

MINUTES OF MEETING
VIERA EAST
COMMUNITY DEVELOPMENT DISTRICT

A Special Meeting of the Board of Supervisors of the Viera East Community Development District was held on Wednesday, July 14, 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

Also present were:

Jason Showe	District Manager
Tim Melloh	General Manager
Steve Zucker (<i>via phone</i>)	Bond Counsel - Shutts & Bowen
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. McCarthy called the meeting to order at 2:00 p.m. All Supervisors were present with the exception of Ms. Thomsen.

Mr. McCarthy: I would like to deviate from our agenda. I have some issues with my throat, due to some surgeries, resulting in having to have two COVID-19 tests, both which came back negative, which is good. I'm concerned about the safety of the room and I'm happy to see that everyone has a mask on. We are going to have a presentation from Jason regarding COVID-19 and the meetings.

Mr. Showe: We would ask, to the best of your ability, if you could keep your mask on while you are communicating, out of an abundance of caution for everybody in the room. We are trying to do the best we can. So, keep social distancing as much as you can. That is our request for the safety of everyone in the room.

Mr. McCarthy: Does the Board have any comments? Hearing none,

SECOND ORDER OF BUSINESS**Public Comment Period**

Mr. McCarthy: If you would like to speak, please identify yourself.

Tony Volpe, IRCC: I wanted to share with you some concerns I have. I have been to all of the meetings and I listen to what is said. At the last meeting, we talked about giving employees a raise. I tried to communicate the unemployment rate here in Brevard County. That's an important factor when we decide to give employees raises. How is the economy? Bill brought up some very good points, but the reality is that we have an unclear economic future. So, the current management team should resist doing that at this point in time. While I agree to a raise, I am suggesting that you reconsider it. I understand your concern about the employees, but that doesn't mean taxpayers don't matter. Isn't that true? So, I'm suggesting you reconsider it. We have an item on the agenda to discuss the bond terms. I hope that means what we discussed in the past, and I'm suggesting reducing what you want to down to what you have to. That will calm a lot of people down. I'm not sure if you are doing that. Bill made a very good presentation of reducing the \$3 million for the Clubhouse expansion down to \$1 million, but it's still an expansion. I'm not sure if everybody in the community wants that. In addition, I'm sure it's above that \$1 million now. We already spent at least \$250,000 on defending the bond, so I would like to know, how much money are you going to spend on defending the bond that a lot of people don't want before you say, "That's enough?" Then just like the raises, determine where the money is coming from to spend on the bond. Whenever we make management decisions, we have to also find where the money will come from. I'm not talking about an accounting. I'm talking about where the revenue would come from. If it's coming from taxes, that's a problem right now, because it's still under litigation. Also, we have an unpleasant fund in front of us right now. We can't define it. So again, I'm trying to offer you situations that need further research and decisions before you finalize it. It's not going to hurt anybody. It's to make the best decision for the community. So, I'm suggesting that you reconsider it.

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

Rich Balbone, Herons Landing: Yes. I just had a question and I apologize for my ignorance. Do we know what the average salary is for the employee you are talking about?

Mr. Volpe: That's a very good question. Bill discussed it last time.

Mr. McCarthy: Would anyone else like to speak?

Steve Colasinski, Herons Landing: I have a couple of items. First of all, we had a couple of meetings last year to discuss the bond. In both cases, the majority of people did not seem to be in favor. It is on the agenda today to discuss the terms of that bond. We have an election coming up in November. We are trying to hurry and get this through before the election. We also knew about these expenses for five years. There was a study done in 2015 and we knew what the needs were for the golf course. Now we are going to be paid a significant amount of money, both interest and fees to recover that. In the future, we are going to improve our fiscal planning, so we don't owe so much in interest and fees. Secondly, I want to know why we need to get this bond done quickly. That's it.

Mr. McCarthy: Thank you for your comments. Would anyone like to speak?

Joe Henry, Herons Landing: I'm perplexed on a situation where you have something controversial as this bond issue. There appears to be so much opposition. Wouldn't it behoove us to put it out for a vote to see what the homeowners actually want to support; some kind of ballot that could be sent back in. Wouldn't that be a way to make sure that we are making the right decision for the largest amount of people that reside here?

Mr. McCarthy: No comment.

Mr. Henry: I find that interesting. Thank you.

Mr. Colasinski: I think you are looking for people to take an exception to your actions. I know there are many different things going on. We are not asking this for any reason or selfish point. We are just asking how this decision was made and in what timeframe. Some of you heard that it would behoove you to in fact give us some data on how the decision was made and the timeline, because it doesn't appear in the documents that I was able to review. It just appears, but it doesn't show the input for that decision.

Mr. Showe: All of the minutes are available and there are recordings of all of those meetings. The Board is the elected body that would make that decision. It's by the Florida Statutes.

Mr. Colasinski: I understand.

Mr. Showe: If you send me an email, I can get it for you, but all of our minutes are online at VieraEastCDD.com.

Mr. Colasinski: I will touch base with you later. Is there a reason why we did not do an actual vote?

Mr. McCarthy: Yes. I have an individual opinion as does Dave, as does Bill, as does Joe. I have to speak as a Board Member. I can't speak as an individual. That is part of the Sunshine Law and what we have to deal with.

Mr. Colasinski: I understand the decisions made on behalf of the CDD, but for something that has this much controversy involved in it and considering that the majority of the Board Members are golfers, shouldn't this be something that would go out to everybody to make sure everyone is okay and comfortable with it?

Mr. Showe: Everyone was noticed twice as part of what is required by Florida Statutes via mail. The public hearing was the opportunity for anyone that has comments to provide them.

Mr. Colasinski: I've been reading a lot of documents that are online and there is going to be a tremendous amount of opposition to it.

Mr. McCarthy: What I suggest, sir, is that you send an email to Jason. If you ask for something specifically, he will get it to you. If it's in the public area, he will get any information. He probably answers 400 to 500 emails.

Mr. Showe: At least.

Mr. McCarthy: So, he's very compliant and can release that information to you, but if there's something specific you wanted to know, you can give it to him, and he will give you the answer.

Mr. Colasinski: My discomfort with this is it seems that the vast majority of golf, the huge bulk of this money we are requesting, is strictly off of the benefit of golfers.

Mr. McCarthy: We had a situation where this was all explained at two meetings. We had an expert come in to explain the entire situation properly. Does anyone else want to speak?

Resident (Not Identified): Yes. It was not put up to a vote. It seems like the committee approved it with input from the expert and I respect that, but we have a right to understand how people voted and why the general population was not surveyed.

Mr. McCarthy: Jason, please explain.

Mr. Showe: There's no process for the CDD to do that, just like a city or county can raise your taxes without sending out a ballot to every person.

Resident (Not Identified): Does that seem fair to you?

Mr. Showe: It's not an issue of fairness. I've been doing this for 13 years and we manage 30 plus Districts in the Central Florida area. Never, in any of our Districts, have we done a referendum as you indicated. I am not even sure if it's legal.

Resident (Not Identified): We are voting for a mileage increase this year as well. Tax increases can come to a vote.

Mr. Showe: They can, depending on what type of increase it is.

Simon Tanner, The Heritage: First of all, what's your email address?

Mr. Showe: I will give you my card.

Mr. Tanner: I feel like slippery people need to be nailed down well and I have a feeling that we are dealing with some slippery people here. Is this an emergency meeting?

Mr. Showe: No.

Mr. Tanner: Do you typically have these meetings at 2:00 p.m.?

Mr. Showe: They are typically at 2:00 p.m. on Wednesdays.

Mr. Volpe: Did anyone make a motion to postpone this matter until after the election?

Mr. Showe: No.

Mr. Volpe: Can we make a motion to do that now?

Mr. Showe: That would be up to the Board.

Mr. Oakley: Jason, I would like to answer the gentleman's comment if I may.

Mr. McCarthy: Yes. Go ahead.

Mr. Oakley: You asked when did this all start, what was the timeline and things of this nature? This started a year ago in January. We asked for input from anybody that was at the meeting to give us input, all the way through June. There are more people right now than there has been at any of our meetings. When did we have this many people at a meeting?

Mr. McCarthy: Not in the last two years.

Mr. Oakley: Nobody came to the meeting and give us input. Then when we make a decision. Where have you been all this time and how many budget meetings do you come to at 6:00 p.m.? Very few people come to those. So, you can change the meeting time, but it's not going to make much of a difference in how many people come. Ask the people in Herons Landing when they have an evening meeting, how many people come?

Mr. Henry: I believe the last one I attended, quite a few people attended.

Mr. Oakley: I've attended meetings for the past seven or eight years and there were only four, five or six people at the evening meetings.

Mr. Colasinski: How many messages have you been getting that are opposed to this?

Mr. Oakley: Quite a lot, because as soon as somebody makes a comment in favor of the bond, three or four people attack them. So, you are not going to get anybody that's going to make a comment that's in favor of what we are trying to do. The only comments, for the most part that people are making, are negative comments. I would be more than happy to talk to you sometime about the entire thing.

Mr. Colasinski: Are you confusing opposition with negative?

Mr. Oakley: I'm not confusing opposition with negative, but when people call me names and things of that nature, I consider that pretty negative.

Mr. Colasinski: I agree with you. If someone is calling you a name, that's one thing, but people not agreeing with you is not an attack.

Mr. Oakley: Tim, sometimes you and I agree 75% of the time and 25% of the time we disagree. That's okay. He still talks to me and I still talk to him. We can have a civil conversation and try to mediate.

Mr. Colasinski: I guess that's characterizing a difference of opinion on social media as an attack.

Mr. McCarthy: At this time, we are going to move forward. We appreciate your comments. The public comment period is normally a two-minute period. We let everyone speak that wanted to speak and are proceeding with our meeting.

THIRD ORDER OF BUSINESS

Approval of Minutes of the May 27, 2020 and June 24, 2020 Meetings

Mr. Showe: We have been provided some additional comments. Those changes will be made in the final version for Mr. Oakley. If the Board is amenable, a motion to approve the minutes as amended would be in order.

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor the Minutes of the May 27, 2020 and June 24, 2020 Meetings were approved as amended.

FOURTH ORDER OF BUSINESS

Business Items

A. Consideration of Resolution 2020-08 Incorporating Series 2020 Bond Terms

Mr. Showe: We provided a resolution for the primary purpose of accepting and approving the final Supplemental Assessment Methodology, which takes into account the final pricing for the Series 2020 bonds. We also have Bond Counsel by phone. Steve, do you have any comments to make?

Mr. Zucker: I will point out, Jason, as we discussed, the final Supplemental Assessment Methodology, which we provided a hard copy of, had some cleanup changes to it. The final resolution certifies the special assessments.

Mr. Showe: Are there any questions or comments from the Board?

Mr. McCarthy: If not, we need a motion to adopt Resolution 2020-08.

On MOTION by Mr. Bedwell seconded by Ms. Walsh with all in favor Resolution 2020-08 Incorporating the Series 2020 Bond Terms was adopted.

B. Consideration of Approval of Updated Fees with Greenberg Traurig

Mr. Showe: This bond process has been ongoing for some time. We are still not sure when we are going to be at the end of it, but if we can get there, obviously Greenberg, Traurig asked to raise its original fee assessment from its original number of \$95,000. They put in over \$150,000 worth of work on the project, which should be approved.

Mr. McCarthy: We need a motion to approve the updated fees.

Mr. Oakley: I would like to thank Greenberg, Traurig for their hard work.

On MOTION by Mr. Oakley seconded by Ms. Walsh with all in favor Greenberg Traurig's updated fees were approved.

C. Consideration of First Supplement to Terms of Representation with Shutts & Bowen, LLP

Mr. Showe: This is a similar agreement with Shutts & Bowen, your Bond Counsel. They oversaw some of the process. They asked for a flat fee of \$37,500 as revised.

Mr. McCarthy: We need a motion to approve the first supplement to terms of representation with Shutts & Bowen.

On MOTION by Ms. Walsh seconded by Mr. Oakley with all in favor the First Supplement to Terms of Representation with Shutts & Bowen, LLP was approved.

D. Consideration of Resolution 2020-09 Equipment Schedule No. 008-0697772-108

Mr. Showe: Resolution 2020-09 produces the Equipment Schedule. This is to swap out the beverage cart and is the required paperwork needed to allow that to occur.

Mr. Melloh: The previous beverage cart was on lease. Our four years are up and we are just replacing it, but the leasing company wants a resolution from the Board.

Mr. Oakley: Is there any way that we can incorporate that in with our existing lease and possibly get a lower rate?

Mr. Melloh: These pieces of equipment that we have through TCF, our maintenance equipment or golf cart lease, are on our master lease program. These pieces come on and off.

Mr. Oakley: So that's already incorporated into the master lease.

Mr. Melloh: Yes.

Mr. Oakley: Thank you.

Mr. McCarthy: We need a motion to adopt Resolution 2020-09.

On MOTION by Mr. Oakley seconded by Mr. Bedwell with all in favor Resolution 2020-09 Equipment Schedule No. 008-0697772-108 was adopted.

E. Consideration of License and Indemnity Agreement with SAB Warehouse Viera, LLC

Mr. Showe: This is the old IRCC building that is now used by the landscaper. A portion of their drive actually sits on CDD property. Out of some concern expressed by the Board, there has been concern over this property for quite some time because of that driveway. But now that they are open, we worked with the person who owns that property and they are going to provide us with a license and indemnity. They already approved it, signed it and added us to their insurance, so we would ask the Board for approval on that item.

On MOTION by Mr. Oakley seconded by Ms. Walsh with all in favor the License and Indemnity Agreement with SAB Warehouse Viera, LLC was approved.

Mr. Oakley: Thank you Jason for all of your hard work.

F. Consideration of Facilities Use Agreement with Michael D. Hogan for Golf Instruction

Mr. Melloh: Michael Hogan is with the Golf Academy. This is something we entered in three-and-a-half years ago and is just another three-year approval of that agreement.

Mr. Showe: It's the same agreement we used previously. We just updated the years and dates.

Mr. Oakley: Did anything change?

Mr. Melloh: No, it stayed the same. With the condition of the golf course, I think it's a fair rate. He is happy and we are happy.

Mr. McCarthy: We need a motion to approve.

On MOTION by Mr. Bedwell seconded by Mr. Oakley with all in favor the Facilities Use Agreement with Michael D. Hogan for Golf Instruction was approved.

• **Other Business** *(Added)*

Mr. Melloh: I wanted to discuss the employee golf privileges. I provided to the Board a request to raise the cart fee for employee guests to \$22 and added a restriction so houseguests and immediate family members can only play after 1:00 p.m. We talked about the privileges. I think we just wanted to bring that to the Board to approve the rate increase and the restriction on the in-house guests and spouse.

Mr. McCarthy: Does the Board have any questions?

Resident (Not Identified): I do.

Mr. McCarthy: The public comment period is closed. I'm sorry.

Mr. Oakley: You and I discussed this. I think we should provide a courtesy to a family and houseguest and have them pay the \$22 just like everybody else. The people that are taking advantage of it in the morning, are they going to be feeling like we are singling them out?

Mr. Melloh: I don't think they will feel like you are singling them out. I think you just provided some options for them. At that time of the day, most of the time, you would have an employee that wants to play nine holes with his wife.

Ms. Walsh: The intent is that they would pay.

Mr. Melloh: Yes, before 1:00 p.m., if there is space available on the golf course, then they would pay \$22.

Ms. Walsh: What time does our price change?

Mr. Melloh: We have a rate at 11:00 a.m., 1:00 p.m., 2:00 p.m. etc. We have about four different price changes throughout the day.

Ms. Walsh: Thank you.

Mr. McCarthy: Are there any other comments? Hearing none, we need a motion as stated.

On MOTION by Mr. Bedwell seconded by Ms. Walsh with Ms. Thomsen, Mr. McCarthy, Mr. Bedwell, and Ms. Walsh in favor and Mr. Oakley dissenting, the request to raise the cart fee for employee guests to pay \$22 and include a restriction so houseguests and immediate family members can only play before 1:00 p.m. was approved. (Motion Passed 3-1)

FIFTH ORDER OF BUSINESS

Supervisor's Requests

Mr. McCarthy: Jo?

Ms. Walsh: Nothing.

Mr. McCarthy: Bill?

Mr. Oakley: None.

Mr. McCarthy: David?

Mr. Bedwell: Nothing.

Mr. McCarthy: Someone asked about participation at the meetings. In 2018, we had 12 meetings, and only two people spoke. In 2019, we had 11 meetings and a Town Hall meeting, where 40 or 60 people spoke. Nine different people attended in 2019, but only five people actually spoke. So, in two years, with 23 meetings, seven people came to talk to us. Our General Manager has been very open to the community. He's been willing to go into neighborhood associations in the evening and answer any questions that people have. As we mentioned before,

Jason answered probably 1,000 emails from people about questions they had. So, the Board has been very compliant in terms of responding to the community. As I said earlier, as a Chairman of the Board, I can't speak for the Board as I'm only one equal vote, but everyone has a different opinion. When the Board speaks, they have to speak in unison. I thank you for your time. We need a motion to adjourn the meeting.

Resident (Not Identified): I want to thank everyone on the Board. I know it's not a pleasant job. We will try to be at the meetings.

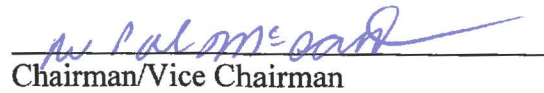
Mr. McCarthy: We appreciate your comments. We are doing the best we can.

SIXTH ORDER OF BUSINESS

Adjournment

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


Chairman/Vice Chairman