

MINUTES OF MEETING
CAPITAL REGION COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Capital Region Community Development District was held Thursday, June 10, 2010 at 6:30 p.m. at the Good Samaritan United Methodist Church, 3720 Capital Circle SE, Tallahassee, Florida.

Present and constituting a quorum were:

Mary Lee Kiracofe	Chairperson
Barry Brooks	Vice Chairman
Alan Hanstein	Supervisor
Jorge Gonzalez	Supervisor
Wayne Toothman	Supervisor

Also present were:

James A. Perry	District Manager
Joe Brown	District Counsel
Abe Prado	St. Joe Company
Robert Berlin	Operations Manager – GMS, LLC

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order at 6:30 p.m.

SECOND ORDER OF BUSINESS

Approval of Consent Agenda

- A. Approval of the Minutes of the May 13, 2010 Meeting**
- B. Balance Sheet as of April 30, 2010 and Statement of Revenues & Expenditures for the Period Ending April 30, 2010**
- C. Treasury Report – April 30, 2010**
- D. Allocation of Assessments**
- E. Check Register**
- F. Invoice Payment to City of Tallahassee for Payment Under \$5,000**

Mr. Perry stated item two is approval of the consent agenda and that consent agenda includes the minutes of the May 13, 2010 meeting, the financial statements as of April 30, 2010 and from the period from October 1, through April 30, treasury report, allocation of assessments

which we are about 95% collected, and a check register for \$143,415.59. Are there any questions or items of discussion in regards to the consent agenda?

Mr. Brooks asked is the payment to the City of Tallahassee Utilities for water?

Mr. Perry responded that was for the meter on Terrebonne for \$153.06.

Mr. Brooks stated I suggest that we go back to see if we can get credits for all the time we had that meter off line with the reuse if I am reading that correctly.

Mr. Perry stated it appears there is no usage on that meter, just the meter itself.

Mr. Berlin stated I will check on that we asked that this meter be pulled months ago several times I have gone to the city and asked the water department to take that meter so that is probably what that is and we can get that straightened out. I will confirm this with you tomorrow morning.

Mr. Brooks stated I know you mentioned several times that you were working on it and that's fine if they don't want to get around to removing it but just don't charge us.

Mr. Berlin stated absolutely and I thought I spoke with them about closing this account out.

Mr. Toothman stated in the minutes on pages 4 and 5 I believe those are Mr. Brooks' comments and again on page 17 I believe those are Mr. Brooks' comments.

Mr. Perry asked are you saying the comments attributed to you on pages 4 and 5 are Mr. Brooks?

Mr. Toothman stated yes and also on page 17 about halfway down.

Mr. Perry stated for the record the chairman pointed out on page 4 it says, Shumart instead of Shumard Oak. Also on page 17 towards the middle of the page, Mr. Brooks again.

Mr. Brooks moved to approve the consent agenda items subject to the changes to the minutes and the review and verification of the invoice from the City of Tallahassee and Mr. Hanstein seconded the motion.

Mr. Hanstein stated I have several items that are not substantive to approving the consent agenda and I will ask them under Mr. Perry's item.

Ms. Kiracofe stated one thing on the minutes if you can get them to spell my name correctly, it is Kiracofe not Kirakofe.

Mr. Perry stated we will do that.

On voice vote with all in favor the motion passed.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2010-02 Approving the Proposed Budget for Fiscal Year 2011 and Setting a Public Hearing Date for Adoption

Mr. Perry stated item three is consideration of Resolution 2010-02 approving the proposed budget for fiscal year 2011 and setting a public hearing date for adoption. I would like to go over the process and go over the budget we prepared for you tonight, an eye level overview and then if the board wants to go into individual line items or discussion that is fine. The process is that we would be seeking tonight for the board to approve the budget, which is the start of the process. We are required by statute to provide to the board a budget by June 15th which this fulfills that obligation and then at least 60 days out the board can adopt a budget which is the end of the budget process. Tonight we would be looking for the board to adopt the budget on September 9th which is more than two months and that gives us enough time to certify the roll to the county tax collector and to also make any changes during the interim that might come up. We would also be looking for the board to consider in the interim more than likely at next month's meeting unless based on the discussion tonight to have a special meeting, to have an hour workshop prior to next month's meeting to go into detail on each budget item if you would like. That is the process we would like the board to consider tonight.

If you will remember last year we had established a budget where we went through and had additional changes from St. Joe because of their contribution and we entered into an agreement with St. Joe to take their contribution dollars down each year. When you look at this budget the contribution dollars from St. Joe are starting to go down and that is the biggest change in the budget that will occur this year. As a result of that change the assessments will increase a little bit over about 8% for each individual homeowner. The expenditures themselves in the administrative area are basically flat, they have gone up to \$238,000 from \$224,000 and we can go into each individual line item if you would like but one of the items to note is we do have about a 10% increase in insurance for this next year and that is based upon our discussions with the carrier. We are optimistic that it won't be that high but that item adds about \$1,500 to the

budget. Then there are some small adjustments to each of the individual line items in regards to the administrative expenses.

In regards to the field expenses I know the board is familiar with the financials and we do have some pickup in that we have had a lot of favorable variances to date in certain line items and we feel some of those line items will correct themselves over the next several months and we are probably going to have to reallocate some of those favorable variances to unfavorable and I know Mr. Berlin has a couple of things to bring up tonight. We wanted to be very conservative so for the start of the process we have taken the same level of expenditures for field as we had last year. The biggest cost driver of field expenses is related to landscaping and we feel comfortable and we will talk about landscaping later tonight about the bid process but we feel that the dollars we have in there are sufficient and there might be some pickup next year but we feel comfortable that the dollars we are providing in there that we will be able to contract through next year for those dollars. That is the biggest cost driver in regards to field expenses.

That is an overview for the general fund. I will point out on page 3 we put in an exhibit A for districts so they can see where their working capital dollars are. As a result of the district not receiving their assessment revenues until the November/December timeframe we have to have three months of working capital and what this does is shows that we have adequate working capital to meet those needs plus we have some dollars we set aside for capital reserve renewal and replacement funds. There are a lot of districts struggling with that working capital component so we are okay and I wanted to point that out.

After that there are a number of pages that have narrative descriptions and some detail of certain accounts for the electricity, etc. Then we go into the bond funds starting on page 8 is the series 2001A bond and as you know once those are set and the bonds are issued unless we have some unusual redemptions the amortization schedule stays the same.

Mr. Hanstein stated I have this for later but as long as we are talking about the bonds it is appropriate based on the action and discussion we had about the refunding on those particular bonds would that affect these numbers? Is that something we have to look at as far as what we submit? It would be less.

Mr. Perry responded we would not address it in this budget because the transaction would not be consummated by the time you would adopt the budget. I talked with them the other day

and they are pulling some more information in regards to that. Prager is still working on that. I expect at the next board meeting I can give you an update.

Mr. Hanstein asked but nothing relevant to budget as far as the actual dollars?

Mr. Perry responded no. If you want to look at it in what is going to be proposed in the budget is worse case.

Mr. Brooks stated I appreciate you pulling the document together it is pretty helpful as it was last year going through this. The increase for us to start covering our own expenses as St. Joe begins the process of pulling out what is the level of that?

Mr. Perry responded for this year it is \$86,000.

Mr. Brooks asked have you or the staff had a chance to forecast that through the whole process as to what it would be in the following year, just roughly what are we looking at?

Mr. Perry responded it would probably be about a 7% increase. That is considering that all other expenses remain consistent.

Mr. Brooks stated I wouldn't mind seeing that laid out at the next meeting. The other thing I would like to ask for is if we can have one version of the budget that keeps that assessment even. That means taking that \$86,000 and with the staff's best guess go through and eliminate \$86,000 from the current budget you have proposed.

Mr. Perry stated okay.

Ms. Kiracofe stated what I would like to see us do tonight similar to last year a system that worked very well items that caught your eye that you have questions about we can start and look at the ones that you flag on the administrative side and the operations side and staff can work on those and at the budget workshop we can do the fine tooth comb item by item in addition to what has been suggested tonight.

Mr. Brooks stated in addition but is it next month you are going to do the workshop?

Mr. Perry responded yes.

Ms. Kiracofe stated prior to the July 15th meeting, meet an hour early again.

Mr. Brooks asked right so is that okay what I just asked for? I want him to bring it to the table for us so we have that at the workshop.

Ms. Kiracofe stated yes. I just wanted you to know what my thoughts are and look at it very carefully tonight. That worked very well because I know you brought several numbers to the staff and they were able to by the time we got to the workshop they had it fine-tuned.

Mr. Perry stated I will tell you I don't know if we can make it assessment neutral. I don't know if there is \$86,000 in the line items that we would feel comfortable with reducing downward. We will take a look at it but I want you to know that.

Mr. Brooks stated exactly, but my point is it gives us a place to start from.

Mr. Perry stated that is fine.

Ms. Kiracofe asked with that being said, do you want to comment anymore, Jim before we look at some of these items, the ones that might have been flagged by the different supervisors?

Mr. Perry stated why don't I go through the rest of the budget and then we can go back to the individual line items. In regards to the debt service for the 2001A bonds again this bond issue we are in compliance we don't have any defaults in regards to that bond issue or any of the bond issues of the district. Again, the amortization schedule is consistent with when the bonds were originally issued. You have the per unit debt assessment on the left hand corner on page 8 and those stay in place throughout the life of the bond.

The same thing on page 11 the 2002A bonds again the amortization schedule is attached to that and the unit assessments for that bond issue are on that page also.

We also have the series 2006 BAN on page 13 and on page 14 is the series 2008 bond and you have those numbers associated with that and the per unit amounts at the bottom.

After that there are two pages that we attached the first one is the allocation of fixed and variable costs for the district which is the summary sheet which gets back to St. Joe's fair share and their contribution to the district for next year. That contribution amount is also by agreement. The date that was prepared is wrong it was this last month. The following page is the O&M budget and that has those items and how they are spread between fixed and variable costs. That is consistent with what we worked through last year with St. Joe in regards to the methodology for the assessments on their properties.

That is an overview and if you want to go back into the general fund and talk about specific line items or other items for the budget we can do that.

Ms. Kiracofe stated let's do that and see what flags the supervisors have and then you can research or other numbers that need to be brought to the budget workshop or explanations or alternatives we can give everybody enough time to be working on that. Let's start on page 1

where we have the administrative costs or do you have any questions about the revenue listed at the top of page 1.

Mr. Brooks asked as a district you have always commented that our revenue has been just as good as any of your other districts. We are not in trouble we are going to have a certificate sale so we are going to get our revenue.

Mr. Perry stated I wish all the districts were in as good of shape as this district as far as the collections go. Typically any of the lots that are on the roll, lots or platted lands that haven't been developed if the payment wasn't made they typically go on tax certificate sale. We feel pretty comfortable that this district will be fully funded. That is not the case in a lot of districts but in this one it is. Your collections are in the upper 90's which is good.

Ms. Kiracofe stated let's look at the expenditures.

Mr. Hanstein stated I have one not specifically related to an individual expenditure but something for the supervisors at this point to discuss as it relates to the budget. I talked to Brian a while back when I first came on as a supervisor and one of the things I was told and I know Jim has told me this that some more mature districts after a certain percentage of build out will move to meeting every other month to reduce costs and there is not that much stuff to approve on a regular basis. I'm throwing it out there for discussion. We still seem to be in building mode we still have sections coming on line although more limited than when I first took office. I throw that out as a suggestion for the supervisors to discuss but also for Jim to give us an idea of what kind of impact that would make anyway. Would it be significant?

Mr. Perry stated obviously you are going to save some dollars with supervisor fees, you will probably save some dollars with attorneys fees, I'm not saying it is going to be major dollars. Management fees might be a little but it is not going to much, we have to do all the monthly reporting and all of that so it doesn't change our scope of work that much other than coming up here for the day. Engineering you will have some cost savings there. With this district you might be able to skip a couple of meetings but you still have a lot of business that is being conducted by the district. As you stated you are still spending construction dollars and all of that. It is difficult to go on an every other month basis right now. There might be a couple of times you could cancel meetings if there aren't a lot of agenda items and we can go that route. The only thing we would ask is if the board wants to go that route you kind of have to give the decision-making to the chair. We would of course query supervisors if there is anything pressing

but you have to give somebody the ability to say yes, we will cancel the meeting and that somewhat works out and that helps.

Mr. Brooks asked what are the notice requirements for the public on cancellation?

Mr. Perry responded there is no published notice cancellation. What we typically would do is notice it on the website and we would also ask that the church put a notice on the door that the meeting has been cancelled and the next meeting is a date certain in this place and time. There is not any public notice other than just that courtesy.

Mr. Hanstein stated I have been approached by a homeowner who is also on the HOA who asked why we moved over here was there an opportunity to move back to the community center and there was discussion that why are we meeting in the neighborhood at a facility obviously there was some misunderstanding about the community center not being a part of the CDD. I did come back to if there was an opportunity to have that at no cost, I have been very happy with this location now that we are operating without sound gear it is a little easier for Robert as far as the prep time for the meetings but if it were free at the community center and locked in and available and one of the initial discussions had been would it be big enough if we had a big meeting. We had the Cub Scout graduation there and that is when I realized there were 80+ people in there. That is just a comment.

Ms. Kiracofe stated I think it is a valid point and I think it is a great idea but the policy the HOA has for using their facility if you a civic group or non-profit if a homeowner wants to rent it and use it then you are bumped.

Mr. Hanstein stated obviously that would have to be addressed as the CDD is different than a civic organization and we are integral to the neighborhood's running. Jim, did you have a chance to speak with Teresa over the course of the month?

Mr. Perry responded yes, Sarah Clark of my office got with her and basically what you said is the same thing she told her. One thing was that there wasn't a phone jack in that room and that could be alleviated by running a long cable but we would have to make those accommodations. There wouldn't be a charge for the use of the room as you said and the only other item was if a resident wanted to use the facility then we would be bumped and that creates issues for us in advertising.

Mr. Hanstein stated that we couldn't do but we are addressing them further in the conversations maybe we could do that.

Mr. Perry stated one thing in regards to this facility I know Robert has stated when he had discussed things with them here if we were expecting a large crowd we could use their facility downstairs which would more than accommodate 50 to 100 people and at no additional charge. This facility has worked out fairly well and that is a good option to have because not to say we have had a lot of residents but sometimes we have had districts where all of a sudden we had 200 people show up and you need to be able to provide the space for those people.

Ms. Kiracofe asked did Teresa and Sarah entertain a discussion for example during the pool season this is a public meeting the gates would have to be open so the general public could come and go?

Mr. Perry responded we hadn't gotten that far, just basically is it available, what kind of logistics and what size and what cost.

Mr. Hanstein stated it is \$3,000 I would recommend that we hopefully pursue it.

Ms. Kiracofe stated see if the HOA would accommodate. If the HOA can bump us and make \$250 or \$350 they are going to. It is going to be one of these things that Sarah can find out from Teresa how hard and fast is that policy. Could we get it in stone that these Thursdays are our meeting nights? Also for the board and staff are there any problems during pool season with people coming and going out in the hallways as far as distractions? Let's find out if the HOA will do that.

Mr. Brooks stated once we do it would be nice to stay for a while because it has been positive that we have been here consistently.

Ms. Kiracofe stated yes that is why I want the HOA to say we have the space.

Mr. Brooks asked this is \$150?

Mr. Berlin responded it is \$200 but that \$200 if you went to every other month meetings that is another \$200 on top of the other savings you may realize.

Mr. Brooks stated my point is I wonder if the church would entertain discounting us further.

Mr. Berlin responded I can talk to them.

Mr. Brooks stated seeing how we worked this year.

Mr. Berlin stated in defense of the church I threw the \$200 out because it was half of what we were paying over at the SouthWood House just to see if they would bite and they were happy to take it. I can talk with them.

Mr. Brooks stated short of moving for nothing maybe we can get a little more discount here.

Mr. Hanstein stated I have no further items at this point on the administrative budget.

Ms. Kiracofe stated Jim you answered my question about the increase in the insurance.

Mr. Brooks stated I have nothing other than what I mentioned but the insurance issue is something I would like us to look at. Have we looked at other providers? I know staff has done due diligence I'm sure but I did get a notice from some company that does HOAs and these types of entities and would potentially be interested in looking at what we have. I think it is a Florida based company.

Mr. Perry stated typically there are two carriers, Florida League of Cities and Preferred Governmental Insurance Trust (PGIT) and we are with PGIT we used to be with Florida League and most districts used to be with Florida League. PGIT is probably 20% to 50% less than Florida League of Cities.

Mr. Brooks stated if I can track down that other provider I will send it to you and you can say it is nowhere near what we work with or whatever.

Mr. Perry stated we look at this annually for all of our districts and I will tell you right now that we have bid things out and they are not even close. That is fine, we will look at it.

Mr. Brooks stated that is all I'm asking. I saw the increase and I just wanted to make sure.

Mr. Perry stated we increased it 10% and hopefully it will not be that much. We don't have a firm quote for next year yet.

Mr. Brooks asked did we have higher claims this year?

Mr. Perry stated there are a couple of things that drove the cost and one of them is the sovereign immunity award limit went up and we do have one claim that has been filed but we shouldn't have anything that would reflect our experience level, we haven't had any major claims. We used about a 10% increase for all of our districts. Last year I don't think we had an increase at all.

Mr. Toothman stated we had the attorney increase about \$5,000 and we also have engineering with a credit of \$25,000 this year are we expecting more work next year?

Mr. Perry stated in regards to attorneys we are seeing in a lot of districts a rash of claims and all sorts of strange things. I think that is one reason we increased it. The other reason is we

are going to go out with the RFP this year on landscaping and the attorneys spend quite a bit of time with us on that so we thought we needed to bump that up a little bit.

Mr. Brown stated Brian and I haven't gone over attorneys fees and I don't want to promise something I can't deliver but I would imagine we will stay flat or go down by the time we get to the final budget for our projected fees for next year.

Mr. Toothman asked what about engineering?

Mr. Prado responded I'm not sure, we will have to talk to Fred about that and see if we can revise that. Based on this year's expected expenses it seems like we can reduce them but we need to make sure.

Mr. Toothman stated I agree with Mr. Brooks I would like to keep the assessments close to where they are now.

Ms. Kiracofe stated let's go to the next page to the operations and field manager.

Mr. Hanstein stated I notice on the April consent agenda the utility bill for 3601 Capital Circle SE side \$538.04. Is that the electric for the two Merchants Row signs? That is \$6,000 a year and I imagine it has a timer on it and maybe we need to switch it out to LEDs or something to bring that down. It says sign, all the ones that are irrigation are labeled as a hydrant or irrigation or pump. I would have to get some detail on it. If you can bring that down and if it is a sign if we have stuff that we can put on a timer or change out bulbs.

Mr. Berlin asked are we talking about the line items in the utility bills in general right now? I know you are looking at that one item that I will investigate. I will find out about why that particular thing is so high.

Ms. Kiracofe asked is everyone amenable to having a budget workshop on the 30th prior to our July 15th meeting?

Mr. Perry stated for the TRIM notice we have to have that information in before the next meeting so based upon what I hear today we would not anticipate that the assessments would not go up any further than what we have proposed in this if anything they would go down. That would be fine we could meet after July 1 and it wouldn't impact our TRIM. Once TRIM goes out we can't raise it unless we do special notices.

Mr. Hanstein asked does that mean the TRIM will go out with the increase on it?

Ms. Kiracofe responded yes.

Mr. Toothman asked at the same time as the TRIM notice goes out can we notice at the workshop?

Mr. Perry stated we would have to do a separate mailing in order to do that.

Mr. Brown stated put it on the website prior to the TRIM going out that there is going to be another workshop so that people know.

Ms. Kiracofe stated we can ask the HOA to do that in their Wednesday email blast as well.

Mr. Perry stated we would ask the board to consider approving Resolution 2010-02 and that is under the tab right after the budget and this is a standard form resolution you have seen each year. We would attach to this the budget that is in your book today as being approved and we would set the time of the public hearing for September 9, 2010 at 6:30 p.m. at this location and that will be part of our regular meeting of the district.

On MOTION by Mr. Brooks seconded by Mr. Hanstein with all in favor Resolution 2010-02 was approved.

Mr. Perry stated if we can also get the board to approve a workshop for 5:30 p.m. on July 15, 2010 at this location to go over the budget.

On MOTION by Mr. Brooks seconded by Ms. Kiracofe with all in favor a budget workshop was scheduled for July 15, 2010 at 5:30 p.m. in the same location.

FOURTH ORDER OF BUSINESS

2nd Quarter True-Up with St. Joe

Mr. Perry stated there is nothing included in your package and I want to defer that item. For some reason it didn't get in. We are required by the agreement with St. Joe to do a true-up every quarter. We have been working on that and it has been finalized with St. Joe and for some reason the final version did not get in here but we will bring that to the board at the next meeting. It has been provided to them and they are pleased with it. There is no contractual issue with that but for some reason we didn't get it in here.

Mr. Brooks stated we will talk about it at the next meeting.

Mr. Perry responded correct and keep in mind we do that true-up on a quarterly basis. If for some reason we anticipated that we would have less expenses than we credited them that quarter and the following quarter we had more than we anticipated it flips and there is a true-up at the end of the year once the books are closed out. We try to be somewhat conservative and not have to go back to St. Joe and say we gave you too much credit on our expenditures.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney - Memorandum

Mr. Brown stated Jim's office received a notice of claim from an attorney for apparently a trip and fall accident of someone in the district. We really don't have any information on it at all or where it happened. I think the woman's name that was involved is Laura Blischki. The point of providing this notice, it is not a lawsuit so there is no complaint filed in circuit court or anything, it is a notice of claim and what it does is puts us on notice and by statute they are required to do that and we now have a six month period to decide what we want to do with the claim, if we just wanted to pay a claim or deny the claim. If the board doesn't take action within six months it is deemed a final denial by the district and at that point they can file a lawsuit if they want. We don't know the details yet. The attorney representing this woman made a public records request for any records we have dealing with trip and fall accidents within the district. I am not aware of any, Jim is not aware of any, we don't have any such records and Jim requested in replying to the records request can you please provide us with additional information on this occurrence.

Mr. Brooks asked did they give a location?

Mr. Brown responded no we really don't know anything. At this point I just wanted to bring it to your attention so you know that we got it. If we don't hear from them soon I'm sure we will follow-up with the attorney's office and say what is the story on this thing we don't know anything.

Mr. Brooks stated so we don't even know for sure it is ours.

Mr. Brown responded no. Chances are it is a city sidewalk and a city issue but at this point we don't know anything.

Mr. Hanstein asked is the city named on it as well?

Mr. Brown stated it is not a complaint it is a notice of claim from this attorney's office saying there was a trip and fall and she has lost wages, etc.

Mr. Perry stated we have provided a copy to our carrier.

Mr. Brown stated if you are interested in seeing it I can send it to you.

Mr. Toothman asked so we couldn't communicate with them and ask them if it was a hazard we need to mitigate?

Mr. Brown responded I think that is part of the issue, we would like to know what happened and where but at this point we haven't heard anything. If we don't hear anything soon we will follow-up and try to get some information on what exactly happened and where.

The second item I have deals with Central Park and the conservation easement. A little while back Dwight Arnold at the city may have said to us or St. Joe why are we having all these events in the conservation easement, why don't we put the conservation on a separate piece of property. The other piece of property so that you know isn't as useful for the sort of events that keep occurring here. I think Dwight approached St. Joe and St. Joe and the city have been going back and forth on it and my understanding is the city is looking at legals so it looks like this might be something the city is actually interested in doing with St. Joe. The idea is that 6.97 acre parcel is really used by the community for all of these events and it makes more sense to have the conservation easement on an area that is not used for that same level of activity. The parcel that would be released is zoned as open space so it couldn't really be developed anyway, maybe Abe can speak to what can and cannot be done on property zoned open space, really not much of anything. The 7.02 acre parcel is St. Joe property and I think it is zoned recreational so it is still not going to be developed houses with that zoning but you could do more stuff on that property than you could on open space that would be released from a conservation easement. I guess the difference is that once that 7.02 acre parcel that is the St. Joe property is placed under a conservation easement it might as well be zoned open space because you are not going to be able to do anything without the city's permission.

Ms. Kiracofe asked this is not a change in land use?

Mr. Brown responded no. This would remain open space, the other would remain what it is but it would be subject to the conservation easement. I think the idea is you keep the same amount of property in conservation easement and this property might be better suited to that and then you open this up and really let it serve the function it has sort of been serving for the

community and benefit the community in that way. We don't have to constantly keep going back to the issue of we are going to have POPS in an area that is within a conservation easement and have to deal with that issue with the city over and over again. I don't know at this point whether it is going to happen or not. It isn't our property so St. Joe and the city will agree between them that this is something they are interested in. The district will have to be involved because the easement that is on this property has a clause in it that expressly requires both the grantor and grantee or their successors to agree in writing to release the easement or if it is otherwise modified. You as the board will have to move to approve the release of this property from the easement and we will have to get a signature on a piece of paper with the city saying that is the case.

Ms. Kiracofe state maybe 18 months ago when we were working with growth management on POPS, Dwight Arnold came to us and said I have an idea that I think would work to everyone's benefit and I will get back with you on that. Because we were repeatedly going to them and they were coming out and jumping through all the hoops and so forth but I do recall this originating from them. That is an interesting point to note.

Mr. Brooks stated I think it is an excellent idea and be very beneficial for the neighborhood to pursue something like this. My question is the green area that is marked that is St. Joe property is that currently conservation?

Mr. Brown responded no.

Mr. Hanstein stated it is from the interior part of that.

Mr. Berlin responded just from the mean high water.

Mr. Brooks stated ultimately will this property that is currently St. Joe's end up coming to the CDD?

Mr. Brown responded I'm not sure I guess that would be up to St. Joe. It is something the board would consider too.

Mr. Brooks stated I understand. I didn't know what St. Joe's long-term interest would be in keeping property in their name.

Mr. Hanstein asked in the original Broadstreet agreement as it was written which there is no telling whether or not we approved in its entirety at this point, was that where that gazebo area was that part of the area that was going to be?

Ms. Kiracofe stated the greens.

Mr. Prado stated I wouldn't rely on that being the case given what happened to Broadstreet and they essentially defaulted on their side of the contract. Your guess is as good as mine.

Mr. Toothman asked we don't know what the zoning is?

Mr. Prado responded it is open space on the current easement. On the other section the St. Joe parcel is recreation.

Mr. Toothman asked so open space you are allowed to have events.

Mr. Prado stated open space yes but you are not allowed to build improvements on the land. For example where the community center now sits that is a recreational land use, that is the highest use that go with it for recreational.

Mr. Brooks stated arguably that is what would happen in that 6.97 acre parcel.

Mr. Prado responded no, that one stays open space.

Mr. Gonzalez stated the land use and zoning won't change it is just a swap of a conservation easement.

Mr. Hanstein asked is there anything we need to do as a board?

Mr. Brown responded eventually I think you will want to see a definite metes and bounds legal description of the property we are talking about that is being released but as I said all that needs to happen is the board to approve the release. The city and St. Joe are going to be the parties really determining what is going to be swapped for what and that will determine what the metes and bounds legal is going to be. Then it will just have to come to the board to say we release it.

B. Engineer

There not being any, the next item followed.

C. Property Management Report

1. All Pro Reports

Mr. Berlin stated again we start with the All Pro reports from last month.

2. Operations Memorandum

Mr. Berlin stated my dailies are in the book.

3. Variance Report

Mr. Berlin stated going into our open items, lake maintenance TR 221 A&B we talked about before these are the two ponds that are in unit 27 that is the commercial unit south of Publix. There is a building going up. We have two stormwater ponds, one in the middle and one at the very bottom and we are in the process of renewing the operating permits in there. We paid the fees on that and I contracted All Pro to do the finish up work. We have most of the work done. I have already met with the city inspector and she is going to wait for a call from Kim to come by and do the final inspection. Most of it was cleanup and the standard stuff on these ponds. They are in excellent shape they are operating real well. Mayfield replaced the grate on that.

I don't know of any security or rat reports that we got last month of anything that came in, it has been pretty tame.

I did get a homeowner call from unit 29 or 30 that a number of them walk their dogs at the park at the corner of Orange Avenue East where it dead ends and Mossy Creek we have an open area there that looks like a little creek flows through it with grass on the outside and is heavily shaded with trees. There are a lot of people who walk their dogs in there from that end of the neighborhood. They have requested a doggie pot there. It is a couple of hundred and we can stick one in there if the board approves.

Ms. Kiracofe asked did they also request a bench?

Mr. Berlin stated they asked for bench too.

Ms. Kiracofe stated it makes sense to put a doggie pot in there but I would like to see the cost to add a bench.

Mr. Berlin stated I can get that for you it is not that expensive.

Mr. Hanstein stated I know the vendor we used for the large project was cost effective.

Mr. Berlin stated the bench was cheaper than the doggie pot if I remember correctly. You are talking about \$200 or \$300 for the doggie pot and the bench was about the same. The trash can is fairly expensive for what you get but it is what it is with the liner and stuff. It is below my spending limit but I wanted to let you know or if you said no we don't want one there.

Ms. Kiracofe stated I'm happy to tell you to go forward with it.

Mr. Berlin stated we have them throughout the community. Four Oaks median RPM cost, the board asked Abe and me and Abe does the yeoman's share of all of this I just go out and talk to the guy when he does it. Abe put together the original numbers for Blair Stone and Blair Stone in my opinion has worked out real well. We originally did a cost estimate of \$10 a piece to put them down and have them installed. We have them down for \$7.25 so using that number I had to pencil in on Abe's thing and we were asked to look at Four Oaks if you wanted to do the same thing on Four Oaks. A median with final lift is the area that currently has the second lift of asphalt and the next page past that you can see what I'm speaking about in the colored drawing. The median with the second lift is in the red and that is a total of 8,700 linear feet and spaced at 20 feet on center would be about \$3,200. We were also asked to look at all of Merchants Row the part that currently doesn't have a second lift of asphalt and that is an additional 5,200 feet and that is the part that is in blue. We don't have second lift there but it is about 3,500 feet less and is \$1,900 to do that when the second lift will go down.

Mr. Toothman asked I thought we put an RFP out for the second lift.

Mr. Prado stated we expect that will be paved. While the RPMs are on a clip I'm sure it is not a big deal but it might save some money in the process to do it all at once. I expect to bring prices for that at the next meeting for the board to consider.

Mr. Hanstein asked is there any advantage to waiting until the final lift is on the blue areas which will presumably be in the next 90 days or do the red now and wait until the final lift goes down and then finishing it up? It makes a difference. If there is no significant cost increase in doing the red now and the blue later either ourselves or putting it in the RFP I suggest we go ahead and do it now.

Mr. Berlin stated the red is already thermalized so all you are going to get in that area is the RPMs. Your contractor is going to come out and glue those down. When the second lift goes down of course he is eventually going to thermal that and you would put them down at that time. If he holds the \$7.25 which we think is a good price, don't know that we can get him to come down, the second lift you are dealing with C. W. Roberts or do you go through Sandco?

Mr. Brooks stated I am in agreement I think this is an issue that has been brought to the table and you do an excellent job of showing us everything. We are getting feedback and it is working so I would like to continue to pursue it and do the red now where it is available to go in and then at the appropriate time follow-up and do the remainder. Let's move on with it.

On MOTION by Mr. Hanstein seconded by Mr. Brooks with all in favor RPMs will be added to the areas of Four Oaks which is in red on the map.

Mr. Berlin stated we have the use of FWC off duty officers. I know we beat this horse to death. We have yet to pay any off duty officers and it is not for lack of trying to get somebody to work out here. Both officers I was dealing with in the past have fallen off the radar. I contacted a third officer today whose name I got from Shane Fuller at St. Joe who St. Joe is using their group down at summer camp. I have a meeting tomorrow morning at 8:00 a.m. with him. I don't know if Joe is going to make that meeting. I told him we have a six page document we want him to look at that we want the officer to sign, he doesn't give up any rights or anything it is a matter of legalities when you are working with an entity like ours and maps I have been trying to give out to the other officer I was dealing with. Hopefully, I will have something. It is still \$30 but from what I understand from this officer it is not a minimum four. What they like to do working with St. Joe is tell us how much we can work this month so if we said you can work 20 hours this month then they ask us to allow them to decide the 20 hours based on their experience of when to come, what time of day, the days. This guy talked a pretty good story about who they are seeing fishing around the ponds in different areas and it seems like they have a game plan and they are asking us to look at that. That is a lot more than I have gotten from anybody. It doesn't mean it is going to work but I thought we would give it a try if the board is okay with that.

Ms. Kiracofe stated it is based on their expertise.

Mr. Berlin responded yes rather than him coming out on Saturday and work from 12:00 p.m. to 4:00 p.m. which is my expertise there are your four hours and then come out Sunday and do that he is saying we can show up here Friday afternoon at 2:00 p.m. because that is when a group we know and instead of spending four hours here we can go through the place make it happen and then come in Saturday morning at 9:00 a.m. because this is what we have seen. These are all hypothetical things but this is what this gentleman talked about and said he would like to explain how they came up with that. You had told us to go ahead and spend X number of dollars I think we had maybe 20 or 30 hours out there at the most and I guess it was based on what we thought we had in the budget to spend. We have two weeks left in June if I can get this

guy started and tell him we can give him 15 hours to work then between the two weeks he may be able to work something out so it may not be 15 hours and then again in July. We need to get the paperwork back so we have it and he seemed to be very understanding on that. That is about all I can tell you. I apologize that I don't have a swarm of officers out there.

Mr. Brooks stated if you need any assistance with that call me and I will call the district chief for the Game & Fish Commission, I used to work there once upon a time.

Mr. Berlin stated Joe has been calling and speaking with different people and everything and we are both getting the same kind of answer, we are trying to stay within a chain of command because we need to. I have officers calling me now saying I hear you need some work I'm off this Saturday can I get some work. I tell them no I need to deal with one person who will assign the officers, not that I don't know anything about the guy or anything it has nothing to do with it. We are trying to keep it orderly. Hopefully, this is going to work out before the summer is over we will have something going and maybe we will see something positive about it.

Ms. Kiracofe stated keep after it because we do need somebody.

Mr. Brown stated they have been continuing to come out on the state's dollar I think because they have been getting phone calls from homeowners and residents.

Mr. Berlin stated we haven't spent a dime on it yet. This officer I spoke to said that if it is on the sign and the district wants it enforced they will use their best people skills to see that it is mentioned enforcing, we would really like you to obey what is on the sign. The catch and release is not a state law it is a wish that we have, like a lock on a door an honest person will stay out of that. They think with careful language and everything the catch and release might not be such a bad thing. It might be easy to speak with somebody and make them understand about what we are trying to achieve in this pond. That is good news. In the past we have been told we can't enforce something like that. I'm hearing a lot of different things but we would like to give it a try. He trains the officers for different duties. St. Joe seems to have good luck with him in a very tough situation at summer camp. The guys down there are very angry.

Special use permits we know we have the 4th of July. I did get a call last week I was promised a follow-up email and I didn't get it but verbally from the growth management's biologist, Rodney Cassidy, he has reviewed the plan and he is copacetic with it. It is a go, he said maybe next year we might want to get together and see if we can shift it a little bit and do the new plantings that we put in down by the lake. This may or may not be a problem next year.

Mr. Brooks asked is that where the willow removal is?

Mr. Berlin responded yes he indicated shifting it 70 feet. I know from the plan it is almost right in the middle so 70 feet on that large area is not going to amount to anything. He may have wanted to push it 70 higher I'm not sure he said he would get with me but I haven't heard from him.

Ms. Kiracofe asked but it is okay for 2010?

Mr. Berlin responded this year has nothing to do with it he would like to talk with me on next year's plan.

The last item is not on here because it happened Monday. We have been trying to get the 040 pump station going for quite some time. You approved the Hoover maintenance contracts they were paid for this month. We are under our quarterly stuff with those. The suction lines on the 040 pump failed again. They failed catastrophically they cracked from the weight going up and down after being in the ground for about eight years. I spoke with some guys that I worked with for years down in Dade County to see what they are doing. Dade County is different the ponds are deep and all the pipes float, nothing sits down on the bottom. Our pond in 040 is shallow. We had the pipes in the bottom and were sucking up a lot of mud so we raised them up and put them on floats and as such the change in 040 which does vary especially since we have been running the pumps the pipes have been going up and down and they failed. When we took this stuff out there were numerous cracks. For the past couple of years Hoover has been installing this high-density polyethylene pipe that is flexible and they use it in Dade County a lot where the lake doesn't move much but the pipe is flexible it goes up and down and they have had no problem. They warranty the pipe for three years. I am going to ask the board to authorize and I don't have anything in front of me but authorize a not to exceed \$16,000 to repair that. It sounds like a lot. If the pump is the heart of that system then the suction lines are the aorta they are the main things, we need those. To put it in perspective with that \$16,000 gets you and we will do everything we can to hold it under that but that is pretty well shaved right down to the bottom. That is to remove the old lines, do any repair damage, get a three year warranty on it and get the new pipe, new check valves and new stainless screens all one piece put on three different pipes, the 4" for the jockey and the two 6" for the mains. That pump station can save you a lot of money. It controls two hydrant meters that are out there. I was able to convince the city to allow us to at least have the hydrant meters for two years because we were waiting for the

reuse. If we have to get rid of those hydrant meters and go to potable water two things happen. Just assuming the \$2.20 stays per thousand a lot of that is going to go on to that green area, the Bermuda, and it requires more water than some of the other parts. There is no need to put potable water on that grass it is not needed. Also we feel that the pump, I strongly feel they will take the one off Biltmore. The meter on Biltmore is the biggest sucker of water because we have reduced the water use on Orange Avenue tremendously and the grass is growing pretty good on Orange. Orange was the sucker before. We are hoping to get reuse there by next year so that would remove that. If you don't remove those the city is going to make us buy meters. The one on Biltmore will have to be tapped from the other side of the street which means there is a bore or an open cut in the road and by the time we get the meter and the tap fee you are probably going to end up paying for about a third of that pipe replacement. You will easily pay for half of that pipe replacement just with those two meters. By the time you start pumping the water and they decide to raise it from \$2.20 to \$2.50 per thousand you will easily in a year or two recoup this loss. Lastly, we have just enough money in there to cover this if I take it from the irrigation repairs we have been doing and some from the retrofit money I had in there. Some of that money we did give back on the true-up but there is still enough to do it. I would ask the board to allow us to do this because I think it is in the board's best interest and we have the money this year.

Mr. Hanstein stated I'm pretty sure you are under for pond maintenance.

Mr. Berlin stated don't look at pond maintenance look strictly at the retrofit line item I would take a section out of that.

Mr. Hanstein stated you have money in both.

Mr. Toothman asked is this all through the Hoover Company?

Mr. Berlin stated Hoover will do the installation. All they have asked is they wanted to bring a backhoe in. All Pro can bring their machine in and can dig through the beds on 040 which I will say we are pretty proud of the way the pond has been looking and I would rather that All Pro dig through those beds and remove the old pipe and then open it up for Hoover to come in and do the install and then they warranty the whole thing. All Robin will do is his group will come in and backfill and re-sod and replace any damage of anything else that is there.

Mr. Toothman asked so when you turn the switch on it will shoot water out of the pond and it is guaranteed by Hoover?

Mr. Berlin responded by Hoover yes. I'm trying to change everything over to them. We are in the process of addressing Hoover since they were so proud of this. They have had no failures almost up to five years so we are going to ask them if they will at no cost to the district put their money where their mouth is and give us a five year warranty. They have had no failures of any system they put in yet.

On MOTION by Mr. Brooks seconded by Mr. Hanstein with all in favor an amount not to exceed \$16,000 was authorized for the 040 pump and pipes.

Mr. Berlin stated I have one other thing not on the list. I would like to thank the board I know you know what I'm going through here and I want to let you know that I have been working with All Pro and everything we are in good shape. I hope to be back the 1st of August if not I have met my demise but other than that I think everything will be fine. I will be in contact with Robin and hope to come home on the weekends and take a look and drive around the place and see what is happening. GMS has everything set up and I will let Mr. Perry talk about that but I think we are in good shape all the way around.

Mr. Brooks stated my family and I wish you the best and we will pray for you and you will be on our prayer list at church. We are very supportive of you and your family going through this. If we can be of any assistance please let us know. I do want to comment to the board it is light years better under Robert's tutelage this whole area of maintenance compared to what we had been getting. Robert, we really wish you the best and we look forward to getting you back on the property as soon as possible.

Ms. Kiracofe stated Barry voices all of our comments and thoughts.

4. Landscape RFP Draft Documents

Mr. Perry stated in regards to the landscaping bid we discussed this in prior meetings, the bid documents are probably about 95% complete but what we want to do is push that off so those bids not go out until the September timeframe because they do require on site visitations and things of that nature and we thought it would be perfect right now to push it off a few months. It won't create any issues and we feel more comfortable doing that. I think I talked to almost each of you about that.

Ms. Kiracofe asked is anyone uncomfortable with that?

Mr. Toothman stated I'm not uncomfortable but All Pro is still under contract.

Mr. Perry stated they are and we are talking about going to a month to month basis.

Mr. Brown stated when we get to the end of their current term of contract we will present an extension and so long as All Pro agrees we will do an amendment that will keep the terms of the contract constant but from a month to month basis after that final term expires and we will extend that for a couple of months until we can get the RFP out and proposals back and it shouldn't be an issue.

D. Manager

1. Field Operations

Mr. Perry stated the first item is field operations and to kind of go over what we are going to be doing in the interim with Robert being out starting today I met with All Pro and we will be in contact with All Pro on a daily basis. They are going to give either myself or Rich Whetsel in case I'm out of the office an update in regards to anything that is happening. We have also asked them if there are any red flag items, items that are critical in nature that arise to let us know as soon as possible so we can address those issues. During the next four weeks myself or Rich or possibly Dave deNagy depending on our schedules we are going to schedule being here one full day a week so the items we can't take care of remotely we will be able to address on site. We will give you that schedule just in case you have any questions or want to meet with us. In addition to that we will be getting the phone messages and so forth and making the change to the internet so there are contacts to us. While Robert is out he has the use of a laptop so he will be in communication with us and if we have any questions of Robert hopefully he will be able to answer them. We will be in touch on a daily basis with staff. I know Abe and others will help us the best they can if something does come up that needs to be taken care of immediately and we can't get over. We will address it the best we can. Again, if anything comes up contact me.

Mr. Hanstein stated I hope I speak for all of us. Personally anything we can do throughout the month I work from home and am in the neighborhood all day and am happy to do whatever needs to get done. If it is to forward a phone call if it is something I can address. I don't want to do anything without the board's purview but I think we are willing to step up and do anything that needs to get done until Robert gets back.

Ms. Kiracofe stated I am personally happy that you are in the neighborhood on a daily basis. There is no problem from here.

Mr. Brooks stated that is an excellent thing and I will be available as much as I can too to assist. You mentioned something about Abe. Abe, I know you spend a lot of time working with Robin and his staff on verifying that certain things are done not that we are questioning your process but it is nice to have that check and balance. I guess that is my main concern with Robert not being here.

Mr. Perry stated those are not going to change. Robert set up procedures and those procedures are still in place and if there is a break in a line it is an emergency and has to be taken care of right then it will be taken care of. There is a process for documentation. We don't think there is going to be any issue with that.

Mr. Berlin stated ever since I came on, I know one of the concerns of the board was the amount of irrigation breaks. It is not that they have slowed down and not that All Pro is doing anything much better than the way they did it we are all working smarter we have a standing thing that a main break which is what we see most of, we document every main break since we have taken over, we have pictures so while I'm away like on Tuesday we had a main break, I got a phone call that we have a main break, pictures to follow. In a short period of time over the phone and with an exchange of emails we were able to get it taken care of and that is the way we have reached that level here so that if I'm somewhere else and we have it, it can be handled right away. You had a storm on Saturday night, saw a tree down on Monday when we drove the job, I was gone on Tuesday and we were able to get the authorization and get it in the schedule which is tough because a lot of trees went down. Kim Bishop and I have worked together real well and they have their regular work that they do. I don't tell them when to mow the park and stuff they take care of that schedule. Abe has been a tremendous resource and he has always been a help and now he is more than a help, he has really been a crutch for me especially the last few weeks. I don't see any disruption in your service.

Mr. Brooks stated Abe on behalf of me and I'm sure the board feels similarly, thank you very much for stepping up to the plate and helping us out. I know St. Joe is your employer but I understand you have a vested interest in the success of the district and it really does help that we have that good teamwork.

2. Supervisor Qualifying (Seats 1, 3, and 5, June 14-18)

Mr. Perry stated supervisor qualifying with the supervisor of election is June 14th through June 18th if you don't already have your papers in on petition. There are three seats up seat 1 Kiracofe, seat 3 Hanstein, and 5 Gonzalez. You have to be a resident of the district and a U.S. citizen and registered voter.

SIXTH ORDER OF BUSINESS

Other Business

There not being any, the next item followed.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Gonzalez stated a candidate for county commission of this district is interested in coming to the next meeting and introducing himself and just to be safe I thought I would ask if that is okay with everybody.

Mr. Perry stated we typically in districts just have them under audience comments they can speak to the board at that time.

Mr. Gonzalez stated he will be here next time.

Mr. Hanstein stated as a follow-up to an item from the last meeting I think you were going to get back to us on the check signing.

Mr. Perry stated I'm sorry I should have gotten back to you on that. I do not sign the checks for this district but we do have dual signatures already on the checks for this district. We use SunTrust and most of our districts we use Wells Fargo/Wachovia and we typically only have one check signer so we do have two on this one.

EIGHTH ORDER OF BUSINESS

Audience Comments


There not being any, the next item followed.

TWELFTH ORDER OF BUSINESS


Next Scheduled Meeting – July 15, 2010 at 6:30 p.m. at the Good Samaritan United Methodist Church, 3720 Capital Circle SE, Tallahassee, Florida

Mr. Perry stated the next meeting is scheduled for July 15, 2010 at this location at 6:30 p.m. We are going to have a workshop on the budget at 5:30 p.m.

On MOTION by Mr. Brooks seconded by Mr. Hanstein with all in favor the meeting adjourned at 8:00 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman