

**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, September 25, 2019 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
Brett Renton	District Counsel via telephone
Residents	

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. McCarthy called the meeting to order at 6:00 p.m. All Supervisors were present.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

Mr. McCarthy: Would anyone like to speak? If so, please come to the microphone, identify yourself and subdivision. You will be timed for three minutes.

Jim McSeveney, Heron's Landing: I was here before and I thanked the Board and past Boards for giving the Viera East CDD residents 20% off for playing golf. We appreciate it. My concern is with the associate members rate. I'm going to try to give a better explanation of why I don't think it's appropriate and is not what needs to be done for the golf course in light of the residents. I'm not going to discuss the bond because I know it's in litigation, but what I'm getting at, is for the next 20 years, residents of the CDD are going to pay approximately \$180 plus or minus, depending on what happens to upgrade the golfers. Almost everything on there is for the golf course. There are some minor items. So, we are paying that and getting 20% off.

Now we go to the associate members rate, which pays \$79. There are some benefits included in that and one of them is that you get 20% off of the golf course and pay \$79. The reality of that is, that's not how much they are really paying. If you look at your seasonal rate of \$65 and \$25 for the gym, you have paid \$90. You are only going to pay \$79, which is almost \$10 or \$11 less and you get 20% off. That continues for most of the season and only changes on pre-season rates. So virtually, you are not paying \$79 to get your 20% off. You are paying \$5 to \$10 to get 20% off. Is a CDD resident going to pay \$182 plus/minus for 20 years to improve the golf course? I don't see that it's fair. I'm asking you to re-evaluate it and come up with something different that is fair to the residents because now this doesn't look very fair. Thank you for your time.

Mr. McCarthy: Tim, do you want to speak to that?

Mr. Melloh: When we came up with this program four years ago CDD residents were only getting a 10% discount. If they wanted more, they had to pay \$1,300 and get what they call, "The Green Card." As far as the associate membership, we created that membership to be able to replace other programs that were in place where people could come in and buy a one-month membership. The program worked out very well. I haven't had anyone else other than Mr. McSeveney say anything to me about that, so it doesn't seem to be an issue that a lot of people are worried about. I think we already approved everything for this year, so we can go ahead and put it on the table to discuss next July when we discuss the rates again and see what we want to do. I think previously we talked about increasing that rate anyway so that would be the time to do it.

Mr. Showe: That would be the time to look at it.

Mr. Melloh: Exactly.

Mr. McCarthy: Thank you for your comments, Jim. We appreciate them. Would anyone like to speak? Please provide your name and subdivision.

Tony Volpe, IRCC: I wanted to share a couple of things with you and not take too much of your time. Some folks were concerned about the lack of communication from the operator of Divots Grille. I just want to make sure it's clear that these folks are concerned about that. They say that they aren't going to come back. That sends up a red flag to me. We talked about this before and it's important that every entity pays for itself. Customers that don't come back, reduces our chance of an entity making revenue to pay for itself. So, I don't know where you guys are with that, but my suggestion is to have an Employee Improvement Plan. You are

stepping through any opportunity to change for two reasons. Personally, I don't want to be responsible for anybody not having a job. That's one reason. The second one is for the organization. You need to make sure you follow those steps so that any time there's any dispute, you can just lay it on the table. We try to get the opportunity to adjust. Contrary to what people believe in Florida, it's a right to work state, but there are Federal laws to protect certain groups and it's best to follow the plan and make sure you show that you can adjust this situation. The end result is not your fault. Keep in mind, any policy that you create should be in the bylaws or contract. In this case, I believe this was under contract. It's the best you can do. So that's it and thanks for listening to me. The next item that I wanted to talk about was the golf compensation. I'm not getting into the details that this gentleman talked about and I don't want to duplicate it. Mr. Oakley had an excellent conversation last time about different compensation programs. The importance of that is to be competitive. You have to start at the salary that you are offering people, compensating for a reduction in salary. You may already know this, but I just want to make sure that IRCC employees get one round of golf per week and they can have a guest, but they can only go onto the golf course if they have a membership.

Mr. Showe: That's three minutes.

Mr. Volpe: I think it's important that the pay is correct. One of the things that IRCC does and most businesses do, is they do an annual review of different categories to ensure that they are paying their employees properly. We've done that all the time. HR really takes care of it on their own. I don't know how that would be handled at the end of the year. It's important to retain employees and then it's critical. You don't want to lose a quality employee. In addition, the compensation is warranted to satisfy employees to keep them around as well, but to also make sure that the salary is comparable. That's all I wanted to say.

Mr. McCarthy: Thank you for your comments. We appreciate it. What I suggest Tony is that you and Jim perhaps set up a meeting with our General Manager (GM). Contact him and you can get things explained in detail over an extended period of time. That would probably be a good place to start.

Mr. Volpe: If he's well enough to do that now.

Mr. McCarthy: He's recovering from surgery, but he's back working.

Mr. Showe: As long as you schedule it with him.

Mr. McCarthy: On a limited basis, call ahead and he will schedule a time that's convenient for him or you could go into the office and talk to him.

Mr. Volpe: We will have to do that.

Mr. McCarthy: We appreciate your comments.

Mr. Volpe: Thank you.

Mr. McCarthy: Thank you for the comments. Would anyone else like to speak? Hearing none, the public comment section is now closed.

- **Litigation Update.**

Mr. Showe: So, we can expedite his time, we have one of the litigators Brett Renton attending by phone.

Mr. Renton: Thank you Jason. Good afternoon members of the Board. Pursuant to Florida Statutes 286.011(8), I'm advising the entity at this public meeting that we seek your advice and request a meeting to be held in private to discuss strategy or settlement negotiation concerning the litigation, "Robert Dale et. All, versus the Viera East CDD" at the next available meeting time. So, if we can get that scheduled so we can hold a shade meeting, that would be great.

Mr. Showe: The next available meeting time is October 9<sup>th</sup>, which is your workshop.

Mr. McCarthy: So, we are going to hold a shade meeting on October 9<sup>th</sup> at 2:00 p.m.

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor having an Attorney-Client Session at October 9, 2019 at 2:00 p.m. at this location, was approved.
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Mr. Showe: In order for us to take any business items in connection with that or anything else, we would also like to hold a regular meeting that same day.

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor having a regular meeting on October 9, 2019 at 2:00 p.m. at this location, was approved.
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Mr. Showe: Is there anything else you need Brett?

Mr. Renton: That's it. Thank you all very much. I greatly appreciate the time.

Mr. McCarthy: Thank you, Brett.

*Mr. Renton left the meeting.*

### **THIRD ORDER OF BUSINESS**

### **Approval of Minutes of the August 19, 2019 Meeting and the August 28, 2019 Meeting**

On MOTION by Mr. Oakley seconded by Ms. Walsh with all in favor the minutes of the August 19, 2019 and August 28, 2019 meetings were approved, as presented.

### **FOURTH ORDER OF BUSINESS**

### **Staff Reports**

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

Mr. Melloh: All CDD operations are proceeding as planned. This coming year, Fiscal Year 2020, we have been talking about mechanically clearing the scrub jay habitat instead of a control burn. It's been six years since we have been able to do a control burn. There are so many issues in the scrub jay, because what we are trying to burn out is a very small amount, like 60 acres. When you see these other control burns, we have smoke problems that can get into the home around the scrub jay habitat. Fire could get out of control, which requires more insurance. We have an Eagle's nest out there that we have to protect. We have done parts of it before, where we rent a roller chopper mulcher unit and are able to clear what we need to clear to maintain a good scrub jay habitat. I just wanted to let you guys know.

Mr. Oakley: What is the cost of that, Tim? Is it going to be any more or the same cost?

Mr. Melloh: It will fit right into the control burn budget item.

Mr. Oakley: And we can still do the same amount of area.

Mr. Melloh: Yes. The amount of area they prescribed us to do.

Ms. Thomsen: The environmental people agree that this is as equally beneficial.

Mr. Melloh: Yes, we told them, "Look, we have been doing this for so long trying to get this burn done and we are just going to have to mechanically go in there and do it now."

Ms. Thomsen: Good.

Mr. Melloh: We have a loader excavator that is in the shop, which could be costly as major repairs are needed. This is one of the pieces of equipment that we are looking to replace at

some point in time with the bond issue, but at this time, we need to repair it. The cost could be \$4,000 or \$5,000, but we will move on to that, once they are able to do a diagnostic.

Mr. Oakley: What's wrong with it?

Mr. Melloh: It died on them out in the scrub jay habitat. They were able to get it back into the shop.

Ms. Walsh: What is the age of that piece of equipment?

Mr. Melloh: I'm sure it's 20 plus years old.

Mr. Bedwell: Do we have to fix it to do the scrub jay clearing?

Mr. Melloh: To do a lot of what we have to do. We do a lot of things with it in other areas and wetlands.

Mr. Oakley: The other tractor we have is too small.

Mr. Melloh: Yes, it's too small. Right now, we are getting quotes for a sidewalk repair on Viera Boulevard. I know that Bill obtained a quote and Jason is getting a quote.

Mr. Showe: I sent it this afternoon.

Mr. Melloh: For golf course maintenance, the greens were aerified on September 9<sup>th</sup> and 10<sup>th</sup> and they are recovering nicely. We finally received some dry weather and were able to get in there and do that work. That was the third aerification of the year, which is basically required for TifEagle Greens. So, we are going into the season in good shape with our greens. Weed control is a major concern following the weather events of the past two to three months. When you get a lot of rain and wind, you just can't spray chemicals. That has been the biggest issue. Of course, we are not able to keep the weeds and disease under control, but we are on top of it now. Scott is doing a great job.

Mr. Bedwell: Is Justin still working?

Mr. Melloh: Yes.

Mr. Bedwell: I haven't seen him in a long time.

Mr. Melloh: He's out there, but it's to the point where he can't do spot spraying.

Mr. Bedwell: I saw him mowing the grass.

Mr. Melloh: He will do some of that too. If you come in and the wind is blowing 10 to 15 miles per hour (mph), he can't do anything, so he has to do something else. Since July 31<sup>st</sup>, we had 32.9 inches of rain. That was from our rain gauges on the golf course. That's quite a bit. Regarding golf operations, based on those figures, since July 1<sup>st</sup>, the golf course has been closed

for 20 days. Sometimes we had a partial closure of nine holes, but that's affecting our revenue stream. I have the current daily rounds for September. You can see that we started the first four days closed because of the hurricane and then we recovered. So, we probably won't hit exactly the budget, but we will be fairly close. Does anyone have any questions? Jason, has anyone looked at the Bayhill Flowway?

Mr. Showe: Yes, they did. I have a cost to do it. There are two different methods. One was over \$200,000 and one was over \$300,000. So, at this point, I'm just going to try to get with them. We were waiting for you to return.

Mr. Oakley: Where were you talking about?

Mr. Melloh: The Bayhill Flowway, which is the flowway that leads to the header canal that goes to the St. Johns River. It could be a special type of canal that is going to require a littoral shelf that needs to be planted with plants.

Mr. Oakley: Did those plants just die?

Mr. Melloh: Yes. You have to spray the flowway for algae and among the plants for invasive plants like Torpedo Grass. Unfortunately, when you spray for Torpedo Grass, you kill some of the beneficial plants. I think Ed said that they never did any replanting in the last 15 years. We had a few people in that area express concern, so we had our Ecologist come out and talk about some things.

Mr. Oakley: Is that something that can be done a little bit at a time or does it have to be done all at once?

Mr. Showe: We are going to take it over and see if there is phasing that we can do.

Mr. Melloh: We have that. I did see the report just before I came over about the culverts on Hole #7. I guess at this time, they are happy the homes are protected, and the temporary fix is good. Those two culverts were scheduled to be fixed with the proceeds from the bond. We are in good shape. We don't have any flooding issues. The new business on my report has already been taken care of. That's all I have.

Mr. McCarthy: Thank you for your report. Are there any questions?

Ms. Walsh: Is the lake that's behind the Walgreens and Mailman Joey's on Village Drive, ours?

Mr. Melloh: It's a wetland, not a lake.

Ms. Walsh: It looks like a lake. I noticed ECOR out there with floating plants a couple of weeks ago. I don't know if they are getting ready to establish plants in there. What's going on?

Mr. Melloh: Typically, they would be spraying out Spadderdock.

Ms. Walsh: No. These were young plants floating in a pallet.

Mr. Melloh: I don't know. Let me find out from Ed.

Ms. Walsh: That's it. Thank you.

Mr. McCarthy: Are there any further questions? Hearing none,

## **FIFTH ORDER OF BUSINESS**

### **Treasurer's Report – Consideration of Financial Statements**

#### **A. Approval of Check Register**

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor Checks #3696 through #3719 from the General Fund in the amount of \$66,386.67 were approved.

Ms. Walsh: The Capital Reserve account remains unchanged.

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor Checks #27012 through #27096 from the Golf Course Fund in the amount of \$58,823.26 were approved.

#### **B. Balance Sheet and Income Statement**

Mr. McCarthy: Jason, why is money not going into the Capital Reserve Fund?

Mr. Showe: No checks were written out of that account.

Mr. McCarthy: Are we putting in deposits from the golf revenue?

Mr. Showe: Those checks would come from the golf course and wouldn't show as a check. We do that every month. We will true it up at the end of the year and anything extra will go in there.

Mr. McCarthy: Okay. Just checking.

## **SIXTH ORDER OF BUSINESS**

### **Supervisor's Requests**

Mr. McCarthy: Jo?

Ms. Walsh: I don't have anything.



Mr. McCarthy: Bill?

Mr. Oakley: Yes, I do. Over a period of probably six months, Tim and I spoke about the items related to the bond issue, in relation to the picnic area at Woodside Park, restaurant and the new office, and these are some of the ideas we came up with. The picnic area in Woodside Park could be reserved; although, the number of tables and the size of the firepit was undetermined at this time. It could be reserved by the CDD and businesses for private parties on a first come basis. We could work our reservations through our office. Tim's secretary could set that up. If they wanted to use it for a kid's birthday party and it wasn't reserved by a resident, we would be more than happy to rent it to them at a cost to be determined. The conference room in the CDD office could be reserved through the CDD office by the HOA and businesses for private parties on a first come basis. If available, it could be rented out to other people also. I thought about the restaurant's private dining room and I really did listen to the 250 people who were at that meeting and read several emails. This area could be reserved by CDD residents and businesses for private breakfast, luncheons or dinners. It's a private dining room, not a banquet hall. I don't consider 35 seats to be a banquet hall. This could be reserved by CDD residents. A discount would be provided to these persons, only if their business or residents work in the CDD. This would be part of a new lease by your tenants. Now whether it is a percent discount or cost based discount, if you wanted to charge them \$100 for the room, we could take \$50. So, it's of some benefit to them. Hopefully, the Board will look favorably on that. I just put that out there so your Board Members could come up with similar ideas. That's all. Thank you.

Mr. McCarthy: Thank you, Bill. Melinda?

Ms. Thomsen: I don't have anything. Thank you.

Mr. McCarthy: David?

Mr. Bedwell: I have a couple of items. We had a drop in the operating account for the golf course, due to the loss from the prior month to this month's statement of \$90,000. We are going to lose money again this month. You have a certain amount in that account and can take money out of the reserve.

Mr. Showe: Yes. There's an Operating Fund for the golf course and it just stays there.

Mr. Bedwell: So, if it gets below a certain amount, do you take money out of the reserve to replenish it?

Mr. Showe: I don't think we are taking money out of any account right now.

Mr. Bedwell: Not now. I'm talking about the end of this month.

Mr. Showe: If we had to, that's where it would come from, but I think there are sufficient funds to cover all of the cashflow.

Mr. Bedwell: Okay. We dropped to \$90,000. The second item is that I received an email from a lady about Grand Isle, which I spoke to Ed Grasser about.

Mr. Melloh: I forwarded the email to Ed to have him get back to you on that.

Mr. Bedwell: Maybe I will get with him on Friday, but the wetland looks like it has Muhly Grass as well as weeds. If we are not allowed to touch it, then we are not allowed to touch it. It's a wetland.

Mr. Melloh: It's a wetland and back to what we were talking about on the golf course, you can't spray out that stuff when you have 32 inches of rain or a lot of wind so they may just be a little bit behind on maintaining it.

Mr. Bedwell: We have an island. Then we have water and the wetland is part of the island, but it's right next to houses. I don't know if there's a safety issue there or not. I think I will just go out with him.

Mr. Melloh: We will definitely stay on top of that.

Mr. Bedwell: I appreciate it. That's all I had.

Ms. Thomsen: Are you able to say the same thing that you just said about the area that is growing in on #7? It's going into the right-hand pond. There is grass and other stuff that has taken over. Is it a matter of waiting it out? I assume so. At least waiting it out until the hurricanes stop coming.

Mr. Melloh: Especially on #7, because the water level rose so high. Some of those things that you see sticking out, are unkempt weeds that are 3 feet underwater. You have to wade out 3 feet just to do anything to it, like hand pulling it. Hand pulling it is not going to do us any good, so we have to wait for the water level to go down so we can spray it out.

Ms. Thomsen: That is probably something that they are concerned about.

Mr. Melloh: We are just behind.

Ms. Thomsen: It's an eyesore.

Mr. Melloh: It is. It's crazy because back in June, the golf course looked so beautiful. We had done so many landscaping projects. We are just trying to prioritize them now. We have the

beds on #14, #15 and #16 back in shape because that's such a visible part of the golf course to the traffic that goes by on the roadway.

Ms. Thomsen: They took out a lot of Hibiscus Swords, expecting that somewhere down the road they are going to put them in.

Mr. Melloh: The problem with Hibiscus is that they grow out of control and so fast. So, what we are going to do is to take those out and try to replant them in some areas, but they just don't want to replant. They were looking so unkempt that we just decided to yank them out and now we want to go in there with some kind of dwarf type thing that doesn't get out of control.

Ms. Thomsen: Exactly.

Ms. Walsh: When I talked to Scott, he thought that those were supposed to be dwarfs.

Mr. Melloh: So, for whatever reason, they weren't, and we will continue on.

Ms. Thomsen: That's typical. I did the same thing in my own home.

Mr. Melloh: We will get the right plant material, because the one thing we don't want to happen with all of the landscaping bids, is to take manhours away from actually maintaining the golf course. So, we don't want to get too far ahead of ourselves with landscaping that we don't have time to maintain the golf course on a regular basis like mowing the fairways twice a week, the greens every day and raking the bunkers every day.

Ms. Thomsen: That's why we don't need to be aggressive about these. We just need to find the time and space to do it.

Mr. McCarthy: On behalf of the Board, we would like to welcome Tim back and our thoughts and prayers are with him for his continued recovery. We are very happy to have him back working on a limited basis.

Mr. Melloh: Thanks.

Mr. McCarthy: That being said, I encourage my fellow Board Members, as I did to the two CDD residents, to make a phone call and check in with Inez if you have anything important to talk about.

Mr. Melloh: So, I'm back to work and I'm here a little more than three to four hours a day, based on what the Doctor recommends. Just give me a time and we will just meet and discuss what you have. I just distributed a report to let everyone know about Suntree's projects and encourage you to again talk to me about the different things they are doing, which mirrors what we are doing. Based on the quality of the brochure that this is printed off of, we probably

spent \$15,000 to \$20,000 on this. Anyway, you can see, as an example, that they are spending a little over \$5 million on the Clubhouse, \$1.85 million for the irrigation system and we are at \$2 million. Their golf members are going to be paying \$45 per month extra for 10 years. So, they are paying \$5,000 for these improvements. It's just something to let you know what the competition is doing. I grew up in Cocoa, Florida and that's where I learned to play golf. Back in the 1970s, there were two golf courses in Brevard County that were the cream of the crop. One of them was Suntree and the other was Royal Oak Country Club in Titusville. Royal Oak was the winter home for the Canadian PGA. People just flocked to that golf course, but Suntree was always private. Here we are many, many years later and the difference is that Suntree has always elected to re-invest in their property and Royal Oak did not. Royal Oak is a weed patch now. Where they used to have greens, they now have weeds. This kind of goes back to what we talked about six or seven months ago, when we talked about doing these projects. That's why I distributed that. It wasn't meant for a lot of conversation here today, but I just wanted to talk to everybody about it individually as we go forward.

Mr. Oakley: How old is Suntree?

Mr. Bedwell: It was opened in 1975.

Mr. Melloh: If you go over and look at their Clubhouse, you can tell that it needs a little help for a private country club of that stature. It needs to be upgraded. You can see where you have artists renditions and cost estimates. We haven't bid anything out. We don't have the luxury of doing that because we don't have any place to do that.

Mr. Showe: There are no funds.

Mr. Bedwell: The main issue is in here they say their average membership pays in the mid \$6,000 range. They are going to have a gymnasium now to try to get younger people, because that's the life blood.

Mr. McCarthy: There will be a lot of young people over there.

## **SEVENTH ORDER OF BUSINESS**

## **Adjournment**

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor the meeting was adjourned.

September 25, 2019

Viera East CDD



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Secretary Assistant Secretary



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Chairman/Vice Chairman