

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, May 27, 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
Residents	

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: I want to talk about a few things. The first item is the suit associated with the Viera East Board and the proposed bond. I want to make it perfectly clear to everyone here that I have no association with anybody on the first or second suit, nor will I have anything to do with it in the future, nor do I have anything to do with the Board's side. My comments are from me personally as a resident of the community. As a candidate, people talk to me and I'm reiterating their comments. That's where anything I talk to you about comes from. I want to reiterate what I said thus far. You should reduce this problem down to needed repairs and maintenance to get the suit through and work on revenue to fix these problems that we are presented with. We already spent over \$250,000 defending the bond. That money could've gone

towards repair and maintenance. I suggest reducing the bond as quickly as possible and work on the items that need to be worked on within the community. The second item that I would like to briefly talk about is Bill did an excellent job at the last meeting of presenting a new drawing reducing to \$1 million the original \$3 million cost to enhance the Clubhouse. However, I haven't seen a business plan or return on the investment and don't know if it exists. If you are asking someone to invest \$1 million, there should be a business plan and return on investment. If you ask an investor, they must show a profit to pay back that \$1 million. The last item is golf memberships. Tim did an excellent job at the last meeting of presenting the revenue gain associated with the team membership; however, what I'm not seeing is the original investment in those calculations, the bond that paid for the event that allowed that to happen such as the golf course, repair and maintenance (R&M), etc. So, I leave you with this. Of those gains, what part is going towards R&M in paying back the bond? These are critical items that we are asking people to donate to as taxpayers to enhance the golf course. Going by the original meeting and thereafter, a majority of people don't support it. Unless you have a survey, which I have asked for before, they do support it. So, I would make sure that you have a business plan and return of investment on these items. Thank you.

Mr. McCarthy: Thank you for your comments, Mr. Volpe. Would anyone else like to comment?

Jeff Peters, Woodhall Circle: I would like to talk about the ponds in the golf course area. Jason and I have been corresponding back and forth and he had the pond behind Woodhall Circle tested. The oxygen level drops off at 7 feet in a 17-foot pond. Midgees are growing in the muck and debris at the bottom of the pond, have now become a nuisance. You can't go outside in your backyard and I understand it's the same situation in Aberdeen with their two ponds. So, the solution you came up with seemed, at the time, very reasonable to me because it was my personal pond that we were worried about. It looks like the development has a larger issue blooming. I've been in Woodhall for 20 years. We built our house as an original owner. The ponds are clear, and we have a lot of fish. There were no issues or problems. We didn't have mosquitos. We didn't have midges, but in the last five years, the problem has gotten worse. I've already personally spent \$2,600 trying to spray to keep the midges out of my backyard to no avail. Dave had the country mosquito control guy come out to talk to us about it, finding out that I wasted \$2,600 because you can't spray these things away. They will come out and three days

later they die, and the next batch comes out. So, you have to spray literally almost two or three times a week to make the midges go away. There are several recommendations. The one that ECOR made was to put aerators in Woodhall Pond, which costs about \$5,000 to oxygenate it. We also get a fish kill now every year. Last year, it looked like 1,000 fish died. We had over 50 vultures lined up all around the pond eating the fish. It's now become an annual event. We need to do something with the pond. I don't know whether aerators are the answer, or the pond needs to be dredged. There are several recommendations in a report that Dave will give you a copy of. What it does say is that we need to do something about the ponds. They are getting older. It's been 20 years since they were originally dug. The last development I lived in, which was in Rockledge, the ponds had to be dredged. It's a major process with high expense. These three ponds may need it. I believe we have 19 ponds on the golf course alone, let alone the rest of the District. So, it's potentially a very large problem and a very expensive problem, but we need to start addressing it because they are now becoming a real nuisance. I am seeing more mosquitos now ever before. So, between the fish kills and the mites and mosquitos, I contacted the CDC. Fortunately, mosquitos don't spread the Corona virus. That made me feel pretty good, so I don't have to worry about somebody getting bit and then passing the virus along. My recommendation is that we need to put a plan together to figure out how to resolve this issue. I know it's going to cost money. It's going to cost me money as a taxpayer. I think this is something that needs to be addressed and we need to put a plan together for all of the ponds, not just mine.

Mr. Showe: That's your three minutes. We have your request on the agenda as well.

Mr. McCarthy: Thank you for your comments. We appreciate it. Would anyone else like to speak?

Mr. Showe: Is there anyone on the phone that has a public comment?

Mr. McCarthy: Hearing none, the public comment section is now closed.

THIRD ORDER OF BUSINESS

Approval of Minutes of the November 21, 2019 and February 26, 2020 Meetings

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor the minutes of the November 21, 2019 and February 26, 2020 meetings were approved as presented.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2020-07
Approving the Proposed Fiscal Year 2021
Budget and Setting a Public Hearing**

Mr. Showe: As always, this is the start of your Proposed Budget process. What we presented to you is the Proposed Budget for Fiscal Year 2021. It includes no assessment increases. We will start at your June workshop, going through the General Fund and Capital Fund. We think this represents a good first step. No assessment increases are projected as part of this budget. We incorporated some of the typical responses with staff increases, as well as looking at line items to see if any other adjustments are needed. That has all been accommodated in your current revenue structure. With that, we can take any questions or comments. As always, we will go through the budget workshop process and continue to make refinements to this.

Mr. McCarthy: Do any Board Members have a question for Jason?

Mr. Oakley: Jason, there was something that I brought up last year. We said that we would talk about it this year about having more money set aside for future expenditures. Will that be covered at the budget workshop meeting?

Mr. Showe: We can look at different ways to accommodate that.

Mr. McCarthy: Okay. Is there anything else?

Mr. Bedwell: Tim, is there any guidance that you need from the Board?

Mr. Melloh: No, when we get to the workshop, I will make some adjustments as needed and we will talk about some philosophies. When is the first workshop?

Mr. Showe: June 10th. That's for the General Fund, capital reserves and debt service. Then we discuss the Golf Course Budget in June and July.

Mr. Melloh: I don't need anything at the moment.

Mr. Bedwell: You and I talked about pay increases.

Mr. Melloh: That's one of the things that we will talk about.

Mr. Bedwell: Are you going to put down your recommendation?

Mr. Melloh: Yes.

Mr. Bedwell: I'm good.

Mr. McCarthy: We need a motion to adopt Resolution 2020-07.

On MOTION by Mr. Oakley seconded by Ms. Walsh with all in favor Resolution 2020-07 Approving the Proposed Budget for Fiscal Year 2021 and Setting a Public Hearing for August 27, 2020 at 6:00 p.m. at this location was adopted.

FIFTH ORDER OF BUSINESS

Discussion and Consideration of Bulkhead RFP Documents

Mr. Showe: This is a result of the work we tasked our Engineer with a scope to create a bid document for the bulkheads. I will note that it's pretty thorough in terms of the language. We are pending some additional comments that need to be incorporated from District Counsel as well as Mr. Oakley's comments. Some of the main documents for the Board to look at are the plans and specifications, which are towards the end, specifying what we are going to have them do. Tim, Mr. Oakley and I met with the District Engineer and spent some time going over their philosophies. To give you an idea of what their philosophy is, different vendors that might bid on this project may have different techniques for installing the bulkheads. So as much as they can, they want the flexibility to propose their systems, but you also need some guidelines. Some of the suggestions is for galvanized steel, so we will add an option to price stainless steel and the Board can decide on the material. If you can afford it, the District Engineer recommends stainless steel. They use the galvanized with a scope that is a more cost-effective solution. I think if you see both costs side-by-side, you will be able to make a better decision. Bill, let me know if I'm not saying it properly, but we gave them a better definition of what we want the capital bulkheads to look like. We are going to spec out a little more detail of the depth we want.

Mr. Oakley: There were a couple of other things. Tim brought up the idea of the 45-degree angle on the piling that needs to be incorporated in that. Then I brought up the idea of the stringers that go across the top. The main stringer on the top would be a double stringer to give it more lateral support of the cap.

Mr. Melloh: One of the major things that were concerned about was with the aesthetics. So, we are making sure that everything is not only structurally sound, but also looks good, because that's one of the features of a golf course that is very appealing. So, coming up with the top cap is a complicated way of doing it. I'm pretty happy with what we have come up with. I think it's going to work out well.

Mr. Bedwell: I read this contract. It's 40 pages long.

Mr. Showe: Yes.

Mr. Bedwell: What would it cost for a small company to have a law firm look at this 40-page contract and then bid? I think we are eliminating people.

Mr. Showe: What we are trying to do is let them know the contract we expect them to sign so if they are not comfortable with it, they don't spend the time bidding the project. This is a typical contract that we see in government construction projects. It's not typical of anything that we see when you do roadway projects. You really need to have a detailed in scope to make sure that you cover all of your bases with the government.

Mr. Bedwell: If I was a business owner, I would be afraid to sign it without a lawyer looking at it.

Mr. Showe: One thing that I mentioned on the phone when we had a call with them, is they have been talking to the vendor that Tim got to provide a bid so they could hopefully not create an issue. Hopefully other companies will have the same reaction.

Mr. Bedwell: It seems like overkill to me.

Ms. Walsh: Do we have an idea that there are a number of companies out there that will be viable?

Mr. Showe: Yes. Several vendors will be able to bid this scope. One thing that you will notice in here, is that there will be a mandatory pre-bid conference. So, anybody that chooses to bid on it, has to come to the golf course. The engineer and Tim will drive the golf course and let them see it. They can ask questions so they all will have the same information prior to bidding. I think that will help get you better bids.

Ms. Walsh: Thank you.

Mr. Oakley: They don't have to be qualified to get to the pre-conference, do they?

Mr. Showe: No.

Mr. Oakley: So, anybody can come to the pre-conference if they want to. Then if they like what they see, they can go ahead and go through the 40 pages and decide if they really want to bid on it.

Mr. Bedwell: Okay. Thank you.

Mr. Showe: I know that there are some additional comments that need to be incorporated in here. I think if the Board is amenable, so we can get this out on the street and at least start the bidding process as quickly as possible, we need a motion to approve this subject to the

incorporation of the final engineer and attorney comments. Then if somebody, either the Chair or some other Board Member would like to be designated as the person that says, "Go ahead and advertise," we can go that way or you can just give authority to Tim or me to review it and make sure that it incorporates those comments. It's up to the Board. What we would like to do is not have to delay it until the June meeting to have you approve it in final form.

Mr. McCarthy: Does anyone have any comments on it?

Mr. Oakley: I volunteer to look it over for the Board.

Mr. Showe: The motion would be to approve this in substantial form, subject District Engineer and District Counsel comments and designating Mr. Oakley as the authority to approve it in final form prior to it being advertised.

Mr. Bedwell: Are you talking about the drawing?

Mr. Showe: The entire document. There's not much at this point. The attorneys provided their comments. The engineer wanted to make one last round of changes before publishing it.

On MOTION by Mr. McCarthy seconded by Mr. Bedwell with all in favor approving the Bulkhead RFP documents in substantial form, subject to District Engineer and District Counsel comments and designating Mr. Oakley to approve it in final form prior to advertising was approved.

SIXTH ORDER OF BUSINESS

Discussion of Mr. Oakley's Presentation on Clubhouse Renovation

Mr. Oakley: I made a presentation at the last Board Meeting on an idea that I had for the Clubhouse with drawings, dimensions of what the architect has any potential changes, just to make it easy. In December, which was two weeks after that last meeting, I put the drawings together, finished them in December, presented them to Jason, Tim and our illustrious lawyers. Since we had legal suits out there, I told them, "We would prefer you not to publish these or discuss with anybody." So, it came to the point where they said, "Okay, the first suit is settled. Let's go ahead and release this information." So, the information is out there. My proposal is to eliminate \$1.9 million off of the clubhouse renovation, leaving \$1 million to renovate the Clubhouse. Now that encompasses quite a bit and I don't know whether you could even do it for \$1 million. Do what you can. Then we are going to have to shortchange ourselves and come in just to say, "This is what we want. I know we can't afford this, and we can't afford that, so this is

what we are going to settle for.” So, I think for \$1 million, we should be able to come up with a halfway decent renovation. Before I make a motion, are there any questions?

Mr. Bedwell: I didn’t understand it.

Mr. Oakley: You don’t understand it at all?

Mr. Bedwell: No. Sorry. I keep looking at it. I’ve been looking at it.

Mr. Oakley: Have you ever read blueprints before?

Mr. Bedwell: No. I’m not an architect and I’m not an engineer. I’ll admit that.

Mr. Oakley: That’s good. Basically, what it does, Dave, is it eliminates all of the exterior work that was in the original plans.

Mr. Bedwell: I understood that.

Mr. Oakley: That’s all gone. We will still enclose both breezeways; front and back and renovate Tim’s offices and provide for storage rather than using the showers that we are currently using. So, Inez will actually have a room that she can use for storage. The restroom expansion for the ladies will be just about the same as what the original architect had envisioned and some things of that nature. That is the short of it. It showed a little larger pro shop. We moved the counter of the pro shop in the middle, thus increasing the amount of wall space that they can use and have two entrances in and out of the counter area. I figured out how I can get 16 more square feet out of the kitchen area by moving the gas pipe. So, there is some expansion in the kitchen, but not much.

Mr. Bedwell: Let me clarify why I didn’t understand it. You are enclosing the breezeway and expanding the interior walls in the breezeway. Is that correct?

Mr. Oakley: The breezeway out of Tim’s office will be closed off and that will all become office space.

Mr. Bedwell: Okay.

Mr. Oakley: That was my proposal. That was the way the original architect had it also.

Ms. Thomsen: Did he?

Mr. Oakley: Yes. The original architect had that in there also.

Mr. Bedwell: What about in between the pro shop and over at the restaurant?

Mr. Oakley: That’s all going to be an enclosed area.

Mr. Bedwell: That wall won’t be expanded or anything in the restaurant?

Mr. Oakley: No, but the pro shop wall will go straight down to the corner of where the entranceway is.

Mr. Bedwell: Alright.

Mr. Oakley: So that will increase that area a little bit, which will give it a little more pro shop expansion and things of that nature.

Mr. Bedwell: Okay, I understand that.

Mr. Oakley: Does anybody else have any questions?

Ms. Thomsen: I do. Is there any thought to rather than just taking this and going with it, passing it through the original architect for review and providing for an aesthetic adjustment of some kind?

Mr. Oakley: When Tim and I met on this I said, "You want to remember that proposals are subject to change." So, anything on this can change. Of course, it would all have to be drawn by an architect. Even what I have on there might not even be digested the way we want it. We might want something different. I think I put a custodial closet in the men's restroom, so they had some place to store their supplies rather than stack it in the corner someplace. Things of that nature.

Ms. Thomsen: Correct.

Mr. Oakley: This is just a tentative proposal. The main idea is to reduce the total bond by \$1.9 million towards the Clubhouse renovation, which would still leave us plenty of money to do the things we really have to do, but would give us a pro shop in eight or ten years. We will not have to replace something.

Mr. Thomsen: Okay. Thank you.

Mr. Oakley: Does anyone else have any questions? Paul?

Mr. McCarthy: Nothing.

Mr. Oakley: Jo?

Ms. Walsh: I'm good.

Mr. Oakley: I would like to make a motion to reduce the Clubhouse expenses in the current bond by a minimum of \$1.9 million, leaving \$1 million for the Clubhouse renovations. The reason I said, "minimum," is because if we don't have to use all of the money, as I said before, it would be used to pay off some of the bonds.

Mr. Bedwell: I would ask that you withdraw the motion until we have a meeting with the lawyers to find out what is going on.

Mr. Oakley: I'm not going to withdraw my motion because I don't know where the meeting with the lawyers is going to go.

Mr. Bedwell: Okay.

Mr. McCarthy: If I'm not mistaken, we authorized our attorneys to reduce the bond by \$2 million and the Board approved it.

Mr. Showe: That was a separate session that is separate and distinct.

Mr. Bedwell: It's in the public area now that we offered to reduce the bond by \$2 million during negotiations.

Mr. Oakley MOVED to reduce the Clubhouse project by a minimum of \$1.9 million of project costs leaving \$1 million for renovations and Ms. Thomsen seconded the motion.

Ms. Walsh: I would approve it with some hesitation. I prefer to have this vote after we have our shade session. That is my only concern. Otherwise, I have no problem with it.

Mr. McCarthy: Melinda?

Ms. Thomsen: I would go with either of those suggestions, whatever is the best for our vote and our decision making.

Mr. McCarthy: David?

Mr. Bedwell: I feel like we are getting ahead of ourselves.

On VOICE VOTE with Ms. Thomsen, Mr. Oakley and Ms. Walsh in favor and Mr. McCarthy and Mr. Bedwell dissenting reducing the Clubhouse project by a minimum of \$1.9 million of project costs leaving \$1 million for renovations was approved. (Motion Passed 3-2)

Ms. Walsh: It's not like we can't rescind it.

Ms. Thomsen: It's a proposal. We will make the adjustments.

Ms. Walsh: We will address the initial plan and see what happens.

Mr. McCarthy: It's a very good plan and we have to go forward with the fence. Bill, is that it?

Mr. Oakley: Yes. Thank you.

SEVENTH ORDER OF BUSINESS

Discussion and Resident Request for Pond Aerator

Mr. Showe: Mr. Peters spoke during audience comments and we included some documentation regarding this request. The proposal we received from ECOR was \$5,690. Tim and I spoke about this in the past. Some residents requested the same thing in their neighborhood or HOA to fund the cost of putting that in, so it is kind of a benefit strictly for that neighborhood, even though it is a CDD asset. If the CDD were interested in doing this, we would have to find some way to fund the electricity, which is another \$40 to \$50 a month. I don't know if you had any additional comments.

Mr. Melloh: ECOR did the study and came up with these aerators. They are spaced about 150 to 200 feet apart. The cost for this particular lake is \$5,690 and \$500 to \$600 annually for electricity costs. I spoke to the Vice President of ECOR because I wanted to know how to manage these aerators. There will three aerators in this pond, exchanged out annually by our people. We have to buy a boat that we don't have and every other year, each aerator will cost \$280 for parts to replace the fins and rotors. If we consider this, it's an ongoing charge. You also have to consider that we have 84 lakes in the District, and everybody is going to want this. The issue that I have with Mike proposing this, is this is not a surefire way to get rid of the midges, but it may help. We did studies and I will provide an updated version from the University of Florida. We also have one from the University of Clemson. The problem with the midges is that their larvae hatch from the bottom of the lakes. So, when they hatch, there is no way to spray the top of the lake. In this particular document, they never recommended aerators. There is a lot to consider because you are talking about having the developer committing to pay the initial cost to put aerators in several of our lakes because we have some gigantic lakes. Once they know that the CDD is paying for the aerators and the electricity and maintenance, we would definitely have to increase assessments quite a bit because there is no way that we could cover it in the current budget. Jason, we've never done these things before.

Mr. Showe: No. The CDD has not funded it. If an HOA asks to put them in or a private individual would like to fund both the installation and the ongoing electricity, the District allowed it, but the CDD has not funded any of these in any of the lakes.

Mr. Oakley: Tim, how many lakes in the past two or three years had a fish kill?

Mr. Melloh: I know this lake had a fish kill.

Mr. Oakley: There were two or three over at the golf course.

Mr. Melloh: There was one by number 18. Those were more from temperature inversions than anything else. You get a lot of rain and a lot of temperature changes. It starts on the bottom and comes up to the top. It takes the oxygen out of the water.

Mr. Oakley: Have any of the other homeowners in the CDD talked about or had a problem with bugs or midges? I know at hole 12 of the golf course, they are there.

Mr. Melloh: The midge season is from April to November. In the winter months you don't have midges. The lady who complained do so at a period of time when the midges weren't active. The lady is paying for electricity and we allowed it. I don't know if you can accurately assess whether that is working or not because it hasn't gone through midge season.

Mr. Oakley: So, we don't even know if it works or not.

Mr. Walsh: Right.

Mr. Melloh: Again, the University of Clemson has not indicated one way or another. We are meeting with them next week to discuss new things on the market.

Ms. Walsh: What about dragonflies? Have we spoken to ECOR? What happens if we have vegetation? Their larvae will last five years in the water, and they eat the mosquito and midge larvae. Then when they are all grown up, they eat midges and things like that. So, if we have a way of doing it in a way that's more eco-friendly or maybe not as costly, we can look into that. That's one of those things that runs along the same cycle.

Mr. Melloh: There is bluegill and certain catfish that eat the larvae. This particular lake is extremely deep and there is little to no oxygen down at the bottom so the fish cannot live at that depth. Most of the lakes we have are very deep and are retention ponds. They are there not only for stormwater, but to provide fill to build the housing pads. I don't know if anybody has seen what's going on across the street over the bridge.

Ms. Thomsen: Yes.

Mr. Melloh: The pond that they initially dug on the right-hand side, are being dug deeper now. The Viera Company needs fill for more locations. So, these lakes get to be extremely deep. The deeper they go, the less oxygen. Of course, you have issues through the years with nitrogen built up in the water that comes from yards because everyone wants their St. Augustine grass to

grow right down to the edge. Through the years, people have fertilized. I think the issue now is that Brevard County started fertilizing yards on June 1st. I know residents that fertilize their own yards, even when they are not supposed to because their grass is greener than ours. Those people just don't get that there is supposed to be a 10 to 12-foot buffer. Then there is the issue about planting littoral shelves. We have people in the CDD that actually lose their lines when we get a little bit of spatterdock, which are the lily pads in the water. Planting all of the littoral shelves with plantings, is going to work and help to filter out some of the bad stuff, but then you won't get that pristine look. You have people that complain about that because that's where snakes and alligators hide. There are all kinds of issues that we have with these ponds that we have to deal with. We have a large contract with ECOR to spray the ponds for algae with algicides. We will continue to go forward with this, but I don't know that there is a surefire way to say, "This is what we need to do to get rid of the midges." One of the things that they talk about in here is that homeowners can put lighting, a light pad in their yard to draw midges to that light, but only if that light is brighter than the lights that they have on their house.

Ms. Walsh: Correct.

Mr. Melloh: A lot of homeowners have uplights and downlights and other types of pool lighting around their house that ends up at night attracting midges. So, there are a lot of different ways to approach this. I guess we just have to figure out the right way to do this.

Ms. Thomsen: I would encourage you to check on the dredging. It may be just as expensive or more so.

Mr. Melloh: Dredging the lakes would be very difficult to do. In a lot of cases where homes are surrounded fully by lakes, we would have to talk to the owner about using their yard for several weeks while they dredge out the lake. I can't even imagine what the cost of that would be, but we will find out.

Mr. Showe: The intent is for Tim and I keep looking to see what options are available and we can bring those proposals back.

Mr. Bedwell: Does aeration help to prevent fish kills?

Mr. Melloh: It can. It's not a surefire way. It helps keep oxygen in the water.

Mr. Bedwell: Let's say this continues to get worse and we get more complaints. At some point, the noise level will get loud enough to where we have to do something. Let's say that it gets worse in the last five years. It's going to continue to get worse. Is there a way legally for us

to say, "We are going to try a trial?" We are not going to fund other lakes. We are just funding a trial to see if it stops the midges. That's it. Legally, you would have to enter into a document. I'm just saying that at some point, five years down the road, we still don't know what to do.

Mr. Showe: I think there may be some opportunity for either cost sharing or a trial. If Tim can research it a little more, maybe there are some better methods out there.

Mr. Bedwell: My concern is that it's going to get worse and we won't know any more five years from now than we know now, if some HOA or we don't do something

Mr. Showe: We manage over 60 communities and every single one of them has a fish kill, it's a natural occurrence.

Mr. Bedwell: Do they have midge problems?

Mr. Showe: Every District that has lakes has a midge problem. Aerators can help, but it's not a silver bullet to get rid of them.

Mr. Bedwell: We should try something and tell the HOA, "You can do this."

Mr. Melloh: I think we need to do more research.

Mr. Bedwell: Okay. I'm fine.

Mr. Melloh: The silver bullet that all think we need is not even mentioned in this document. There are four or five other things that they recommend. So, I will meet with them next week and see what we can come up with. Because again, some of our lakes are gigantic. It's kind of like the lake bank restoration where the scale is immense. We have 33.1 miles of lake banks throughout the District.

Mr. Bedwell: I know.

Mr. Melloh: To restore a lake bank is \$30 per foot. So, if you do the math, that's several million dollars to do all of the lake banks. We do about 2,000 linear feet a year. We are prioritizing them.

Mr. McCarthy: All CDDs in Florida do lake bank restoration.

Mr. Melloh: Exactly. Jason said that once before.

Mr. Showe: It's really a Board preference. There is some philosophy that if you purchase a house on a lake, you purchase knowing that you may be subject to that. It's also technically CDD property that is being eroded. Some Districts don't do anything until it becomes an issue or eroding your personal property. Some Districts take a proactive approach like you guys, to

restore some of that. So, it's a mix of what you are legally required to do versus what you choose to do.

Ms. Thomsen: I'm in support of following through and working with them.

Mr. Melloh: We will continue to look at those problems. I know that they are a nuisance.

Ms. Thomsen: Right.

Ms. Walsh: They can be a hazard.

Mr. Melloh: Right. So, we will continue to work on that. At the workshop, we will come up with some plans. In the five years that I have been here, I've talking to the University of Florida about their extension program and Clemson and there is not a whole lot that they claim works.

Mr. Showe: It's up to the Board.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. General Manager's Report

Mr. Melloh: We are performing our normal day-to-day operations. We talked about some items during the workshop. I think we are finished for the year with our fire line. We aerified the greens on May 11th and 12th. We will do that again three times a year, which is the recommendation. The next period is time is on July 13th and 14th and again on September 7th and 8th. We aerified all of the tee boxes last week. We plan this summer to aerify all fairways and slopes to the greens. Does anyone have any questions? I provided the rounds of revenue report. We are still dealing with social distancing, with one person per golf cart. The Governor's Office came out and clarified that people who live in the same household can drive together. If you look at the number of rounds, through yesterday, we are exactly on budget, but unfortunately, we are closed today and are going to be closed again tomorrow due to rain. I'm very happy with the fact that our business is good considering all of the things that happened. Unfortunately, we are right on budget as of yesterday, but we are closed today. We will probably end up a little under budget. Does anyone have any questions?

Mr. Bedwell: No.

Ms. Thomsen: Thank you, Tim.

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

B. District Manager's Report

i. Discussion of Qualifying Period and Procedure

Mr. Showe: There are three seats up for election that will be determined through the November General Election; Seat 3, currently occupied by Ms. Thomsen, Seat 4, occupied by Mr. Oakley and Seat 5, occupied by Ms. Walsh. Should anyone choose to qualify for those seats, the official qualifying period is Noon on June 8th through Noon on June 12. In order to qualify for that, you would need to turn in your Form 1, a Loyalty Oath as well as a qualifying fee or you can go through the petition process. All of that is coordinated through the Supervisor of Elections, so if you have any questions, we can direct you to the right place, but typically that's handled through the Supervisor of Elections Office.

Mr. Oakley: It's too late for the petition process. You can hand the paperwork in now.

Mr. Showe: Correct. You can turn your paperwork in prior to that official qualification period. It doesn't become official until the qualification period is over, but you can announce your intent to qualify. We also recommend that you call them to see how they are handling that process because different counties are handling it differently.

Mr. Oakley: You walk in the door, hand in your paperwork and they take care of it.

Mr. Showe: There you go.

Mr. Oakley: I suggest going sooner rather than later.

Mr. Showe: Right.

ii. Presentation of Number of Registered Voters – 7,748

Mr. Showe: We are required every year to announce the number of registered voters within the District. So as of April 15, 2020, the District has 7,748 registered voters. This doesn't impact the District, because the District already turned over to resident control, so this is just informational.

iii. Presentation of Arbitrage Rebate Calculation Report

Mr. Showe: This is required as part of your bonds. It is a test that we are required to perform annually to ensure that we are not making more interest off of our tax-exempt bonds than we are legally allowed to. On the bottom of Page four, it says no rebate liability exists, which means you are in compliance.

C. Attorney

There being none, the next item followed.

NINTH 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 #3873 through #3916 from the General Fund in the amount of \$191,891.91 were approved.

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor Checks #72 through #75 from the Capital Reserve Fund in the amount of \$88,228.03 were approved.

On MOTION by Ms. Walsh seconded by Ms. Thomsen with all in favor Checks #27608 through #27763 from the Golf Course Fund in the amount of \$638,922.31 were approved.

Mr. McCarthy: Thank you Jo.

Ms. Walsh: That concludes my report.

B. Balance Sheet and Income Statement

No action was required by the Board.

TENTH ORDER OF BUSINESS

Supervisor’s Requests

Mr. McCarthy: Jo?

Ms. Walsh: No.

Mr. McCarthy: Bill?

Mr. Oakley: Tim, where are we at with the availability of golf cart repair for CDD residents? Did we get anywhere or are you still working on it?

Mr. Melloh: We have an understanding, but they will not do it until the COVID crisis is over.

Mr. Oakley: Okay. Jason, the entranceway to the old IRCC building, since that piece of property is going to go public with an entranceway in and out, did we come up with anything for either a lease, easement or something?

Mr. Showe: We are working with counsel to see when they would be able to put it into a form of agreement. We are contemplating having a License Agreement, where they are allowing us to use it, but they assume liability for it as well.

Mr. Oakley: This is so when somebody gets into an accident, we don't get stuck with them.

Mr. Showe: Yes.

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

Mr. McCarthy: Melinda?

Ms. Thomsen: No. Thank you.

Mr. McCarthy: David?

Mr. Bedwell: No.

ELEVENTH ORDER OF BUSINESS

Recess Board of Supervisors Meeting

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor the meeting was recessed for the Attorney-Client Session.

Attorney-Client Session

A. Roll Call

Mr. McCarthy called the Attorney-Client Session to order at 2:51 p.m. All Supervisors were present.

B. Attorney-Client Session

Mr. McCarthy: We are now going into the Attorney-Client Session to discuss the litigation titled, "OSM-1 LLC., versus Viera East CDD, Case #05219CA05738." It is estimated that the Attorney-Client Session will last 30 minutes. Those in the session will be Paul McCarthy, David Bedwell, William Oakley, Jo Walsh, Melinda Thomsen, Jason Showe, Jack McElroy and a court reporter. Pursuant to Section 286.0018 of the Florida Statutes, all others

shall be excluded. Upon conclusion of the Attorney-Client Session, we shall open the public meeting and I shall announce the termination of the Attorney-Client Session. Thank you.

C. Adjournment

The Attorney-Client Session was adjourned.

TWELFTH ORDER OF BUSINESS

Reconvene Board of Supervisors Meeting

Mr. McCarthy reconvened the Board of Supervisors meeting. All Supervisors were present.

THIRTEENTH ORDER OF BUSINESS

Consideration of Any Actions Needed as a Result of the Shade Session

On MOTION by Mr. Bedwell seconded by Ms. Walsh with all in favor accepting the Settlement Agreement as proposed was approved.

Mr. Showe: The next motion is for the Board to approve the revised District Engineer’s Report dated today in substantial form with the projects included that are on the Capital Projects List, which I distributed. It should be with the condition that for the period of the Settlement Agreement is effective, it was no longer conditioned upon the bonds having been successfully closed. Should the Settlement Agreement become null and void by its terms and the lawsuit allowed to continue as a result, then the acceptance and approval of this revised Engineer’s Report dated today shall no longer be effective and the approval and acceptance of the Board shall revert back to the District Engineer’s Report dated October 2, 2019.

On MOTION by Ms. Walsh seconded by Mr. Bedwell with all in favor approving the revised District Engineer’s Report in substantial form dated May 27, 2020 with the projects included on the Capital Projects List and the condition that for the period of the Settlement Agreement is effective, it was no longer conditioned upon the bonds having been successfully closed. Should the Settlement Agreement become null and void by its terms and the lawsuit allowed to continue as a result, then the acceptance and approval of this revised Engineer’s Report dated today shall no

longer be effective and the approval and acceptance of the Board shall revert back to the District Engineer's Report dated October 2, 2019 was approved.

Mr. Showe: Are there any other items for the Board's consideration? Hearing none, we need a motion to adjourn.

FOURTEENTH 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