

MINUTES OF MEETING
VIERA EAST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Viera East Community Development District was held on Wednesday, January 24, 2018 at 2:00 p.m. at the Faith Lutheran Church in the Multi-Purpose Room, 5550 Faith Drive, Viera, Florida.

Present and constituting a quorum were:

Paul McCarthy	Chairman
David Bedwell	Vice Chairman
William 'Bill' Oakley	Secretary
Jo Walsh	Treasurer
Melinda Thomsen	Assistant Secretary

Also present were:

Jason Showe	District Manager
Tim Melloh	General Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. McCarthy called the meeting to order at 2:00 p.m.

SECOND ORDER OF BUSINESS

Public Comment Period

There not being any, the next item followed.

THIRD ORDER OF BUSINESS

Approval of Minutes of the December 20, 2017 Meeting

Mr. McCarthy: We need a motion to approve the minutes of the December 20, 2017 meeting.

Mr. Showe: We received a change from Mr. Oakley, which is on Page 10.

On MOTION by Ms. Thomsen, seconded by Mr. Oakley, with all in favor, the Minutes of the December 20, 2017 Meeting were approved, as amended.
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FOURTH ORDER OF BUSINESS**Staff Reports****A. General Manager's Report**

Mr. Melloh: The cart path on #2 was poured. It came out good. I hope everyone had a chance to see it. It will help that area quite a bit. It will help us grow better grass around the green, as well. We will have some nice grass to pitch and chip from. I also have your Rounds and Revenue Report for January. Unfortunately, this was not a good month. We all know that with all of the rain. The foul weather affected play, one way or the other on those particular days. We are quite far behind on what we did previously and what our budget is. You can see that on a good day, we are doing well. Hopefully the weather will hold for the rest of the month and we will be able to catch up. We are ahead of our budget through December. Even though in January we won't hit our budget, hopefully we will be able to make this up in February and March and pray for good weather. Does anyone have any questions about the rounds and the revenue? Everything is strong. A good indicator is how many of these associate memberships we are still selling. People are renewing them and new people are purchasing them. We even had a couple from Germany that purchased an associate membership last week. We are getting a lot of people from Cape Canaveral, Merritt Island, Satellite Beach and Cocoa Beach. I think that is just a result of The Savannahs golf course not doing well. I think that they see some benefit in having an associate membership at our club. That's very good news. We have been announcing specials through our Easy Links site. We are able to market associate memberships to just CDD residents. We have been updating our CDD resident list, and as we get new residents, we try to capture all of their information. In days gone by, they would just get their email and mailing addresses. As much as we can, we are validating the fact that they are CDD residents. We had two incidents where people claimed that they were CDD residents, but they didn't live in the CDD. We had somebody else that was trying to claim his brother's house as being his residence. The good news is that we have 725 CDD residents, which is very encouraging. A lot of those people were prepaid members several years ago that didn't want to play rounds of golf but still received a discount. We have around 150 private cart owners who have stickers, but only 65 prepaid members. There are about 80 to 85 golfers that pay as they go, but don't pay the CDD rate. It's a really good dynamic. We are able to market to those folks. We can track when CDD residents play. CDD residents generally don't play golf after 10:00 a.m. on Saturday and Sunday. Now we can put out a little special for CDD residents, say \$8 if they play after 10:00

a.m. on Saturday and Sunday. I'm trying to fill in some soft areas. It is all looking pretty good. I would just like to have some good weather.

Ms. Thomsen: Where are the soft areas for the week? Are weekends slower?

Mr. Melloh: In the three years that I have been here, the soft areas are the play on Saturday and Sunday. Saturday, especially has a lot of soft areas, from 9:30 a.m. to 11:00 a.m. and from Noon to 1:00 p.m. Then you get your afternoon players. Even though the revenue is good, more times than not, Sunday rounds of golf will always beat Saturday. You will see that in a few areas. For example, in looking at the 20th and 21st, on the 20th we made \$4,400 and on Sunday, the 21st, we made \$5,600. Both days were great. We just have to find ways to encourage people to play golf on Saturday. The Saturday and Sunday golfers are your local people. Even the people who are snowbirds still play golf. On the 22nd, which was a Monday, rates went down and we made \$5,500 and 151 paid rounds of golf. Snowbirds play golf. We are using this for marketing changes. We still have locals who play golf on Saturday and Sunday. Those are the things that we constantly keep an eye on as to how people are using it. Now we are going to be getting a lot more of our shorter-term snowbirds for February and March.

Mr. McCarthy: Your days are going to start getting longer too.

Mr. Melloh: That's why February and March's revenue is normally greater than January. They tee off as late as 2:00 p.m. and in March as late as 3:00 p.m. and still get in 18 holes.

Ms. Thomsen: Its warmer.

Mr. Bedwell: Where my son lives in Kansas City, it is kind of like here. I talked to the head pro about this same problem. Saturday is one of their good days. He did an analysis. They have a higher percentage of people that are retired and play during the week. The other ones are working people with young kids that go to their kid's soccer and baseball games on Saturday and play golf on Sunday.

Mr. Melloh: You are right. Families today are more family centric then they were 25 years ago. Dad would go to the golf course and Mom would go to the grocery store. Then at 2:00 p.m., they do their family stuff. There is so much more going on.

FIFTH ORDER OF BUSINESS

Unfinished Business

Mr. Melloh: Under old business, we have been talking about our cart paths. We finished #2 and it came out great. The next one is the left half of #9. I gave you a diagram of what we

are looking at here as to how we want to take the existing cart path and pour flare on the ends, so there are many exit points and it doesn't end out the end of the cart path. This leaves a smoother ride and better grass. We requested a firm quote, but unfortunately, they have not been able to get out to give us that. If you take what we did on #2 at the square footage price, this one is only going to be 85 feet as opposed to 126 feet on the other one. You would take that price and add 15%, because they have a longer haul to get concrete to that location. We are going to park the truck by #11, come down the canal and then back up. The cost is \$4,600. If we set a not-to-exceed of \$6,000, we can probably get that done if you wanted to approve that today, or have more discussion about it, or wait until the next meeting. Honestly, it would be better to pour that sooner rather than later, if we could, but it's up to the Board.

Mr. McCarthy: Does anyone have any questions for Tim regarding the expansion of the cart path?

Mr. Oakley: Yes. Will our crew do the dig out, just like they did on the last one?

Mr. Melloh: Yes.

Mr. Oakley: Will the cart path end just prior to where that drain is?

Mr. Melloh: Yes, up the hill. We don't want to dump everybody off right into the drain.

Ms. Walsh: You said that you were going to go around #11 and come back through. We can't just go from the parking lot?

Mr. Melloh: Its less disruptive if we can go over by #11 and just go down the canal and then back up, so we don't interfere with play off of #10, or people parking in the parking lot. It took them 9 hours to do that cart path, because they only had one bucket truck. I'm not positive that they will do it any differently this way. They will give us a quote, but how they get it done, is up to them, as long as they are doing it that way. They may devise another way of doing it. I'm not sure. Even though we have a semi-right-of-way (ROW) with the drainage, we will be tearing up people's grass and turning off their irrigation systems. Then we will be obligated to repair all of it. It's not saving us any money to do that.

Mr. Bedwell: Would this be a good time to also fix the tee boxes?

Mr. Melloh: No, it's not a good time to fix the tee boxes, because we're not in the growing season. We've over seeded it heavily with rye grass. It looks good, but when you stand on it, the rye grass hasn't matured yet. We are looking at April or May, so we can sod it in and have it grow in quickly.

Mr. McCarthy: Does any Board Member have an objection to putting this to a vote at this point?

Ms. Walsh: No.

On MOTION by Mr. Bedwell, seconded by Mr. Oakley, with all in favor, authorization for Mr. Melloh to negotiate extending the cart path on Hole #9, in an amount not-to-exceed \$6,000 was approved.

SIXTH ORDER OF BUSINESS

New Business

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Treasurer’s Report – Consideration of Financial Statements

A. Approval of Check Register

On MOTION by Ms. Walsh, seconded by Ms. Thomsen, with all in favor, checks #3235 through #3260, from the General Fund, totaling \$2,119,896.84, were approved.

On MOTION by Ms. Walsh, seconded by Ms. Thomsen, with all in favor, checks #25208 through #25290, from the Golf Course Fund, in the amount of \$63,691.88, were approved.

Ms. Walsh: There are some big numbers.

Mr. Showe: Those are from all of the assessment checks coming in and getting transferred into the General Fund. That makes up \$1.9 million.

Ms. Walsh: The remainder was used to pay bonds.

B. Balance Sheet and Income Statement

Mr. Showe: We distributed the Balance Sheet and Income Statement. No action is required by the Board.

EIGHTH ORDER OF BUSINESS

Supervisor’s Requests

Mr. Bedwell: Jason, on Page 1 of the financials, it says that we have \$179,924 of “unassigned” and we wanted to keep it at \$200,000. On Page 4, we are under spending, as usual,

in the General Fund, so I assume that we are going to receive the revenue, since we assessed it. There will be money there that we can transfer at some point.

Mr. Showe: Correct. Whatever is leftover at the end of the year, will be transferred.

Mr. Bedwell: It currently looks like we are \$51,000 under budget.

Mr. Showe: That's our variance. As we get further into the year we will take a look and see where we are at.

Mr. Bedwell: We transfer approximately \$3,000 of the golf course each month for renewal and replacement. We are going to stay above \$200,000. We have room to spend a little more money in capital reserves. Is sidewalk paid for out of reserves?

Mr. Melloh: Yes.

Mr. Showe: We still have \$25,000 that is still scheduled to be transferred into that account.

Mr. Bedwell: I just want to make sure that we have the money when we start voting for these capital improvements. That's all I have.

Mr. McCarthy: Melinda?

Ms. Thomsen: Nothing. Thank you.

Mr. McCarthy: Bill?

Mr. Oakley: I'm good. Thank you.

Mr. McCarthy: Jo?

Ms. Walsh: I have a question or clarification. What David is talking about, our fiscal year ends October 31st, correct?

Mr. Showe: September 31st.

Ms. Walsh: What you are looking at is the first three months.

Mr. Showe: Correct.

Ms. Walsh: Even though it says December 31st, we are in that fiscal cycle. That's all I wanted clarification on.

Mr. Melloh: I have an update. David mentioned a couple of items at the workshop, which I wanted to give him an update on. As far as the ball washer and trash cans for the holes, Lane and I discovered that we can save some money by looking into a show special. I told Scott to identify the areas where they need to go.

Mr. Bedwell: So he's going to count the holes?

Mr. Melloh: Yes. He knows that we need to get seven or eight. We will put a pole with a ball washer on it and a trash can on the side.

Mr. Bedwell: A lot of them have a green pole with a trash can.

Mr. Melloh: It's the same thing. On #12, I looked at the way that the GPS is set up and it seems to be correct. I have been out there with a couple of carts. It seems like it still might be on a particular day or two.

Mr. Bedwell: Could riding a fairway affect it?

Mr. Melloh: It shouldn't, because it triangulates where the cart is to that weigh point or cell tower. I'm not saying that it's off. I can't make it come up to being 10 yards off. They are always going to be a couple of yards off, only because we are using a general area on the green and those range finders are going right to the flag stick. Depending on that area, they may be two to three yards off. My suggestion is to let me know when you find that it's off.

Mr. Bedwell: I asked the guy who was riding in a rental cart and he had the same address as me.

Mr. Melloh: I can't see it yet, but we just have to figure it out one way or the other, but you don't experience that on any other hole, right?

Mr. Bedwell: That's the only one and that's all that anybody ever talks about.

Mr. Melloh: Its crazy. People are relying on it. I used them at FSU. You are used to pulling your cart up saying, "Its 143", and I get my nine iron out and if it ends up being 153, you don't hit the green or you have a very long putt.

Mr. Bedwell: I didn't have anybody with me that had a scope.

Mr. Oakley: That would be a good comparison.

Mr. Melloh: That's what we have to do. I just wanted to update you on that.

Mr. Bedwell: It's okay. Maybe it's just me.

Mr. Oakley: Last year, I would hit a 7 iron, 150 yards and now it takes a 6 iron to go 150 yards. It can't be me. It has to be something with the GPS.

Ms. Thomsen: We are getting more of a northern wind this year than last year.

Mr. McCarthy: Lastly, as Tim mentioned, he is going out to the PGA show in Orlando. As a reminder, we authorized the General Manager to spend \$10,000, if he found something that was phenomenal and was in the best interest of the golf course. As you know, he's very conservative. If he buys something, it's going to be well worth it.

Mr. Melloh: To be honest with you, we've done such a great job the last three years of getting good equipment, but that's not to say that something there might not strike me. We are in good shape on all of our equipment.

Mr. McCarthy: That's good, but you have that ability, so if you see something, do something with it.

Mr. Melloh: I appreciate that. You never know what will strike you. Ball machines and the picker for the range balls are great. When we get in there, we talk to people about getting good deals on the range balls and merchandise. There are some golf course maintenance supplies there like ball washers and trash cans and directional signage that we talk to people about. You get to see some new items. There are some things there, like if we need to replace our trash cans in the breezeway.

Mr. Oakley: Maybe you can find some new rakes that will last long.

Mr. Melloh: Rakes are number one on the list.

Ms. Thomsen: I think they need to have GPS on them, so we can find out where they go.

Mr. Bedwell: Do we have an ice machine in the Maintenance Barn?

Mr. Melloh: We have an ice machine, but it's in the golf operation area. We will take it out onto the golf course. I think that eventually, not any time soon, it would be nice to put the ice and water dispenser that we have in the breezeway at each restroom, to eliminate the water kegs.

Mr. Bedwell: There's no water pressure out of them anyway.

Mr. Melloh: The water fountains don't, but there are water kegs that we can take out on the golf course. That would be nice, but they are expensive and they are not a necessity right now.

Ms. Walsh: Then we have to maintain them.

Mr. Melloh: That's something we aspire to several years down the road.

Mr. Bedwell: Don't we run a risk of contamination in those water kegs? Can we put bleach in there?

Mr. Melloh: We sanitize them, but there are issues.

Mr. Bedwell: I read about that.

Mr. Melloh: There was an incident years ago in Arizona, where some 14-year-old kid contracted the Norwalk Virus and got very sick. It was a big issue. They chlorinate them. We

use a special hose with a blue line on it, but it takes someone making a mistake or falling asleep on the job. We lock them up.

Mr. Bedwell: There is some risk there.

Mr. Melloh: There is. One of the first things you learn when you go to classes for being a Food Service Manager is that ice and water is food. One of the biggest things that bars and restaurants are always written up for is scooping up ice and putting it in a glass. Your hand was just on the handle of the ice scoop and now you threw the ice scoop into the ice. You might as well take your hand and fill up the ice of the next person with it. That's why we have a special place where we put the ice scoop, instead of just tossing it back into the ice bin.

Mr. Bedwell: My son just got written up because the inspector came in and saw a seafood plate and the waiter picked the lemon up to put it on a plate. We have been picking up a lemon and putting it on a plate for years. Now you can't do that anymore.

Ms. Walsh: When we had a concession stand, we had to go through food service training.

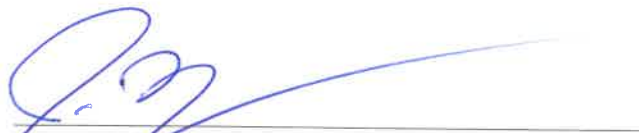
Mr. Bedwell: Inspectors are getting tough. Each County is different. It depends on how tough the Health Department is.

Ms. Walsh: Ultimately, we want no problems.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Walsh, seconded by Ms. Thomsen, with all in favor, the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman