

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 Wednesday, December 21, 2016 at 2:00 p.m. at the Faith Viera 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:

George Flint	District Manager
Tim Melloh	General Manager
Residents	

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 being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Election of Officers

Mr. Flint: You can handle this as a slate of officers if a Board member wanted to make a motion to name all of the officers in one motion, otherwise we can take each office individually and open the floor for nominations and vote on each office separately. Either way we do it we will vote on the offices and then take another vote on the Resolution after the names are filled in.

Mr. Bedwell: It is hard to do a slate since we are not supposed to talk to each other.

Mr. Flint: Someone can always make a motion and if it is not supported then you can go the other way.

B. Consideration of Resolution 2017-03 Electing Officers

Mr. Bedwell: I make a motion that the Chairman be Paul McCarthy, David Bedwell as Vice Chairman, Jo Walsh as Treasurer, Ariel Lovera as Assistant Treasurer, Melinda Thomsen as Assistant Secretary, and Bill Oakley as Secretary.

Mr. Flint: You want to make sure that Tim Melloh, Jason Showe, and myself are Assistant Secretary. That way we can countersign.

Mr. Bedwell: Mr. Melloh, Jason Showe, and George Flint as Assistant Secretaries.

Ms. Walsh: I would have Bill Oakley as Secretary because he has been attending meetings with us for three years as opposed to Ms. Thomsen as being Secretary.

Ms. Thomsen: I would agree with that.

On MOTION by Mr. Bedwell, seconded by Ms. Walsh, with all in favor, Resolution 2017-03 electing the slate of officers as read was approved.

FOURTH ORDER OF BUSINESS

Approval of Minutes of the November 16, 2016 Meeting

On MOTION by Mr. Bedwell, seconded by Ms. Walsh, with all in favor, minutes of the November 16, 2016 meeting were approved.

FIFTH ORDER OF BUSINESS

Unfinished Business

A. Discussion of TVC/FDOT Property Transfer

Mr. Flint: We've discussed this at the workshop and you all had a chance to review the proposed grant and subordination of easement interest. Our Attorney and Engineer have reviewed it and they are comfortable with the Board's approval of this agreement. They also asked for a letter just acknowledging that the District understands or confirms that we will be accepting Pond 2 and a portion of the Header Canal once the interchange is complete. That was always contemplated that we would accept those properties and it was also contemplated in the Settlement Agreement. Under Jason's signature there is a brief letter acknowledging the things that they had asked for in the email.

On MOTION by Mr. Bedwell, seconded by Mr. Oakley, with all in favor, the TVC/FDOT Property Transfer was approved.

B. Discussion of Correspondence Regarding AT&T Proposed Communications Tower

Mr. Flint: Jason sent Ms. Kelly an email after the workshop meeting asking for some additional information and you can see that the email is on the back side of the letter. They indicate that it is a proposed 140 ft. monopole tower and will be constructed of steel. The lines will run inside of the monopole and they indicated the location of the pole would be subject to the federal regulatory process as well as Brevard County's planning and zoning approval and any Board or County Commission approval. They also indicated that the rental is negotiable and indicated that they would be happy to meet with us to discuss it further. One option might be to see if she is available to come to your next workshop meeting and make a presentation at the workshop meeting and then you could ask any questions that you may have at that point if the Board is interested in moving forward with this. If not we can tell her that we are not interested.

Ms. Walsh: A 140 ft. pole is like a twelve story building.

Mr. Bedwell: Yes 10 ft. per floor is a normal building.

Mr. Melloh: I put a map on the back of your package that I gave you and there is more of a 10,000 ft. section there. Paul and I actually went out into the field yesterday and looked at these properties further. Murrell Road goes across the page horizontally and the one further back by Spyglass is a perfect spot for something like this. What we thought were houses in a more blown up version of it is actually the Devereux Campus back there. That pole would be behind those businesses where they would not be looking at it.

Ms. Walsh: We all have a good idea about what a fourteen-story building looks like.

Mr. Bedwell: I think they have one at the School of Administration.

Mr. Melloh: Do you know how tall that one is?

Ms. Walsh: I would say that is probably comparable.

Mr. Bedwell: That is what it is.

Ms. Walsh: How are they going to access it and what kind of access are they going to have? What type of facility are they going to need to have around it?

Mr. Melloh: That is what we would have to have a presentation on because these are two bonafide weapons so they would have to determine whether that could even be done and what it would look like. There is a lot of information to get for this.

Ms. Walsh: I'm sure they are going to want to have some fencing and protection so that is going to expand the footprint.

Mr. Flint: They indicated that there would be a fence around it in their cover letter. If there is any interest in moving forward then I would suggest that we ask them to come to your workshop that way you can ask questions.

Mr. Oakley: George do we have any indication whether the wetlands can be used for something like that or not?

Mr. Flint: No that is really a chicken and egg thing and I do not want to go out and exercise the Engineer and Environmental consultant who get paid hourly to tell us whether this can happen. It is going to be the obligation of AT&T to make sure that the apprentice will allow it.

Mr. Oakley: If there is a presentation will AT&T pick up the cost of that?

Mr. Flint: Yes that would be a part of the deal. I didn't want to spend any money on this unless it was apparent that the Board wanted to move forward with this.

Ms. Thomsen: From my perspective I don't see why we would off hand just say no unless we had some really buyable information. So far this little extra piece and you going out and looking at it doesn't make it even more negative if anything it just leaves us in limbo until we can question this person. This person should be asked to do a lot of research on it before they come and if it isn't the next workshop and the one after so that they do proper due diligence and bring enough information to help us make a decision.

Mr. McCarthy: If we are going to make a decision we need more information.

Mr. Oakley: Do we know how tall the tower is?

Mr. Flint: No I do not know.

Mr. McCarthy: No Board member has any objection to Tim contacting this woman and bringing her in for a workshop and if she needs time to do research it doesn't have to be the next workshop. It can be next month so that she can get everything in order and make a presentation to the Board.

Mr. Bedwell: I don't know what she is going to say other than what is in this first paragraph. She tells us that it is 140 ft. high, it is enclosed and the wires will be inside.

Ms. Walsh: We will be asking her what direction are they going to access it, what kind of path are you going to need to get back and forth from your pole, are you going to have a building beside it, what kind of fencing are you going to use?

Ms. Thomsen: Have you checked the idea of can you even do it before we get involved in it? I don't know if they have done any of that before they even asked us.

Mr. Flint: They probably haven't.

Ms. Thomsen: Obviously if they had they would've looked at it enough to say that those might be wetlands or it could be an environmental issue.

Mr. Melloh: Right and we have all of those due diligence that we should do because it is decent money and my thought would be that they have identified that general area there as a place they need to put a pole. If it is not on our piece of property and them paying us \$1,200 or \$1,500 a month then it may be the property right next to us anyways.

Mr. McCarthy: I feel like it is our responsibility to gather that information and we have to find out how the neighborhoods are going to be impacted or if a neighborhood Association feels like it is something that is negative to them then that bares into our decision. It is going to be a very long process.

Mr. Flint: The County has an approval process for the Planning and Zoning Department and as part of that there are notices that would have to go out. I would see us staying out of that and let the County do the public hearing because they do the permitting and let them take the heat instead of this Board.

Mr. McCarthy: We have the responsibility to advise the Communities that are going to be affected and they are entitled to have some information and a public hearing. This woman may have to come back and we want to hear what our residents are saying about it and if they are opposed to it then you have to be careful.

Ms. Thomsen: When you were over there and you saw this, was it low shrubbery or is it high trees that would hide a lot of that?

Mr. Melloh: The foliage is there and would definitely cover any kind of structure or fencing if they were to put it back in. It is something that you probably wouldn't see. We had

one near our golf course in Tallahassee and the only way you knew anything was there is because you saw the tower but you couldn't see the actual fencing or building.

Ms. Thomsen: I have a bigger issue with how they going to access it or how are they going to build it? Also what kind of impact it is going to have.

Mr. Melloh: We will get that information.

Mr. McCarthy: If you want to have a hearing on it this room will be full.

Ms. Walsh: It looks like it may be about 150 ft. but do not quote me on that.

C. Consideration of Resolution 2017-04 Ratifying Resolution 2017-01

Mr. Flint: The Financing Agreement required District Counsel to sign off and they are requiring this Resolution in your agenda packet to be approved ratifying the prior Resolution that you already approved. The prior Resolution that you approved the documents was not in final form and District Counsel is asking you to approve this now that the documents are in final form.

On MOTION by Ms. Walsh, seconded by Mr. Bedwell, with all in favor, Resolution 2017-04 ratifying Resolution 2017-01 was approved.

SIXTH ORDER OF BUSINESS

New Business

A. Consideration of Emergency Irrigation Pump Repair

Mr. Melloh: At the workshop I brought to you that we had to fix our irrigation pump and we lost kind of the brains that makes the pump work. We had Watertronics come out and replace that and the invoice is on the back for \$7,903.10. They highly recommended that we replace one of the main breakers on the building that also goes with this and the breaker is 25 years old. We got with Kirby Electric and the estimate on that fuse is about \$1,000 for the fuse and to have it replaced. We would want to take this out of the Reserve Fund so that we are not making an operating expense so I am just asking for a not to exceed amount of \$9,500 incase there is something else. The pump is working fine we are just trying to prevent anything major to knock it out.

On MOTION by Ms. Walsh, seconded by Ms. Thomsen, with all in favor, the repair of the emergency irrigation pump was approved with a not to exceed amount of \$9,500.

B. Discussion of New Telephone System

Mr. Melloh: In your agenda packet I gave you the Agreement with TrueChoice Telecom and we discussed this at the workshop. Currently with our Windstream phone and Internet our monthly expense is \$1,758.52 and proposed that we get all new equipment through TrueChoice and brand new up to date technology. We are also able to get Bright House Internet, which is the fastest business Internet that they have. Our new rate would be \$995.21 and that would save us \$763 a month and a little over \$9,000 a year. We need an approval to go ahead and work with these people.

Ms. Thomsen: It says after three years the phone bill reduces?

Mr. Melloh: Yes because what we are doing is this includes about \$6,000 worth of hardware in which we are more or less financing over three years so after three years we are not financing that anymore and the actual service itself will drop down.

Ms. Thomsen: Is this similar in concept to when we contract to have Brighthouse Internet and they continually raise over the years? Is this going to jump up significantly?

Mr. Melloh: That is a good point and I think that would be the case. By having this contract that doesn't mean that it will happen or not happen and it could happen with the same way that we are doing it now.

Ms. Walsh: How long is this contract for?

Mr. Melloh: Five years. The part that is through True Choice will certainly stay the same for the five years but the other side is we are getting our internet connection and because you get some savings by bundling your phone lines and fax lines and that is a separate Agreement. It is the same Agreement we have currently

Mr. Flint: Bright House is not part of this but for comparison purposes he is showing the cost including them.

Ms. Walsh: Windstream has been a very bad player with us for a long time in renewing contracts and doing things before we could get to them. We have wanted to get out of Windstream for a long time.

Mr. Oakley: Does this have any option for public Wi-Fi?

Ms. Walsh: Yes it does.

Mr. Melloh: Do we have a lot of requests for that?

Mr. Oakley: I was over there at a restaurant with my grandson and he said he didn't have Wi-Fi.

Mr. Bedwell: She has Wi-Fi there but she took it down so you aren't using her Wi-Fi.

Mr. Oakley: I am just asking on this service do we have the option to turn it on if we want to turn it on?

Mr. Melloh: Yes.

On MOTION by Mr. Oakley, seconded by Ms. Walsh, with all in favor, the proposal from TrueChoice Telecom to provide new telephone equipment and phone and Internet services was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

**A. General Manager's Report
CDD Report**

Mr. Melloh: We are still waiting for the controlled burn in the scrub jay habitat and the winds have not been favorable for that. Our emergency irrigation repair went very well so we are in good shape there.

Golf Operations Report

Mr. Melloh: We had our Holiday party on December 15th and it was well attended with 60 employees and spouses. Everyone had an excellent time and thank you to the Board for allowing that party and it was great. To date we have sold 196 Associate Memberships since we opened on August 15th and I will continue to update that because it is significant and the only people that really buy are non-CDD residents. That just shows that they really want to play our golf course. The daily rounds of revenue for December right now we are trending well ahead of the previous year and budget and I think that we are looking good. We hit the \$100,000 mark for green and cart fee revenue again and that is all contingent on having a strong December 26th through December 31st because that is when everyone is off work and there will be a lot of people in town playing. We are looking very good here and the rounds of golf are up. Does anyone have any questions? In our package we also have the financial statement and I think we

had a very good November and we actually made almost \$15,000 in November and in that month we were budgeted to lose \$27,000. That is a pretty good turn around there and to date we are roughly \$78,000 ahead of budget for just the two months. We want to continue to move forward and the greens and all of the things that we did this summer are starting to get a return on our investments so far.

Mr. McCarthy: If you take October and November from the previous year we are up 1,729 rounds. In terms of green fee and revenue we are up \$67,647 in those two months so that is a phenomenal accomplishment. Part of it is what Tim talked about but one thing he didn't mention is the marketing that he did to get us to that point.

Mr. Melloh: As far as marketing goes one of the next things on my list is we want to upgrade photos of our golf course and we need a professional golf course photographer. The pictures on our website do not really do our golf course justice and you basically have to get up in the air 15 to 20 ft. and these professional golf course photographers do that. I don't know if anyone happens to know anyone locally that does that type of thing but that is what we are going to be looking at next to enhance the quality of our photos outdoors.

Mr. Oakley: You should look at someone that has the capability to take photographs with a drone because that shows a lot more than what you can do just 20 ft.

Mr. Melloh: That is kind of where that is going. One of the things we want to do for our website is a lot of the things you see on the more upscale websites is they do flyovers of each hole. Our website is our brochure so that is where we are headed with the marketing. If anyone has any suggestions or ideas feel free to talk to me about those as well. The best marketing that we did was the direct mail with the cart and we probably won't be doing that golf pack again but we did get some decent results out of it. There may be a time that we do it but it has run its course now.

Mr. Bedwell: If you are a golfer it gets your attention.

Mr. Melloh: It does but not if you throw it away. If you have a direct mail piece in your mailbox and you will see that is from the golf course and we got a tremendous response out of that.

Ms. Thomsen: I think the more upscale website with news like you are talking about I can't imagine that people wouldn't respond to that positively.

Ms. Walsh: I would suggest that the people at Golf Now have been a good resource for things and they would probably know who to get.

Mr. Melloh: We have already talked to them and they are providing a drone service and that is for flyovers and things so that is probably where we will go with them. If you go on some high quality websites you will see some pictures on there because it is like shooting anything they have the raw photo but it is also their ability to use Photoshop to touch things up to make them look cleaner.

Ms. Thomsen: The time of the day would matter as well.

Mr. Melloh: You know our bulk heads are not great looking so any pictures that we take of the 14th hole you have the ugly bulk head there so I would expect who we hire would have the ability to go in there and clean up those bulk heads to make them look better than what they are.

Mr. McCarthy: Have you done anything with the cost of a project like that?

Mr. Melloh: We were going to do that at FSU and it was about a \$5,000 cost and I would expect that to come down a little bit especially if we can get somebody that is more local because that included some travel expenses.

Mr. McCarthy: The only thing I would suggest to you is if you want to get started on it as quickly as possible because you are getting into the height of the season and there is no point in doing it in May or June.

Mr. Oakley: I talked to you the other day about the paid rounds of golf that is \$70, did you get an answer?

Mr. Melloh: I haven't gotten an answer yet and I will get with you when I do. I really believe that somehow that sale isn't calculating or averaging properly but I will verify that with Brian.

Mr. McCarthy: Our surplus is \$126,541 and Dave pointed out that we added \$50,000 in October. Why are we adding in the previous year into this year?

Mr. Flint: The previous year is \$65,084 and that is the carry forward at the top.

Mr. McCarthy: I am asking about the transfer of \$50,000 where is that coming from?

Mr. Flint: I will have to look at that but it is not the carry forward. The carry forward is the \$65,084 and that is not in the \$126,541. I will send an email out after.

Mr. McCarthy: Why wouldn't the \$50,000 go into the Reserve Fund? We are \$76,000 ahead so why are we putting the \$50,000 there and shouldn't it go into the Reserve?

Mr. Flint: Let me look into it.

Mr. Melloh: You have the cash there but then you have to take the expenses off of that. In October you have \$233,594 but we will have to figure that out.

Mr. Bedwell: We gained the benefit in the last year and accumulated \$50,000 so why didn't we put it in Reserves at the end of the year rather than wait until January and put it in these financial numbers? That is the question Paul is asking.

Mr. McCarthy: We are getting an inflated number on our current, which is not a good thing.

Mr. Bedwell: I think in the past they used to do it in the year that it occurred either through the excess General Fund money we used to accumulate or the Golf Course Fund.

EIGHTH ORDER OF BUSINESS

Consideration of Financial Statements

Treasure's Report

A. Approval of Check Register

On MOTION by Ms. Walsh, seconded by Mr. Oakley, with all in favor, the General Fund check register in the amount of \$864,504.03 was approved.

On MOTION by Ms. Walsh, seconded by Ms. Thomsen, with all in favor, the Capital Reserve Fund check register in the amount of \$11,575.04 was approved.

On MOTION by Ms. Walsh, seconded by Mr. Bedwell, with all in favor, the Golf Course Fund check register in the amount of \$95,463.78 was approved.

B. Balance Sheet and Income Statement

Mr. Flint: We've also provided you with hard copies of the financials.

NINTH ORDER OF BUSINESS

Supervisor's Request

Mr. Oakley: I talked to Tim about a couple of things that we are working on. One is trying to assess our Surplus equipment and where we are at with it and long-term goals of parking lot entrance to the golf course. That is something long-term but is in discussion now.

Ms. Walsh: Weren't you talking about redoing the tarmac?

Mr. Oakley: If it needs to be done, yes. The drive in and the drive out someday will need to be repaved so we are trying to determine what day that is and what the expense will be so it can be budgeted for future use in the next two to four years.

Mr. Flint: We have done milling and resurfacing in Baytree so we've got some cost that we can use for comparison.

Mr. Bedwell: David Booth had a five year plan on irrigation and capital for what might happen and what do we need in reserves to get the money. I'm sure you've seen the document.

Mr. Melloh: It needs to be updated but what Bill and I are actually talking about is you have to look at things like the clubhouse and the golf shop is in desperate need of a refresh. There is only so much we can do but we will have to put together a list and prioritize that but we have been focusing on the golf course and getting that in great shape. We will want to continue to beautify that along with all of these other things. It is a long-term plan and we will take a look at that and develop a plan over the next several months.

Mr. Bedwell: I think we make a list of all the things that we are thinking about but then spread it out over years and do so much each year on what we can afford based on assuming we are going to make money and what we get out of the General Fund.

TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Ms. Walsh, seconded by Mr. Oakley, with all in favor, the meeting was adjourned at 2:47 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman