was both sides of the road. It is probably in the neighborhood of 200 and some trees.

**THIRD ORDER OF BUSINESS**

**Update Regarding Proposal FY13 Budget**

Mr. Oliver stated it was proposed at the last meeting for the fifth consecutive year you will hold assessments stable. I didn't see any changes come up between the last meeting and now. You will have the public hearing to consider the budget on July 25<sup>th</sup>.

**SUPERVISORS COMMENTS**

Mr. Oliver stated Mr. Thibault has submitted his letter of resignation. There will be a couple of actions related to that and then we will ask John to speak.

On MOTION by Ms. Bock seconded by Mr. Veazey with all in favor the Resignation Letter Dated July 13, 2012 from Mr. John Thibault was accepted with regrets.

Mr. Oliver stated we have a resolution to present to John. I will give it to the Chair for presentation.

Ms. Bock stated "John, we have duly recognized you for your service and we want to thank you for all that you have done. Thanks, John."

Mr. Thibault stated I work for General Electric and GE is like the military. You move around quite a bit, so every couple of years they send you to a new location. They have asked me to take a new role in Erie, Pennsylvania and I have accepted it. It is a promotion. I work in financing. You can only tell the CEO no once or he will never ask again. We are moving the family to Erie on July 14<sup>th</sup>. We have been living in Jacksonville for 10 years and it has been fantastic. We have been in this community for eight years and I have been on the Board for six years. Of everything that we have had to do, like buy a house, change our job, uproot the kids out of school and sell the kids, the hardest part was writing that resignation letter because I have really enjoyed being on this Board and serving the community. Thank you for letting me serve on this Board. I will miss you.

On MOTION by Ms. Bock seconded by Mr. Hayes with all in favor Resolution 2012-04 Recognizing Supervisor John Thibault for his Service to the District was approved.

Mr. Oliver stated with that comes the task of filling the vacancy. We now have a vacancy for seat number one. The expiration of the term is November of 2014. The remaining members of the Board will be asked to appoint someone. Typically you have solicited letters of interest from residents. Those letters and resumes will be brought back to the Board at the next meeting. Does the Board want to follow that same plan?

Mr. Hayes asked what other options are there?

Mr. Oliver responded Chapter 190 does not specify that this course of action needs to be followed. You can simply fill a vacancy by Board vote.

Mr. Hayes stated I say we should stay with what we have been doing.

### **AUDIENCE COMMENTS**

Mr. Kirk Wendland stated I would like to give you an aerial handout about what I am going to talk to you about. What I want to talk to you about is the pond outside of my home. In this aerial my house is the one numbered six. My house address is 833 Eagle Point Drive. Tom is also here for the same reason. This all really occurred about a month or so ago. It was before the recent Tropical Storm Debbie incidents. There were a number of failures on that pond bank. It actually dates back to when Tom was going into his house 10 years ago and there were issues with that bank that forced the Developer to put a bulkhead on that particular home. If you go further between the ones that I listed as two and three there is a significant collapse of that pond bank all the way up through their fence line and through an easement. It has even gone up further now. You can see from the aerial here outside of the home listed as number four that there is some pretty significant erosion of that bank to where he has about another foot and a half and he is going to lose that tree. Between five and six, there has been a significant collapse of that bank, as well. It is not only up to the fence line but it is eroding further up both of our properties. I asked Mike to come look at it with me a couple of weeks ago and he did. He advised me that the board was meeting tonight, so I thought I would come and present this to you. It seems to me, like stormwater issues like this, are really a community asset. It is not just these six homes that drain into that pond. It also seems ironic that this pond has had issues that have affected all six of these homes, which seems to me that there is something particular about the drainage in this area. I would ask you to help us out with a fair and equitable solution.

Ms. Bock asked has anyone offered a suggestion as to why this pond has this problem?

A resident responded when I was buying my house the original person didn't buy it because once they put the house on there, the house was almost in the pond, so they came in and put in the bulkhead. We came in and they were in the process of putting in the bulkhead and the dirt. I am on my property one day, while they are still framing it and there is a gentlemen near the ponds. He is out there taking pictures and he is looking. He said that bulkhead has to come down. I said then I won't have a home because there is no yard. I asked him what the problem was and he said it was too close to the culvert that comes in. He said when water comes through there, it is not going to do the motion that it was originally designed to and that it is going to let silt in. We were actually sitting at closing and there were phone calls being made back to the CDD saying there will be water, where my bulkhead is. I know they had one time, where they had people come out there and hand dig it out. Then they brought a ditch digger and they had someone come out there and dig it and it was never fixed. Until we started getting water a month ago, it was probably six feet from the bulkhead to where you got your water. The gentlemen told me that day that if they were going to put a bulkhead there, it should have been curved, like the original pond but when they put the bulkhead in they just put it in square. We went to closing and found out and we argued about it and they said the concern was wetlands and not the bulkhead. They were able to gain some more wetlands somewhere else, so the bulkhead got to stay. They didn't go in and do anything to fix it. I know there have been times that at Eagle Point that the water backs up because it is silted and water is not flowing into the pond the way it should. It is going to back up somewhere.

Mr. Thibault asked is it touching the bulkhead today?

A resident responded yes.

A resident stated it looks like an earthquake has come through my yard.

Ms. Bock asked back up to your house?

A resident responded not to my house but up to my fence. You can tell it is going to get worse.

Ms. Bock asked it is like splitting open?

A resident responded yes.

A resident stated that dirt is going to keep going into the pond.

Mr. Yuro stated I can speak to you from my own opinion. I did go out there and look at Kirk's area. That is one of the worst areas I have seen in the neighborhood. I have seen it in

several other areas but not that severe. When the lakes get down as low as they were, it exposes a lot of dirt that wasn't designed to be exposed. There is no erosion protection on that dirt, so when you have a heavy rain, the rain runs down the grass and it starts washing out the dirt. The more heavy rains you get, the more that starts working its way up the grass. What is happening is in my opinion, the runoff from these yards is designed to go off the roofs and off the houses to the lot line and then from the lot line down into the lake. When you have the combination of the low lake levels that we have had, it starts to erode. Once it starts eroding then it starts working its way back up. In my opinion I don't think the silting in is contributing to this issue but the issue is you are getting this velocity running between the lots and into the lake. I don't think it is anything that the CDD has caused because we don't have any structures in that area but I do believe some the areas within the lake easement are one's that the CDD maintains. I look at it similar to the sidewalks. It is not like the pipe cave ins, that we are obligated to fix. The issue is happening within the CDD easement, so I think the CDD has the opportunity to assist if they think it makes sense but no obligation to do so.

Mr. Hayes asked what is the solution?

Mr. Yuro responded after I met with Kirk, I told you I had a couple of contractors come out there and had them take a look at it. From my own opinion and from talking with the contractors, I think the solution is you are going to have to pull out the dirt and re-stabilize that bank but to keep it from happening again, I believe you would put in a couple of yard inlets. Maybe one inlet near the end of his fence and one 30 feet up the yard and connect it with an eight inch plastic pipe. Then that plastic pipe goes into the lake several feet below the water level, so as that runoff is coming down a lot of it is getting caught into these inlets and it is not having all that velocity at the end and causing the wash out.

A resident stated they did that on both sides of my house. They did that running along the side of my house and there is pipe that goes down. I know where the big culvert is, they did it running along the golf course area. I don't think that area has caved in, so that might be an easier solution than bulkheading.

Mr. Veazey stated bulkheading, you have to get permitted by the St. Johns River Water Management District.

Mr. Yuro stated putting in yard drains wouldn't have to be permitted. I did get prices for Kirk. It is just under \$3,000.

Mr. Thibault asked for all of them?

Mr. Yuro responded no. This is just to fix his.

Mr. Thibault asked \$3,000 for a trench and a pipe?

Mr. Yuro responded and the labor.

Mr. Veazey stated but you need to go in there and pull that dirt back out and refill the dirt and re-sod it.

Mr. Yuro stated keep in mind in Kirk's area, he already has a fence with a hedgerow that is already starting to be affected at the end. It makes the construction of his a little more difficult. If others don't have a fence then I would think it would be a little simpler to construct.

Mr. Kirk Wendland stated the drop is at least a couple of feet down and a couple feet wide.

Mr. Yuro stated they would probably have to bring in a small bobcat to pull some of that dirt out.

A resident stated I think there are three of them now and they are all getting progressively worse. It would probably be cheaper to do all three.

Mr. Yuro stated they are all generally in the same area. They are right at the lot line. It is something that I have seen in other areas around the neighborhood but not this bad.

Ms. Bock asked do you all have gutters on the sides of your houses?

A resident responded yes.

Mr. Wendland stated I have it on my second floor but not my first.

Mr. Thibault asked do they have downspouts?

Mr. Wendland responded yes. It actually runs underground.

Mr. Thibault stated when I first moved into the community I had a lot of erosion. The first thing they said was you need gutters. I got them and then the builder came in and put in the French drains to the pond and that really helped it a lot. I haven't seen a lot of erosion since then.

Mr. Yuro stated certainly, water coming off of the houses adds to the volume, which adds to the velocity but that was a fix that builders were taking early on. This has probably been the worst case scenario because the lakes were so far down and then you get these really heavy rains that start to wash out the dirt area and then it starts working its way back. It is about the worst case scenario for this issue.

Ms. Bock asked can we get an opinion from Wes on getting involved in this?

Mr. Haber asked are you asking what obligation does the CDD have to get involved in this? I am going to have to give somewhat of a limited opinion. I have spoken to Mike Yuro about this briefly but have not done an independent investigation. Based on what Mike and I have discussed nothing that the CDD did caused the problems. It is not property that the CDD owns. With that said, the CDD has an easement over the property. Without doing an independent investigation in more detail, I agree with Mike that it is something that the CDD would have the right to fix but not an obligation to fix. If it impacted in any way the ability for the pond to act as a proper drainage facility then that is something that the CDD should fix because that is something the CDD needs it to do. If what we are talking about isn't impairing the drainage function for the District's stormwater system then I think what we are talking about is not an obligation to fix anything but a right to fix something if the board is so inclined.

Ms. Bock stated I am not asking that because we don't want to help you. I have to ask you that because we sit here with a bank account that was contributed to by more people than the people in this room tonight. We have an obligation to explore and to spend that money fairly. What about the other side of that lake?

A resident responded it is fine.

Ms. Bock asked why do you think that is?

Mr. Thibault responded I don't know. It happens the same way on my pond too.

Mr. Yuro stated it is like that because the other side does not have the channel between the locks. These lots are designed that the lot line on each lot is the lowest point and it is a little channel that is going into the lake. If these lakes had been up for the last couple of years, we probably wouldn't be having this conversation.

Mr. Veazey stated I think what you are saying is right. The thing Kirk did bring up is this has been an issue for awhile. I was at Kirk's house years ago. To me, that leads to helping them, instead of having a tropical storm and then all of a sudden a yard washes out.

Mr. Yuro stated if it was impeding the drainage of the pond, our responsibility as a CDD is to maintain the pond per the St. Johns River Water Management District. If something were interfering with that or if it was getting to the point where it was hindering the functionality of the pond then we would be obligated to fix it but I don't think we are there yet with the amount

that is washed in; however, if it were to continue to wash in at each of these areas now you are talking about a lot more silt.

Mr. Hayes stated what I would like to see is for Mike as the engineer to go and scope out the whole thing and give us a plan on what you think would be the best solution. Then at that point, we can get some numbers of what it will cost.

Ms. Bock asked are numbers two, four and five having issues?

Mr. Wendland responded yes. Between two and three and between five and six and four has that erosion.

Mr. Thibault asked is this water management system an asset of the District?

Mr. Oliver responded yes.

Mr. Thibault asked since it is an asset of the District and it got damaged, could it be covered under insurance?

Mr. Oliver responded no. I think the best thing to do is to authorize Mike to investigate and make sure they are adequately repaired in a way that is most economical to the District and then we can ratify those actions at the next meeting. We may have more storms coming.

Mr. Yuro stated I will be happy to work with Vallencourt, who has been our low bidder.

**FOURTH ORDER OF BUSINESS**

**Next Meeting Scheduled – July 25, 2012 at 6:00 p.m.**

Mr. Oliver stated we will continue this meeting to July 11<sup>th</sup> and if we need to cancel it, we can.

<p>On MOTION by Mr. Hayes seconded by Mr. Veazey with all in favor the Meeting was Continued to July 11, 2012 at 6:00 p.m. at the Swim Club Meeting Room, 219 St. Johns Golf Drive, St. Augustine, Florida was approved.</p>
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**FIFTH ORDER OF BUSINESS**

**Adjournment**

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Secretary/Assistant Secretary

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Chairman/Vice Chairman