

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, October 23, 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
Bonnie Mitcheltree	Resident
Bob Higgins	Resident

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. McCarthy called the meeting to order at 2:00 p.m. All Supervisors were present.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the August 29,  
2019 Meeting and the September 25, 2019  
Meeting**

Mr. Showe: I received a few changes from the Board Members which were incorporated.

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor the minutes of the August 29, 2019 and September 25, 2019 meetings were approved as amended.
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**FOURTH ORDER OF BUSINESS**

**Consideration of Resolution 2020-03  
Authorizing Delivery of Equipment  
Schedule**

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor Resolution 2020-03 Authorizing Delivery of Equipment Schedule was adopted.

**FIFTH ORDER OF BUSINESS**

**Staff Reports**

**A. General Manager's Report**

Mr. McCarthy: Before we discuss the E-Z-Go golf cart lease, does any of the Board Members have any questions for our General Manager?

Mr. Oakley: I just have a general point. The reason we are going from the existing lease to the new lease is because we ran out of time, batteries, etc. on the old lease. Is that correct?

Mr. Melloh: Yes. We are about seven months short of going full-term on the new lease.

Mr. Oakley: The reason we are doing it is because we are over our time limit.

Mr. Melloh: Yes. With the lead acid batteries you never know what you get. Going in the season where we need most of those golf carts to go 36 holes, we can't guarantee the shape of the batteries. Right now they are all fine because they are only going 18 holes a day, but we don't want to get into the season where we make the big money and having to go out there pulling in carts left and right.

Ms. Thomsen: And spending \$1,000 for batteries.

Mr. Melloh: But we corrected that with this new lease because they have lithium batteries, which have a five-year warranty even though this is a four-year lease. So we will be able to go full-term on this lease and not have to worry about it. We also wanted to point out, that terminating the existing lease early is not costing us any extra money. The vendor came in, assessed our golf carts and gave us high marks for the fact that we take care of our golf carts well and water the batteries. Most golf courses don't. So they feel that they can sell the golf carts to a third party for basically what the lending company would sell them for. There is no residual that we are rolling over into the lease.

Ms. Thomsen: Great. So there is no penalty.

Mr. Melloh: Exactly. There's no penalty. We can do that with TFC. If we were to go with a different company, then we would have to pay the remaining seven months of lease payments. So this is a good deal.

Mr. Oakley: There is only one thing that I would like for the Board to consider going forward. I'm in favor of what we are doing and I think we have to do it, but I think Tim brought up some very good points, so I would like the Board to reconsider allowing only two Viera East golf carts out at any one time. Having all four Viera East golf carts out there for a foursome puts an undue amount of wear and tear on the golf course. It has basically shortened this lease period because of the extra hours on the cart. So at some point in time, I would like for the Board to reconsider that. We brought it up once before and it wasn't looked on favorably for a couple of different reasons, but I will bring it up again later, maybe at the next meeting or a future one.

Ms. Walsh: I suggest that closer to the rules and rates is when we would take a look at that.

Mr. Oakley: I think we can adopt any change of rules any time we want to.

Ms. Walsh: I was just saying.

Mr. Showe: For any official rule changes, you have to go through a rulemaking process. You can always direct Tim to test it out if you want.

Mr. Oakley: Okay.

Mr. Melloh: If we are going to review it, then we need to review the entire policy.

Ms. Walsh: Right.

Mr. Melloh: You speak of individual golf carts going out on the golf course that are fleet golf carts. We have 185 private golf carts that put way more wear and tear on the golf course. Then you have to define what is wear and tear. People are always bragging about our fairways, so the only place we have wear and tear on the golf course is where the golf cart path is. That's because we have substandard golf cart paths. So we will do a full analysis where I will look back the last three-and-a-half years and find out how many tires we purchased. We will do a full analysis, but if we are going to do it we need to make sure. A lot of golf courses, even the ones that have private carts say, "Look, here it is," if you are going to be that strict. It is four people two carts, regardless of whether it's a private cart or ours. That would be a political problem to tell our members that they can't ride individually, because we register them. Ines sends out insurance notices to make sure that we have a current insurance policy. There are 185 carts, but

only about 50 or 60 of them are Platinum Gold Members. The rest of them are just CDD residents that come up, pay the CDD rate and take their own golf cart and go. A lot of times, what you see a lot are four CDD residents in four private carts. So we have to address that too if we truly care about the wear and tear on the golf course. So I will do a full analysis and get with Bill.

Mr. Oakley: I don't have a problem with any of the CDD golf carts. The only thing I have a problem with is, our golf carts have put us into a situation on this lease where we had to get out of the lease early and were not able to fulfill the lease obligations because of too many carts out on the golf course. I brought it up at the beginning of the lease. It came out just like I said it. We are putting out an extra 15% to 20%. I can go back and get the minutes to show you the information. What I am concerned about is when you put an extra 7.5% of golf carts out there on the golf course more than you have to, rolling over grass 7.5% more times than you have to or rolling through ruts in wet weather more than you have to. I think it makes a point.

Mr. Melloh: Okay.

Mr. Oakley: That's the only point I'm making.

Mr. Melloh: Right.

Mr. Oakley: The other question I have is with these golf carts, after a three-and-a-half to four-year period of time, are we going to look at replacing tires and things of that nature? Do we have to do that with these new carts? Can you anticipate that or no?

Mr. Melloh: I don't. In the 39 years I have been in the business, I never really had to replace golf cart tires. That's why I said that we will do an analysis of how many tires we had to purchase in the past three-and-a-half years. Most of the golf carts we have, the guys can put air in the tires and then everything is good. I understand your point about coming out of the golf cart lease early, but we don't have that problem anymore because we have a full warranty. So we don't have that issue going forward. We corrected that.

Mr. Oakley: The only thing I'm concerned with is the excess wear and tear on the golf course.

Mr. Melloh: Right. That's why we need to do an analysis, because we need to define what wear and tear is. The fairway is beautiful. People comment about how beautiful the fairways are. Where we do see wear and tear is around the hedges where we don't have good conditions. So we will take an analysis and define what wear and tear is so the Board can make

an educated decision as to what we do going forward. So I'll make a note here and we will do a complete analysis.

Mr. McCarthy: I have a couple of things that I would like to comment about this. To start this, Scott our Superintendent had signed off on the fact that it is okay to have golf carts out there. It wasn't something that the General Manager imposed upon him. Correct me if I'm wrong, but you exhibit more foot pressure in your foot than you do in a tire. So that's not really an issue in terms of wear and tear. I don't see that at all. It is important to understand that our Superintendent did an excellent job in terms of negotiating this lease, absolute top of the line, in terms of a golf cart. People are going to really appreciate that when they start driving these carts.

Ms. Thomsen: They won't go in the water.

Mr. McCarthy: That's a good thing.

Mr. Showe: Unless you drive them into water.

Mr. McCarthy: The other thing is that it sells tickets. There are people who like to ride by themselves. According to our Superintendent, it's not damaging to the golf course. The damage occurs when heavy mowers get into places that they shouldn't. That's when the golf course gets ripped up and so forth. So I think we have a very good situation. There was no additional cost of money. We are not going to have to replace any of these batteries. The tires are insignificant. I can't qualify my position that it sells tickets, but I talked to people when they come off of the golf course and ask them how they enjoy it. I love riding by myself. I think there's an old man's view of golf that you have to be regimented and have just three golf carts out there. If we are not hurting the golf cart, why are we concerned about it? You can take that golf cart and drive it up on their green and you are not going to hurt the green. So it's something that we can talk about. That's just my personal opinion. I don't think we are doing any damage. We are selling tickets and it has to be more beneficial as we go along.

Ms. Walsh: Especially as we all get older. They need to get to their ball.

Mr. McCarthy: Speed of play has increased significantly. I know sometimes VEMA has been running five-hour rounds. If you play the wrong game and all of a sudden you get into March when you have a five-hour round, you are going to lose money because people aren't going to tolerate that. So if we can get the people through there as quickly as possible, it looks like the charge of the light brigade, but times are changing. When people dress differently, they are going to do different things on the golf course.

Ms. Walsh: Is this a five-year lease?

Mr. McCarthy: Four-year lease. It has a five-year warranty on the batteries. So we are not going to have to pay for any batteries.

Ms. Walsh: That's fine. My confusion was if it was going to be a four-or five-year lease.

Mr. McCarthy: Why don't you explain how you negotiated the lease down per month?

Mr. Melloh: This is a top of the line golf cart, the RXB. We now have the TXT. RXB has a more comfortable ride. It comes with motor braking as well as other features that are nice. It is a top of the line. When they first gave us the quote, it was going to be roughly \$7,800 to rent this fleet out like it is. Of course that was way too expensive for us, but they came back to us and said, "The President of E-Z-Go has come back and said we have the best golf cart on the market, why can't we lease them out?" It's because of the price. So they had a price drop. We were able to discuss this with our Sales Rep and got the golf carts down to what we were going to pay for the fleet for the TXT and now we get the RXT. So it's a very good deal for us. Luckily E-Z-Go decided to drop the price when they did because it benefits us greatly as we get a better quality golf cart. We selected a premium color, Oasis Green, which is going to be a very unique color that people don't see everywhere. Like Paul said, these are small things that sell tickets. One of the great things behind the motor braking is that there is no possibility of a golf cart rolling into the water.

Mr. Melloh: Unless the guy has his foot on the accelerator and drives it into the lake, that's a different story. I had the fleet of these golf carts before and wherever you stop the golf cart, that's what stays because there's a mechanism in the motor that locks it in place.

Mr. Oakley: What are we doing about the GPS'?

Mr. Melloh: We are changing over the GPS' to the new carts.

Mr. Oakley: In-house?

Mr. Melloh: In-house. We already bought the wiring harnesses to wire them up and Lane assembled a crew of our staff workers to do that. We could get somebody to come in and do that, but it would be very expensive. The guys know how to do it because we have actually installed them on private carts. The only difference is that the wiring harnesses are a little different because these are lithium batteries instead of lead acid batteries, but it's very simple to do. Of all the things that we have, this GPS system is a big ticket seller for us right there. People love the GPS. I guarantee you there are people who choose to come to our golf course and play because

we have GPS. You don't see them at Duran or Turtle Creek or any golf course in Brevard County.

Ms. Walsh: It's good that we are keeping the same system and not getting replacement GPS where we have to start all over again.

Mr. Melloh: Right.

Ms. Walsh: So if we are keeping the same ones, that's even more positive.

Mr. Melloh: Yes. It's been a very durable system. It's a great system. Once in a while, somebody will say, "I think the yardage is off a little bit." Its GPS, so it is what it is. Maybe they hit the ball too hard or something like that.

Mr. McCarthy: There are very few people here where it would make a difference; whether, its 135 yards or 140 yards.

Mr. Melloh: In a nice way I'm trying to tell them, "Maybe you just need to back off a little bit." The GPS' are definitely going onto the new golf carts. It will be a three day turn around because we have to take it off of the old carts and then wire off the new ones. You can't do all 75 of them at one time, so there may be a couple of rounds or a couple of days where people have to go out without them, but that's just the nature of the business. That would happen even if we hired another company to do it. When they bring the golf carts in, they bring them in groups on flatbed trailers; kind of like a car carrier, but it's a golf cart carrier. So if they bring in 20 at a time, they drop off 20 and pick up 20. So we have to get them ready for pick up because we don't have a place to store 150 golf carts. This lease also includes the two ranger and player assistance carts. The good thing behind that is we already replaced the batteries in the ones that we have currently because they are used so much. They are used every single day. It comes with the five-year warranty, so we would not have to have that expense either.

Mr. McCarthy: Are there any further questions regarding the golf carts?

Mr. Bedwell: Did you do this study on the cost that turned out to be a minimal cost?

Mr. Melloh: I think what we did was we kind of figured out how many extra carts we needed. The people who plan a weekend, most of them like riding with each other. So the big deal is where we have local residents.

Mr. Bedwell: When people pay and say that they want four keys, can they instead say, "Can you do it with two people double up?" I think I heard him say that when I was in the Pro Shop, rather than just giving them four keys because four guys were playing.

Mr. Melloh: Well we encourage people. What is difficult with our operation is that people need to take a golf cart out to the parking lot to pick up their clubs. So a guy comes in saying that they need a key to get their clubs and another guy comes in and says they need a key to get their clubs and so on and so forth.

Ms. Thomsen: Is that what happens with the groups like the Savannahs?

Mr. Melloh: We normally have the Savannahs carts lined up for them and a lot of times we have our guys go out there and pick up their clubs with them.

Ms. Thomsen: Are they already automatically playing 2x2?

Mr. Melloh: Yes. Normally they are.

Ms. Thomsen: Is that the only large group that does that or most of the large groups?

Mr. Melloh: If you have a 100-person tournament, we are setting it up with cart plates that say, "Paul McCarthy/David Bedwell."

Ms. Thomsen: So this really is across the board to begin with.

Mr. Melloh: It's not every single group and not every single time. Like I said, we will do a full study and come up with all of the answers.

Mr. Bedwell: I thought you had done a study before.

Mr. Melloh: We did, but that was three years ago.

Ms. Walsh: I also think this came under the original study and we came back to the same conclusion that because of the way our fairways are, it wasn't impacting that much other than the wear and tear on the golf carts.

Mr. Oakley: David, to answer your question, when you sign up for golf and pay your money with VEMA, they only provide two carts.

Mr. Bedwell: I know they were doing it with VEMA.

Mr. Oakley: There has been some grumbling.

Mr. Bedwell: Maybe that's what I overheard in the Pro Shop, but I heard Dennis tell someone, "You guys double up," or something like that.

Mr. McCarthy: Is there anything else on the golf carts? Hearing none, we are going to vote on the lease. The monthly fee is \$6,552.90. It's a 48-month lease with a 60-month warranty on the batteries. The approximately delivery time would be around December 1<sup>st</sup>. If there is nothing further, I need a motion.



On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor the golf cart lease with E-Z-GO Golf Cart Lease for 48 months with a 60-month warranty on the batteries in the amount of \$6,552.90 per month was adopted.

Mr. Melloh: I don't have a lot to report. We have the normal day-to-day operations for the CDD. I think I previously told you that we had our excavator tractor loader that needed to have some repairs. We received it back and there were hydraulic issues. It turned out that we needed some new hydraulic hoses. Anyway, there was a \$3,600 repair bill, which is covered in our budget. I just wanted to prepare you because it could've been a much larger amount. Regarding golf course maintenance, we are going to be over seeding the green slopes and tree tops the first week of November. It should be ready around Thanksgiving. Most of that germinated very well and the golf course is looking really good. Last year was the first year that we over seeded all of the treetops, instead of just three treetops. That was kind of a home run. People loved that because our tees are not in great shape. Some of them are in better shape than others. That's why the ongoing product list we have includes that at some point. So it should look really good once he gets his pre-emergent down, which means where you don't have over seeding. You pre-emerge so winter weeds don't crop up. He was able this past week to do a second application of goose and crab grass control on the greens. We are helping that program quite a bit, so we don't have that crop up in the spring because that's kind of been an issue. We talked about a couple of times that the goose grass is a real problem. Anyway, we are doing everything that we can do to keep that under control.

Ms. Walsh: Is he finding the application to be effective?

Mr. Melloh: Yes. There is a little bit of post emergent control, but for the most part, it's a pre-emergent to keep it from coming out in the spring. So that's for the goose and crab grass, but he has sprayed it with an herbicide and its going away. It should go away as we get cooler weather.

Ms. Thomsen: Yes.

Mr. Melloh: So we should be good for the season.

Ms. Thomsen: It's still 90 degrees in October.

Mr. Melloh: I think you read in Tom Trammel's report about how goose grass loves humidity, heat, and moisture. Once we get away from it, we should be able to gain control over

it. I provided you with the Rounds and Revenue Report. The weather continues to be a headache for us. We were closed two days this month and made zero dollars, but the good days are good days. On October 16, we changed our rates from summer to pre-season rates. Of course our pre-season rates and all of our rates have increased some. I talked to Lane and he spoke to the guys in the Pro Shop and we are not getting any pushback on the rate. We are actually in good shape. People see the value in the product we have out there. With that being said, once the weather flattens out for us, we should be able to make really good revenue this year. Does anyone have any questions?

Mr. Bedwell: I have a couple of questions on the sales analysis. Total year-to-date is flat in the prior year for the total number of rounds, but the rounds for CDD residents were down 639 rounds compared to last year. That may be small. I don't know why. Maybe you want to do it. EZ-Link and GolfNow were down 2,446 rounds, which maybe you want because the average price is \$17.68.

Mr. Melloh: We had a computer glitch in the recording of EZ-Link tee times. I can give you the actual number. Some of those EZ-Link rounds ended up in the public rounds.

Mr. Bedwell: Okay.

Mr. Melloh: So you can see how much more public rounds there are.

Mr. Showe: They offset each other.

Mr. Bedwell: Okay.

Mr. Melloh: When somebody goes onto EZ-Links, it's kind of like going on Expedia.com. Whenever that comes across to our computer system, there is a skew that it assigned to. The skew got messed up. I was wondering the same thing you just said. That's what we found out.

Mr. Bedwell: I want to know if there's some kind of pricing problem when I see rounds dropping and CDD resident rounds are dropping.

Mr. Melloh: Right.

Mr. Bedwell: We have enough trouble trying to get CDD residents to play.

Mr. Melloh: Here's what we should look at. This is about potential. Last year, we had 52,534 rounds of golf, versus 52,751 rounds for this year, for a slight increase. I'm going to bring this to the workshop. I do a complete weather analysis other than what you see here. Most golf

management companies do the same thing. In a month, you want to know how many good days you have and how many weather affected days.

Mr. Bedwell: I know.

Mr. Melloh: This year, we had 15 more weather affected days than we had last year.

Ms. Walsh: I believe that.

Mr. Melloh: In a month, if you had 20 good days and you took the revenue from those 20 good days, and then you take the 10 days that you had weather affecting you, either a full shutdown, partial shutdown, rain in the morning, rain in the afternoon, whatever, take the revenue from that and figure out the difference and multiply it by 10, that's how much revenue you lost, but you lost revenue last year too. So when you compare what you lost last year, because you are always going to lose revenue, the loss of 15 days cost us \$68,000. When I bring this update, I will have a more detailed analysis on how you look at that, but the idea is, in a nutshell, if we had the same weather we had last year, we would've gained \$68,000.

Mr. Bedwell: Okay.

Mr. Melloh: Because we were way ahead on June 30<sup>th</sup>, but when July 1<sup>st</sup> happened and we received 32 inches of rain up until Dorian, now we are still up to almost 10 inches in the month of October. Those things hurt. There's nothing you can do about it, but what's great about it is potential. So for us to lose 15 days and still do 200 more rounds of golf is pretty significant. That just shows you that people love this golf course, the area is growing and so on and so forth. You are talking about the CDD residents. They are more fair weather golfers.

Mr. Bedwell: I know.

Mr. Melloh: The idea is that they didn't make up those 15 days.

Mr. Bedwell: I just look for trends. The other thing is are we below budget on Associate Memberships?

Mr. Melloh: It may be a little blow the budget, but we sold \$2,000 more in memberships this year than last year. Four months before the actual year ends, you try to guess what you are going to do and that's probably what it is.

Mr. Bedwell: An Associate Membership year-to-date is \$36,000 versus a plan of \$42,000. I'm just wondering going back to the last page, why an Associate Membership average round is \$35.53, and the public rate is \$30.99. There may be a pricing problem. That may be one

of the reasons. I don't understand why you join when you are paying \$5 more on average out of thousands of rounds, versus the public rounds.

Mr. Melloh: That's the thing. It's called a rate mix. So the public is including the people that come in and pay the \$50 and a person that comes in at 4:00 p.m. and pays \$14 for the special.

Mr. Bedwell: I understand.

Mr. Melloh: It includes a lot of different rates.

Mr. Bedwell: Does an Associate Member play 9 holes?

Mr. Melloh: No. Remember what I told you earlier? They play on the weekends.

Mr. Bedwell: I just wanted to make sure that we didn't have a pricing problem.

Mr. Melloh: No. Remember, when we get into the high season and we are charging \$65 for a weekend rate for the general public in January, the Associate Member is getting \$13 off of that. That's where it is, but again, they aren't the group going out there.

Mr. Bedwell: They are not playing during the week.

Mr. Melloh: That's a great observation on your part.

Mr. Bedwell: I'm just trying to look at this and you see these trends.

Mr. Melloh: Of all the analysis you see in here, this is what I look at the most. Because this is where the rubber meets the road. This is where we look at what we have going on. One of the other things that I would like to point out is if you go down to where it says, "Member Rounds," we did more member rounds this year.

Mr. Bedwell: I noticed that.

Mr. Melloh: We sold a few more memberships this year. We had \$203,000 worth of membership dues, versus \$185,000 from last year.

Mr. Bedwell: If you increased the daily fee, you might sell a few more.

Mr. Melloh: We could, but there are more people moving to the area. We keep adding more and more CDD residents. I guarantee you that in the past six years we put 25 to 30 different CDD residents into the system.

Mr. Bedwell: So in some way, the CDD resident rounds may be down because they are fair weather players and the weather has been bad. The rate the Associate Member is paying is higher because they play on the weekends.

Mr. Melloh: Mainly on the weekends and mainly during the high dollar times.

Mr. Bedwell: Okay.

Mr. Melloh: They come out on Tuesday morning and are playing at 9:30 a.m., which is higher than if they came out at 3:00 p.m. or 4:00 p.m. when you get a lot of the public play. People love to come out and play golf. Before we offered the twilight and moonlight specials when I arrived, you could shoot a cannon down the fairways because they were charging the full rate at 4:00 p.m. At other golf courses that I operated, people love to leave work and come out and play. Regarding the moonlight special, we get an hour to two hours of daylight and we just tell them it's \$14 to play 8 holes, 9 or 10 holes. They just like to do that. But the more of those that we have, brings down the overall rate. That's why I said, don't look at the rate. Its more about volume, how many rounds we are doing versus what the rate is, even though the rate is important, but it's a good thing.

Mr. Oakley: One thing that I would like to comment on is the way that you have the comp rounds laid out. That's nice and easy to see. It's all grouped together. You can see what EZ-Links is.

Mr. Showe: That was one of the changes we made. We took EZ-Links out of there because essentially that's not a comp round. That's compensation that we would've paid for them to use their system.

Mr. Oakley: But I like where you have staff comp rounds and other comp rounds.

Mr. Showe: We get it done.

Mr. Melloh: It's easier to make that change on this report, then it is for us to redo our entire computer system. This is a good way to do it, so going forward, that's how you will see it.

Mr. Bedwell: You answered my questions. Thank you.

Mr. Melloh: Great questions, by the way.

Mr. McCarthy: Tim, are you all set?

Mr. Melloh: Yes. That's the end of my report.

## **SIXTH 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 #3722 through #3745 from the General Fund in the amount of \$205,781.59 were approved.

Ms. Walsh: Nothing was written out of the Capital Reserve Fund.

On MOTION by Ms. Walsh seconded by Mr. Bedwell with all in favor Checks #27097 through #27178 from the Golf Course Fund in the amount of \$209,956.92 were approved.

**SEVENTH ORDER OF BUSINESS**

**Supervisor's Requests**

Mr. McCarthy: Bill?

Mr. Oakley: Tim, do we need inspections of the playground equipment at Woodside Park? I was at a homeowner's meeting last night and talked about replacing it. I believe it has to be inspected yearly and I didn't know whether we were required to do that.

Mr. Melloh: I've never known that to be a factor.

Mr. Showe: Typically there aren't really required inspections. If Tim is aware that it's an unsafe play condition, we would have to take action at that point.

Mr. Melloh: Annually, we buy the playground grade mulch, which is more milled, and we fill it up. That's part of the deal about going through and retrofitting with our new project lift. We finished putting in the playground this past year. I even have comments from some people who have gone down there to look. It's among the Oak trees, which is great because it provides shade, but it also has surface roots that come through it, so we try to keep enough of that mulch in there. However, it moves around when it rains, so it's kind of an ongoing situation there. I think that we are about ready to buy some more mulch.

Mr. Oakley: I wanted to address it because it was brought up. I have a sidewalk update for the Board. The last thing that I heard was that they would be starting on Monday or Tuesday or Wednesday of next week on the sidewalk on Viera Boulevard, on the north side of the street. There are several sections of sidewalk that need to be replaced out there and are working with VECA to reduce the overall cost. We are paying \$400 for the buggy and VECA is paying \$200. So we are saving an extra \$200. We worked it out, but the best price is for the best deal we can get. Jason, I sent something to you once before about publishing meeting information in the Viera Voice. Where are we with that?

Mr. Showe: I think we were going to talk about it at the next workshop. We have the pricing information. We wanted to see if the Board is still interested, once you know the costs.

Mr. Oakley: I just want to let everyone know that ECOR was spraying the weeds around the #11 and #12 lakes. I asked Jason for some information on the bond. I know that we are in litigation, but I need to know or would like to know by not issuing the bonds, what are we saving per month in relationship to the interest,

Mr. Showe: With the original set that we presented in July, the capitalized interest, which is what you would be saving, essentially had issues. There are certain months that we would've not paid assessments. That was \$1,024,000 for 38 months, which equates to approximately \$27,000 per month that we are technically saving. Unfortunately, based on what the folks told me at the bond market, because the rate is likely ticking up, any savings are going to be absorbed when we re-issue based on higher interest rates.

Mr. Oakley: What we were talking about earlier is the original bond rate was at 3%.

Mr. Showe: Yes.

Mr. Oakley: The new bond rate is 3.5%.

Mr. Showe: In today's market, they would be looking at about 3.5%. There's no telling what it's going to be in March. Likely when we go to issue, should the Board choose to move forward, that's where we are today.

Mr. Oakley: So this entire bond legal suit is really costing 4,400 homeowners money.

Mr. Showe: Correct.

Mr. Oakley: Okay. That's all. Thank you.

Mr. McCarthy: Jo, do you have anything?

Ms. Walsh: I will talk to Tim about it later.

Mr. McCarthy: Melinda?

Ms. Thomsen: No thanks.

Mr. McCarthy: David?

Mr. Bedwell: No.

Mr. McCarthy: I have a couple of items that I would like to discuss. We have these two items on the website and I'm trying to get people, whether they are for or against it, to go to the website. So everything that I've done, I've run by Jason at length to make sure it's being done correctly. I couldn't discuss it with my fellow Board Members because it's something that had to

be done at a meeting. I'm prepared to send out the following email to 80 or 90 people that I know in the community:

*Partly in response to certain claims asserted and litigation filed against the Viera East CDD (The "District"), the District Board of Supervisors will be holding a Public Hearing to consider new assessment proceedings on November 21, 2019 at 6:00 p.m. at Faith Lutheran Church. You have likely received a letter notifying you of this hearing. As part of the bond process, the District has developed a new Assessment Methodology and new Engineer's Report. These documents and more can be found on the CDD website. I would encourage you to review these documents and share this information with any of your neighbors who you think might be interested in this process. It doesn't make any difference if they are for or against it. I want people to read it. Should you have any questions about the projects, bond issue or items relating to the District, please contact the District Manager, Jason Showe at 407-841-5524. As always, we appreciate your involvement and participation in the Viera East CDD. Paul McCarthy, Chairman of the Board."*

Mr. McCarthy: We all have different avenues that we circle in and there are people that don't have anything to do with golf. So I would encourage the Board, if you feel it's appropriate to do the same thing with your mailing list. If you have any questions, now would be a good time to discuss it with Jason.

Mr. Showe: Now that we have discussed it as a Board, I will send you the Word file. That way, if you choose to change it and edit it, obviously you can do that.

Mr. Bedwell: The only problem that I have is the word, "new." It says that there are new Assessment Methodology and Engineer's Reports.

Ms. Thomsen: There is nothing new about it.

Mr. Showe: The report from Fishkind is new. That wasn't presented.

Mr. Bedwell: Yes, but he came up with the same answer he had in 1992.

Ms. Thomsen: It doesn't change.

Mr. Showe: I can use the word, "revised" instead of "new," because they are definitely revised reports. That might be more appropriate.

Mr. McCarthy: That's a better word.

Ms. Thomsen: It sounded like they were changing the assessment and we're not. I wish we were.

Mr. Showe: For the Board's information, the required mailed notices went out yesterday, in case you get phone calls. We also circulated the script that we are using internally for our



staff. So if you get questions, that has been run through the attorneys. I let my staff know. If any resident gets too far off of the items on that script, send them to me. We just want to make sure that we are careful in what we are telling folks because there is current litigation.

Ms. Thomsen: We had an HOA meeting last night and I tried to get a hold of Tim, but my phone has been acting up. I finally received your response, but it was too late. I didn't want to have a situation where Paul and I were at the same meeting and something came up. With the Sunshine Law being as it is, I didn't want to be there. It is dicey. You have to be really careful.

Mr. McCarthy: That's why we have Jason.

Mr. Oakley: Do we have the addresses of the people in the various HOAs?

Mr. Showe: I don't have any email addresses.

Mr. Melloh: Do you mean like the President of the HOAs?

Ms. Thomsen: Yes.

Mr. McCarthy: I tried to get that when I was running for the first time on the Board and they are very guarded about that in terms of their email list.

Mr. Melloh: I was going to say the exact same thing. I have some time, but they are so old that I didn't know if they were still the President. To get them is impossible.

Mr. Oakley: How about Fairway Management? Could we send it to them so they can send it out to the HOAs affiliated with the CDD?

Mr. Showe: Yes.

Mr. Oakley: There are 963 CDD residents that participate in golf over at Viera East. Do we have their email address?

Mr. Melloh: We don't have every one of them, no. We have a good portion of them, but we don't have every single one.

Mr. Oakley: Could we send it to those people also?

Mr. Melloh: We could.

Mr. McCarthy: I already met with Dave Hill and Charlette Rinehart regarding that. I wanted to run this by the Board first and then I will get together, in the next three or four days with Charlotte and Dave.

Mr. Oakley: I was just thinking of sending it to people who aren't affiliated with any clubs or groups.

Mr. Melloh: That's a good idea.

Mr. McCarthy: The more people we can expose to that assessment on the website, the better it is, whether they are for or against it. Make a decision.

Mr. Bedwell: What does this do in addition to the letter they are getting? I didn't quite understand.

Mr. McCarthy: Basically what I'm trying to do is to draw attention where people go to our website to review documents.

Mr. Showe: As the Board indicated, we will supplement that with a second letter, which hopefully is clearer.

Mr. Bedwell: The Engineer's Report, plus that economic report is on the website.

Mr. McCarthy: Exactly. We would encourage you to review the documents and share this information with your neighbors.

Ms. Thomsen: That should be in bold.

Mr. Showe: That's easy enough.

Mr. McCarthy: There is a whole social media that I don't understand. It's not my area of expertise. Just get it going.

Mr. Bedwell: I could put it on Facebook, but I don't know how to do that.

Mr. Showe: In terms of social media, it is challenging for CDD folks to use Facebook. Dave might post something and if Bill is your friend and he posts something, all of a sudden, you are violating the Sunshine Law.

Mr. McCarthy: I think the five of us are better off, if you choose to do it and sign your name to it, because they know Melinda, Jo Walsh, Bill and David. See what happens.

Mr. Showe: As opposed to the first process where we only send out the one required notice, we are sending two this time.

Mr. Bedwell: Are we getting the big room again?

Mr. Showe: Yes.

Ms. Thomsen: Are we going to have the Wednesday and Thursday meeting?

Mr. Showe: Actually, we only scheduled a Thursday meeting.

Ms. Thomsen: That's what I need to know. Thank you.

Mr. Showe: That's the one we moved to Thursday, November 21<sup>st</sup>.

Ms. Thomsen: It was on the 20<sup>th</sup> and now it's on the 21<sup>st</sup>.

Ms. Walsh: There is a workshop that same month.

Mr. McCarthy: So the next Board Meeting is on November 21<sup>st</sup>.

Ms. Thomsen: We are only two weeks away and it's not cut and dry.

Mr. Bedwell: Could you send us an email on what meetings are in November?

Mr. Showe: The November workshop is actually November 13<sup>th</sup>.

Ms. Thomsen: It's November 13<sup>th</sup> and November 21<sup>st</sup>. So they are seven days apart. For Thanksgiving and Christmas, we have the same kind of setup.

Mr. McCarthy: Please send the email out.

Mr. Showe: Yes.

Mr. McCarthy: If there is nothing further, we need a motion to adjourn.

Bob Higgins, Sandhill: I see that you don't have a public comment period, so how can I be heard?

Mr. McCarthy: It's closed now, but our General Manager, Tim Melloh is here, and he would be more than happy to talk to you, but as a Board, we can't talk to you at this point.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

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

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman