

MINUTES OF MEETING
SAMPSON CREEK COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Sampson Creek Community Development District was convened on Wednesday, November 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:

Mike Veazey	Chairman
Ed Randolph	Vice Chairman
Tracy Hayes	Supervisor
Paul Armstrong	Supervisor
Bob Sevestre	Supervisor

Also present were:

James Oliver	District Manager
Wes Haber	District Counsel
Chuck Bowen	Hopping Green & Sams
Mike Yuro	District Engineer
Erin Mixson	Art of Living Director
Residents	

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Organizational Matters

A. Oath of Office for New Supervisors

Mr. Oliver administered an oath of office to Mr. Tracy Hayes and to Mr. Paul Armstrong.

Mr. Haber stated the Sunshine Law says that any issue that may come before this board cannot be discussed with your other board members unless you are at a publicly noticed meeting. A discussion or a meeting would also include letters and emails. There is also a Public Record Law, which means that pretty much all of the documents of the District are public record. They are open to the public. The documents that you are given at this meeting, the District has records

of all of that, so you don't have an obligation to keep those. If you do keep your records, those are public records. We recommend that if you are keeping these types of records that you store them separately from your everyday personal or business records. Chapter 112 is sort of the Code of Ethics for elected officials. In large part what it deals with are conflicts of interest. If we are approving a landscape provider and if you happen to have a family member that works with that provider or are somehow otherwise involved with that provider then you would have to abstain from that vote and file a conflict form. It essentially sets forth your ethical obligations as it relates to your actions. I have a notebook that my office puts together and we will get it out to you.

Mr. Oliver stated in addition to that last year the District adopted a code of conduct for the Board of Supervisors. I have get you a copy for your review and signature.

B. Consideration of Resolution 2013-01, Election of Officers

Mr. Oliver stated Rose Bock had been serving as the Chairperson and Mike Veazey had been serving as the Vice Chairman. The balance of the board served as Assistant Secretaries. In addition to that, certain staff members function as different office holders. First, I would ask if there are any nominations for the position of Chairman?

On MOTION by Mr. Randolph seconded by Mr. Sevestre with all in favor Appointing Mr. Mike Veazey as Chairman of the Board of Supervisors was approved.

On MOTION by Mr. Armstrong to Appoint Mr. Tracy Hayes to Serve as the Vice Chairman of the Board of Supervisors motioned died for lack of a second.

On MOTION by Mr. Veazey seconded by Mr. Sevestre with all in favor Appointing Mr. Ed Randolph as Vice Chairman of the Board of Supervisors was approved.

On MOTION by Mr. Veazey seconded by Mr. Randolph with all in favor Resolution 2013-01 Election of Officers with Mike Veazey as Chair, Ed Randolph as Vice Chair, Tracy Hayes, Bob Sevestre & Paul Armstrong as Assistant Secretaries & All Other Positions Remaining the Same was approved.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the September 26, 2012 Meeting

Mr. Oliver stated included in your agenda package is a copy of the minutes of the September 26, 2012 meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Veazey seconded by Mr. Randolph with all in favor the Minutes of the September 26, 2012 Meeting were approved.

FOURTH ORDER OF BUSINESS

Presentation of Resolutions of Appreciation for David French and Steve Carter

Mr. Oliver stated at the previous meeting on September 26, 2012, the board adopted these resolutions. I believe that David French is here tonight but I do not think Steve Carter is here. This is recognition of all the time and effort that David French and Steve Carter put into what resulted in the construction of the expansion of the fitness center. There was a lot of work, not only at meetings but behind the scenes. There were countless hours that David put in with his vision of this expansion and then the countless calls and contacts he had with different vendors. David did all of this as a resident and was not compensated for it. He put a lot of time and effort into it and he provided all of the information necessary, so the board could make a good decision on behalf of the community. I have never encountered a resident that did so much work on any project for any of our Districts. We really appreciate it. The successful completion of this project has added a lot to this community.

Mr. Veazey stated I second everything that Jim said. We appreciate it. It turned out great. I think everyone in the community that uses it, loves it.

FIFTH ORDER OF BUSINESS

Presentation by First Coast Tennis Foundation

Mr. Randy Jenks stated I am a board member of the First Coast Tennis Foundation and the President of the Foundation. Josh Vizman intended to be here tonight but he had a last minute emergency. I live in Palencia. He called me at the last minute to come speak to you. I am sorry I am not totally prepared. I just have a little bit of information. I am going to leave this information with the board. The First Coast Tennis Foundation is a 501C3 in North Florida, whose mission it is to provide tennis opportunities to people on the First Coast that are not members of private clubs. We provide all sorts of opportunities to tennis players, whether it be

programming, competition, instruction, management of facilities, etc. The First Coast Tennis Foundation has a pretty long history in tennis here in Jacksonville. At one point and time some of you that have been in the community for a long period of time may know that the First Coast Tennis Foundation had a relationship with St. Johns Golf here. Over the years the pro association in town and active people in tennis felt that the value of the First Coast Tennis Foundation was kind of decreasing, so a bunch of the pros got together and we decided to resurrect the First Coast Tennis Foundation. We thought that there was absolutely no reason that the First Coast Tennis Foundation with all of their charitable contributions and the support of the USPTA could not provide club level programming at no charge to the neighborhoods of the First Coast. Our new mission is to provide country club level programming, instruction, management etc. and offer it to all of the communities around the First Coast. What I have on this piece of paper is a little feel for what some of our services look like. It is all web based. Most of the top private clubs in Northeast Florida are already using the same thing that the First Coast Tennis Foundation uses to manage these neighborhoods. This is not an all or nothing type of situation. It is all free stuff, so that is a great thing. We can do court reservations and a court booking system. I know as a lot of communities get to this age and the neighborhood is built out, they start to run into a need for people to reserve courts and have that communicated. We have a solution for that in this type of environment. We have a solution for weather and court status reports. Even though you may only live a mile from the tennis courts, we can save you from driving down to the court to see if it is actually playable. We offer play programming. We offer play opportunities for your residents in the First Coast, so outside of the neighborhood, as well as play opportunities just for residents inside the neighborhood. We are back and stronger than ever and we are lead by some of the top club directors in town.

Mr. Randolph asked how does the court scheduling work?

Mr. Randy Jenks responded there are a couple of different ways it works in other communities. In a couple of communities, we have a monitor like the one behind you, that would be positioned here or at the fitness center or maybe inside one of the covered cases out there and it just auto refreshes. At any time you can walk up to it and see I have court two at 4:00 p.m. Other systems that we more commonly use is you reserve a court online from your home. You print off the piece of paper and you carry it with you to the court and then if there is

any question then you just say I have the court reserved at whatever time. It also allows you to block off courts for weekly programs or clinics.

Mr. Randolph asked and what is the fee for that?

Mr. Randy Jenks responded there is no fee. We are a charitable organization, so we do get contributions from a lot of government agencies but we also make money in programming and in instruction in a variety of ways. For example, you may ask why would we want to just give you the court reservation solution? Because to book courts, your residents are going to create an account and they will book courts and they will be a member of the St. Johns Golf page but then, as well, they will be able to explore Jacksonville and see play in other areas and that might be a daily fee thing. It gives them opportunities.

Mr. Hayes asked how does it affect the residents in respect to I am driving home from work and my tennis stuff is in my trunk and I decide to see if there is an open court?

Mr. Randy Jenks responded you wouldn't be prevented from doing that. You can write the rules of the court reservation system. It is totally customizable. You can say people can only reserve x amount of courts per week or they can only reserve them x days in advance or x number per household. Certainly, nothing stops you from jumping out of the car and walking up and taking any open court that is not reserved.

Mr. Veazey asked do you have something you can get to us that shows all of the programs that are out there?

Mr. Randy Jenks responded absolutely. If you are interested then we would love to schedule a follow up, where I can have the president of the board here and have a more comprehensive presentation of everything.

Mr. Hayes stated I went on your website this afternoon. I guess Dede was part of your organization and that is how she ended up here at St. Johns Golf initially. The website was a little old.

Mr. Randy Jenks stated the page that you were on when you goggled searched it is dead and any day that url is going to be pointed at a different site that is going to be locked and loaded.

Mr. Hayes stated very rarely are all four courts full. It is very rare for someone to have to book a court, so I don't see a value in that. I do see a value in the other events going around. I

have talked to Dede and other people involved in tennis and my vision would be that St. Johns Golf & Country Club lead up a tournament on County Road 210.

Mr. Randy Jenks stated that would be right up our alley. If you look on the last page, the way it would work is that tournament would be promoted on that page but the beauty of that First Coast Tennis Foundation is that we have all of these other communities around town, so all of those people would be marketed to.

Mr. Haber stated I took a quick look at Dede's agreement. It provided for automatic renewal, so it is not something that we have reviewed on an ongoing basis. It is at no cost to the District, so there has really been no reason to make sure we are getting the best price. The agreement includes the following language, "Although other private instructors are allowed, the tennis instructor shall be the sole provider of tennis programs, such as tennis camps, tournaments and leagues provided by the District." The agreement also provides for a 30 day termination provision. I tell you this because I think you have the flexibility to decide what you want to do with respect to the way the tennis program is run and managed.

Mr. Hayes stated I believe we are already in violation because I believe Pete is giving instruction.

Mr. Haber stated it allows for other private instructors but she is the sole provider of the programs. That is not to say that you can't look into what is being presented tonight but we would need to take this agreement into consideration and to the extent that you were going to consider it then try and work with Dede and see if she is willing to amend this agreement.

Mr. Hayes stated I talked to her today and I would be shocked if she would interfere with that.

Mr. Veazey asked and you have gone to other communities on County Road 210?

Mr. Randy Jenks responded we have also been to South Hampton. We presently have about 15 communities similar to St. Johns Golf in the First Coast area. I appreciate your time.

SIXTH ORDER OF BUSINESS

Update Regarding Process for Designation as Golf Cart Community

Mr. Yuro stated since the last meeting I have submitted a study to the County and have had several meetings with them. The biggest thing that the County has asked for are some additional details at the golf cart crossings and in particular the crossing at Leo Maguire Parkway and Stonehenge Trail Lane. There is an existing pedestrian crossing that was recently added

within the last couple of years. What you see there is a cooperative effort between myself, the County, the Assistant Engineer and the County Traffic Engineer. An updated report has been submitted for review by the County. I submitted this updated one just this morning. I fully expect that the County is going to email me back and say it looks great and to submit us with your hard copy. The next steps from the County's perspective would be two-fold. The next step would be getting a letter from the County that says we accept your report and if you move forward with these proposed improvements, the roads can be designated. Then we would need to go ahead and get the signs installed and any improvements that are called for in the report. Then the County would just confirm that those are done and issue a final letter saying that we have confirmed all of the improvements are complete and your community is now designated for golf carts. At that time, they would also send that letter to the sheriff's department to put into their records. I fully expect to get the first letter within days. A hardcopy will be submitted as soon as I get a hardcopy back from them. I asked them specifically about the update to the County ordinance and that is still being contemplated. Their best understanding is that the County Attorney and the Attorney for the sheriff's department are trying to work together to hammer out whatever revised language would be necessary to make sure all of the different communities in the area are accounted for. Regardless of what happens with that document, the engineers at the County expressed that they still believe that it is within their authority and jurisdiction to approve these roads. They want to make sure that everything is being treated consistently. At the last meeting I was also asked that we get with the golf course. In our last conversation they are doing their own due diligence on what is required for their golf cart crossings. If they ultimately concur that the signs need to be upgraded as recommended then they have expressed that they would be willing to meet with us and work out some form of participation.

Mr. Dan Zimmer stated we would be willing to do that based off of the requirement to meet the legal requirements as far as the size and the shape of the signs and not doing it as part of making the community a golf course community. That is not necessarily of interest to the golf course. It is more that we are concerned with being in compliance with legal regulations.

Mr. Yuro stated at the last meeting I was asked that if the golf cart designation was a non-issue if I would still recommend the signs and my answer was yes because they don't meet the current standards. I think the County would require it as part of this anyways.

Mr. Randolph asked so by our next meeting we will have an idea?

Mr. Yuro responded I fully expect that by the next week or two we will get a letter from the County saying your report is accepted and to move forward.

Mr. Hayes asked is there any additional engineering that needs done because the cart path along here is going to be in the right-of-way and is there any certain materials that will allow or not allow?

Mr. Yuro responded as you see in that detail, there is going to have to be a little bit of rework with the existing sidewalk. Once you get past that intersection, the County was fine with us using alternative material, whether it be the mulch or the poly pave that was quoted. They were okay if we wanted to use the poly paving up to the intersection but then they strongly suggested that you might want to do the hard surface to prevent the erosion. I don't expect there to be any additional engineering. This is a conceptual exhibit to show the signing and how we expect it to work. When we get a contractor on board there will be some other things.

Mr. Hayes asked isn't there potential for extra grading because that dips off along there, right?

Mr. Yuro responded yes. When I got the quote from our landscape company for that cart path, I made sure they included that. I will get quotes on all of that before the next meeting.

SEVENTH ORDER OF BUSINESS

Update Regarding Interlocal Agreement with St. Johns County

Mr. Haber stated this agreement has been executed. We have confirmed that the \$10,000 payment from the County to the District has been received by the District. If you read the minutes from the last meeting, Mike Yuro indicated that he thought that construction might start as early as the upcoming summer. I assume that is still accurate. I have not heard anything further one way or another. We will follow up with them and let you know when that is started. The agreement that we entered into with them and the easements that we granted to them allow them to do that construction when they are prepared to do so. There are still additional communications we expect to receive from them.

Mr. Armstrong asked is there any information with respect to that retention pond with a railing or some sort of barrier to stop cars from going into it?

Mr. Haber responded there isn't one now. They brought a number of drawings to this board of what the pond would look like after they complete their construction and I don't

year 2012 budget. The top section is the revenue section. You actually achieved over \$17,000 more than expected revenues, so we need to bring those four line items into balance. In expenditures, you realized about \$8,800 more in expenditures than was anticipated. You have an interfund transfer of excess revenues. These are funds that were not used for the debt service payments that are being brought into the general fund and that is in the amount of \$7,112. It was budgeted for \$7,000 and we actually realized \$11,000. On the last line item, you will see that as programmed \$84,000 was put aside for the capital reserve. This amends the fiscal year 2012 budget.

On MOTION by Mr. Armstrong seconded by Mr. Randolph with all in favor Resolution 2013-02 Amending the FY12 General Fund Budget was approved.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Haber stated as you may be aware, the IRS is in the process of auditing certain Community Development Districts. They have been auditing CDDs throughout the State. My firm represents a number of Districts that have gone through those audits. There is one particular audit with the CDD known as The Villages, where the IRS is contemplating taking a position that CDD bonds that were issued at a time that a CDD was controlled solely by the Developer do not meet the standards for being tax exempt bonds. At this point, it is pure speculation whether they will do that. We continue to monitor it. We will let you know if there are any ramifications to the District.

B. Engineer/Property Manager

Mr. Yuro stated a copy of my report is included in your agenda package. I think we have had a significant improvement with the fitness center. The calls for repairs and the issues have gone down greatly in the last month or so. At the last meeting we talked about the sidewalk repairs as a result of the tree roots. At that meeting, the board authorized Wes' office to draft a

waiver for residents to sign stating that if we went ahead with the repairs and cut the roots with an arborist that we wouldn't be responsible if something happens with the tree later on. I have identified plus or minus 40 locations that could use some attention. At the board's direction, I have picked out the worst 12 and I took Wes' letter and went door to door explaining it to residents. It wasn't received very well. Most of the reaction was confusion and some people were a little irritated that we wanted them to sign a waiver that says you are going to fix it but if something happens to the tree that I am responsible for it. Four or five houses into it, I thought it was best to bring it back to the board and let you know. I think the residents are questioning any of their liability based on something that the CDD may do. I have talked to Wes about it a little bit. I had a conversation with Mike Veazey. If the CDD still wants to move forward in that direction then perhaps a compromise might go over better. A compromise being something to the effect that the CDD will do the necessary repairs but if something happens to the tree, we will replace it with a three or four inch tree.

Mr. Sevestre stated the resident put the tree in, in the first place, so why should we make them sign a waiver.

Mr. Yuro stated I have a copy of the declaration of the covenants, conditions and restrictions that was recorded in St. Johns County Public Records. This is for the HOA. It says in Article 5 maintenance and repair. It specifically says that each owner must maintain the sidewalk and landscaping located in the public right-of-way adjacent to his or her lot unless the association or CDD assumes all or part of such maintenance responsibility. A couple of years ago, the CDD adopted a resolution saying that we reserve the right as the CDD to make improvements because it is in our right-of-way but we don't have the obligation because the obligation in this document that the homeowners agreed to is on the homeowner.

Mr. Randolph asked what is a four to six inch caliber tree like that cost?

Mr. Veazey responded a four inch is probably \$400 to \$500.

Mr. Yuro stated I was going to guess under \$1,000. When we had that accident a couple of years ago and we lost a couple of trees out here by the soccer field were maybe 12 to 14 inch trees, I want to say those were like \$3,900 a piece.

Mr. Sevestre asked could we cap it and say we will pay up to this amount of money to replace the tree?

Mr. Yuro responded that is part of what I was asking for the board's direction on. One suggestion that I had after talking to Wes and Mike was perhaps we cap it with a replacement of a tree to where at least the CDD knows worse case what our obligation would be and then see if the homeowners agree to that. The homeowners still may not sign it. I think what we decided last time was if the homeowners opt not to sign the waiver then the CDD offered but now it is your responsibility per the documents.

Mr. Randolph asked can we go and fix the sidewalk because of the trip hazard and then put a lien on the homeowner?

Mr. Haber responded the HOA could do that. The CDD could touch base with the HOA. The HOA documents clearly make the responsibility for the sidewalk and the trees the responsibility of the resident. It is the HOA who enforces the HOA covenants and not the CDD. The covenants also specifically provide that if a resident does not comply with their obligations under the covenants that the HOA can do that work and then levy an assessment against the homeowner to pay for that. The CDD does not have the ability to do that. Quite frankly, the resolution that the CDD adopted provided that it has the authority and the ability to fix it but not the obligation and in all likelihood if the District chose to do that, it would pay for it but the assessment it would levy to make up those funds if it didn't have the funds available would be raising the budget. We couldn't do it on an individual home basis. If the District goes in there and they specifically say we are not going to sign it and we are going to have a problem if our tree dies because you went in there and did that then I think you can expect a lawsuit from the homeowner perhaps against the CDD to say you killed a 22 inch caliber tree and now you need to replace it with that. Unfortunately, I can't tell you what the outcome of such a lawsuit would be. A judge may see that as small homeowners versus big powerful CDD and I don't care what the documents say. I have seen plenty of judges rule on equity as opposed to what the law is or what may be right under the terms of the covenants. There would be some risks. I can't say that is a slam dunk winning lawsuit even though the terms of the covenants provide that it is a homeowner obligation. Mike may feel better armed speaking with residents by saying if you sign this and the tree dies then we will replace it with a 3 caliber and not a 22 caliber tree. The other option is to say we won't do anything but we may speak to our fellow governing body in the community to see whether they are able to enforce the covenants to try and get this fixed.

Mr. Randolph asked what does the sidewalk per section cost?

Mr. Yuro responded they are five foot by five foot panels and we would probably need two to three panels in each section. I think I had it figured out to be a little over \$150 per panel. You are talking about \$450 of sidewalk work in each area. Plus cutting the tree, which was just under \$500 per tree. I think I estimated it at \$1,000 per house.

Mr. Sevestre asked if it falls under the HOA and the liability falls on the homeowner to maintain the sidewalk then why doesn't the HOA just handle this and we turn it over to them?

Mr. Yuro responded one of the reasons I brought it up is because it is within the CDD right-of-way. As we have heard many different times, if something happens in the CDD right-of-way we are likely to get brought into some kind of a lawsuit. The other aspect of it was saddling the homeowners with a large expense when you don't know what kind of repair you are going to get. That is one of the reasons the CDD has taken it up in the past.

Mr. Sevestre asked are they just going to stump grind it?

Mr. Yuro responded we hadn't gotten that far yet.

Mr. Haber stated one other thing that may be beneficial to do, to the extent that we can't get it resolved with a waiver and the CDD actually doing the work, is saying please consider this notice that you have been made aware of the hazard that you are obligated to fix it and if you don't fix it and the CDD gets sued then we are going to seek indemnification for you for your failure to fix something that you were obligated to fix.

Mr. Hayes stated from a CDD perspective we probably should do that to cover ourselves.

Mr. Haber stated that is not a bad idea.

Mr. Hayes stated I think it would smooth it over a little bit by offering a smaller tree.

Mr. Yuro stated I think it would smooth it over a little bit. The other option is that we are putting them on notice and it is their obligation to fix it. Then we could share that list with the HOA and have them try to enforce it.

Mr. Hayes asked when you knock on the door couldn't you say if the tree does die we are willing to put in a three inch tree but if we don't do it then you are required to fix it, so you have to pay to fix the sidewalk at this cost and if the tree dies then you are on the hook for the tree, as well?

Mr. Yuro responded yes.

Mr. Yuro stated part of the reaction I was getting is if it is my sidewalk and I am responsible for it then I will just rope it off and I won't let anyone walk on it or I will pull up the sidewalk and get rid of it.

Mr. Hayes stated Wes can draw up a letter for people like that.

Mr. Yuro stated Wes has already drafted the waiver. I think the modification should be rather than say if something happens to the tree we are not responsible, that the CDD is willing to replace it with a minimum required tree as provided in the HOA documents. If they still chose not to sign it then we can move forward with other direction.

Mr. Veazey stated I think it would probably help if you quote the HOA covenants.

Mr. Yuro stated that would be a good idea to add that.

Mr. Haber stated we can add that in there. This one is particularly confusing because what you have is a resident requirement enforced by the HOA in CDD right-of-way. We can supplement the waiver to add as exhibits the relevant sections of the HOA and the architectural control documents, so that way they have it all in front of them.

Mr. Hayes asked do we need to verify that a three inch caliber tree is acceptable?

Mr. Haber responded we can.

Mr. Oliver asked do we have any document of evidence that the HOA has made any effort to enforce their covenants in regard to these trees.

Mr. Hayes asked does it help to have the HOA go out first to make our case?

Mr. Haber responded I think this is something that the CDD and HOA can work cooperatively on to have those covenants enforced. I have had no contact or communications with the HOA on this issue.

Mr. Hayes stated I think we need to with them having the document that controls this.

Mr. Sevestre stated according to what Mike read here the liability is falling on the homeowner.

Mr. Haber stated the liability to maintain it and to fix any problems. I think a strong argument can be made since you are obligated to maintain it, if someone trips then they are going to come after you. A plaintiff's attorney would likely realize that the CDD is the owner of the property and would be pulled into a lawsuit.

Mr. Yuro stated a couple meetings ago the board authorized me to conduct an inspection of the stormwater facilities per the St. Johns River Water Management District's requirements.

It is underway but I have identified two areas that need some work. One outfall structure actually sunk about nine to 10 inches and it is impacting how the water is discharging. There is another one that has some damage to it as a result of some erosion underneath. It is nothing urgent but I will be working with some contractors to get some pricing to bring back to the board.

Mr. Veazey asked so you have found 40 sidewalk issues but you have identified the 12 worst areas and that is what we have approved?

Mr. Yuro responded that is correct. There is still going to be 30 that could be done that are not getting done this go around.

Mr. Hayes asked can we get a timeline of resolutions in the fitness center? The number treadmill still doesn't decline all the way down. I thought they were going to replace it. I think one of the ellipticals they supposedly redid something to it and the screen still has to be reset occasionally. Also, the mirror is broken.

Mr. Yuro responded the elliptical has been replaced once already. I think the control panel has been replaced again, as has the control panel on the treadmill. We still have the guy coming out every week to check it. It is intermittent thing. He is here and it works fine for several days and then we find out the following week that it is not quite working right again. Even though those machines are acting up, they are not as bad as they were because prior we had to put the out of use sign on them. The mirror has been ordered, so we are in the process of getting it fixed.

Mr. Hayes asked what is the timeline though? We are baby stepping and putting band aids on them.

Mr. Yuro responded I can't answer that. They come out and they fix it and it works when they are done. We have been communicating with them on a regular basis since June on the issues. The overall issues have gotten much better and we will continue to point out areas that are not up to snuff yet and work to get them resolved.

Mr. Hayes stated the same machines are causing problems, so they need to be replaced. We just got a lemon that we are patching.

Mr. Sevestre asked are we keeping documentation of how many times we are working on each piece of equipment?

Mr. Veazey responded yes.

Mr. Haber stated we sent them a demand letter. I think there has been some better response subsequent to the demand letter being sent. I was contacted by Sears counsel. What we have from Sears is a warranty on installation. What we have from the manufacturers of the machines are warranty on the machines. I think they have lived up to the warranty with respect to replacing ones that have been highly problematic. I don't know the details as to what the problems were to get them to agree to replace it versus what the problems you are talking about now and whether that is something that you try to fix. If it continues then we say you replaced it last time then you guys need to replace it again. I think there is still room for that. If there are two that continue to malfunction on an ongoing basis then I think you say you replaced them in the past and we need these replaced to because they are like lemons like the other ones you provided. I think based on their previous performance that they may be willing to do that. They have done it in the past.

Mr. Hayes asked when do we draw that line?

Mr. Haber responded I don't know what the previous problems were to allow us to draw the line previously and what the problems are now.

Mr. Yuro stated they have replaced five machines. They have replaced two treadmills, two ellipticals and a bike. One of the ellipticals that they replaced has been having some screen issues. The last time I was onsite with the guy was two weeks ago and the parts had come in and it was repaired. I just found out earlier this week that it is acting up again. The same thing happened with the treadmill. A couple of weeks ago, the parts were in and it was working. I watched them adjust it and set it and it was working normal. Now a couple weeks later it is acting up again. We will continue to follow up and see if we can get them replaced.

Mr. Hayes stated they were generous and replaced two of the treadmills with two Gillian Michaels treadmills, which are much more expensive treadmills than what we had originally ordered. They have stepped up from that standpoint.

Mr. Veazey asked are we getting extended warranty on these new machines?

Mr. Haber responded my letter specifically said it is our expectation that when a machine is replaced that the warranty begins from the date that the new machine is delivered and not from the previous machine.

Mr. Veazey asked do you guys document every time a machine goes down?

Mr. Yuro responded yes.

Mr. Hayes stated hopefully this summer they start working on County Road 210 but the entrance off of Leo Maguire continues to deteriorate. The potholes are getting bigger and bigger. I know that is the County's road. Can we ask them to fill in some of those potholes?

Mr. Yuro responded they just filled them in, in the last week. You can go onto the County website and see there is a process where anyone can report potholes.

Mr. Hayes stated I have heard several complaints about people dropping weights. Can we get some signs put back up in there again?

Ms. Mixson responded we had some temporary signs and they were removed. We can definitely get some permanent signs but it is an issue on where to hang them. I will say that I was in my office and I heard loud banging, so I went and watched. They weren't even dropping them. They were just sitting them down. There is not really much padding on the floor, so unfortunately it makes a lot of noise.

Mr. Yuro stated we can get nicer signs.

Mr. Veazey asked do we have the rules and regulations in there on a sign?

Mr. Yuro responded yes.

Ms. Mixson stated we have it on the door as you walk in the front and back.

Mr. Hayes asked do they deliver the water in the fitness center every two weeks?

Ms. Mixson responded I think it is every other week.

Mr. Hayes stated we are not getting enough water. I was told we were out of water over the weekend. Either get more water bottles or get a water line ran out there.

Mr. Yuro stated we have looked at that. There is a water fountain still inside the facility. I think what I was told is a water line may have been initially proposed but it was taken out. I think to go and put one in now would be cost prohibitive. It is not the water line that is expensive. It is the drain line.

Mr. Hayes asked are we charged by the bottles that we use?

Ms. Mixson responded we are on a plan. We started at three bottles and I think we up to 15 or 20 a month now. It is around \$100 a month.

Mr. Sevestre asked where is the water fountain?

Mr. Yuro responded right between the restrooms.

Mr. Hayes stated my suggestion is to kick up the plans. Stacie told me they are running out.

Ms. Mixson stated that is up to you guys.

Mr. Yuro stated a lot of residents are coming in with big water bottles and filling it up and then going home with a full water bottle.

Mr. Veazey stated we need to put up a sign.

Ms. Mixson stated I did. It says please do not fill up your water bottles.

C. Manager

Mr. Oliver stated the audit is underway for the fiscal year 2012 financials.

D. Art of Living Director

Ms. Mixson stated my report is in your agenda package. Our holiday wonderland celebration is going to be on the 16th this year. We are doing something a little bit different. We are having the event and then after the event we are going to do a family movie on the field. We will have concessions with hot cocoa, popcorn, etc.

TWELFTH ORDER OF BUSINESS Supervisors' Requests

Mr. Veazey stated I think a couple meetings ago we talked about the reserve study. Now that we have completed the construction project, do we want to get proposals for an update?

Mr. Oliver stated I got an email today from Charlie Sheppard of Community Advisors, who performed the original reserve study and he is ready to start the updating process.

Mr. Veazey asked so you are talking with him and making him aware of the tree issues?

Mr. Oliver responded we will.

Mr. Veazey asked will that come out of the reserves?

Mr. Oliver responded we will just have to decide how we handle it. He will meet with Mike and I and we will go over all of the assets and some of the future capital needs of the District.

Mr. Hayes stated Mr. Valyou is back and joining us again after a long hiatus. He and his wife Jackie have expressed to the board and me on numerous occasions about having a couple of benches around the neighborhood. I would like to take the lead on that and acquire a budget of some sort and start off with a couple of benches in some of the common areas. Jackie has some areas that she would like to recommend.

Mr. Oliver stated the board has already approved the benches, so Tracy can work with Mr. and Mrs. Valyou.

Mr. Hayes stated obviously in the last 90 days I have talked to a lot of homeowners. I would like to suggest a fix it button on our community website, so homeowners can go on there and say this is broken. It would send an email to the board, so we all are aware that someone reported an issue. Then Mike would report back and give them a heads up on when it will be fixed. That way we can report back to the homeowner and we have accountability that things are being fixed in a timely manner. The second thing would be to put an anonymous button on our website. They can put that the swings are broken but it wouldn't list their name. I think a lot of things go on and are not reported and weeks or months go by because someone didn't come to a meeting or they didn't know to call Mike.

Mr. Oliver stated first, if someone does something anonymously then staff won't be able to communicate back with them. Number two, there is an avenue for people to get in touch with us now because everyone's emails are listed on the website but if you want to turn it up a notch it is not a problem.

Mr. Hayes stated the complaints whether they are valid or not or things are not getting fixed in a timely are coming back on Mike.

Mr. Armstrong asked so you are just looking for an easier link?

Mr. Hayes responded yes.

Mr. Yuro asked wouldn't it be easier to put something on the website or send out an email blast that if they have a concern they can email me directly. I think most people do.

Mr. Hayes stated the thing is what I am getting the complaint about is that you are not responding quick enough. I am not saying that is valid or not but then I can say I got the email, Mike got the email and then Mike emailed me three days later and said it was done.

Mr. Yuro asked so you are getting complaints that things aren't getting fixed that have been reported as broken?

Mr. Hayes responded right. The complaint I got from one person is that with the previous facility things were fixed right away.

Mr. Oliver stated I don't have a preference regarding how we track repairs and projects as long as we always do the best we can to get things fixed as quick as possible.

Mr. Hayes stated of course.

Mr. Armstrong stated with what Tracy is saying, it would keep us all informed of what is broken and what is not broken.

Mr. Randolph asked so the email will be directed to the webmaster and then they will direct them to us?

Mr. Hayes responded she said she can put it in there, so it will send it out to everyone.

Ms. Mixson asked for the anonymous people, how would we respond to them? A lot of residents don't know the difference between the HOA and the CDD and if someone is submitting a complaint or a concern that is an HOA issue then I don't want them to think we are ignoring them if we don't respond and if we don't know who they are then there is no way to reply to them.

Mr. Hayes stated you have to think in the context that it is someone who goes into something anonymously. They are not expecting a response because they are going in there anonymously but they do want to be heard. Because some people want to do it anonymously right now, they are not doing anything.

Mr. Yuro stated so about a month ago I saw the spring rider was broken, so I called the manufacturer immediately. He had someone else take a look at it. It is under warranty. He is working with the warranty people. It is still not done yet. I called him again this week and there were issues with the holidays. Now he thinks it will be about two weeks to get it fixed. Here is something that was addressed immediately but it has been a month and still not fixed.

Mr. Hayes stated but I already knew that as a board then I could have told everyone at the party that I was at that Mike is already on it. Because we have a 60 day lag between meetings, we don't even know what you are fixing.

Mr. Armstrong stated the only downside I can see is that now we are going to put more on Mike because he is going to have to email us to let us know that he has already taken care of it. We are going to have to set up a group email list.

Mr. Hayes stated he already has that.

Mr. Haber stated if an email is going from Mike to the group, do not communicate with each other about this. You all can receive emails from Mike about the status and from Jim about the status and from Erin about the status but Tracy cannot send an email to Mike Veazey or Paul saying having you heard what is going on.

Mr. Hayes stated I think it would make all of us look good. I think it would make you look good because we can say that Mike is on top of his game.

THIRTEENTH ORDER OF BUSINESS Audience Comments

Mr. Greg D'Alessio stated I specifically came here to address that issue in a good way partially. I have known Mike since the beginning because we moved here at the same time. I think there should be a central point, where you can send in whatever issue you have under the website and then someone has to monitor it and forward it to the person that should get it and then should respond back to the person who sent it. When they finished the fitness center I was very happy with it and I sent them a thank you but I saw some things that needed to be addressed. I had asked about handrails and Mike put them up. I asked about an orientation and I believe Erin set up with Stacie to show people how to use the equipment. I asked about the lights about the step because I was concerned about someone falling. I asked about the bike rack and Tracy asked about it. I had asked about the hours and you increased the hours. I didn't know who to send it to and I didn't want to key in 20 different email addresses. That is why I think it would be easy to have one simple place that you send in your requests. You could put a check in there if you want a response back and then someone has to have the responsibility of sending it on to whoever is supposed to get it.

Mr. Oliver stated we will work behind the scenes on it. I will work with Tracy to get with the webmaster and come up with a few different options.

A resident asked why don't you just have a tab on the website that has a list of projects being completed? Then you don't have to worry about responding to individuals.

Mr. Hayes stated I like that idea.

A resident stated let's go back to the tree situation. Let's say the tree died and it needs to be removed. What would happen to the old tree? Are you saying you would move it and replace it with the new tree because that is what it sounds like in the letter that you are attempting to give to us? When you are drafting the letter, take into consideration what that entails when you say you will replace that tree with a three or four inch tree.

Mr. Randolph stated I would suggest that add a stipulation that the removal costs are not involved.

A resident stated make sure that you coordinate with the HOA that you allow stump grinding instead of full removal. If you can grind it down then that is good because removing it still incorporates the same astronomical costs.

Mr. Randolph stated I think stump grinding would be the cheapest route.

Mr. Yuro stated let me get with DTE and talk with them about it. I believe what they would do is remove the trees and saw cut the roots out but I will follow up with them about the procedure.

A resident stated I would appreciate it if we could take into consideration the homeowner too by saying the HOA gives them some leniency, so they can move their tree to the left or to the right.

A resident asked how many trees are between the sidewalk and the road?

Mr. Yuro responded all of the ones that we are talking about.

A resident asked is there anyway instead of writing letters and sending Mike out, can we just have a meeting with the homeowners and the HOA and the CDD?

Mr. Veazey responded as long as it is noticed, we can meet anytime we want.

A resident stated the HOA has no communication with the CDD. As a new HOA member and a prior code enforcement member, if we could have some representation at your meetings then it would be better for everyone.

Mr. Oliver stated I would just suggest that we set up a joint workshop with the HOA and CDD Boards to discuss this issue. It will be at a noticed meeting.

A resident stated I would say that some of the residents are not educated with the covenants and the architectural review.

Mr. Veazey stated when people close on their house they should be getting information on that.

A resident stated where we live there are more rentals over there than homeowners and I am sure when they rent the house they don't get a copy. I know it is the owner's responsibility but they should have a copy for informational purposes.

A resident stated it is extremely difficult to enforce covenants on rental properties because the owners live in New York or overseas and they could care less.

A resident asked are there rules as to the standards of the golf carts themselves? Do they have to have lights on them, blinkers and other safety features to be on the roads?

Mr. Hayes responded that is what you would need if you want to make them road legal.

A resident asked what is the age limit for drivers?

Mr. Hayes responded 16. They have to have a driver's license.

Mr. Yuro stated per the Florida Statutes and the County ordinance. Any driver of a golf cart on a designated road must have a valid drivers license. Then the cart maybe operated on designed roads. It has to be equipped with efficient brakes, reliable steering, safe tires, rearview mirror and red reflector warning devices in the front and rear. If it travels at night it needs to have headlights, brake lights, turn signals and a windshield.

Mr. Hayes stated and the speed limit is 20 mph.

A resident asked who would enforce it?

Mr. Yuro responded the sheriffs department. Once this gets approved and all of the improvements are final, the County issues us a letter saying you are a designed golf cart community and they send that letter to the sheriffs department.

A resident asked can I suggest that upon approval that the statutes and the regulations be emailed to all of the homeowners, so they are aware?

Mr. Yuro responded it is on the website and it has been emailed out prior a couple of times.

A resident stated they are not reading it.

A resident asked are our roads owned by the CDD or are they County roads?

Mr. Oliver responded most of the roads are owned by the CDD.

Mr. Haber stated Leo Maguire is owned by the County. The internal roads are owned by the CDD.

A resident asked at one time weren't we talking about turning the roads over to the County?

Mr. Haber responded we did not have success with that.

A resident stated I wasn't able to come to the last meeting and I got the notice that the golf cart thing was approved. I went onto the website and I did not find the minutes. I went on there yesterday and I did not see minutes from the September meeting. Is there a legal responsibility to have the posted at a certain time, so I can read what is going on? Who is responsible for updating the website?

Mr. Oliver responded we post the minutes after the board approves the minutes. I am certainly willing to put draft minutes up. We are not required to put any minutes on the website. If you ever want the minutes, we are happy to provide them. We will put draft minutes on the website.

Mr. Veazey stated I think we approved Mike looking into the golf carts. I don't know that it has actually been approved. Mike still needs to get hard costs and then the board will decide whether we want to spend the money or not.

Mr. Haber stated you authorized Mike to make the application. The application has been made. There are submittals to the County. The County is going to review those and say yes, if you make these improvements then you will be golf cart legal. Then Mike will come back to you and say we got the approval. Here are the estimates for the improvements. This board has to say we are willing to make those improvements before you will get golf cart legal.

A resident asked is it true that you can take a golf cart onto the golf course?

Mr. Hayes responded no. You can't. It is private property.

A resident asked if we do become a golf cart community, is it just Leo Maguire road or all internal roads?

Mr. Yuro responded all internal roads, including Stonehedge Trail Lane. Leo Maguire is not going to be designated for golf cart use, which is why we had to come up with the detail to get people from Stonehedge Trail Lane across the intersection and onto a cart path that runs adjacent to the existing sidewalk. That will get them to Eagle Point Drive and then from Eagle Point Drive they can go onto any of the other internal roads.

A resident stated some comments were made when they were trying to promote this that the property values will increase if this community is designated as a golf cart community. I cannot find any information that that is possible. I have spoken with many home appraisals and they said we do not have anything covering that at all. I spoke with three different appraisal organizations and none of them would say anything about it.

A resident asked what about insurance?

Mr. Oliver responded it is negligible. We have other CDDs that are golf cart communities and their premiums were not impacted.

A resident asked so we wouldn't get a letter from our car insurance or our homeowners insurance that the insurance is going up because of that designation?

Mr. Haber responded I have no idea. The only thing we can speak to is the District's insurance policy and Jim has looked into that. Any increase in the District's premium on its liability policy is negligible. I have no idea of the impact it would have on an individual homeowner.

A resident stated the only time your personal insurance goes up is if you make your golf cart street legal.

FOURTEENTH ORDER OF BUSINESS Financial Reports:

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending September 30, 2012

Mr. Oliver stated included in your agenda package is the balance sheet and income statement as of September 30, 2012.

B. Check Run Summary

1. General Fund

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

2. Capital Reserve Fund

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

On MOTION by Mr. Hayes seconded by Mr. Randolph with all in favor the General Fund Check Run Summary & the Capital Reserve Fund Check Run Summary were approved.

C. Special Assessment Receipts

Mr. Oliver stated included in your agenda package is the special assessment receipt schedule. The District is 100% collected for 2012.

FIFTEENTH ORDER OF BUSINESS

Next Meeting Scheduled – January 23, 2013 at 6:00 p.m.

Mr. Oliver stated the next scheduled meeting is January 23, 2013 at 6:00 p.m.

SIXTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Hayes seconded by Mr. Randolph with all in favor the Meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman