

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 May 13, 2021 at 7:00 p.m. at Faith Lutheran Church in the Multi-Purpose Room, 5550 Faith Drive, Viera, Florida.

Present and constituting a quorum were:

Rob Dale	Chairman
Pete Carnesale	Vice Chairman
Steve Colasinski (<i>via phone</i>)	Treasurer
Paul McCarthy	Assistant Secretary
David Bedwell	Assistant Secretary

Also present were:

Jason Showe	District Manager
Tim Melloh	General Manager
Residents	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Dale called the meeting to order at 7:00 p.m. Mr. Dale, Mr. Carnesale, Mr. McCarthy and Mr. Bedwell were present in person and Mr. Colasinski was present via phone.

SECOND ORDER OF BUSINESS

Pledge of Allegiance

The Pledge of Allegiance was recited.

THIRD ORDER OF BUSINESS

Public Comment Period – Items on Agenda

Mr. Showe: We are conducting a regular Board of Supervisors meeting for the purpose of conducting a rulemaking and rate hearing for the golf course. I talked with the Chair and we prefer to hold audience comments until the workshop. We are trying to hold this meeting strictly for the rate hearing, but we will open it up to any members of the audience who would like to provide comments. We will open it up during the workshop as well, but we can take any questions or comments at this time.

Resident (Jennifer De Vries, Durban Court): If it's specific about the rate hearing, is that okay?

Mr. Showe: Yes. There is a public hearing, so there will be audience comments on the rate portion.

Resident (Jennifer De Vries, Durban Court): Can I make my comments?

Mr. Showe: It's probably better to wait. That way it's conducted as part of the public hearing. If there are no other comments on this portion, we will proceed to the public hearing.

FOURTH ORDER OF BUSINESS

Public Hearing

A. Consideration of Golf Course Rates for Fiscal Year 2021

Mr. Showe: We need a motion to open the public hearing.

On MOTION by Mr. McCarthy seconded by Mr. Carnesale with all in favor the public hearing was opened.

Mr. Showe: The public hearing was advertised tonight for purposes of discussing the rates of the District. The one rate that was requested by the Board to change at this time, would be the Associate Membership, which is increasing from \$79 to \$99. That is the proposal. We can let Tim go through the rates.

Mr. Melloh: We are looking at increasing the dues for Associate Members by 25%, from \$79 to \$99. In the past 12 months, we sold 550 Associate Members that paid \$79, so an increase of \$20 would produce \$11,000 in revenue.

Mr. Dale: I thought there were 800 Associate Members.

Mr. Melloh: No. The second page will show you the sales that we had. There was actually 553 Associate Memberships sold. That is the most we have ever sold. It's normally around 490. At \$79, the 550 Associate Members produced \$43,687 in dues revenue, but the real meat of this program is what they paid in daily fees, which is \$295,000. So, when you add both of those together, we are looking at \$79 producing \$333,600 for Associate Memberships. *(There was a long pause while the Board waited for Mr. Colasinski to join the meeting)*. The Associate Members produced 7,309 rounds of golf and \$333,600 worth of revenue. When you add in the 550 complimentary rounds, that brings the total rounds played to 7,862. Even with the free rounds, that's an average of \$40.43 per round of golf from the Associate Members. The \$11,000

could be wiped out if we had just a 4% drop in play because of the 25%. I'm just giving numbers, not expressing an opinion. We can do whatever we want, but it has been a very profitable program for us. I just don't want to raise the rates so high that we price ourselves out of the market.

Mr. McCarthy: Is this the highest bracket of revenue that we get from the Associate Membership per round?

Mr. Melloh: Yes. The Associate Membership is the highest dollar per round of golf, mainly because they average about 14 rounds of golf per year per member. Some play more and some play less.

Mr. Dale: Tim, I just want to add to that because we are going over what we covered at the workshop, but I want to point out that if an Associate Member gets a free round of golf, which is valued at \$55, you are talking about effectively paying \$24 for that Associate Membership, which spread over 12 months is \$2 per month. With they get are exactly the same benefits that a CDD member gets for spending \$700 per year in taxes. I just wanted to clarify that for the record since we are at the public hearing. I was actually hoping for a higher increase than the \$99 that we were going for, but the concession made at the workshop was that we would go to \$99. I don't think that's an excessive amount.

Mr. Colasinski joined the meeting.

Mr. Dale: Steve, Tim broke down previously that we have roughly 550 Associate Members that account for roughly 7,399 rounds.

Mr. Melloh: Yes and another 550 complimentary rounds.

Mr. Dale: The point that I was just making was at \$55 for the free round that they get with the Associate Membership, if you subtract that from \$79, that's \$24. It costs an Associate Member \$2 per month. The money that we would be generating in additional revenue is roughly \$11,000 to \$12,000 in revenue. I don't think we are going to lose people over a \$20 increase. I think actually even at \$99, we are a little underpriced.

Mr. Colasinski: Annually that's very small for an annual increase. My dues got raised \$10 a month this year with the club that I belong to. That wasn't bad.

Resident (Jennifer De Vries, Durban Court): That's \$3.66 per month with the \$99 rate. Right?

Mr. Colasinski: \$20 per year is not an excessive amount.

Mr. Dale: Yes. The Associate Member then gets the same discount and benefits that a CDD member gets who pays close to \$700 per year in taxes. So, I don't think that's an excessive increase for Associate Members.

Mr. Colasinski: No.

Mr. Bedwell: A CDD member gets a 25% discount, not 20%.

Mr. Dale: Okay.

Mr. Bedwell: In the pro shop, it's similar.

Mr. Dale: Right. Thank you for clarifying that. I was afraid to throw that one out because I didn't want to get that backwards.

Mr. Bedwell: I don't think the same. Let me give you my perspective. In the marketing world, this product is what we call a price sensitive product. We don't know when it's going to drop off or when people quit paying. I stood out in the pro shop and watched Dennis or somebody sell this product and say, *"You pay \$79, but I see that you are not an Associate Member. If you pay \$79, you get a free round of golf. When you come back the second time, you get a 20% discount, which then makes up the other \$13 and you break even."* The further you get away from that calculation, it's an easy sell. If it starts taking three, four or five rounds of golf to break even, you are going to lose people in my opinion. This is a price sensitive product.

Mr. Colasinski: Tim, in my opinion, Duran is \$69, Baytree is \$58 and Savannah is \$59.

Mr. Bedwell: We should be thanking them. This is war. We try to take offers away from Baytree, Suntree and Duran and they are trying to take them away from us. That is my background folks. This is a price sensitive product. I can't tell you, but I know there is a point when they say, *"Nah, I'll think about it."* It is so easy to sell right now.

Mr. Colasinski: That's not an excessive amount, \$20 for an entire year.

Mr. Bedwell: You are missing the point, Steve. It's when they reject and say, *"No, I'll think about it."* It's a price sensitive product.

Mr. Colasinski: I hear your point. If that's the criteria they use, then they probably are not going to sign up anywhere.

Mr. Bedwell: You can't break away from the other golf courses. Why would we raise prices when they are less than us? How do you win that game?

Mr. Dale: First, I don't think it's a game.

Mr. Colasinski: We are not going to do it by being the cheapest one.

Mr. Dale: I don't think we do it by being the cheapest. I understand where you are coming from, Dave. In the business world, they call it the Law of Diminishing Retardance. What I want to remind the Board is what we also have to consider is we have a fiduciary responsibility to this CDD. What we should be charging for a product is what the product is worth. In other words, if someone gave me a new car, I don't sell the new car for \$100 because it was given to me. I sell that car for what it is worth. It's the same principle when we are talking about the Associate Membership. We may lose a few people.

Mr. Bedwell: Why is Duran and Baytree much less? If what you just said is true that we are supposed to be making money, what are they doing?

Mr. Colasinski: Have you seen the quality of Baytree lately?

Mr. Dale: There you go. That's part of the quality issue. I heard similar comments when we talk about the GPS, when we talked about adding a cart fee and when we were talking about some of the other things. I have been told all of these doom and gloom things. I'm not picking on you. I heard that from other people. We just had the two most profitable months we ever had. What I also have to factor in is I'm a Financial Advisor and on Wednesday we had the Consumer Price Index (CPI) numbers come out. CPI is inflation. Year-over-year, depending on which CPI you are talking about, it was either a 4% or 3% increase year-over-year from this point last year. What is happening is the cost of seed is going up. The cost of gas is going up. The cost of everything is going up. On top of all of that, we are trying to get this golf course to become self-sufficient and we are not going to do it by not charging market rates for our services. I think the market rate for this service is \$99. I actually think it's higher, but I was willing to concede with you guys. As you recall at the workshop, I wanted \$139, but I got some pushback.

Mr. Bedwell: That would be a bad program. You are willing to risk some loss from the \$333,000 for an \$11,000 gain. Is that what you are telling me?

Mr. Dale: Yes because I don't think there is going to be a loss.

Mr. Bedwell: In my 25 years of experience, this is a price sensitive product. I stood out there in the pro shop and watched it selling. It is a quick easy sell. As you get further away from playing two, three, four rounds to break even, there are going to be people saying, *"I'll think about it."*

Mr. Colasinski: Should we reach out to people who have higher disposable personal income? You'll find that in their opinion, \$20 is no big deal.

Mr. Bedwell: That's fine. You have the votes. I'm just telling you that I don't understand how this would be successful. The other point that I wanted to make, we didn't do this to make money on this product. Each golfer has a budget for the year in their head of what they are going to spend. We were trying to get more of that budget. In other words, play more here than playing at Duran or Baytree, not, "*Oh, we are going to come up with a program to make money on.*" That's not where we are going to make the money. It's not \$43,000. It's the other number, the big number.

Mr. Dale: I understand.

Mr. Bedwell: It is to get the people to play here more. It's the same thing that Duran and Baytree are doing. That's why they have the program. It's not to make money.

Mr. Dale: Right now, filling the golf course isn't an issue for us.

Mr. Colasinski: No, that's because of the Corona virus.

Mr. Dale: I'm not convinced that is the only reason.

Mr. Carnesale: I've spoken to at least three to four people coming off of the golf course. Two of them were new and two of them were here for a while. They all seemed to be here because of the quality of the golf course.

Mr. Bedwell: I agree.

Mr. Carnesale: Okay?

Mr. Bedwell: That's why you win.

Mr. Carnesale: I'm just saying that I asked, "*Hey, did you have a good game? What do you think of the golf course?*" Without them knowing who I am. Because if you tell them who you are, you know that you are going to get a positive response. That's stupid. Alright. So, I'm just saying try and compare rate equivalencies and make them equal when the quality of the golf courses are not equal. That is rough to do too.

Mr. Bedwell: The confusion is Duran's list price to play golf is higher than ours, yet they charge less.

Mr. Carnesale: Not true.

Mr. Bedwell: I'm talking about the published list price, the rack rate. Is that on the computer?

Mr. Carnesale: Duran is cheaper than Viera East. I just played there last week.

Mr. Bedwell: You may have gotten a discount. I'm talking about the published rate.

Mr. Carnesale: I walked in and played. That is my discount.

Mr. Bedwell: My suggestion based on my experience would be to approve these rates in October or November. Jason, when are going to actually vote on it?

Mr. Showe: The Board will consider the rules and rates in late August along with your budget hearing. So, you would have another opportunity at that point.

Mr. Bedwell: I suggest you raise it to \$89 and see what happens in the next four months. If nothing happens, then we go to \$99.

Mr. Dale: I'm not comfortable. I already made the concession from \$139 to \$99, which I thought was generous.

Mr. Bedwell: In the last four years, the golf course has been independent. It has made a profit every year. Does everyone understand that?

Mr. Dale: No, it has not made money.

Mr. Colasinski: No.

Mr. Dale: We lost a tremendous amount of money.

Mr. Colasinski: Not enough to be self-sustaining.

Mr. Dale: That is the whole gist behind all of the little pieces of the puzzle that we have been trying to put together for the last six months.

Mr. Melloh: That's where the \$250,000 number that I constantly throw out where we need to have that not in revenue, but in profit. We can have all of the revenue in the world, but it doesn't make one iota of difference if our expenses exceed that.

Mr. McCarthy: Our expenses haven't gotten past that.

Mr. Dale: We made \$18,000 last year. Actually, I would question even that because of the fact that the CDD receives in \$30,000 to \$40,000 in contributions to the golf course before the year even starts. Then you throw in the fact that we don't have capital reserves to take care of greens and bulk heads, seed and all of things that we had to use a bond for. That is millions of dollars. That is the analogy I always use where you say, *"Yeah, I can afford the house, but I can't afford to repair the roof or buy appliances or fix the air conditioner."*

Mr. McCarthy: I have it right here. In 2020, there was a profit of \$18,890.

Mr. Colasinski: How do you sustain a golf course with \$18,000 a year?

Mr. McCarthy: You can't, Steve. There is no question about that.

Mr. Colasinski: Exactly. There is sufficient revenue to exceed expenses so we can make the golf course self-sustaining.

Mr. McCarthy: We understand that the golf course is self-sustaining at this particular point for the last four years.

Mr. Carnesale: No, it's not.

Mr. Colasinski: No, it isn't. When we need to reinvest with infrastructure, we will not have the money. When we need to improve infrastructure, we won't have the money.

Mr. Dale: Exactly. We won't have money for greens or bulkheads the next time around or any of the major expenditures, such as the sprinklers. That's because the golf course does not make money. Every 10 years, we have to come up with millions of dollars, the capital expenditures. Those are the things that we should be saving for. That's why we need that extra revenue on an annual basis, to be able to start to build those pots of money up. That's something we haven't done for most of the time that this golf course has been around.

Mr. Carnesale: Basically, all of the actions we have been taking have been with the intention of getting each entity that we have to the point where it becomes profitable on its own without raising taxes/assessments on the people that elected us into office. So, if you don't want to raise the money here, you have to raise it somewhere.

Mr. Bedwell: I know. I'm through. I said my peace.

Mr. Dale: I wasn't trying to cut you off, Paul.

Mr. McCarthy: That's all right. I understand.

Mr. Bedwell: I agree with you that the golf course is not self-sustaining if you say that you have to operationally make money plus make enough money for reserves.

Mr. Dale: Right.

Mr. Bedwell: But I don't know what percentage of golf course in the United States are doing that other than very high-end private golf courses where they can send invoices to the members.

Mr. McCarthy: The golf course is 27 years old, which is the life of a bulkhead, the life of a sprinkler system. That's why they are failing.

Mr. Dale: I understand. That's why we need to start building up those pots of money to be able to take care of that and artificially keep prices low or not charge fair market rates. That's what I'm talking about when I say that we have a fiduciary responsibility to the people in this

District to charge a fair price for our goods and services and then build up the reserves and run the golf course as a true business.

Mr. Bedwell: If the General Manager for those three golf courses were sitting here, we would appreciate this. I would. Go to \$139, Rob.

Mr. Dale: I hear you.

Mr. Colasinski: We talked about \$99 and that's what we are going to stay at.

Mr. Dale: I hear you, but I disagree with you.

Mr. Bedwell: Okay. Fine.

Mr. Showe: Is there any other Board discussion?

Mr. Bedwell: No.

Mr. Showe: Then we will open it up for public comments. Please state your name and address and keep your comments to three minutes.

Resident (Jennifer De Vries, Durban Court): I've been listening to this discussion with great interest. I am a businessperson myself. I run a small business. I know what you are talking about. The other golf courses around here are \$59 or \$69. What I would like to suggest is perhaps you change the rate because when you are in a price sensitive market, one of the things that can set you apart is changing the business model. So, what I would like to suggest is that maybe you sell all of these businesses. I work with software. We sell software as a service. You sign up, give them your credit card, they charge \$49 a month on your credit card and you get 12 rounds of golf per year. Then you are a member. Plus, if you sign up for that, you get special programs, discounts, whatever, but it doesn't have to be a yearly fee with a discount like everybody else does. Can it be something different? So, I would just like for the Board to think about that, if there is a different way to think about this and maybe set Viera East apart.

Mr. Bedwell: So, you are saying charge monthly?

Resident (Jennifer De Vries, Durban Court): Yes, charge monthly and you get one round a golf per month, just like you get one massage a month or you get your software for a month. So that is my suggestion.

Mr. Dale: Thanks.

Resident (Jim McSeveney, Heron's Landing): I agree that it should go higher than \$99 because when you look at what the residents are paying into the CDD, that \$600, it is not fair to them. They should get 5% less. Even in your program now, they are able to track their scores and

that costs the CDD residents money. That's free to them. So, if you look at that number, you are getting a round for \$30. That is not the right price. If you are making comparisons to Baytree and Duran, those are public golf courses. They are not supported by people that are giving you money. Their programs are totally different. There is no free round at Baytree. Okay? It's a whole different game that you are playing. This is a municipal golf course where you have people pay. If they are not going to give the residents the best deal, why are you getting somebody else a better deal? I don't understand why you would do that to all the people that are paying. They are getting a better deal and you have no way of knowing. You have no data to tell you if you take this to \$160 or \$150, what's going to happen? There is no data out there to prove anything. You might do better when you get that price. They might play the same amount and making 20% more. I believe it should go higher, maybe \$130, \$140 or \$160. \$99 is still too low. That's it.

Mr. Dale: Thank you.

Resident (Tim Bianchi, Auburn Lakes): You guys were elected to make the golf course self-sufficient and you are trying to do the work. I'm not sure why you don't want to support that. We've had special assessments just to fund the golf course.

Mr. Bedwell: Correct.

Resident (Tim Bianchi, Auburn Lakes): So how can you sit there and say that the golf course is self-sufficient when we have been still paying the special assessment on the golf course. I'm flabbergasted by this. You have no plan to make it self-sufficient. Why don't you get on board and help us out?

Mr. Bedwell: We improved the golf course so we beat the competition.

Resident (Tim Bianchi, Auburn Lakes): There is no competition. I don't want to play Viera East every week.

Mr. Bedwell: Okay. That's your comment.

Resident (Tim Bianchi, Auburn Lakes): My problem is that you are a Board Member. I'm a resident and I'm paying the dues just like everybody else and I'm trying to tell you that she's trying to give you a different business model, which I think is awesome, but you have no plan. You are just telling us the doom and gloom of what comes out of this. I support what you are doing. I'm with him, raise it higher if you can, but you guys agreed to \$99, so go with \$99. Four months from now, raise it again.

Mr. Dale: Thanks!

Mr. Bedwell: The only way you win is having a better golf course.

Resident (Jennifer De Vries, Durban Court): I don't know if that's true.

Resident (Tim Bianchi, Auburn Lakes): That's not true.

Mr. Bedwell: Do you think Apple wins because they have a less expensive iPhone? What are you talking about?

Resident (Tim Bianchi, Auburn Lakes): There are other phones that are just as qualified as the Apple phone. Your analogies are not proper for that we are trying to do. We are trying to make the golf course self-sufficient, which you already acknowledged it is not.

Mr. Bedwell: I know.

Resident (Tim Bianchi, Auburn Lakes): This is how you do it.

Mr. Bedwell: I was trying to get there. The assessment was to do the projects that make this golf course so much better. We can charge higher rates and get more people to come here. That's my way of building reserves and not cutting costs. I'm sorry, but that's philosophy.

Resident (Tim Bianchi, Auburn Lakes): That's why you are on the Board.

Mr. Bedwell: I want the same end goal.

Mr. Dale: Alright guys. Do we have one more comment?

Resident (Jim McSeveney, Heron's Landing): No. I think you need to limit this to three minutes.

Mr. Dale: I agree.

Resident (Tim Bianchi, Auburn Lakes): I agree.

Resident (Jennifer De Vries, Durban Court): I agree with these gentlemen. I paid \$700 a year for residents of Viera East and somebody gets almost the same benefits by paying \$79. That irks me. That is another reason. I think the business model needs to change. I think there needs to be a bigger commitment.

Mr. Dale: Okay. Thank you.

Mr. Bedwell: I suggest keeping it at \$79 and eliminate the free round of golf. Pricing closer to Baytree and Duran is something else we can do. You might want to think about it.

Mr. Dale: Is that something you would support?

Mr. Bedwell: I would support that.

Mr. Showe: That is an option the Board could consider tonight. We advertised that rate at \$99, so if that is a function of the price, you can go lower at the rate hearing. You couldn't go higher than \$99. You could make that change tonight.

Mr. Dale: And just do away with the free round?

Resident (Jennifer De Vries, Durban Court): Or do a \$20 round. So, we would still pay \$99.

Mr. Dale: I wouldn't want to do away with the free round altogether.

Mr. Bedwell: In the world that I lived in, we were competing against competitors that get too far away from their pricing.

Mr. Dale: Steve, what do you think of that option; instead of \$99, keep it at \$79, but eliminate the free round?

Mr. Colasinski: What revenue are we getting from the free rounds?

Mr. Dale: It is a round that they are now going to have to pay for or which would be at a higher rate than the \$20 increase.

Mr. Colasinski: I'm not opposed to that.

Mr. Dale: I have to admit, it's something that I can live with.

Mr. Bedwell: That would probably be the way to go. That's me. I'm just trying not to get too far away from our competitors in pricing.

Mr. Dale: Right. I think the net effect of that would actually be even more revenue for the golf course.

Mr. Carnesale: Assuming that those people play the same number of rounds. That's what it comes down to. You don't know. It's apples and oranges that we are comparing.

Mr. Dale: We have four months to check it out.

Mr. Bedwell: We can do it in four months.

Mr. Dale: In four months, you will know.

Mr. Bedwell: Jason showed me, when you look at the prior month and the prior year, he can compare between last year and this year to say, "*Hey, something dropped off.*"

Mr. Carnesale: We also have to remember that type of membership is spread out throughout the year. It's not that everybody is due at the same time.

Mr. Bedwell: Right.

Mr. Carnesale: So, it's going to be a little harder to figure in terms of where you are standing in terms of what you did.

Mr. Bedwell MOVED to keep the golf course rate for Associate Member at \$79 and remove the free rounds of golf and Mr. McCarthy seconded the motion.

Mr. Dale: Is there any discussion? The only thing that I'm going to say is I can live with that one. That is the middle ground.

Mr. Bedwell: We have four months to look at it.

Mr. Dale: I could live with that. The main thing is that I want to see more revenue for the golf course.

Mr. Bedwell: You can raise it \$89, keep the rounds off and raise the rate.

Mr. Carnesale: You can drop that now and six months down the road or bring it up in small numbers so that does not have a monstrous impact on the people.

Mr. Showe: It will cost a couple hundred dollars to advertise the rate hearing. For the most efficiency, you want to try to capture all of that at the same time. I'm not saying that you can't do your plan, but there is a cost to advertise.

Mr. Dale: We will discuss it during our workshop. Does the Golf Course Manager have a comment?

Mr. Melloh: We talk about where we want to set ourselves apart, but yet we take the GPS off of the carts to save \$8,400. Will that set us apart? I don't know.

Mr. Dale: It was not \$8,400. I look at that year-over-year and what we paid for GPS last year was \$12,000 to \$15,000. I get that they reduce their rate, but they reduce their rate because of the threat of doing away with the GPS altogether.

Mr. Melloh: You are asking me a question and I'm just telling you that my personal opinion is that we are trying to set ourselves apart here. Yes, Baytree, Duran and Savannah don't include free rounds of golf. We do. That is what sets us apart. We could harm ourselves, if it's something too drastic, but that's just my opinion.

Mr. Dale: I understand.

Mr. Melloh: I will do whatever you want to do. That's what I'm here for.

Resident (Jennifer De Vries, Durban Court): Duran includes two free rounds of golf, one on Par 3 and the other on the golf course.

On VOICE VOTE with all in favor keeping the golf course rate for Associate Member at \$79 and removing the free rounds of golf was approved.

Mr. Showe: We need a motion to close the public hearing.

On MOTION by Mr. McCarthy seconded by Mr. Carnesale with all in favor the public hearings were closed.

- **Public Comment Period – All Items (Item 6)**

Mr. Showe: Do you want to take public comments now before you go into the workshop?

Mr. Dale: Yes, let's go ahead and do that in case we have items that are off subject.

Mr. Showe: We can take any other public comments on any items. We received a request from Mr. Tim Bianchi.

Resident (Tim Bianchi, Auburn Lakes): I sent an email to the Board saying that the mirrors we purchased have connectors. I don't know who the logistics person is for the CDD, but that was not a good purchase for us because they are going to snap off when the heat dry rots them. So, we are going to have to look for new mirrors. They are already dropping just from the wind. When I'm running, I'll push them back up. Additionally, there is a washout that I brought to the Board's attention at the Osprey walkthrough. We used golf course material, divot filler and now we are using shells. Is there a long-term fix for that because this is going to keep happening? We are going to need some engineering analysis. If you look at what is going on, the whole earth is falling in on it and it's going to fall at one point because there's no structure to hold it up other than cement.

Mr. Melloh: Where is that again?

Resident (Tim Bianchi, Auburn Lakes): Osprey at the Clubhouse.

Mr. Melloh: I remember talking about the cracked concrete there.

Resident (Tim Bianchi, Auburn Lakes): That still hasn't been fixed.

Mr. Melloh: We were trying to get the person doing our dog park.

Resident (Tim Bianchi, Auburn Lakes): This is where the waterway rolls into the conservation going towards Murrell Road. You better look at it.

Mr. Dale: Is that the section that Ed wanted us to look at?

Mr. Melloh: Yes. There are sections that we wanted Mr. Dave Bell to fix.

Mr. Dale: You are talking about the two in Woodside. Right?

Mr. Melloh: There are some in Woodside, but we have a couple of other spots too.

Mr. Dale: That's what I'm talking about.

Mr. Melloh: We have a few spots down Murrell Road.

Mr. Dale: You heard what happened today, didn't you?

Mr. Melloh: I did hear that.

Mr. Dale: Our contractor already had a torn tendon and had trouble walking. Then he tripped over his son's toy and he had to have surgery on both legs. He's walking around on a walker right now. I think he's far enough past surgery that things will start getting back to normal.

Resident (Tim Bianchi, Auburn Lakes): Somebody put shell in the hole because it could end up being a safety hazard. It's right on the sidewalk and the kids go to school there. It was fairly large, but I encourage the Board Members or Tim to get over there and look at it, but where the concrete has been set up where water flows through, it's already caved in. There is a massive hole. You just know that underneath there it is all eroded.

Mr. Melloh: How far down the path are we talking about?

Resident (Tim Bianchi, Auburn Lakes): You can see it from the Clubhouse.

Mr. Melloh: Is it where the railing is?

Resident (Tim Bianchi, Auburn Lakes): Oh yeah. It's right in the middle. I'm surprised your guys haven't gone over there. He did fill it, but it was gone after the first storm. Now with the used shell, I put my foot on it and it started to sink. You are going to need to have an engineer look at what is going on underneath because it is going to collapse and you are going to have a major issue.

Mr. Melloh: So, I guess that we need to have the Board approve the engineer to come out and take a look at it. We have been having some engineering issues, but again, beyond filling it in with material, I don't know what else there is to do except having an engineer take a look at it.

Resident (Tim Bianchi, Auburn Lakes): You are filling in a safety issue, but in the long term, it is going to collapse. When it does, you are going to have no water flowing in that lake and it's going to backup.

Mr. Dale: It's right where the rail is.

Resident (Tim Bianchi, Auburn Lakes): So, the rail comes all the way around. It's about mid-way down. You can't miss it. It has a grade on it. You will see where I'm talking about. Steve knows exactly where it is because we walked down together. So, the mirrors need to be changed out. The plastic piece is not going to last. They are already falling. I need the engineer to take another look at it.

Mr. Dale: Alright.

Resident (Tim Bianchi, Auburn Lakes): There are ways to fill it. We did it out at KFC. We had a similar issue where we had a wash away. There is a way to fill it. It is not uncommon, so it's not going to be super pricy. That's all I have.

Mr. Dale: Thank you. Anyone else?

Resident (Jim McSeveney, Heron's Landing): Thank you for putting barricades between Heron's Landing and Auburn Lakes on the path. I ask that you please go out there and look at the concrete to see if it lifted or if there are cracks. I tripped out there yesterday. I was getting out of the way of a bicycle and had to go through the edge. A lot of the edges have all kinds of lifts in places. With the concrete where you can trip and fall, it's a liability if somebody falls out there and trips. So, I ask you to go and fix that and take care of that. It's the section between Heron's Landing and Auburn Lakes. Some of it might need to be ground down. Some of it might need to be cut up in small sections and replaced.

Mr. Dale: Okay.

Resident (Jim McSeveney, Heron's Landing): The second item is the dog park. It is going to be great, but I ask that you look at the restrooms. It is going to be a quality facility with at least substandard restrooms and maybe even less, especially if you are talking about putting trucks in there and having some kind of events. Those restrooms aren't anywhere near what's needed for what you are planning on doing down there. I was down there the other day and it was like, *"This looks great, but what happened to this?"* Why are we doing this piece right here.

Mr. Dale: I would throw the golf course into that mix.

Resident (Jim McSeveney, Heron's Landing): The third thing is I know that you are doing this plant restoration and where you want to put it. When I was down to where that location is, that location looks like it was restored with bollards a couple of years ago. So why are you putting it in that location if you already fixed it?

Mr. Melloh: This planting isn't for the shore. It is for the littoral shelf, which sits about six or seven inches under water and goes out about three or four feet.

Resident (Jim McSeveney, Heron's Landing): I think the idea that you are not going to have to do any of that other kind of restoration is supposed to help it?

Mr. Dale: This isn't so much a restoration issue. This is more of a filtering and maintaining the shoreline. The gist of the littoral shelf is we try to get a 10-foot swath of whatever plants are used in that process. They have done all of these studies that find that the plants wind up acting essentially as a filter for the water. It helps with oxygenation of the water. It helps with algae issues in the water. So, it's not so much a shoreline restoration issue. It's more for the quality of the water. It does both.

Resident (Jim McSeveney, Heron's Landing): Why not do it at a location that has not been touched with the other shoreline restoration? Why pick that location? Pick a location that is natural and hasn't been disturbed.

Mr. Dale: The primary reason is we want people to be able to see it. There is an educational component of this process. The intent is to roll that out to some of the neighborhoods like Bayhill and some of the homes in Heron's Landing. We discussed at length at the last workshop that what happened in the past is people pick on Bayhill. As an example, they want nice pristine grass to the water's edge and then what winds up happening is you get all sorts of algae blooms. We wind up with midge problems over in the golf course. So, it helps with quite a number of problems.

Resident (Jim McSeveney, Heron's Landing): I understand what you are saying. Why not pick a pristine location that hasn't been touched? If you want to do the education, you are going to have the education confused because they have already seen that the back has been restored. If you say that you are going to put this in there, people are going to see that it has been restored. Is that a part of the project? You are going to have to explain that is not part of what you want to do. Why not pick a pristine non-touched location and do it?

Mr. Melloh: We have three other locations that we are doing a sampling of. We have four locations in total.

Resident (Jim McSeveney, Heron's Landing): Okay.

Mr. Melloh: The primary reason for those plantings is to show how these plants filter out nitrogen and phosphorus. The secondary reason would be lake bank erosion. As Rob pointed out, we wanted a spot that was highly visible so people could come and see it. A perfect example is in your neighborhood. People love that pristine look like Rob was saying of the St. Augustine grass right on down to the crystal clear water's edge. The people in your subdivision lose their minds when there is a little bit of spatterdock and they are not going to want their backyards looking like what this is going to end up looking like. We want them to be able to see this and see what it looks like. So, what these people are saying is, *"We don't care about the environment. We care about the look of our yard and let all of the phosphorus and nitrogen from our yard end up in the lake,"* which causes dead zones at the bottom, fish kills and midges.

Resident (Jim McSeveney, Heron's Landing): I'm not against the program. That's not what I'm talking about. Just what you are saying, people are going to look at where it is and see the shoreline and are going to think that's part of the entire project. You are not educating them on what it's really intended to be, a pristine location. Pick a location that is highly visible. That's what you want to do.

Mr. Dale: You just nailed it right there, Jim.

Resident (Jim McSeveney, Heron's Landing): Don't pick one that has already been done.

Mr. Dale: Where is the location where everybody is going to see it?

Resident (Jim McSeveney, Heron's Landing): You are going to confuse people with the idea. They are going to see this and see that it is being restored. Why are you showing them the education? That is not the education you want to show them. You want to show them a pristine location that has not been touched. I will say no more. Do what you want.

Mr. Melloh: The good news is that Brevard County is getting a grant to do education and there will signs there. The primary part about this education is the filtering of the phosphorus and nitrogen. Not so much the lake bank restoration.

Resident (Jim McSeveney, Heron's Landing): Education is what you see, also. That is the first thing you are going to see.

Mr. Dale: Jim, I hear what you are saying and I'm not opposed to it. I'm drawing a blank trying to come up with an alternative where people are going to see it. Do you know what I'm saying?

Resident (Jim McSeveney, Heron's Landing): You are going to see something different than what you are intending on for the future. You are going to lose part of your education by what they initially see, which is something different than what you really want it to look like.

Mr. Dale: I don't want to end this conversation, but for the sake of the meeting, we have to. I would like to continue the conversation with you, but I want to understand some areas. Maybe together by brainstorming, we can come up with some other alternatives.

Mr. Carnesale: Where you want to put it hasn't been addressed in terms of what you are saying. That is just as accessible to the public to do the education now. So, it has to meet both criteria in order to meet your statement. I'm not saying that you are wrong. I'm just saying that it would have to meet that requirement as well.

Resident (Jim McSeveney, Heron's Landing): Sometimes two visual things.

Mr. Carnesale: That's why I said that's not wrong.

Mr. Dale: Do we have any other public comments?

Resident (Jennifer De Vries, Durban Court): I just want to say that I love seeing what's happening at Woodside Park and the bourbon tasting and all of the things you guys have been doing lately. Kudos to you. Thank you.

Mr. Dale: Thank you.

Mr. Showe: Is there any other public comment? Hearing none,

FIFTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Showe: Are there any Supervisor requests?

Mr. Carnesale: Where are we with the engineer? Did we get any new proposals?

Mr. Showe: No.

Mr. Carnesale: Now it becomes a matter of how long do we want to wait? What I'm afraid of is with all of the things that are happening nationally, I'm looking at massive inflation happening within the next year. The dollars we have now will not be worth anywhere near that amount a year from now. So, the fear of waiting too long to get an engineer in place, we will

wind up doing it at a lesser cost, if the prices go up tremendously because of inflation. Basically, if you look at any of the financial people, they all project inflation to continue to rise.

Mr. Showe: I will note that the District has a current engineer. They haven't submitted a resignation. They are continuing to perform the services under our contract.

Mr. Carnesale: There are things that we want done. We don't have anybody that is willing to come on board. It might not be a choice of whether we use the one that is in place. That may be our only choice because that one is already there and we don't have anybody else offering to come on board.

Mr. Dale: I still have other people that I'm in the process of discussing.

Mr. Showe: I'm still checking with all of the vendors that we work with. Most of them are so buried in work that their main concern is keeping the quality of their work up. This is a large District, not a typical CDD. This District has an extreme amount of infrastructure so it is a large amount of work for a firm. With everything else going on in the industry right now, they want to make sure that they keep their clients.

Mr. Carnesale: With that in mind, I would like to set a timeline where at some point we say, *"Hey, if we haven't got it, we have to go with what we got."*

Mr. Showe: You will actually go with what you got until you find another one essentially.

Mr. Carnesale: I'm thinking in terms of some of the new projects we want to do that we want to put off because we want to give those to the new engineer.

Mr. Dale: We are not putting them off. We have a timeframe of January.

Mr. Carnesale: We postponed those to the following year. My fear is that the course factor will be going up immensely in the meantime.

Mr. Dale: We already had a timetable that he recommended and I think we were all in agreement.

Mr. Showe: The biggest cost right now that we are seeing is supplies. It is really just a matter of getting supplies here. So, in six months, that issue may have been resolved. There may not be as many issues with getting supplies. You can't bid something like that out that is so material intense far much earlier than you planned to do the project.

Mr. Dale: I understand what you are saying. That ties into my CPI comment from earlier, but a lot of the damage has been done.

Mr. Carnesale: I see it go up every month as we go forward.

Mr. Dale: Yes, but you are not talking about astronomical numbers. You are talking 3% year-over-year.

Mr. Bedwell: Jason, there seems to be some confusion so I want to strengthen myself out. Was the current District Engineer responsible for giving us the quote that we missed by a mile?

Mr. Showe: He was not responsible for giving you that quote. The new District Engineer would be responsible for creating the scope of the bid, which gets you pricing from qualified vendors.

Mr. Bedwell: The District Engineer's job was to evaluate the company to see if they were capable of doing the job. Right?

Mr. Showe: Yes and to create the bid package.

Mr. Bedwell: He wasn't responsible for the price. Correct?

Mr. Showe: He wasn't solely responsible for the budgeted amount that was placed in the Engineer's Report.

Mr. Bedwell: That's okay. I want to move on.

Mr. Dale: Are there any other Supervisor requests?

Mr. Bedwell: I would like to make a request. There is a Marketing Committee made up of Tim. I would like to join if I could.

Mr. Dale: They had a meeting on the 28th that I just sat in on. I actually kind of like that idea if no one else has a problem.

Mr. Bedwell: Okay. Just let me know when they are meeting, Tim. That's all I have.

Mr. Dale: I just sat there and listened.

Mr. Bedwell: I have a hard time listening, but I'll try.

Mr. Dale: You have good input. You have a lot of good ideas.

Mr. Bedwell: That's my background. I can always throw out ideas.

Mr. Carnesale: The reason for having those meetings and the groups is to get various opinions. It's not going to hurt for you to join that with a different perspective. That's a good thing. Not a bad thing.

Mr. Bedwell: Okay. I just thought I would add some value.

SIXTH ORDER OF BUSINESS

Public Comment Period - All Items

This item will be discussed at the workshop meeting.

SEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Bedwell seconded by Mr. Carnesale with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman