

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 22, 2020 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
Peter Carnesale	Resident
Tony Volpe	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

Mr. McCarthy: Would anyone like to speak?

Tony Volpe, IRCC: Thank you for the opportunity. I wanted to briefly cover some items. I talked to you in the past about the budget. I see some redline items. I was trying to find out how much money was being spent defending the bond, but I can’t find it. Maybe somebody can help me after the meeting. One thing that really stood out to me was there was a negative variance of \$78,000 in total revenues, which is an accumulation of many redlined items. I’m concerned about that, but now you are considering a bond. I don’t know what records you have of who is supporting that bond in a population of 11,000 residents in the CDD, but the majority of people at the open forums voiced their opinion that they are not interested in it. More importantly, you

need to focus on reducing expenses and increasing revenue. I shared with you revenue potentials at the last meeting. If you increase revenue, you have extra money to do things you might want to do, as opposed to buying a bond, which is borrowing money. Borrowing money has to be paid back. There are people here that aren't interested in that program as it's presented, and inaccuracies or lack of balance between the communities and the people. So my recommendation and my request is that you focus on reducing expenses and increasing revenue. Thank you.

Mr. Showe: I will meet with you after the meeting to answer your questions.

Resident (Tony Volpe, IRCC): I'm not aware of any year where we lost money.

Mr. Showe: If I recall, because we transferred more money than was in the budget, it shows as a negative expense but it's actually putting more money into capital reserves.

Mr. Bedwell: He was talking about revenue.

Mr. McCarthy: Is anyone else interested in speaking? Hearing none,

THIRD ORDER OF BUSINESS

Approval of Minutes of the December 19, 2019 Meeting

Mr. Showe: We received a correction to the minutes on Page 3. Are there any other changes or corrections? Hearing none,

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor the minutes of the December 19, 2019 meeting were approved as amended.

FOURTH ORDER OF BUSINESS

Consideration of Proposal for Bulkhead Repair

Mr. Showe: We distributed a proposal that we just received from Dewberry to provide oversight on the bulkhead repair, from start to finish, in the amount of \$21,000. It's important to note that the proposal is based on an estimate for time and materials, but they are only going to bill for actual time and materials spent, so it could be less than that. Typically it is.

Mr. Oakley: Will it be more?

Mr. Showe: No. This is a not-to-exceed amount.

Mr. Oakley: So this is the maximum work?

Mr. Showe: Correct.

Ms. Thomsen: Is that \$21,000 per bulkhead?

Mr. Showe: No, for the entire program.

Mr. McCarthy: The engineering program.

Mr. Showe: I can walk you through what their process is. Under the scope of work, they are going to do data collections, look at all of the bulkheads and determine the best way to repair and rebuild those. They will work with Tim to make sure that he is good with their recommendations. It is essentially like building a custom house. They are going to prepare the plans for the project, send those plans out in a form that everyone can bid on, so they are bidding on the exact same thing. They are then going to look at all of the bids and make a recommendation based on their expertise in the field of how they would rank the bids. Ultimately, the Board will make that selection. They also have in there, "Construction." That is when they are building it. After the contract has been approved, they will come out to inspect to make sure it's being built properly. They also have as-builts, closeouts and final certifications. If monies are spent from the bonds, they are going to have to do that anyway because they have to certify that the work was done in accordance for the Trustee.

Mr. Oakley: Does this work require building permits?

Mr. Showe: I'm sure it will.

Mr. Oakley: Does it include the cost of the building permits?

Mr. Showe: Yes. It includes everything. This is their entire scope of work for all of the bulkheads.

Mr. Oakley: Which covers the permits.

Mr. Showe: Yes.

Ms. Walsh: Do we have any idea how many companies in the area may be available to bid on this?

Mr. Showe: I don't know at this point. Bill, just to clarify, they will obtain whatever permits are needed. This probably doesn't include the permit fees. Those typically go with the construction itself.

Mr. Oakley: The contractor normally gets the permits.

Mr. Showe: Right. This wouldn't include the cost of the permits, but whatever work they would need to do to coordinate with selecting the contractor, getting it to the county and getting all of the proper permits pulled.

Mr. McCarthy: As I remember, Tim, a company estimated approximately \$330,000 to do it and we allocated \$380,000, I think.

Mr. Melloh: \$375,000 or \$380,000.

Mr. Showe: I will also note that they are not going to send an invoice for \$21,000 upfront. It's going to be billed as the project proceeds. Those invoices will be separated, specific to this project so we will have that tracking backwards to know just what their work effort was specifically for this project. It's kind of a separate work authorization.

Ms. Thomsen: What is the timing on this?

Mr. Showe: If the Board approves it, based on what I heard from the Board in the past, it would be our intent to engage them to at least do the data collection in the contract documents. We can discuss the timing on the bidding later, because it's at least a 30-day process to get the bids out on the street. You have to publish it in the newspaper and there must be sufficient time for them to answer. It will probably take them some time to get the documents together in biddable form.

Ms. Thomsen: Do we have the money to take care of that part of it?

Mr. Showe: Yes. There is engineering money that hasn't been used this fiscal year.

Mr. Oakley: Jason, just so the audience understands, this is not something that we said, "Gee I wish we had new bulkheads." We must repair the bulkheads because several things are starting to collapse. We had a couple of people fall into holes. They are giving way in areas, so it's something that we must do sooner, rather than later.

Mr. Bedwell: Tim, if we did nothing and one of those green bulkheads collapsed and we lose the dirt and the green, what would it cost to rebuild it?

Mr. Melloh: \$100,000, easily.

Mr. Bedwell: So we are trying to prevent spending \$100,000.

Mr. Melloh: You would have lost revenue.

Mr. McCarthy: There is tremendous potential liability there with an accident. What I'm concerned about is the worst-case scenario. If this injunction goes on for six months or nine months, where does that leave us?

Mr. Showe: Long-term, it's been the Board's intent, from what I've heard, whether or not we issue the bonds, this project needs to be completed in one manor or another. That's why we brought this to the Board now. They could at least have the documents ready. Whenever the

financing method is ready, you can issue the bonds and get a contract in place, but you can't do any of that until you do some of the background work that this proposal covers.

Mr. McCarthy: The other thing is, if it were tied up with that and they continued to deteriorate, we might have to do a special assessment.

Mr. Showe: Correct.

Mr. McCarthy: Now help me with the special assessment. Is that something that has to be paid in full within 12 months of completion?

Mr. Showe: You are essentially adjusting your General Fund so it would be money that goes into your account and you would spend it like any other General Fund expense.

Mr. Bedwell: If you don't change it, it's the same as next year. Like we did the 50/50.

Mr. Showe: Correct.

Mr. McCarthy: Alright. So do we want to vote on this?

Mr. Showe: It would be my recommendation to approve Work Authorization 2020-1 from Dewberry.

On MOTION by Mr. Oakley seconded by Mr. Bedwell with all in favor Work Authorization 2020-1 from Dewberry in an amount not-to-exceed \$21,000 was approved.

Mr. McCarthy: They will not proceed until we see where we are going.

Mr. Showe: I will get them started on at least the data collection and getting the documents ready. Then we can determine when you want to get those documents out.

Mr. McCarthy: That's appropriate.

Mr. Showe: Those won't change, I don't believe, so they will have to do the background work and come up with a method. At the point we decide to issue the bids, is when things will change.

Mr. Bedwell: As they do the work, are they going to bill us monthly?

Mr. Showe: Correct. They will bill in increments.

Mr. Bedwell: Are we paying for that out of the Capital Reserve or General Fund?

Mr. Showe: The General Fund.

Mr. McCarthy: We have to be proactive because that's a disaster waiting to happen.

Mr. Oakley: So they will have actual documents or drawings and things of that nature.

Mr. Showe: Correct.

Mr. Oakley: I would like to see them.

Mr. Showe: We will provide that all to the Board. We want you guys to approve the documents before they go out for bid.

Mr. Oakley: Give them to me ahead of time.

Mr. Showe: Absolutely.

Mr. Oakley: Thank you.

Ms. Walsh: Will the attorneys look it over?

Mr. Showe: Yes. The lawyers will be involved in drafting the contracts.

FIFTH ORDER OF BUSINESS

Staff Reports

A. General Manager's Report

Mr. Melloh: I don't have a lot to report. The golf course is in great shape. Staff is out there doing their jobs very well. The overseeding is in excellent condition. Of course, the one thing that is problematic is the weather, like today, we made \$0. You have the Rounds and Revenue Report. You can see on the good days, we are generating revenue well above what is budgeted, but we've had four cold days. On Martin Luther King Day, we generated \$6,000 in revenue.

Ms. Thomsen: That's wonderful.

Mr. Melloh: That's what we normally make in March. So we are doing well and have a good opportunity to exceed budget, if we have good weather at the end of the month.

Mr. McCarthy: Tim, one of the things that I'm happy with is that rounds and revenue were \$42.31. That's above the budgeted amount.

Mr. Melloh: It's not only above budget, but it's \$4.50 above what we did last year. If you remember, we had a rate increase and people aren't shy paying it. It's not a problem. That's why if we can get some good weather, we can make some really good revenue. Does anyone have any questions on the operation?

Mr. Bedwell: The weather is hit or miss.

Ms. Walsh: Is this cold weather going to brown our greens?

Mr. Melloh: It will turn off color. When I was in Tallahassee at Florida State University, it got so cold that the greens would actually turn purple. That's because of frost, but they were

the best putting greens that you ever wanted to play. The greens up there were designed to handle cold temperatures.

Ms. Walsh: It's probably not a bad thing to give it a cold shot here and there.

Mr. Melloh: Cold weather is good to knock out the weeds.

Ms. Thomsen: So despite the fact that we don't like what it does to the budget, it does do some good things for the condition of the golf course.

Mr. Melloh: You can save a little bit in chemicals and spraying, but that's the life of a golf course. We have had a tremendous amount of people coming through playing the golf course, loving the golf course and coming back.

Ms. Walsh: Are we getting any feedback about the new golf carts?

Mr. Melloh: Everybody loves the new golf carts.

Ms. Walsh: Do our guys in the cart barn like working with them?

Mr. Melloh: Yes. They don't have to put water in the batteries. That's one good thing.

Ms. Walsh: That's a time saver.

Mr. Melloh: They do a great job. Everybody that works over there has a great work ethic, including cart barn staff. They are great people and have a great work ethic.

Mr. Bedwell: The staff is great. I drove up to Publix this morning at 7:30 a.m. and saw Scott our Superintendent in his golf cart. He had been out on the golf course.

Mr. Melloh: Maintenance staff gets there at 5:30 a.m.

Mr. Bedwell: They were mowing.

Mr. Melloh: Anyway that's the end of my report, unless anyone has any questions.

B. Attorney

Mr. Showe: I can update the Board. At this stage, there are really no updates that would be substantial for any type of Shade Session, so I requested that District Counsel not attend today's meeting to save some money. If the Board is amenable, we would like to have you reschedule the already approved Shade Session to February 12th, which is your next workshop. Since that falls after the hearing date, we expect to have some updates at that point.

Mr. McCarthy: Are there any questions?

Mr. Melloh: I have one question. Our Reserve Fund isn't that large and our attorney fees are going to continue to go up and up. So is there any thought of doing an assessment, because by and large, that was brought up by the residents and this is their facility.

Mr. Bedwell: We can't deplete the Reserve Fund. There would have to be an assessment increase.

Mr. Melloh: That's what I'm saying. At some point in time, the reserve has to be paid.

Mr. Bedwell: There will be another meeting with a room full of people.

Mr. McCarthy: What are your thoughts on that?

Mr. Showe: At this stage, we are just going to monitor it. We are hoping at some point, if we are able to close the bonds that we can pay the lawyers out of the bond proceeds. If that does not occur or something else happens, we are going to have to make some other arrangements in terms of maybe an assessment increase to replenish reserves or some other method to recoup that based on the Board's needs at that time. I don't know that we are prepared at this time.

Mr. Melloh: I was just wondering what you thought about it.

Mr. Showe: I'm keeping an eye on it.

Mr. Melloh: The meter is running.

Mr. Showe: Correct.

Mr. Bedwell: Jason, when there's an assessment increase, do we have to advertise?

Mr. Showe: You must send out mailed notices to each homeowner. There is a notice that goes into the paper.

Mr. Bedwell: Do you have to indicate this as a one year or recurring event?

Mr. Showe: With an assessment increase, you never indicate one way or another. It is simply an assessment increase. Future Boards could lower it, but you can't encumber future Boards. So you wouldn't want to say that this is a one-time assessment increase, because a future Board may not choose to do that.

Mr. Bedwell: I'm just trying to find out how it is supposed to be worded.

Ms. Walsh: The only way it will be something like that is if it was a special assessment.

Mr. Showe: Correct.

Ms. Walsh: Then it would have to be a one-time hit.

Mr. Showe: It depends on how they do it. I don't know that I would ever recommend you limit your flexibility.

Mr. Bedwell: We have the word, "Special" now in there now.

Mr. Showe: Correct. That's what I mean. Under statutory definitions it's a special assessment.

Mr. Bedwell: Thank you. We can wait until February 12th to evaluate the situation and discuss it at the Shade Session.

Mr. Showe: So we need a motion to reschedule the previously approved Shade Session.

On MOTION by Ms. Thomsen seconded by Ms. Walsh with all in favor rescheduling the Attorney-Client Session from January 22, 2020 to February 12, 2020 at 3:00 p.m. at this location was approved.

Mr. Bedwell: Is this where you schedule them to come in at 3:00 p.m.?

Mr. Showe: For that one, they will come at 3:00 p.m., because we have a workshop and those typically run an hour. So I don't want to interrupt that. If you have any specific questions in advance, let me know.

Mr. McCarthy: I recommend strongly that each Board Member come up with questions within the next couple of weeks for our attorneys. Let's get as much information out of them as we can. Let's make sure that we are really focused on that. We are focused most of the time, but we have to get some more information from our attorneys.

Mr. Oakley: Paul, I would just like to add that whenever I had any questions, I always called Jason first, because a lot of times he will have the answers. That way, we don't have to get a hold of the attorney. The clock is running so I suggest we send any questions to Jason first and let him answer them. That way we don't have to go to the attorney.

Mr. McCarthy: I'm not speaking for anyone else, but I've run things by Jason, and he can't answer them. These are questions that I specifically have for the attorney.

Mr. Oakley: Okay.

Mr. McCarthy: To your point, it's fine to run it by Jason. I think that's a good idea.

Mr. Showe: I can help with questions, but if you have questions for the attorneys and you don't want to call them, I talk to them once or twice a week anyway. I have just been jotting those questions down so that when I'm interacting with them, I try to be as efficient as I can with the invoices.

Mr. McCarthy: Do you have anything else?

Mr. Showe: Nothing else.

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 #3801 through #3816 from the General Fund in the amount of \$5,259.93 were approved.

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

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor Checks #27363 through #27427 from the Golf Course Fund in the amount of \$108,778.96 were approved.

Ms. Walsh: That concludes my report.

Mr. McCarthy: Thank you, Jo.

B. Balance Sheet and Income Statement

No action was required by the Board.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. McCarthy: David?

Mr. Bedwell: Nothing.

Mr. McCarthy: Melinda?

Ms. Thomsen: Nothing.

Mr. McCarthy: Bill?

Mr. Oakley: Yes. I took the liberty and I've been working with Tim on something Tony brought up two meetings ago about a dog park. Since we didn't have any official commitment from an architect and things of that nature, Tony and I went down there and measured it. I came up with a proposal. Jason will be sending all of you a copy of it.

Mr. Melloh: Bill, we have a conceptual design.

Mr. Oakley: Do you have the sizes of the fences and the location?

Mr. Melloh: Conceptual designs do not include sizes.

Mr. Oakley: I put everything together; the accessories that were needed for the park; water fountain, trash can, poop dispenser, maintenance gate (so the lawn people could get in to mow), benches with covers, toys and a fire hydrant. I wanted that, but I don't know why, something to do with dogs and fire hydrants. We can buy one of the plastic ones or get a city to donate an old one. Why are you smiling Jason?

Mr. Showe: We just have to be careful and make sure that our insurance is okay with an actual metal fire hydrant, as opposed to one with dog playground material, but that's for a future discussion.

Mr. Oakley: For the signs and rule information, I have taken photographs, which I included in my report. This is just my conception on where the entrance could be, such as off of a parking lot that is already paved and has an access ramp. I'm already thinking about saving concrete money. One thing that I would like to do, is to make it a handicap accessible dog park, so there would be pavement and concrete in the entranceway up to where the benches are. I don't remember going into any dog parks, other than maybe the one in Pompano that actually has a concrete path for handicap accessible people. I also included in my report, a drawing with sizes and locations. The lot that it goes on is approximately a half acre. This drawing will encompass about a third of an acre. The way it's drawn now, we can probably squeeze a little more area out of it. We could have one side for big dogs and another side for little dogs. I read some information on dog parks and one thing that the Board and I want to consider is putting this out to the community to get input from dog owners before anything is finalized. What they are doing in some dog parks, which I found to be interesting, is if you want to use it, you have to pay \$35 to \$40 per year. Now that's kind of double-edged sword. The side of the sword that I like is all of the CDD owners using it for free because they paid for it. Anybody that lives right next door to that park, if they wanted a key to the gate, would go up to the CDD office, pay their \$35 to use it and have access for a year. Then it's a reoccurring type of situation where they would be billed annually for use of that park. So it could be an income generator. Yes it would require a lock on the door and everyone in the CDD would have to have a key, but that's simple to handle. Anyways, I thought I would put that together, so there you go. Jason has copies of it and will send it to the Board. This is just a proposal. I'm not trying to counter what an architect has

already done, but hopefully it will give them dimensions to go by, so they don't have to come down here and measure it. It will save us a few dollars that way. Hopefully that can be looked at and digested somewhat. The other item is something that I have a pet peeve about. Maybe it's just me, but regarding the conservation encroachment area where the old IRCC building was, at the last workshop, I suggested that Board Members go down there and take a look at it, so they have a better understanding. I don't know whether they had the opportunity to do that. I don't know what it's going to take us to go down there and park our truck in front of their gates, but I don't feel that people that have no right to encroach on the conservation area, should be allowed to do so. For example, we have homeowners that mowed their lawns to that area and put their little knickknacks in the conservation area. We knocked on their door said, "*You can't mow back that far,*" and things of this nature. I give Tim a lot of credit. He prepared certified letters. They may not accept certified letters, but someplace or another, we have to make the move because the Board and residents of the CDD are allowing them to continue to have access to their facility. We don't have to do that. I know when they purchased the property, we notified them, but I think it's something that we need to work on sooner rather than later.

Mr. Melloh: One of the problems, Bill, is that we don't have the ability to fine anybody. So when you talk to a homeowner and send them a letter and they still keep mowing past their property, our Ecologist freaks out over it, but we don't have the ability to send that resident a \$50 fine.

Mr. Oakley: Correct.

Mr. Melloh: We have no way to force them to comply and that's the problem. The same thing with the IRCC. What do we have to force them to comply?

Mr. Oakley: It's called, "Trespassing on CDD property." We could put a fence up in the middle of the roadway. You could do a lot of things that would not be pleasant and enjoyable for them.

Mr. Melloh: I agree with you.

Mr. Oakley: We are just asking them to quit pushing stuff back into the CDD conservation area.

Mr. Melloh: At this point, we are not able to contact them.

Mr. Oakley: I understand.

Mr. Melloh: We sent two certified letters to Brevard Lawns.

Mr. Oakley: When the truck is parked in front of the gate and they can't get in, I'm quite sure that they will contact us. I don't know whether that is what it is going to take, but we have to do something, because we sent them a letter, and nothing is happening. That is not working. I don't know what the answer is. Maybe Jason has a better answer.

Mr. Showe: I will get with Tim. We have some contacts at Brevard Lawns based on some prior business, so I'm going to try to ring some personal bells and see where we are at.

Mr. Oakley: Okay. The next item is the burn we were going to do in the conservation berm but couldn't get the burn people because they didn't have insurance and then we were going to do a cut back. You said that we were going to do that sometime. Do we know when the Scrub Jays are done nesting?

Mr. Melloh: In March or April.

Mr. Oakley: Could you find out when that opportunity is there for us to get in and do it?

Mr. Melloh: When you are in my office, it's on one of those big calendars.

Mr. Oakley: Okay good.

Mr. Melloh: So we will look it up. Now there is an opportunity to get a burn guy because our Ecologist has been talking to other people and he thinks he has somebody that may be interested.

Mr. Oakley: Great. Because what I don't want to happen is a lightning strike back there starting a fire that gets out of control. Lastly, I have great news. Duran, Suntree, Rockledge and Viera East are participating in USA Kids Golf for 2020, which is a good thing, for both golf and kids. I thank Lane for that. I presume that's where it came from.

Mr. Melloh: Lane and Mike Hogan.

Mr. Oakley: Thank both of them for me. That's all I have.

Mr. McCarthy: Thank you, Bill. Jo?

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

Mr. McCarthy: Neither did I, so we need a motion to adjourn.

SEVENTH 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