

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, February 26, 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
Jim McSeveney	Resident
Bill Burgess	Resident
Rick Thomson	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?

Bill Burgess, Oakleaf: I have a question for the General Manager. It was three years ago when we put new irrigation heads, the directional type heads around the greens. Correct?

Mr. Melloh: Yes.

Mr. Burgess: To control where the water went or how much water to get a better handle of the watering process. The greens this year have black algae or mold on them. Right? There is very little grass in some areas. Our rainfall since the end of December is down 25%. I know we

had a lot of rain last year, but we haven't had our normal rain amount this year. It's almost two months into the year and shots that hit the green make very deep pitch marks. Shots that come short of the green, from 189 yards out to the 18<sup>th</sup> hole, the ball hits too short and back up a foot. It just doesn't normally happen. So it seems like it's been very, very wet and I'm sure that probably has something to do with the greens. Again, there are very deep ball marks. I went to another golf course and I don't see anything like that. None of them have been overseeded. They all have Bermuda and I don't see ball marks like that. Anything short of the green tends to bounce forward onto the green. So I just looking for an explanation.

Mr. Melloh: The big explanation is the weather. You go from cold weather to really hot weather to cold weather again, so the grass just doesn't know what to do. It burns up all of these carbohydrates. The directional heads that you were talking about, none of those hit the greens. They all hit the slopes. So it wouldn't be from that. Yes, we never had this before but then again we haven't had weather where it's cold and then very hot. The agronomists were always saying, especially Tom Trammel our consultant, about the triangle of high heat, high humidity, and moisture. That's just a recipe for the greens to suffer. He's coming next week, and we are going to see if there's anything out of the ordinary happening there, but it's common this time of year. For example, the back of the number 18 green, where you see mold on the back of the green, is that caused by everybody walking on and off that green? They walk right through that area, so the greens get thin, which opens up the soil. Then when you get high humidity, you still have to water the greens so that's where the moisture comes from and you get heat. We had days where it was 85 to 87 degrees for five or six days in a row. So that's what Scott and I talked about.

Mr. Burgess: At other places that I played, I haven't seen this, and they are going through the same rain, heat and hot and cold. We had issues last year with the greens. It happened two years in a row that the greens in the winter haven't been very good.

Mr. Melloh: Okay.

Mr. McCarthy: Thank you for your comments.

Mr. Melloh: Bill, as I said, we have a consultant for a reason. He has worked at Doral and various other high-end golf courses. He will give us some input. I asked him to include that in his report, but again, we don't have the funds. That would be the first thing you would think about. Scott does a great job with the pre-emergent fungicide programs.

Mr. Burgess: I can see that you don't have fungus. That's pretty clear. It just looks like you over watered. I didn't realize the heads didn't water the green.

Mr. Melloh: Those heads don't water the green. Most of the greens have a four head system. Scott is an advocate of deep watering which means you water infrequently, but when you do water you water heavy. You are not watering every single night and he doesn't water every single night, but I will ask him about that. Of course, as far as the soft and deeper ball marks, we just need to time the greens to loosen them up. So they may be a little softer than normal.

Mr. Burgess: It has been like that all winter. Have you ever thought of bringing the USGA program to Viera East?

Mr. McCarthy: We have to interrupt you. Your three minutes are up.

Mr. Burgess: I'll come back next month.

Mr. McCarthy: Okay, but I would encourage you to set up a meeting with the General Manager and you can spend hours with him talking. Tony, correct me if I'm wrong but I heard that you spoke to the General Manager at length about different things. I think Jim has also. That is a good idea, so you have his undivided attention. You can spend an hour-and-a-half to two hours with him as his job is to answer questions. So thank you. Does anyone else have any public comments? Please come up and identify yourself and subdivision.

Rick Thomson, Brightwood: We've looked at this before, but I would like to discuss cart repairs. They are getting extensive because we can't get anywhere on the carts. We are being charged \$60 to \$75 one way to get the carts serviced and repaired. Could we reconsider having somebody come in either every other week or set up some type of mobile shop in the parking lot to help with that?

Mr. Melloh: I think we addressed that in the past. I was approached by Golf Carts Unlimited. It sounds like a great idea, but we are a government agency and are talking about liability. If we do it for them, we have to do it for the Boy Scouts, Cub Scouts, Girl Scouts and everybody else.

Mr. Thomson: It's a service.

Mr. Melloh: Normally I get that. Jason can probably speak more to it.

Mr. Showe: It's a commercial entity and if you open it up as a government public entity, we would have to provide those same opportunities to anyone else.

Mr. Thomson: Choice number two is to use 150 square feet. I know that we are tight on space in the cart barn, but I think we could make some money if we hired a mechanic from The Villages to set up a small space in the cart barn to service the carts. That would be a way for residents to maybe make some money. It's a nice deal.

Mr. Melloh: I would have to look into that. We are under a warranty for our fleet with E-Z-GO for the first two-and-a-half years, but we can look into it and see if that's worth it. We have 180 private golf carts. It may be something worth looking into. I guess they would have to go onto our payroll, and we would end up having to charge the people and make it a revenue stream. That might be something we can look into. I will just have to talk with some of the people to find out if there's a need. I hate to hire somebody to work on one golf cart every 10 days.

Mr. Thomson: Watching that truck go in and out for \$60 and \$75 one way is frustrating.

Mr. Melloh: I know. I have a golf cart myself and I have been down that road, so I know what you are talking about.

Mr. Thomson: It gets more complicated because of the new overpass and the ramps, because you ride a cart over it.

Mr. Showe: That's three minutes. Tim, think about it and maybe you and I can talk once you have some ideas. We will see if there are opportunities there.

Mr. Melloh: Yes.

Mr. Showe: It is challenging because we are a governmental entity and not a private golf course. I think if it was a private golf course, you would be in a different situation.

Mr. McCarthy: Thank you for your comments. Jason will look into it in conjunction with Tim and we will see what we can do. Is there anyone else? I think Jim was next.

Jim McSeveney, Herons Landing: Yes. I've spoken about this before. I know what Tim's thoughts are. I'm talking about safety as it pertains to the bulkheads that aren't repaired. We put those little blue stickers on there every three feet, but blue does not indicate danger. The fundamental part of danger is a red sign that says, "No Step." It does not protect the customers from going on there and getting hurt. If you were to go out there and had a damaged piece of sidewalk that you don't want people to drive over, you should barricade it off so they couldn't go around it. You are making the same precautions for something that could cost a lot of money if somebody falls in there. If they sue you, whether they win or lose, the perception is it looks like

you don't care about the safety of the customers. It needs to be barricaded off where they can't get in there, because you are not going to fix it and don't want to go through a lawsuit. I don't want to see you go through a lawsuit. Even if you win, the perception is not going to be different. I'm asking you again, to do something more than just those signs. If you really care about safety and your customers, barricade it off. Do it before something happens. Those are my comments.

Mr. McCarthy: Thank you for your comments. Anyone else? Please identify yourself and your subdivision.

Tony Volpe, IRCC: I just wanted to say that mold is very hard to control. That's a very challenging issue and I can understand your frustration. We talked about in the past about revenue and expenses. At the last meeting you talked about the trees and replanting those that were removed. We think that's a grandiose idea for goodwill; however, I don't know the detail, but I just want to remind you that there's a revenue cost associated with that, so you have to consider the operational costs if you plant a tree. Regarding the revenue, Bill had some excellent ideas. Rather than replant a tree, do a brick with someone's name on it or something like that. There would be a cost for the brick to cover operational expenses. So my suggestion is that you think about when you offer those type of things and, foremost, have revenue gain. I want to commend Bill again. You talk about revenue and having the ability to charge non-CDD residents for the dog park. We can't let non-residents use what you are responsible for paying for without a cost for their use, if they don't pay the tax. So I think that's important and I commend Bill for thinking about the revenue. I think that's very important. Regarding what this gentleman talked about earlier about golf carts, at IRCC we have someone come in, a designated contractor per month, to maintain the carts of personal ownership. If it needs to be repaired, they will bring it back to the shop and drop the cart off at the owner's house. It's a very good situation. As far a revenue gain, it certainly would be goodwill, but revenue could be obtained through it. It's a very good idea. That's it. Thanks for your time.

Mr. McCarthy: Tony, what's the name of the company that you use?

Mr. Volpe: Unlimited.

Mr. McCarthy: Thank you. Is anyone else interested in speaking? Hearing none, the public comment section is closed.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the January 8,  
2020 and January 22, 2020 Meetings**

On MOTION by Mr. Oakley seconded by Ms. Walsh with all in favor the minutes of the January 8, 2020 and January 22, 2020 meetings were approved as presented.

**FOURTH ORDER OF BUSINESS**

**Consideration of First Amendment to  
Employment Agreement**

Mr. Showe: The Board entered into an agreement with Tim Melloh in 2015. There was some discussion and we had a recommendation to look at the possible removal of the non-compete clause. Currently, his contract has a non-competition clause, where under any circumstance, if he were to leave, he wouldn't be able to work for any other golf course for a year in the State of Florida. Because he's been here for five years, along with some other considerations that the Board might have, we drafted this amendment that would simply remove that portion of the contract. It's important to note that the contract still has all of the non-disclosure clauses, so he wouldn't be able to share all of the trade secrets here. He wouldn't be able to solicit our clients. He wouldn't be able to solicit the employees here. So all of those still stay in place. It's simply the non-competition clause. It's really up to the Board. You can make changes, but that's the way we drafted the amendment as it stands now.

Mr. McCarthy: Do any Board Members have questions regarding that?

Ms. Thomsen: Would the employees, if they had a high degree of loyalty to Tim, if Tim were to leave, would they already be aware that they could not follow him?

Mr. Bedwell: They could follow him. He just can't recruit. On their own, they can go with him. We can't stop them.

Mr. Showe: It essentially tells Tim as the employee, not solicit those employees from the District.

Ms. Thomsen: It's our place not to solicit.

Mr. Showe: Correct.

Ms. Thomsen: But they can go with him.

Mr. Showe: Sure.

Mr. McCarthy: Are there any other questions? If not, we need a motion to approve the amendment.

On MOTION by Mr. Oakley seconded by Ms. Walsh with all in favor the First Amendment to Employment Agreement with Tim Melloh, was approved.

## **FIFTH ORDER OF BUSINESS**

### **Staff Reports**

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

Mr. Melloh: Normal day-to-day operations are proceeding as planned. We had to replace three basin drainage grates, which are the heavy-duty metal that goes over the drainage basins in certain areas. There are a lot of them in various subdivisions. We have a tremendous amount of those. However, in 25 or 26 years, they rust out and become very dangerous, so we had to replace three of those. Ed and his crew, from time-to-time, inspects all of them to make sure that they are safe. When they are not safe, we replace them. We have a budget for that under "Basic Repair." Our fire line maintenance starts in March through Auburn Lakes. Just to remind everybody, we are on a three-year cycle with that. We have about 1,400 homes on the preserve. We cut a 35-foot-wide fire line. We need debris in place to break it down, per the St. Johns Water Management District (SJWMD). Where this comes from, is our ecologist produces a map and a plan every three years. So if anybody is ever asking you those questions, you can simply tell them that we cut the fire line behind their houses every three years. Where we can't cut a fire line is when somebody's house is on a wetland. We can't go in there. We had that issue recently and I had to contact somebody at SJWMD. The bottom line is we can't cut a fire line in a wetland. Some people live on wetlands instead of preserves. The fire line in Auburn Lakes is going to start in March. We mail out notices to people that we identified that live on the preserve to let them know what we are doing and the process. We ordered three pallets of playground mulch for the kiddie playground in Woodside Park. It's a special mulch. It's milled differently so it doesn't have any sharp edges. It should be here any day now.

Mr. Oakley: What was the cost? I know that I gave you a bid.

Mr. Melloh: It was \$600; \$200 per pallet.

Mr. Showe: That's a good price.

Mr. Melloh: We are going to use our labor to install it.

Mr. Oakley: That's good.

Ms. Walsh: Is it ADA compliant?

Mr. Melloh: Yes.

Mr. Showe: It's specialized playground mulch. It's not like the same mulch you put in your landscape bed. Like Tim said, it's cut a little differently and designed for playgrounds. Bill pointed out that Herons Landing just put in a brand-new playground and used the same material. It's very nice. Mulch has sharp edges, but the playground mulch is rounded on the edges and smaller. Regarding golf course operations, we are having a good February so far, even though in the next three days the weather is not looking too great. Just to let you know, we had a rate increase this year and our dollar per round of golf in February is \$4.88 greater than it was last February. So we are doing good. If you look at the Rounds and Revenue Report, you can see that we are having some good days. We actually generated \$800 per day, which is unheard of. We've never done before in February. We hope to generate the same for a couple of days in March when the days are longer. We made \$7,000, \$7,000, several \$7,300 to \$7,400 days and are actually averaging our daily rate. Highlighted in green in the right-hand column, under daily rounds and revenue, is the highest for the month. We started out the month by having rain all day, but we are averaging \$6,000 a day, so if you project that through the next four days; Wednesday, Thursday, Friday and Saturday, we are well ahead of our budget. When you factor in today's revenue, we are actually ahead right now of what we did last year. So we are finally having a good month and are hoping the weather holds out for March, so we have an extremely good month, as March is our biggest revenue producing month. Does anyone have any questions?

Mr. McCarthy: Let me just interrupt you for a second. David, help me out. What is \$4.88 times 227 rounds?

Mr. Bedwell: \$1,107.77.

Mr. McCarthy: We talk about raising revenue. If I'm not mistaken, there was a \$1 and \$3 increase through the entire system.

Mr. Melloh: It was more like \$4. It's been several years since we had a rate increase. We are well under what Duran charges and we are pretty up to par with what Baytree charges.

Mr. McCarthy: Have you heard any complaints or has Lane received any?

Mr. Melloh: We've had absolutely no complaints at all.

Mr. McCarthy: We had a situation where we raised the prices by \$4 during the winter months and haven't had any complaints. That is the best way to generate revenue in my opinion.

Mr. Melloh: Yes. We are looking good that way. Again, in spite of the problems we are having on the greens, are rounds of golf are up. So we are doing pretty well.

Mr. McCarthy: That's good. Alright. Go ahead.

Mr. Melloh: Bill and I talked further about the court repair and he had some questions. We have one more question to ask Paradise Ford, but Ed has not heard back from them. By the way, Bill agreed to just go ahead and repair the truck, so we have a good trade-in value.

Mr. Oakley: We found out that it was a diesel truck.

Mr. Melloh: It is a diesel truck.

Ms. Walsh: It's strange that the vin would show it as gas, unless something got changed out at some point, indicating that indicates it was a gas truck.

Mr. Melloh: I don't know. Bill had some questions about some parts of the repair. If you have a gas machine, you don't need e-cooler, whatever that is. So we did verify it as a diesel, and we are all looking good. Bill, myself and Ed have been working diligently on making sure that the District is right. I also found out, through one of Bill's contacts, that the price is actually very reasonable for the type of work we needed.

Mr. Oakley: It's within the scope of reality.

Mr. Melloh: I also wanted to mention that we have a lot of HOAs in the District and I always make myself available to talk about District business. As an example, when we had a hurricane come through, Grand Isle was flooded. I met with the District Engineer on that with Grand Isle residents and it was a great meeting. I would like to be able to do that more with HOAs, but we can't find information on who their Presidents are, who their contacts are and what have you. We've been trying for several years to find out and it's difficult. So if anybody knows someone at the HOA let us know. Earlier than that, we met with Mike at Heron's Landing. I've been here five years now and I think it was probably the first year I was here that we did that. We want to always make ourselves available to talk to the HOA and address the questions that they have.

Mr. Oakley: I've tried to address two or three of them. If you give the information to Eric, he will pass it on to the HOA and if they want to talk, they will contact you.

Mr. Melloh: I've done that once or twice if I recall, and they are not that willing to help us.

Mr. McCarthy: Basically what's happening is the Board is encouraging the General Manager to talk to the residents of the CDD. He's made every effort to try to do it and I can verify that. I ran for office six years ago in anticipation of someone running against me and I have great difficulty finding out who the President of the HOA is. So we are trying to get the word out that we are available to speak to them at a meeting and see what they have to say.

Mr. Showe: I will extend the offer too, if it's something that is CDD related. We have a CDD 101 presentation of just general CDD information and can make that available to the Board. If I'm available, I would be happy to do that.

Mr. Burgess: Every year, they have to tell you who the Presidents, Secretaries and Treasurers are. This is government and the HOA has to put it on a website, so people can see who the Presidents, Treasurer and the Board Members are for the HOA. I don't know how many subdivisions are in the CDD.

Mr. Melloh: We have 26 subdivisions.

Mr. Bedwell: Viera East and Grand Isles are the only two subdivisions that have Clubhouses. If they don't have a Clubhouse, you can do it through their website. I don't know how many have a website. We can send an email from the Property Manager.

Ms. Thomsen: I'm a proponent of just getting emails so you can start a dialogue with these people, whoever they are and where they are. Then we can allow them to contact us when they have a question. That's the first and easiest way to start the ball rolling with communication.

Mr. Melloh: Jason pointed something out to me earlier when we were talking about this very issue. We have to make the people aware, when we ask them for their email address, that this is public record, in case someone requested all of these emails.

Mr. Showe: Anyone can ask for that. That's the challenge. Most CDDs don't collect email addresses from residents for that very reason.

Mr. Melloh: We should put a disclaimer on the website, which would probably make it less likely that they would even give us their email address. So we just keep coming up with these problems and trying to communicate with the residents of 4,300 homes.

Ms. Walsh: My experience is that it already is on the website. At one point, there was contention between the CDD and the HOA. I believe it was 12 years ago. There were people that had misconceptions, so they got angry and things happen. We tried this before through Fairway Management. The only other option is to leave something at the pool. If you don't have a

Clubhouse, but have a pool, that's a place for information. We have done different things over the years, like put tags on doors to get people to participate. Hopefully, we can make another effort and we will get a better result, but this has been ongoing since 2002. We would try to get a survey. We might get 10%, 15% or 20% responses back. That's 15% more people that are here hearing what we have to say, hear our story and what we are trying to do, which is better than 0%. We don't have to look at this as 100% in order to make it successful. We just need to try to reach as many people as we can. If we are stuck with this whole disclaimer thing, we will have to back off, but if there is a way to do it, if there is a way to reach out to more people, we need to do that.

Mr. Melloh: The only true way to reach everybody is through a mailing. A mailing can run \$4,000 to \$5,000, depending on what you are printing. We did that last year when we created the booklet. So there's a way to get to all of them. It's just that we have to budget for that or at least appropriate the funds.

Ms. Thomsen: That's why emails would be so much better because there's no high dollar amount except for the effort to build that list and pay somebody to install it.

Mr. Melloh: However, some people just don't like giving out their email address. Right now, we have 1,500 CDD residents in our system for the golf course.

Ms. Thomsen: Right.

Mr. Melloh: Not every account has an email associated with it, but a large majority does. So if we said that we wanted to have a sale in the pro shop, we can send an e-blast out to the people that we know are golfers that live in the CDD. The same thing with the Associate Members. We have their email addresses, but you would be surprised how many people fill out the form and don't provide their email address. So it's difficult. Like you said, you are not going to get 100%, but if we can get a large majority, we're good. I just wanted to point that out because everyone has different skill sets and a different circle of influence. If you want to find some HOA people, they may not have any issue. As David pointed out, not everyone has a Clubhouse, but they have an annual meeting and maybe we get on their agenda and ask if they know what the CDD is and whether they are in a CDD.

Mr. Showe: We have a presentation that we gave HOAs or other resident groups that is 15 to 20 minutes about what a CDD is. If that request ever comes up, we can provide that to you.

Mr. Bedwell: I went on the CDD website and could not find Tim's name and phone number. A lot of these sites have contact information, in case someone from the CDD wants to email you something.

Mr. Melloh: I think it's on there somewhere. It's not under the Supervisor information.

Mr. Bedwell: I was going to give it to Wes Schroeder. I looked for the phone number and remembered I had your card. I didn't want to give him your cell phone number.

Mr. Melloh: I've seen that number before. It's not under where you guys are listed.

Mr. Bedwell: I was thinking if there was a way for them to submit a question to you easily, maybe over time it might spread. Do you know what I'm saying?

Ms. Walsh: Right.

Mr. Oakley: I suggest that you put your contact information where the Supervisors have theirs, as a General Manager for the CDD. If it's in two or three places, maybe it's going to make it easier to find it.

Mr. Showe: We can add it.

Mr. Bedwell: This would be for people that have comments or questions.

Mr. Showe: We typically provide our address and phone number and when we get calls, if it needs to go to Tim, I will reroute it.

Mr. Bedwell: A lot of people in my community didn't even know where his office was.

Mr. Showe: Okay. I will review it and follow up.

Mr. Bedwell: Anyway, it's just a suggestion. I know it's going to take up your time when people send you an email.

Mr. Melloh: That's what I'm here for. I get a lot of emails and things like that, but mostly when somebody has an issue in the CDD, they send it to Jason and then Jason or staff will end up forwarding it to me, such as if someone has an issue about the preserve or the lake behind their house.

Mr. Bedwell: It might be good enough to have Jason on there.

Mr. Showe: I try to field calls and emails. For the most part, I don't need to give it to Tim. Sometimes there's a simple answer and sometimes there's not. So I try not to bother Tim with things that aren't CDD related. We can do that.

Mr. Melloh: By the way, is there a way for you to find out how many hits we actually get on that website?

Mr. Showe: I can look.

Mr. Melloh: There used to be a way to do that. I'm just wondering how many people visit our CDD website.

Mr. Showe: It's probably 50%.

Mr. McSeveney: Could I add something? Maybe you should go out to the HOAs and tell them you want to come to their meeting and let them turn it down instead of you looking for them and asking them.

Ms. Walsh: We don't know who to go to.

Mr. McSeveney: You can find that out.

Mr. Oakley: I have an idea. Jim, you have a homework assignment.

Mr. McSeveney: If you call Fairway Management, they can give you a list.

Mr. McCarthy: Are you all set, Tim?

Mr. Melloh: No. I have one more item. We received an email this past week from Bob Urban who is one of our members from 4587 Brantford Court. This is a perfect example of what we just talked about, because the email originally went to Jason and he re-routed it to me.

Mr. Oakley: All Board Members received a copy of that email.

Mr. Melloh: Yes. There were some items that he requested we bring up at the meeting, which we are. There are some questions I can answer. First of all, he currently pays \$5,243, but just for your information, he is a family member and that is not the single rate.

Mr. Bedwell: Does he have a wife who plays golf?

Mr. Melloh: Yes. She doesn't have the same last name, but she plays. I played with her in the ABCD Scramble.

Mr. Bedwell: I thought the \$5,243 was wrong.

Mr. Melloh: That's why I wanted to point that out, because I figured as you guys might be bewildered as to why it was associated with one guy. He comments about the taxes and said that everything should be funded by golf operations. He also commented that the residents have a better way of spending their income than to have deficit financing in the operation of a public golf course that they do not use, but as we said before, the Viera East golf course exists for home values and quality of life. If you don't use it, then you still have to pay for it. The same thing with the dog park. If you don't have a dog, you won't be using the dog park, but it's there and it will add to your home's value. Later on in the email, he talks about Viera East charging \$47 and

I provided you with our rate sheet. He picked up the CDD resident rate, but like on the weekends, our posted public fee is \$63.50, because we increased our rates. So that \$47 is reflective of the CDD rate, not the public rate. Associate members get a 20% discount off of that rate and CDD residents get a 25% discount, which is reflected in his email. The associate members have their own rate; for example, when the rate is \$63.50 for the general public, associate members pay \$50.80 and CDD residents pay \$47.63. However, through GolfNow and EZLinks we do dynamic pricing. So there are times when we will lower the rate when we have a soft area. That works extremely well. Open spaces reduce the rate slightly and then go back up. So I don't know if Mr. Urban was looking at those rates or at our rate sheet. I was just pointing that out. He was also talking about the associate member program and the \$79. He then later on talks about the loyalty program and discounts that other golf courses have. We offer an associate membership for \$79 rate, where they get a 20% discount. Duran offers a crown membership for \$69, where they receive a 20% discount. Baytree has an Insider Plus Players Card for \$54.99, which provides a 15 to 25% discount. Savannahs has the Savannahs Player Card for \$59, but they just give discounts on greens fees. Then you have The Majors Loyalty Club, which is \$44.99 for a 15 to 25% discount. Most golf courses have some kind of players card for people who don't want the full blown membership, but want to make sure that they feel as though they can get some sort of discount. That's why I suggested to the Board, several years ago, an associate membership because that shows they are a member of the club. As an associate, they will have rights as a full-blown platinum or gold member, but it makes them feel better than saying, "*Oh, this is a Players Card.*" Mr. Urban mentions in his last paragraph, that we have 8,000 comp rounds and provided a list of the previous 12 months, showing that not only we 5,500 comp rounds, but it also breaks it down to the different areas. More than half of those comp rounds are from EZLinks and GolfNow trade times. That's because we trade those times out for internet presence, internet marketing and POS software. We have staff comps on there, and we also have guests of staff. Even with the comps we still collected \$4,500 worth of revenue because some of these people will comp the greens fees, but will pay a cart fee like a PGA professional from a different state. We will give them comp greens fees, but charge a cart fee. For the local PGA pros, we comp them fully as a professional courtesy. Anyway, there is the breakdown. Of course we have several charity comps, such as someone from a loan association, Cancer Society, churches, silent auctions, fundraisers, etc. We want to participate as part of the

goodwill that we do for the community. Our associate membership comes with a free round of golf. That's listed on there as well as part of the comp membership. That's how it breaks down for you. Since the Board received Mr. Urban's email, are there any questions or concerns?

Mr. Bedwell: No. I just think it's very difficult. Maybe you need to write him a letter. Other golf courses are doing the same thing Lane is. They will be dropping their rates tonight for the weather tomorrow. So comparing public rates, doesn't mean a lot.

Mr. Melloh: You start off that way. Remember, people have seven days to book a tee time, so we always go in there, maybe the day before or a day-and-a-half before and adjust the rates slightly. Sometimes all you have to do is knock \$10 off of the rate and people will snatch them right up.

Mr. Bedwell: It's an art, not a science. Based on past history, Lane is following his gut feeling. He is not doing it against competition. He is saying, "What do I need to do tomorrow to get people to come out," and not, "Oh, I'll see what Duran is going to do."

Mr. Melloh: It is called dynamic pricing and it's what hotels do. We have all seen the commercials for Trivago. Trivago takes all offers from Expedia and shows that to you. It shows you that all of these hotels are bumping their rates down. By law, a hotel has to post their highest rate on the back of their door; their rack rate if you will. Some of these hotels are \$200 per night and I got it for \$89, because I booked the day before and they had some shotguns. Now if you are booking it two weeks in advance, maybe you are charged \$200. Cruise ships do the same thing, but airlines don't.

Mr. Oakley: I have a couple of comments on Mr. Urban's email on something that you pointed out regarding Duran, which I brought up with the Board before. You have to remember Duran is charging \$69 for its membership when ours is \$79, but at Duran you still have to pay for the cart. That's a big discrepancy. I brought up a couple of suggestions with the associate member, which I will bring up again. Hopefully the Board will look more favorably on it. Regarding the comp rounds, just to let Mr. Urban know, I asked every single year as a Board Member for a full listing of what those comp rounds were for one month. I would like to thank Tim and Lane for giving me a full detailed report of the comp rounds. I can tell you the person's name and what time they went out. Tim keeps very good track of that. There were a few adjustments, which we are working on and hopefully will continue to work on, and before long, it will be pretty good. Thank you for that, Tim. Hopefully, we will respond to Mr. Urban. I wish

some of his facts were straighter as far as the prices. There is a lot of misinformation going around. Trying to correct it, makes things difficult, but thank you.

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

Ms. Thomsen: Sylvia sent him a letter detailing the arguments we just discussed.

Mr. Melloh: Mr. Urban is sometimes a little difficult to communicate with so I thought by bringing it up at the meeting like you requested, maybe he will read that in the minutes. We can craft a response to all of this, but I don't want to do it in an adversarial type of manner. Hopefully, he wouldn't pick it up that way. We just want to respond.

Mr. Bedwell: I think you just need to tell him that it's hard to compare published rates, because any golf course doesn't use published rates.

Mr. Showe: I think you can also invite him into your office and have the same conversation with him that you just had with the Board.

Mr. Melloh: Yes. If he would've come into my office and discussed it, we could have a really nice conversation about those things.

Mr. Bedwell: It's hard to compare rates.

Mr. Showe: I think it's also important to let him know that the Board goes through a rate process every single year and as the Board indicated, it is not a science, it's an art. You kind of have to read the tea leaves and say, "I think we are here."

Ms. Thomsen: We are not going down. This year was a perfect example.

Mr. Melloh: Exactly. Again, like Jason said, as an example, when we start crafting our budget each year, we are crafting it four months before the current year ends. Do you know what I mean? Jason and his staff do a great job of projecting the last four months and trying to come up with a figure, but it's just one of those things where you do the best you can to come up with a solution to the problem, but sometimes you just don't have all of the information you need. Depending on weather factors and certain things, you either exceed your budget, hit your budget or slightly under the budget. When you are talking about golf course maintenance, it's a science. You are subject to weather conditions and certain things. As a perfect example, Scott had to put down an insecticide yesterday because mole crickets were rearing their ugly head early. Of course they got into the greens and then birds dig them up and they put a few blemishes on the greens. The thing with mole crickets is you don't even know you have them until they start causing damage, because burrow under the ground and eat the grass from the roots up. So it's not

like you can walk up there and see them. Same thing with worms and other pests, but if you catch them early, you have to use more chemicals to treat them. Mole crickets are the biggest pests that we have in the State of Florida, so we have to spend thousands of dollars like every other golf course to treat them, or else your fairways and greens turn to powder. Anyway, that's just an example. The same thing with the rates. You go out there and think about the fair market value, but sometimes you just have to lower the rate. That's what great about dynamic pricing and what's great about having EZLinks and GolfNow websites, because they market us. Because they have so many people that look at that, whenever we lower the price by \$10, there are people there to snatch them up. Anyway, that's just a little editorial. That's it.

Mr. McCarthy: I like what Jason said in terms of Mr. Urban. Give him an opportunity to come into your office and if he wants to talk to you, great. If not, that's okay. Send him a letter. It's your decision. Do what you want to do, but I think it would be a good idea to try to talk to him to see what he says.

Mr. Melloh: Absolutely.

Mr. McCarthy: Thank you.

**B. Attorney**

There being none, the next item followed.

**SIXTH 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 #3817 through #3844 from the General Fund in the amount of \$1,261,885.94 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 #27428 through #27519 from the Golf Course Fund in the amount of \$82,309.74 were approved.

Mr. Melloh: I would like an explanation for the \$1,261,885.94 under the General Fund.

Mr. Showe: Ninety percent of that is for the tax receipts we get from the Tax Collector. We receive one check, which goes into the General Fund and then the General Fund must write a check from the Debt Service Fund. So of that \$1,261,885.94, \$960,000 was strictly the debt service payment being transferred into your bank account.

Ms. Thomsen: To the one bond fund?

Mr. Showe: Both.

Mr. McCarthy: Thank you, Jason.

## **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: I don't want to create any more work, but I'm used to creating a best estimate for the year. I would like to figure out a simpler way. Maybe it's just what we have year-to-date and what we did every month after that last year, because it's just a guess, but I would like to know where we end up. Right now, I'm trying to see if we are going to have a chance to break even this year, since we are behind by \$27,000. So if we just bid the same amount for the rest of the year, each month, like we did last year because we don't know what the weather is going to be, what would the profit be, so we can see if the bonds break even?

Mr. Melloh: Let's talk about it in my office.

Mr. Bedwell: Okay. All we can do is to take what we did last year. Otherwise, it's just a guess.

Mr. Melloh: Again, we don't know. I don't know what the weather is going to be like.

Mr. Bedwell: Are we going to lose money or break even, if the rest of this year is like last year?

Mr. Melloh: That's where it becomes very difficult. Remember, the only reason why we are a little behind is because in December, it rained almost every day. So we made \$40,000 less revenue than the prior year, because of the weather. Not because the golf course is in terrible shape. Not because it's mismanaged. It's because it rained every single day and we had 11 days

where we were closed or partially closed, which is unprecedented. In my 40 years in the golf industry, have I ever seen weather affect revenue as we did this past December. That was ridiculous.

Mr. Bedwell: We were \$58,756 less than last year. Expenses were \$31,000, but it didn't make up the \$58,756.

Mr. Melloh: It's hard to make it up with expenses because so many of our expenses are fixed. I can't go to Toro and say that we are not going to make a lease payment or go to E-Z-GO and say that we are not going to make a lease payment. So many expenses are fixed expenses so it's hard to cut too much. You can save a little bit, don't get me wrong, and I'm going to talk to Lane about that. I said, "Are we really going to be able to pick up some steam in the summer months when the revenue projections are lower?" We are just going to have to be more creative with some of the specials we put out there. Hopefully we can come up with some ideas to create more revenue that way.

Mr. Bedwell: Why don't we do what I'm talking about where we see a goal every month from here on out, the same as we did last year? We are going to lose \$30,000, so what can we do? I would just like to get a feel of where we are at.

Mr. Showe: It's also important to point out, as with Tim, that what we discussed at the workshop is the restaurant lease changing at this point, so we should start recognizing some additional revenues that weren't previously there as well.

Mr. Bedwell: Okay. That's all I had.

Mr. McCarthy: If you go from January to January of last year, we had 96 inches of rain in Viera East and the norm is 54 inches. So we had almost doubled the amount of rain, which caused the golf course to be closed. That's a big part of the revenue loss that we are talking about.

Mr. McCarthy: Melinda?

Ms. Thomsen: Nothing. Thank you.

Mr. McCarthy: Bill?

Mr. Oakley: I have a couple of questions. Is the company completing the Engineering Report on the bulkheads, going to include the recommendations from St. Johns?

Mr. Showe: They met with Tim and Scott and the plans were drawn up and they are getting with SJWMD to determine what if any type of permit is required. So they are sending

them the plans. Once we get that answer from SJWMD, we should have most of the documents prepared for the Board's review and approval.

Mr. Melloh: I have a special footnote to that. It could take up to 30 days for them to respond to us. It's not like we are going to have it for the next workshop. Hopefully we will, but we are working diligently on trying to get a cost and design for those bulkheads so we can jump on that as the first project we do once we get the bond situation settled.

Mr. Oakley: My opinion is even if we don't get the bond, we have to take care of it.

Mr. Showe: Unfortunately they have to determine what SJWMD is going to require because that may need to go into the documents in terms of the type of contractor and the certifications those contractors will need to bid it. They are following through the process.

Mr. Oakley: The next item is for the Board to consider allowing public comment at the workshop meetings, like this meeting. The reason I'm thinking of that is if somebody wants to come up with a problem to address with the Board next week, I have to wait a month before I can bring it up. When I attended several Board Meetings, the Chairman allowed me, quite often to address the Board at a workshop. Of course I was the only one here. I thought about this, ran it by Jason and spoke to Tim about it and it's something that the Board might want to consider. We could transcribe that information and include it in the following month's Board Meeting minutes, so you didn't have to go through an entire section of minutes. I would like for the Board to at least consider and put it on next month's agenda to vote on, if everyone is amenable to that. If they are not, then we will carry on like we are. That's one item. The next that I would like to address is I received, and I believe all Board Members received an email about our expenditures for the holiday Christmas party. I thought about that and said, "We have 7,600 voters in this District, some employees that in some cases are earning a little more than minimum wage that work hard for us." So I worked out a cost analysis. It would cost each voter 27 cents to recognize our staff and maintenance staff that takes care of all of our nature trails and blows the sidewalks.

Mr. Showe: I wasn't going to interrupt you, but it is important to note that is not just golf course staff. It is for the staff that takes care of all the conservation areas, all waterways and all of the things that benefit all residents in the community.

Mr. Oakley: You complain about the water behind your house and our maintenance crew is out there taking care of it, but you don't want to give them a 27 cent Christmas party. I'm

sorry. I have a real problem with that. I fully support the Christmas party. I know it's been in existence before Tim came.

Ms. Walsh: It was before my time. It's been a practice.

Mr. Oakley: Anyway, I just thought more or less, it was an inappropriate email to say that our employees were not deserving of a reward for a job well done. I'm not going to say any more on that. One other item. There's been so much ill will, miscommunication, people annoyed with the Board, people annoyed in general and people finding fault with everything. Even if it's good, they find fault with it. I decided to construct a website which encompasses all of Viera East from I-95 to US 1 from Wickham Road north. The website is called, "Our Viera East." It presents a positive influence of things that are actually happening in our community. Things that we can be excited about. I get tired of listening to the naysayers all the time. If you are negative all the time, all you are going to have are negative thoughts. If you are positive all the time, all you are going to have are positive thoughts. I would much rather be positive, try to work out problems and solutions. Enough said. We are on VieraEast.com. It's not complete yet, but it's out there. You are more than welcome to look at it.

Mr. McCarthy: Thank you for your comments, Bill. Jo?

Ms. Walsh: I contacted Florida Fish & Wildlife (FWC) and received the coordinates of the new nest, some information and some pictures. They were very excited. The response time of getting back to me was less than 15 minutes. That nest will now we registered, and they are passing it on to another Bald Eagle group as well. So that will be listed in a couple of places. To piggyback on the holiday party, because we are a government, there are certain things that we are not allowed to do. We cannot give bonuses to anybody for performance, unless we have a system to do it and it's very complicated. So to host a party to appreciate our employees for what they do, other than to issue a paycheck, I can't see not having one. It was kind of sad to read that. I don't think honoring our employees once a year has a lot of merit. That's it for me. Thank you.

Mr. McCarthy: Jim brought something up and I have a question for Jason regarding that. If we were to decide to do something with the bulkheads and the injunction is still in effect, would we have to issue a special assessment?

Mr. Showe: The only process you could do is issue a special assessment, but by the time you get it and actually collect the money, you are going to be into the next year anyway. What you have to do is to break that project into pieces and say, "This one is the worst, we are going to

do this one first. This one is the next, so we will do this one next.” What you incur in that case is mobilization multiple times, so it’s not really an inefficient use of the money. For now, I will discuss with Tim what might be a good suggestion for now in terms of the situation. The Board would just have to make some determinations using the revenues you have now.

Mr. McCarthy: Okay.

Mr. Oakley: Jason, if you break it up into this one, this one and this one, you are going to incur at least a 25% increase.

Mr. McCarthy: It has to be done all at once.

Mr. Showe: It’s mobilization. A lot of the cost is just them getting the equipment here to do the work.

Ms. Thomsen: We actually found some people to do it, not only the designer, but the actual contractor.

Mr. Showe: We know that there are companies in Florida that can do the work, so we know those exist. Because of the projected price of the improvements, we have to do a formal bid, so until we get that formal bid document together and out on the street, we don’t know who is going to bid on this.

Ms. Thomsen: With SJWMD approval.

Mr. Showe: With their blessing. Yes.

Mr. McCarthy: Tim’s estimate was \$380,000 and you had a company that verbally gave you a commitment of \$320,000. That’s not a hard figure.

Mr. Melloh: That’s kind of like right now where we are. It would be kind of like going to a contractor and saying, “Well, if I build a three bedroom/two bath house, how much is it?” If you don’t have plans, they can’t really give you a good estimate. That’s the benefit to doing it piecemeal.

Mr. McCarthy: I don’t want to do it piecemeal. It can’t be done that way.

Mr. Melloh: Okay, so we don’t need to have that discussion.

Ms. Thomsen: No.

Mr. Melloh: We have to do it all at one time and figure out how to fund it if we don’t have the money, because as Jim pointed out, it’s a bad issue.

Mr. Bedwell: I'm just trying to get my head around how bad these bulkheads are. I hear there is urgency, but if it's that urgent, there could be four people on the green when the green collapses. Why don't we block it off and you can't play those holes? Are you that concerned?

Mr. Melloh: No. It has nothing to do with the greens.

Mr. Bedwell: I don't know why there's an urgency.

Mr. Melloh: The major issue is the top plate.

Mr. Bedwell: Yeah, I know.

Mr. Melloh: It was built in a certain manner where they put great big nails in it, which rusted through. If somebody stands on it, there's a 60% chance that it may collapse on you. That's why to be proactive, we put in the no step signs.

Mr. Bedwell: Can you redo the top plate?

Mr. Melloh: That's the whole problem. No we can't. Those top plates are 2x10. I don't know how many there are. Our crew can't go out there because they have to float a boat, because you couldn't do it from the green side. You would have to be out in the water to do that. There's nothing more to it, but that's where the danger comes in. We are just hoping that the no step signs are effective. We can't go in there and put a fence up this high all the way around the number 14 green and make it a barrier. That's not practical. We would pay dearly for that in revenue, but like Jim points out, we also don't want a lawsuit, so what is the best solution. We are working hard to try to complete this project as rapidly as we can.

Mr. Bedwell: Jason, can we talk to the insurance company? I know anybody can sue, but what's their chance of winning if we have a "Do Not Step" sign and they fall in? They will be going to Morgan & Morgan. What is our chance of winning?

Mr. Showe: It would just have to go through the insurance process. I don't know that we can assess without having an actual lawsuit.

Mr. Bedwell: Whether the sign is this big or this big, when they fall in, they are probably going to call somebody.

Ms. Thomsen: Maybe it should be a different color or larger, so they are more visible.

Mr. Melloh: I don't think you can miss it. I know Jim makes a good point, but again, it's a royal blue color with white lettering that says, "No Step." Your first indication is that you don't want to step there because it doesn't look like it would be sturdy. That's number one. Number two is that we did put the signs out there, so again, I don't know. We are just trying to be

proactive. We are not trying to be negligent in what we are doing, but again, there are practicalities here.

Mr. Bedwell: My point is a bigger sign isn't going to prevent people from falling.

Mr. McSeveney: Basically, I'm just thinking in terms of it being more visible and I think that is what Tim is getting at. The signs are fine. Can the plate across the top be painted in bright red? I would think that would be a lot cheaper to do at least on a temporary basis until you get into the actual repairs. I'm not saying it has to be solid red. Just something to make it more visible.

Mr. McCarthy: Would it adhere to Creosol?

Mr. Melloh: I have no idea.

Mr. McCarthy: Maybe you can look into it. Good point. Thank you.

Mr. Oakley: To address what David had to say, I lived on a canal in Pompano for many years and it's not the top plate that's sealing the top. It's the washout behind it. We have several areas behind the bulkheads that have gone away. It lays there just fine until you step on it and then it comes down. That's the part I am concerned with as much as the bulkheads.

Mr. Melloh: We are trying to identify those.

Mr. Oakley: You guys are doing a great job.

Mr. Melloh: We have a pretty good fix for that, and we have to identify the areas. Ms. Thomsen: Okay, good.

Mr. Melloh: So it's an issue, but we have been talking about this issue for three years. It's been a hard thing to do. How long have we been talking about the bond? Again, you like to get out to the people that oppose the bond to sit there and say, "We are not just picking these projects to do. They just need to be done." Things age after 26 years. The same thing with the irrigation system. It's not a safety concern, but this one happens to be a safety concern and it's the first project you want to complete. If we were to do it the proper way, we want to do it after the season because we are going to have to install a temporary green, like on number 14. You can't have people playing on that green while construction is taking place. A lot of golfers don't like to play on temporary greens. So we would bump the breakdown a little to accommodate that. That's another reason why we want to do it altogether, but still one at a time. You finish up number 14 and then you move to number 9, because we can't tear it all down and then have five temporary greens. We might as well shut the golf course down for the summer.

Ms. Thomsen: One at a time wouldn't be a big deal.

Mr. McCarthy: I have lived here since 2001 and in 2001, people were falling into the ponds. We need a motion to adjourn.

Mr. Showe: Before we adjourn, I just want to give the Board an update. We had a shade session scheduled for today. At this point, based on conversations with the attorney, there was no need to hold it today. They would like a motion to continue those shade sessions to the March 25<sup>th</sup> Board Meeting, if needed.

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor scheduling an Attorney-Client Session on March 25, 2020 at 2:00 p.m. at this location was approved.

**EIGHTH ORDER OF BUSINESS**

**Recess Board of Supervisors Meeting**

**Attorney-Client Session #1**

- A. Roll Call
- B. Attorney-Client Session
- C. Adjournment

**Attorney-Client Session #2**

- A. Roll Call
- B. Attorney-Client Session
- C. Adjournment

**NINTH ORDER OF BUSINESS**

**Reconvene Board of Supervisors Meeting**

Mr. Showe: If any Board Members need updates, you can talk to me or the attorneys will be able to help you let you know where we are at and what the status of everything is.

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

**TENTH ORDER OF BUSINESS**

**Adjournment**

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

February 26, 2020

Viera East CDD



Secretary/Assistant Secretary



Chairman/Vice Chairman