

MINUTES OF MEETING  
SAMPSON CREEK COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Sampson Creek Community Development District was held on Wednesday, July 24, 2013 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	Chairperson
Ed Randolph	Vice Chairman
Tracy Hayes	Supervisor
Paul Armstrong	Supervisor
Bob Sevestre	Supervisor

Also present were:

James Oliver	District Manager
Wes Haber	District Counsel
Mike Yuro	District Engineer (by phone)
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**

**Affidavit of Publication**

Mr. Oliver stated included in your agenda package is a copy of the affidavit for tonight's meeting and public hearings.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the May 22, 2013 Meeting**

Mr. Oliver stated included in your agenda package is a copy of the minutes of the May 22, 2013 meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Armstrong seconded by Mr. Randolph with all in favor the Minutes of the May 22, 2013 Meeting were approved.
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**FOURTH ORDER OF BUSINESS**

**Consideration of Renewal of Agreement with Stingrays Swim Team**

Mr. Oliver stated if you recall we went through the contract process last year and had a lot of discussion. The swim team and the District both worked well together with that agreement. Before you tonight is actually the same agreement except it is for a term of five years. You still have a termination clause.

Mr. Veazey asked are you guys still finishing by 10:00 a.m.?

Mr. Armstrong responded 10:00 a.m. or 10:30 a.m.

On MOTION by Armstrong seconded by Mr. Randolph with all in favor the Five Year Renewal Agreement with the Stingrays Swim Team was approved.
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**FIFTH ORDER OF BUSINESS**

**Discussion of Policies Regarding Outside (Non-Resident) Amenity Facilities**

Mr. Oliver stated at the last meeting we briefly discussed the fact that some non-residents were using the tennis courts and we want to discuss that more. Since then there has been even more use with the soccer fields. We wanted to take a look at those policies and see what we can do to manage those facilities to ensure that the residents, who are paying for those facilities, have the best accessibility for those facilities. In your agenda package you will see some recommendations that Erin Mixson has made regarding that. She will also give a report on discussions she has had with some of the tennis leadership in the community regarding nonresident use and league play.

Ms. Mixson stated the current policies of the soccer field say that the fields can be reserved Monday through Thursday. Only one team can reserve the field at any one time and they can only use half of the field. The other half of the field has to be available for walk up use. The current policy also says that any resident can reserve the field and there is not a limit to how many non-residents can be on that team. I discussed it with Mike and we came up with two possible changes. One option would be that no teams are ever allowed to reserve the field and it is always just available for walk up play. The second option is the fields can still be reserved Monday through Thursday but we limit the amount of time the team can reserve it. They can only reserve the field for one hour per week and they must register with me. We would put a

new board out by the soccer field and post a schedule and it would be posted on the website, as well. Teams must consist of at least 60% residents and their roster must be provided.

Mr. Armstrong stated I kind of like option two. I like that they are only reserving half of the field, so we are leaving the other half open for residents.

Ms. Mixson stated technically that is what it is now but we might want to say that no other team can reserve the other half of the field and that it must be left open.

Mr. Hayes stated for one hour a week I think we are being too strict. A resident may want to have a soccer game and a game might last more than an hour. I just don't see restricting them to only being able to use half of the field. Practice can be restricted to half of the field. What you are saying here is that we have a soccer field here but you can't play soccer on it.

Ms. Mixson stated right now, you can only reserve half of the field at any one time. I would think we wouldn't want to have leagues out here using our fields.

Mr. Armstrong asked would you be happy with wording that you can have a one hour practice per week and if it is a scheduled game then they can have the field for no more than two hours?

Mr. Hayes responded that would make sense.

Mr. Veazey asked so what you guys are talking about is actually expanding the ability for teams or residents?

Mr. Armstrong responded it says that 60% of the residents would have to be on the team under option two.

Ms. Mixson stated the biggest complaint I have gotten is that it is only one resident and then the rest are non-residents out there taking up the field.

Mr. Sevestre asked how do you monitor it?

Ms. Mixson responded it is kind of the honor system. If you sign up for soccer then you have to give me your roster.

Mr. Randolph stated you almost have to put something in there that you have to have it reviewed by our office and you have to list out the resident names and what their addresses are.

Mr. Hayes stated I don't really see a problem with them bringing in non-residents to a practice because they are only there for an hour.

Ms. Mixson stated someone will call and say they want to use the field in the winter time and there is only two hours a night to use it. For the rest of the summer, two people have all of the days reserved.

Mr. Veazey stated my thing is are we going to allow any teams from outside. Then if you are allowing them, what are those rules and then if we are not then there is a whole different set of rules that I think we can put in place for residents or 60%. If there is one resident on a team then you could basically have all four days of the week with teams up here practicing on our field. I know what happens is that in between seasons they shut down Veteran's Park and field time is at a premium and then everyone comes here. I can tell you that having 60% of residents on a team would eliminate all teams.

Mr. Hayes asked what is the mix of these people that have signed up for the rest of the summer?

Ms. Mixson responded they don't have to provide anything except for the resident comes and fills out a form.

Mr. Veazey stated the one night I came up here and took pictures because there was literally six teams on the field. I was driving by and I turned around and came back and took pictures. There was a girls soccer team warming up. There was another girls team on the field. There were two football teams at the other end and then another guy with five kids over in the corner. If anyone in the community actually wanted to come up there and play, there was no where to play. I just question whether we should even allow teams and if you do then somehow we have to restrict them. I also say that if a resident wants to reserve half of the field because they have their kids birthday party then they should be able to.

Mr. Armstrong stated what you are saying is logical. I am on board for 60% residents.

Mr. Sevestre asked so when you do a roster that means that every name has to be checked to find out if that kid lives here?

Mr. Armstrong responded correct. You just give it to Erin and she can check the last name and address.

Mr. Randolph stated I like the 60% threshold.

Mr. Hayes stated when no one else is using the field then I would say you can make that discretion.

Mr. Veazey asked do we want to allow them once a week, so they can still do what some people have done this summer or do we want to say it is only twice a month or once a month? At the end of the day our field is getting wear and tear because the County closes their parks and we residents pay for the wear and tear of non-residents using it.

A resident asked can we rent the field?

Mr. Haber responded that is one option. Presently, the District has one fee that it has adopted as a fee they can charge and that is to become an annual user. If you pay that fee, you have all of the rights of a resident. There are other Districts, like Julington Creek, where they have one fee to take advantage of all of the facilities but then they also have a number of other activities, where they adopt a fee that says if you want to pay this much to be allowed to rent our soccer field then you can pay this much annually and it gives you that one privilege and nothing else. That is a potential option.

Mr. Veazey stated quite honestly, I don't think the intent was ever for teams to ever use the field.

Mr. Armstrong asked what is the maintenance costing us right now with all of the people using it?

Mr. Yuro responded I think it would be very difficult to break that out based on the use of the fields.

Mr. Veazey stated I think it is similar to a swim team. I don't know that you could measure how much chlorine they could use.

Mr. Armstrong asked what does it cost to reserve the field?

Ms. Mixson responded nothing.

Mr. Randolph asked are there folks that you have to turn away?

Ms. Mixson responded yes. When the other fields close down there is a mad rush of people calling and emailing me trying to get their soccer scheduled.

A resident stated as far as the Stingrays and the chlorine fee, we would not be opposed to a discussion about contributing to that.

Mr. Veazey stated I think about 98% of the kids on the swim team are residents, so I am okay with that because they are all residents.

A resident stated I love see kids play sports and I don't care if they are on teams or not but I hate to think that people aren't being able to use it recreationally in the neighborhood because there are teams there.

Mr. Armstrong asked so if we amended option two, we would leave everything the same but add may reserve two hours per week for a game?

Ms. Mixson responded I am fine with that but that is not usually what they are out there for. They are mostly out there for practice.

Mr. Veazey stated my feeling is if they want a game then maybe that is a special request. I understand if it is a bunch of residents.

Mr. Armstrong asked so can we leave that in Erin's hands to make that decision?

Mr. Hayes responded I am good with that.

Mr. Hayes stated they still have to meet the 60% rule.

Mr. Veazey stated I personally don't think we should even consider the whole field.

A resident stated no one is going to have a true game on our field because it is not lined.

Mr. Armstrong stated then we can just leave option two the way it is then and not worry about the two hours for a game. They can have half of the field for one hour per week with the 60% resident rule.

Mr. Veazey asked what about a trainer that has 60% residents, are we going to let them rent the field?

Mr. Randolph responded we should say no sports camp type activities. No money making.

A resident stated they are already paying money to play soccer for a club and we are not seeing any of that money.

Mr. Veazey stated I think we need to look at this policy as a whole.

Mr. Haber stated I think in the past the way that has been justified in having those people use the facilities is that it is a benefit to the residents because they have those people providing the service. If you start to identify it as a problem as opposed to a benefit to the residents then I think it is worth reviewing. This board has the authority to change it to solve the problem.

Mr. Randolph stated I think we should add language for no revenue generating camps?

Mr. Armstrong asked, "Wes, can you draft something like that up for us?"

Mr. Haber responded I think we could.

Mr. Randolph stated maybe we would have to review each application. We could put excludes camps or training, where it is for a set period of time and you pay a fee to train as opposed to just play.

Mr. Hayes stated I think Erin has done well here. I think we just need to keep it simple. I think 60% is going to really help.

Ms. Mixson asked so all of option two works for the most part?

Mr. Hayes responded yes and we will let you make special request calls.

Mr. Haber stated I would make one change where it says 60% residents we should add or paid users.

Mr. Sevestre asked but the roster is going to include names and addresses?

Ms. Mixson responded yes.

<p>On MOTION by Mr. Armstrong seconded by Mr. Hayes with all in favor to Adopt Option Two with Revisions Regarding Soccer Field Usage was approved.</p>
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Ms. Mixson stated next is tennis. I met yesterday with a tennis advisory group. The thing that we discussed the most are the non-residents that are playing on some of the leagues. They do have some of the non-residents on some of their tennis leagues. The way they explained it to me is that they need those extra people in order to fill out their team. We also discussed possibly charging an extra user fee for just tennis. It wouldn't be a tennis membership per se. I would be a fee that is paid to participate only in the clinic and the leagues. They thought a fair fee for that was \$140.

Mr. Hayes asked for the whole team or for that particular person?

Ms. Mixson responded for that particular person. If you wanted to play on the A team and you also wanted to play on the mixed doubles team then you would pay \$350. It is per team that you play on is what they suggested. With Peter, he is trying to grow a junior tennis league out here because Dee Dee only goes up to 10 years of age. He feels like he can't get enough residents to populate his programs. As you know he previously came to the board and requested that he be given permission to allow non-residents into his groups, as well. They talked about percentages if a team has 10 people then 75% or 80% need to be residents. The same thing

would apply with Peter if he had non-residents taking lessons or clinics. There would be an additional fee for those people, as well.

Mr. Randolph stated it just gets back to having the courts available for when residents just want to play. I don't know that we are in the money making business.

Ms. Mixson stated the woman's leagues right now are during the day and they don't really impact primetime. It is all mornings during the week.

Mr. Veazey stated I don't know how you would monitor this but I think you put it out to residents first for your team and then if there is still room then you allow non-residents.

Mr. Armstrong asked why can't we just adopt the 60% rule for tennis? Then as it grows, we can review it again.

Ms. Mixson stated they feel like they are at 75%, so that is why they felt comfortable saying.

Mr. Armstrong stated the way I look at it is residents have first choice.

Mr. Hayes stated I would just think to charge an annual fee.

Mr. Veazey stated but these are strictly teams. They can't come on Saturday afternoon on their own and play.

Ms. Mixson stated exactly.

A resident asked what is going to keep 80% of resident saying that is just my friend who is just visiting?

Ms. Mixson responded it is a league you have to join.

Mr. Veazey stated you can bring a friend in from outside and play Saturday afternoon if your friend comes over.

A resident stated but you are saying you are going to charge the tennis people but you are not going to charge the soccer people, even though there are going to be more non-residents playing soccer at 60% than 80% to play tennis.

Ms. Mixson stated the thing with tennis too is that it is pretty much five days a week that they are out there for three hours a day. It is a lot more usage than one team that may come and use the soccer field once a week.

Mr. Armstrong stated it is a lot more expensive to maintain a clay court than it is to throw some sod down on a field. Your nets cost money. They are clay, right?

Ms. Mixson responded no. They are hard court.

Mr. Armstrong stated but you still have to refurbish them.

Ms. Mixson stated we did look into getting access rears on the tennis courts, as well, which would keep all non-residents out.

Mr. Hayes stated so for every nonresident on the team for that season, they are going to pay \$100, so if they have 10 players on the team and three of them are non-residents, the team needs to come up with \$300.

Mr. Haber stated you wouldn't be able to put this into effect immediately because we are a unit of government. We need to hold a rate hearing and notice it.

Mr. Yuro stated the total is for \$11,725 to install card readers with the bulk of that price being the wires out to the gate. There is a product where they can install an access card reader on the gate for \$1,725.

Mr. Armstrong asked was there a way to look into a wireless system that uses the gate key that sends a signal back to Erin's office?

Mr. Yuro responded they haven't indicated that wireless was available. Our current system is fairly old.

Mr. Armstrong stated but if you look at \$12,000 to put in a wired system, it might be beneficial to look at upgrading the whole system for wireless.

Ms. Mixson stated the only issue with that is that every resident would need to get new cards.

Mr. Oliver asked is court availability for recreation play or team practices and matches? Because the access card thing I don't think we need to have if the availability is based on team play.

Ms. Mixson responded I do get a lot of complaints about non-residents out there.

Mr. Armstrong asked why can't we just have a locking code gate, where you punch in the number and just give it to residents?

Mr. Randolph responded because that will spread to everyone.

Mr. Oliver asked when is there walk up nonresident play?

Ms. Mixson responded on the weekends is when it is mostly happening.

Mr. Veazey asked have there been complaints that I can't access the courts because of non-residents?

Ms. Mixson responded just that there are non-residents using the courts and whether or not they kick them off I do not know.

Mr. Veazey stated I just don't know that we should spend \$12,000 on that if it is not a major issue and I don't know that it is a major issue right now.

Ms. Mixson stated there is a group that wants to start another mixed doubles league. They are calling it the Cooler League. They want to play on Saturday evenings from 5:00 p.m. to 7:00 p.m. It is all residents. It is about 20 people. They want to advertise it to the community, as well.

Mr. Armstrong stated as long as it stays residents. Can we limit it that they leave one court open?

Ms. Mixson responded I don't know how league play works. I think they need it.

Mr. Hayes stated if they have 10 couples then that is five different games going on and they have four courts. They are going to rotate.

Ms. Mixson stated they talked about doing it for two months.

Mr. Hayes asked do we want to touch base on the tennis lessons by Peter? I don't want any non-residents coming in. I don't care what they are paying them.

Mr. Armstrong stated I don't want any non-residents coming in. I have to agree with Tracy on no outside play.

Mr. Hayes stated and more leagues are coming. He is using the term building his business but that is the wrong term to use with this board.

Ms. Mixson stated I do think that he may not continue to be out here if that is the case.

Mr. Veazey asked what is his limit?

Ms. Mixson responded we hold Dede to a different standard. We require all of her lessons are with residents.

Mr. Randolph stated I would say that should be the case with all of them. When it comes to a money making endeavor then they should cater to residents only.

## **SIXTH ORDER OF BUSINESS**

### **Update Regarding SJC Process of Acceptance of CDD Roads**

Mr. Oliver stated we have had this discussion at the past two meetings. The board was looking into the possibility of conveying the roads to St. Johns County. There is a pretty rigorous acceptance procedure before they will accept the roads. Essentially the District would

have to make several hundred thousand dollars available for the process to evaluate the roads before the Board of County Commissioners would even consider accepting those roads. Based on audience input and board discussion at the last meeting, Supervisor Hayes drafted a letter and sent it to Commissioner Ron Sanchez asking him for some type of assurance that if this District spent several hundred thousand dollars in bringing the roads up to standard then can we have assurance that the Board of County Commissioners would accept those roads. You have a copy of that letter in your agenda package. You have staff's email recommendation back to the commissioner. Essentially staff is recommending such assurances are not made because they don't think it is a good time for St. Johns County to be taking over roads. If this Board were to pursue the conveyance process, there is risk involved. That is not to say it is a dead issue but that is where it seems to stand right now.

Mr. Hayes stated I followed up with the letter. I kind of felt like he got the letter and then just did what he did last time and immediately referred it off to the engineers. I don't even think he probably read the letter. He just turned it over to the engineer. Right now, Mr. Sanchez would not get my vote. I had to follow up and find out that he sent it on to staff. I don't want staff to take care of it. I am talking to Mr. Sanchez. He didn't respond to me, so I felt disrespected. I think he just pushed it off.

Mr. Armstrong asked what about if we had Wes send them a letter for a meeting?

Mr. Haber responded I have had a meeting with them, where we were discussing the interlocal agreement. We didn't have any commissioners at that meeting but we had the County Attorney, the County Engineer and some lower level people, where John Thibault essentially said if you want to do our pond then you are going to take our roads and they said no that they are not taking roads. That was at the height of the down turn in the economy. Unfortunately, I don't have the relationships in the County. There may be another lawyer in town or a local lobbyist, who may be better to send that letter and know who to send the letter to and know who to meet with and know how to conduct that meeting.

Mr. Veazey stated the one thing to note is the engineer basically put in there considering maintenance probably half of their expected life is used, which you might have to repave just to get the acceptance which is what we are trying to avoid in 15 or 20 years.

A resident asked say the County does take the roads, what if the CDD eventually to gate the community?

Mr. Haber responded presently, the roads are public. If the County takes them they will continue to be public roads.

A resident asked so that would nix any future gating?

Mr. Haber responded one option is there are things called soft gates, where anyone in the world is entitled to access but a gate is there. If the County owned the roads, I think the County is not going to agree to put up any gate. I think any option of installing a soft gate goes away if the County takes on the roads.

A resident asked if the County takes over our roads, how does that affect our golf cart status?

Mr. Haber responded I don't think it does. I think the County designated these roads as legal for golf carts. Whether they are owned by the County or the CDD, they are still going to be legal for golf carts. I don't think it impacts that.

## **SEVENTH ORDER OF BUSINESS**

### **Presentation of Updated Capital Reserve Study (DRAFT)**

Mr. Oliver stated a draft capital reserve study is included in your agenda package. This takes into account the recent construction and expansion of the fitness room. What this report essentially does is it takes all of your assets, assigns a useful life at a cost and helps us plan the maintenance and replacement of those assets, as well as put aside the funds for those assets. This is something for you to look at. We can discuss it more at the next meeting. What is interesting about this is it assigns a value of amounts that need to be put aside each year for a capital reserve contribution. Page 1-2 shows what the recommended capital reserve contribution is for fiscal year 2014 and that is at \$147,000. On the following pages you will see component summaries. These will show the different components from streets to drainage to parking lots, fencing, etc. If you look at page 1-3 the streets, drainage and concrete is \$1.2M and that is why we are having this discussion about conveying the roads. It does show the costs by line item. On page 1-6 it shows what the anticipated contributions would be, as well as what the expenditures will be. As you go into the details of this on page 1-8, you will see what components would be replaced or repaired in those years. As Mike and his staff work, they are going to find that some of these items may move forward or back depending upon the events on the ground. For example, the plan may list replacement of some pool furniture in 2014, but Mike may make an assessment and realize that can be pushed back to 2015. By the same token, you may have some pump repairs in

2014. This is a living document. It is going to be revised every year. After you go through years 2042, you will see the actual components. It does show a picture of the component and when it is placed in service and what the remaining useful life is and what the cost of replacement would be. If you go behind the blank tab I had Charlie run that report if we pulled all of the road repairs from that if the roads were conveyed. You would see the contribution would fall from \$147,000 to a contribution of \$51,491. It makes a very significant difference. We will continue to refine this.

Mr. Veazey asked, “Mike, you have looked at these numbers and you are in agreement generally speaking?”

Mr. Yuro responded I looked at the components but I have not really had the chance to look at all of the numbers in detail.

Mr. Oliver stated this report did impact how we budgeted this year. Mike will scrub this report and we will have a final version for you.

## **EIGHTH ORDER OF BUSINESS**

### **Public Hearing Adopting the Budget for Fiscal Year 2014**

#### **A. Consideration of Resolution 2013-04, Relating to Annual Appropriations and Adopting Budget**

Mr. Oliver stated this is essentially the same budget you saw at the May meeting. There is no increase in assessments. There is some minor shifting between line items to make everything balance. You are in good shape with your budget. If you look at the bottom of page two, you will see assessments have been level for the last five years. That includes a pretty healthy capital reserve study. If you look upward from that table you will see a line item called interfund transfer capital reserves. Last year, you set aside \$94,000 for capital reserve contribution and that was put in the capital reserves. I left that steady at \$94,000 for this year. The reason being is that we have two results for the capital reserve study. There is one with the roads with a recommended \$147,000 and one without the roads, where they are recommending approximately \$50,000. I think we are safe taking the middle ground with that for right now. Even if the roads are not conveyed, you do have other financing options that you can consider when 2020 comes around but for now, let’s take the middle road. The other part of the budget you have the Series 2006 bonds and that is like a fixed mortgage. Rather than 12 monthly payments, you have two

semiannual interest payments on November 1<sup>st</sup> and May 1<sup>st</sup> and you have a principal payment May 1<sup>st</sup>. The assessments for the debt service payments do not change any for the District.

Mr. Armstrong asked what on page two what is our golf course at the \$12,500 for?

Mr. Oliver responded we have a cost share agreement with the golf course for use of their parking lot, which we pay money for. It is their parking lot and we have the use of that parking lot, so it is a cost share arrangement. We also have a cost share in terms of landscaping.

On MOTION by Mr. Veazey seconded by Mr. Randolph with all in favor the Public Hearing Adopting the Budget for Fiscal Year 2014 was opened.

There being no public comments, the next item followed.

On MOTION by Mr. Armstrong seconded by Mr. Sevestre with all in favor the Public Hearing Adopting the Budget for Fiscal Year 2014 was closed.

Mr. Haber stated Resolution 2013-04 adopts the budget that you just went through as the formal budget for the District and then it appropriates the necessary funds to pay those obligations. It is relatively straight forward. It adopts the budget and it appropriates the necessary funds.

On MOTION by Mr. Randolph seconded by Mr. Veazey with all in favor Resolution 2013-04 Relating to Annual Appropriations and Adopting Budget was approved.

**B. Consideration of Resolution 2013-05, Imposing Special Assessments and Certifying an Assessment Roll**

Mr. Haber stated the District needs funds to pay for those line items that you just appropriated. We have debt assessments that are levied. They are levied for the next 30 years. This resolution doesn't levy those assessments. They merely certify those assessments for collection on the County's tax roll. This resolution does impose the O&M assessments. Those O&M assessments are broken down amongst all of the property owners to fund the general fund budget that you just adopted. This resolution does two things; it imposes the O&M assessments and then it certifies for collection both the O&M assessments and the debt assessments on all of the homes within the boundaries of the District.

On MOTION by Mr. Armstrong seconded by Mr. Randolph with all in favor Resolution 2013-05 Imposing Special Assessments and Certifying an Assessment Roll was approved.

**NINTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Haber stated I have three items that I want to update you on. One item is this board adopted a resolution called indemnification defense resolution. Essentially what that resolution says is that should any board member get sued for any reason, the District will indemnify and defend you in that lawsuit. Presently that resolution provides that before that defense can be provided, the remaining board members need to make a certain determination. They need to make a determination that you are acting within your scope of duty. That you are not acting willfully or in malicious. The reason I bring this up is because my firm is reviewing that resolution. We are dealing with a District, where a board member was sued. It is a board where unlike this board, not everyone on the board gets along. There is concern that board members would not agree to vote in favor of their fellow board members being defended in the lawsuit. We did the research and we are able to have a presumption in that resolution of coverage. I just want to make sure you guys are comfortable with us amending that resolution. We will bring it back before you in the next couple of meetings. I have been getting a number of questions from my Districts regarding the Villages as it relates to the IRS audit of some of the bonds that were issued by some of the CDDs located down in the Villages. The issue being that the IRS has issued an opinion that says that at least one of those Districts is not a government unit and as a result, the bonds that were issued by that CDD are not entitled to tax exempt status, which means that the bondholders would have to pay tax on the interest that they have earned by virtue of investing in those bonds and the reason why it may be a problem for the CDD is those bondholders may come against the CDD to say this is your fault and you make us whole. We have been monitoring the issue very closely. In large part, the issue that the IRS focused on is the particular CDD that issued those bonds will never transfer to resident control. As you know

you guys are under resident control. It is a commercial District, so it would never meet the 250 resident threshold in order to have that transfer and because it will always be privately controlled, the IRS held that it is not a unit of government. We believe that CDDs that have transferred or that are going to transfer in the ordinary course of their existence are safe. We don't know for sure how the IRS is going to interpret it but so far we like to believe that CDDs, such as Sampson Creek, where we have resident control that they are not going to be coming after us. We are not making any guarantees but to the extent you read about it and had any questions I wanted to give you that update. There have been a number of changes in the law that result in updates being needed to the rules of procedure. We are reviewing those. We are likely going to come to the board with a recommended update to your rules of procedure.

### **B. Engineer/Property Manager**

Mr. Yuro stated my report is in your agenda package. We have had a couple of changes to some of our vendors. Giddens has a new security officer patrolling the District. Down to Earth has a new manager for our property. I think everyone is aware that we have had some challenges with our landscaping. Hopefully DTE is going to make some changes that is going to rectify the situation. I wanted to know if the board wanted to go out for bid for proposals for landscaping and/or all of our contracts. The Down to Earth contract expires on December 31<sup>st</sup> but all of the other contracts expire October 31<sup>st</sup>.

Mr. Randolph asked do we have extension options on those other than Down to Earth?

Mr. Oliver responded you can extend all of the other ones.

Mr. Yuro stated I think it is a good idea to get proposals. Each year we have our current vendors give us a new proposal for the upcoming year, so I don't think it would hurt to seek proposals.

Mr. Armstrong stated I would like to see new bids for landscaping. It is a mess out there.

Mr. Haber asked what is the value of the landscape contract?

Mr. Armstrong responded it is approximately \$180,000.

Mr. Haber stated the reason I ask is because there is a bidding threshold of \$195,000 that if you are going to be in excess of that amount then you are required to go through a more formal bidding process. This District has been through that process. You have to advertise it in the newspaper and you have to give protest rights to anyone submitting a proposal.

Mr. Yuro stated my recommendation would be to go through that formal process.

Mr. Haber stated Mike and I can come back to you at the September meeting with a number of things that you will need to approve for the RFP.

Mr. Veazey stated we did it two years ago, so the scope pretty much stays the same.

Mr. Haber stated we will have it on your agenda for the meeting in September.

Mr. Veazey asked is there any other vendors that are not performing?

Mr. Yuro responded all of the vendors are doing okay. At times I feel like we have to manage them more than I would like. I am leaning towards sending them all out for bids. I don't think it hurts to get pricing on the others. They all don't need a formal process because they are less than the threshold. We have some residents, who would like to see some modifications to the signage at the new golf cart path over by Stonehedge Trail Lane. I have been trying to coordinate for quite some time with the County and the traffic engineer. I have finally got him to agree that we may be able to make some modifications. We would basically be combining a couple of signs onto one post, which will reduce the number of posts out there. I think we will also be able to lower some of the signs. Did the board decide to hold on the access card reader?

Mr. Oliver responded yes, hold on the access card reader. Back to the signs, some residents wanted to also look at painting those signs brown and also on the back of the sign.

Mr. Yuro stated okay. One or two meetings ago the fence along I-95 was brought up about being in disrepair. I wanted to see if it could be easily removed and it couldn't because there are cemented steel post inside of the pvc fence. I did find a company that does general miscellaneous work and I asked them about taking a look at it and they gave me a quote for just a little over \$2,000 to remove that fence. I wanted to see if that was something that the board feels is worth it. The fence is really providing no value at this point.

Mr. Randolph asked is that just the portion that is beat up because I know there are two stretches of fence?

Mr. Yuro responded that was just for the southern section of the fence. The northern section closest to the home is actually in pretty good shape. I don't recommend we touch that one.

Mr. Veazey stated I don't think we should spend the money on it.

Mr. Hayes asked can you address the new lights on the bridge out front? Who made that decision?

Mr. Yuro responded I worked with the electrician. The light that we are shining on the signs and also on the bridge were fluorescent lights. Two of the fixtures were totally deteriorated and had to be replaced. When I had an electrician come out and look at it, they had indicated that those were not outdoor lights, so I asked them for a recommendation on what we can do to enhance this, so we don't have issues in the future. They have replaced the lights that shine on the signs and they also replaced the lights on the bridge. Quite honestly, I thought it was going to have a different appearance. I let them know that I wasn't sure that was going to fly. I was going to wait and see if the board and residents have an opinion. We can certainly do something different if that is not to everyone's liking. It was attempt to replace what was already broken but replace it in a way that we would minimize future maintenance needs and give us something that was aesthetically pleasing.

Mr. Armstrong stated no disrespect but it looks like someone went to Walmart and bought some rope lighting and stuck it on the bridge. I know you were looking out for the best interest but I just don't think the electrician advised you to well.

Mr. Hayes asked can we get a bid or some numbers on some outdoor lights like the former lights that were shining on the bridge?

Mr. Yuro responded yes and that is kind of what I suspected we would need to do.

Mr. Armstrong asked and the County said no to the fountains?

Mr. Yuro responded yes. I spoke to the County Engineer, who has been to several of our meetings. His comments to me were not against the fountain. In fact, he thinks the fountain would look good there but he said the problem is they came in significantly over budget. I think it was close to \$2M over budget. They are now looking at delaying the project. They were supposed to start construction in July but they are now not starting it until the fall. They are going back and scrubbing the plans and looking to see where they can cut costs. His comment to me was while we think it is a good idea, there is absolutely no additional money because they are already over budget.

Mr. Armstrong stated I would like it if we could find out what it would cost for the board to pay for the fountains, so if or when the work is being done at least we have an alternative we can look at and have a price point that we can look towards.

Mr. Sevestre stated my only concern is the fact that that pond is going to be subjected to the rise and fall of the levels and if that goes down that pond is going to be a regular nightmare.

Mr. Armstrong stated I agree but it also depends on where they put the pump and how deep they dig the hole where the pump is at.

Mr. Sevestre stated but when we talked to the engineer he said that he can't guarantee what the level of the water was going to be maintained at. I am thinking it is going to be a lot lower than we think. Before you move with putting a fountain in there, there is going to have to be some information provided as to what the depth of the water is going to be. Those things require a specific amount of water. The one that is in the pond down by hole 13 that pond is a spring fed pond, so the water level doesn't go down that far. The one out front goes way low. Someone would have to pull it in and clean out the filters to keep them running. I would think if we had some more information as to what the mean depth of that pond is going to be then that would be the time to start looking at it. I am not against the fountain at all but I am just thinking it is going to be a major maintenance nightmare if it goes way down.

Mr. Yuro stated I think getting a price would be good. The other thing is you can check with the County and see if they are digging that lake deeper. We talked about it at the last meeting and you and I have talked about it, where the St. Johns River Water Management District doesn't restrict the depth of those ponds anymore to 12 feet. If they were taking that deeper to get more fill for whatever their needs are then that pond may end up being deeper.

### **C. Manager – Proposed FY14 Meeting Schedule**

Mr. Oliver stated included in your agenda package is a proposed meeting schedule for fiscal year 2014. These would continue to be held bimonthly on the fourth Wednesday of every other month. The only changes on there are the November meeting we would make the third Wednesday and also the July meeting would be July 30<sup>th</sup>.

On MOTION by Mr. Veazey seconded by Mr. Hayes with all in favor the Annual Meeting Schedule for Fiscal Year 2014 was approved.
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### **D. Art of Living Director**

Ms. Mixson stated Tuesday night is tiny tots soccer. They will start playing the Friday after Labor Day and go through the first week in November. We usually have about 50 to 60 kids that sign up for that. We have our kindergarten ice cream party on August 11<sup>th</sup>. Then we are doing an end of summer dive in movie on the 17<sup>th</sup>.

Mr. Armstrong asked what movie?

Ms. Mixson responded I don't know yet.

Mr. Veazey asked is there any conversation on the board about golf carts and doing a registration?

Ms. Amelia Johnson responded there was briefly. The problem is we have no jurisdiction over golf carts whatsoever, so we can ask people to register their golf carts but they can say no. We have no means of enforcing any type of golf cart rules or regulations or laws. Our only option would be to have people either report to us or call the County directly. If they report to us then we would have to call the County. There is really no incentive for them to register. We had talked about maybe working with you guys and maybe have designated golf cart parking for the amenities. That might be some type of incentive to register your cart.

Mr. Veazey asked didn't we just talk about a volunteer registration?

Mr. Hayes responded right.

Mr. Sevestre stated when the proposal was made for the golf carts they suggested to us that they would be willing to form a group to get the golf carts registered and get the numbers on them.

Ms. Amelia Johnson stated we did discuss all of that. We looked at ordering decals for the carts but what it came down to was why are people going to do that and what benefit is it to them. They have no incentive to do it and there is no penalty to not doing it. We don't have any power to do anything.

Mr. Hayes stated the HOA has a lot of rules. Some of the rules are enforced more than others. We can't make people mow their lawn. We can send them letters and the letter does it for most people. I think the HOA should come up with a set of rules for driving a golf cart in this community and if someone is not abiding by the rules they can send a letter to them just like any other violation.

Ms. Amelia Johnson stated our homeowner liaison committee, who is now heading up the monthly publication has discussed writing an article about golf cart etiquette. There is a list of rules on the website, right?

Ms. Mixson responded yes.

Mr. Hayes stated the HOA shouldn't be worried about the police coming in and arresting someone.

Mr. Veazey stated I can't remember if it was at the regular meeting or at the workshop but the HOA agreed to do some of this.

Mr. Patrick O'Neill stated I am the Vice President of the HOA. I am driving down the street and I see a very young kid driving a golf cart. He pulls into a driveway and there is an adult standing there. I pull over. I get out and I go over and introduce myself. I said we are now a golf cart community and these are the rules. I asked if they were advised of the rules and they said they know all about it. I said this guy is definitely not 16 years of age. I was basically told to go stick it.

Mr. Veazey stated I think if we go down that road then we hire the police to patrol. We can ask the police to enforce that if it is getting out of control. What Tracy is trying to say is let's try and handle it internally first.

A resident stated I saw a sheriff pass a person driving a golf cart on Leo Maguire and not on a golf cart road. I slowed down to watch in the mirror what was going to happen and nothing happened. The sheriff just kept going.

Ms. Amelia Johnson asked have you all had more comments since we became golf cart friendly about reckless driving?

Mr. Veazey responded no but I have seen some young kids driving too.

Mr. Hayes asked why did the one officer we had here exchange positions with the young guy we have here now? I heard there were issues with homeowners. I have heard some stories of stuff that he has told people. I am sure he probably told you.

Mr. Yuro responded my understanding is he had some frustrations with some folks in the community, who don't always respect the rules and he takes that stuff seriously. He worked hard for our community. He has been doing a good job for us. He didn't like the confrontations with residents, who weren't following the rules. From what I understand he just needed a change.

A resident stated there really is no difference in how people act with the golf carts than before it was an approved community. The kids that drove them then are still driving them now. They all come down to the soccer field. They come down the sidewalk and then come down the maintenance cart path and run into each other. They are going to do it. There is nothing you can do about that. Now they just feel like they have the license to do it.

Mr. Veazey stated but there is something we can do I think. We can ask the police officers that we pay extra money to be in the neighborhood to start policing it and enforcing it. That is one of the big reasons why I thought it was a good idea to do the golf carts because now at least we have some kind of enforcement.

Mr. Armstrong stated the last thing I want to do is hurt a child from getting his license at 18. Plus, I don't want to see a child get hurt on a golf cart. Isn't there a way that we can instruct an officer to escort them home and explain the law to their parents and say this is your warning?

Ms. Amelia Johnson responded it is my understanding that is what they do automatically. They make the child park the golf cart and they take the child home to the parent and tell the parent you go get your golf cart because your child can't drive it.

A resident stated Florida law says unless you are 16 years of age that you must have a helmet out here. I see kids routinely without them.

Ms. Amelia Johnson stated the point is all we can do to enforce it legally would be to call the County. We can do that. People are more than welcome to contact us.

A resident stated we discussed about stating the rules for the golf carts in the newsletter every six months or so.

Mr. Armstrong stated I just don't think parents realize that if your kid is caught driving under age then it is automatic that they give their license up for two years.

Mr. Veazey asked can we amend the rules and regulations of the HOA?

A resident responded the new committee also has a new Facebook page and we can post those regulations on there. Everyone needs to know that the Facebook page is out there.

Mr. Hayes stated on another note I bought up at the last meeting about accountability and being proactive. There is a toy hanging in that gutter that has been there since prior to the guy power washing the community because I thought he was going to knock it down. This gutter here was broken for almost two weeks, so everyone coming in the pool area had to see that gutter broken. This is just putting the two pieces together. We have no guidelines for Mike to go by.

He is just footloose and fancy free. We pay him good money. I think at future meetings we need to talk about some accountability. I see that thing hanging out there everyday. Erin, if you are going to tell me that you have never seen that before then you are looking down at the ground the whole time and the same thing with Mike. Those gutters should have been checked. Those gutters obviously haven't been checked in over five months.

Mr. Armstrong stated it is melted onto the gutter because I tried to pull it down.

Mr. Sevestre asked did you tell him it was up there?

Mr. Hayes responded I told him about the gutter. I have told him about the light that was out at the bridge. One of the two lights was out for three months out at the bridge. I went out there because my wife noticed the O in St. Johns was off. I walked out to the island four months ago. I saw the light and emailed him the whole situation. The O got fixed. One of the two lights has been out for months. I think we need some more accountability. I think we need to look at saying if you are going to be maintenance then these are the things that we expect. These two things are right here. Mike doesn't like me because I send him emails saying these things need to be fixed. I mentioned at the last meeting that there are two big lamps right outside of our new gym that have so many bugs on them, including these little lamps out here. I mentioned bugs to him, as well. Someone needs to get up there and take them apart and clean them out. We have to get some proactive maintenance done. Those things should be inspected all the time.

Mr. Armstrong stated I have seen the budget of what we pay Mike and it is not disrespect to him. But maybe we should hire someone as a full time maintenance person from 9:00 a.m. to 5:00 p.m.

Mr. Hayes stated they could clean the bathrooms and take over the janitorial contract too. We are at \$24,000 for the maintenance part of the contract and we are at \$15,000 for janitorial. Then we pay \$35 an hour to blow the tennis courts and wipe off the tables out here, so that is another \$5,000 or \$6,000 a year. We are at \$40,000 or \$45,000 a year but we are not getting 40 hours a week.

Mr. Armstrong asked is that something we should look at down the road in bringing in a full time maintenance person?

Mr. Randolph responded it will cost you more than that because of the insurance and other things. You just can't say that is a salary. There are other things you need to include. It would have to be bid out.

Mr. Haber stated you can hire someone. Talking about insurance and all of those things are employee type issues. You can hire an independent contractor. You can contract with a company to provide those services to you and then you don't have the employment related issues.

Mr. Randolph stated then we would have to pay engineering fees for engineering because Mike is a PE.

Mr. Haber stated right.

Mr. Veazey asked does GMS have anyone at other communities?

Mr. Oliver responded they do.

Ms. Mixson stated the gym gets cleaned thoroughly every night. I was just wondering how that would happen with a 9:00 a.m. to 5:00 p.m. person.

Mr. Armstrong stated it can be the same way they do it at the mall. You put a wet sign down for it and he mops the floors in the mornings or in the evenings before he leaves.

Mr. Hayes asked so how many nights a week do we have that service?

Ms. Mixson responded right now we have Jani King in there seven nights a week. They clean the bathrooms. They clean the community center, my office and the fitness center.

Mr. Armstrong stated let's say we rebid it and he just does the fitness center and charges us \$5,000 a year then that is still another \$10,000 we are saving.

Ms. Mixson stated I am not saying I am against it but there is just more to consider.

Mr. Hayes stated it is just something we can think about.

Mr. Vince Usher stated I will submit something to you in regards to that position.

Mr. Veazey stated I think you need a scope of what we are asking you and I don't know that you have that.

Mr. Armstrong stated I know a lot of these light poles around here definitely need a coat of paint.

A resident stated when you talk about a light pole, the limit is 12 feet. A light pole is sometimes 20 feet. When you talk about the height you may want to pass that to an outside company because if you took on that liability, the minute you crossed that 12 foot level you have changed the liability even on your insurance. Everything changes. We would get it because we are out there actually repairing lands. We are not fixing lands. We are not cleaning. We are

repairing. We use a ladder. It is safer for us. With a bucket truck you run into the expense of turfing or damaging your sidewalk. Everything is all about money.

Mr. Veazey stated we can look at it.

**ELEVENTH ORDER OF BUSINESS                      Supervisors' Requests**

There being none, the next item followed.

**TWELFTH ORDER OF BUSINESS                      Audience Comments**

A resident stated when I walked in I noticed the golf cart parking lot out here and that annoys me because I am paying to take care of the grass. We have talked about that before. It seems to fall on deaf ears.

Mr. Veazey stated we had proposals a couple of meetings ago on doing golf cart parking but I don't that we ever voted on it.

Mr. Armstrong asked how can we enforce it?

Mr. Haber responded I think that is something you do have some ability to enforce. If it is on CDD property and we made a golf cart parking area and we had other CDD property that we said no parking golf carts then that is something we could enforce.

Ms. Mixson asked how are you going to penalize them though?

Mr. Haber responded the penalties would potentially be loss of privileges to use the District facilities.

Mr. Armstrong stated that is something we should table until the next meeting and see what we can come up with.

Mr. Phil Valyou stated the second item I have is about security guard Paul. Paul, Jackie and I are very good friends. We got to know him through his country music. I would say that the reason he asked for a transfer was because he did not see a readily available line of communication when there were problems to be addressed. He runs into the problem that there are individuals that go into that fitness center with underage children and they act very hostile towards him. He felt he was physically threatened several times but there was no line of communication to you folks.

Mr. Hayes stated I heard about that story too.

Mr. Valyou stated I would just suggest you give the new person an immediate line of communication to someone that could help him.

Mr. Hayes stated I heard that the underage kid was in the gym and was actually using the equipment. He wasn't just in there watching daddy. He was too young to be in there. He came in there and said something and this homeowner confronted him. There were other homeowners in there. The kid started grabbing on daddy and said I told you that I couldn't come in here. The kid knew better. The other thing that I heard tipped him over was father and son outside fishing in the ponds. He went out there and said you can't do that and the guy started belittling him.

Mr. Veazey asked in situations like that, who should they report to?

Mr. Oliver responded he can call Erin, Mike or me.

Ms. Mixson stated I know in situations he has called Mike before. I know Mike has had to come up here before and talk to residents. They don't respond to Mike any better than they responded to Paul.

Mr. Veazey stated I think we just need a process to handle it.

Mr. Oliver stated if people won't follow the fitness rules, one of the penalties is losing access to the facilities.

Ms. Mixson stated I think Paul used to always say that people would be hesitant to give them their real name but if they have an access card then we just need the number off of it and then we can look it up.

Mr. Bill Shoyes stated communication is a very big issue for a lot of residents between what you guys do and what the HOA does. There is a huge void for everyone that I talk to in the neighborhood. We need to do a better job.

Mr. Veazey stated we wrote up something that explains what they do but we can't do anything if they don't read it.

Ms. Amelia Johnson stated one of the things that we have recently talked about with the HOA is doing some welcome to the community basket or package for new residents. In that could be a summary of key points that covenants and restrictions we get a lot of questions about and then maybe we can put a summary of the differences in the CDD and HOA.

Mr. Veazey stated maybe putting a paragraph on the new resident paperwork explaining what a CDD is might help them understand the difference between the two.

Ms. Amelia Johnson stated we had a meet and greet that was open to the entire community when this particular HOA board was first formed. We invited everyone to the clubhouse. People could come by and meet us and meet the architectural review board and code enforcement people. They could ask us questions or leave comments in our drop box. They could also take one of these that explains the differences in the CDD and HOA. We didn't have a good turnout but it was a start.

Mr. Hayes stated maybe when we have these community events that Erin puts on we could have a little tent there for the homeowners association.

**THIRTEENTH ORDER OF BUSINESS      Financial Reports:**

**A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending June 30, 2013**

Mr. Oliver stated included in your agenda package is the balance sheet and income statement as of June 30, 2013.

**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. Randolph seconded by Mr. Sevestre with all in favor the General Fund Check Run Summary & the Capital Reserve Fund Check Run Summary were approved.
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**C. Special Assessment Receipts**

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

**FOURTEENTH ORDER OF BUSINESS      Next Meeting Scheduled – September 25, 2013 at 6:00 p.m.**

Mr. Oliver stated the next scheduled meeting is September 25, 2013 at 6:00 p.m.

**FIFTEENTH ORDER OF BUSINESS      Adjournment**

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

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Secretary/Assistant Secretary

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Chairman/Vice Chairman