

MINUTES OF MEETING  
JULINGTON CREEK PLANTATION  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Julington Creek Plantation Community Development District was held Tuesday, July 11, 2006 at 6:00 p.m. at the Community Development District Administrative Offices, 950 Davis Pond Boulevard, Jacksonville, Florida.

Present and constituting a quorum were:

Susan S. Beaugrand	Chairperson
Kathleen P. Minnis	Vice Chairman
Al Abbatiello	Assistant Secretary
April Spears	Assistant Secretary

Also present were:

James Oliver	District Manager
Jonathan Johnson	District Counsel
Rob Mizell	District Engineer
Matt Maggiore	ETM
Paul Basham	Basham Lucas Design Group
Mike Lucas	Basham Lucas Design Group
Stacie Hernandez	YMCA
Lori Avampato	Rolland DelValle & Bradley

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Beaugrand called the meeting to order at 6:00 p.m.

**SECOND ORDER OF BUSINESS**

**Approval of the Minutes of the:**

**A. June 6, 2006 Meeting**

Ms. Beaugrand stated the next item on the agenda is approval of the June 6, 2006 meeting minutes. Are there are additions, corrections or deletions?

Ms. Minnis stated the only correction I have is on page 22 where Stacie references the Red Cross, that should be capitalized. I thought it was in another spot too.

Ms. Beaugrand stated it is also in the last line of that paragraph.

Ms. Minnis stated I do have a comment about the minutes. When that lady spoke up and said about the wetlands, when I read that I started to think about that conversation, did we ever clearly tell her that she was not at a POA meeting, that she was at the CDD meeting?

Ms. Beaugrand responded yes.

Mr. Abbatiello stated on page 27 where it says Mr. Abbatiello stated Rich attended the Riveroaks meeting earlier. The very last word should be Mandarin not Maitland.

Ms. Beaugrand stated I had that one too. I couldn't figure out what that should have been.

Ms. Beaugrand stated on page 21 the last paragraph, four lines up from the bottom of the page, if you wanted to do an apples to apples comparison "is" should not be there, it should just be "comma the number."

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the minutes of the June 6, 2006 meeting were approved as amended.

**B. June 8, 2006 Meeting**

Ms. Beaugrand stated next is the minutes of the continuation of the June 6, meeting held on June 8. Are there any corrections?

There not being any,

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the minutes of the June 8, 2006 meeting were approved as submitted.

**THIRD ORDER OF BUSINESS**

**Discussion Items**

**A. Recreation Facilities**

Ms. Beaugrand stated the next item on the agenda is a list of discussion items. First is the recreation facility. First off, the good news is the Board of County Commissioners approved our NOPC this afternoon. Our zoning is done which is a major feat.

Mr. Basham joined the meeting at this time.

Mr. Basham stated I brought some honored guests with me. You remember Mike Lucas my partner and Mike is going to be project architect now that we are into the actual details of the

project and probably will be attending more frequently than I will. Also Lori Avampato joined us. She is our interior designer and is with Rolland, DelValle & Bradley and we have done numerous projects with her together, recreational facilities and I wanted to introduce her and also talk tonight about any specifics that the Board may have on interior finishes that might be unique. We obviously know it is something that is low maintenance, very durable and cost effective. We will get into that.

I wanted to start first with the site plan. In the last 30 days we have been going through several different reviews and discussions with different agencies, one being water management. They have indicated that it has been two years since we had originally filed our application for review and they wanted to go back out and look at the wetlands which typically is not a good thing because usually you lose land after it has been two years but you can see on this site plan it worked out in our favor. The pink line is what we originally had and applied for and now the green line represents the new wetland line. Fortunately, the site has dried out, we are permitting significantly less wetlands and that is a good thing. We probably won't have to fill the site as much because we have more land to work with now and are able to get more lake area. Predominately, the site plan stayed the same; the only thing we have done is shifted the tennis courts over and were able to pick up quite bit more parking than we originally had. All of that is good news. Everything else pretty much stayed the same and if the Board agrees with it, we are ready to continue with our civil engineering and permitting.

Ms. Beaugrand asked was this the last site plan that we had, because that still shows the lake in the middle. This one is really old when you think about.

Mr. Basham responded yes, that one is really old.

Ms. Beaugrand asked isn't that what you handed out last time?

Mr. Basham responded that is the wrong site plan.

Ms. Beaugrand stated the layout of the building and pool stayed the same from the last layout.

Mr. Basham responded the only thing we have done is now that we have more room we have taken the pool house that was crammed up on this area and moved it down here. There is much more open space around the pool area now because we gained so much open land.

Mr. Jonathan Johnson joined the meeting at this time.

Mr. Basham stated we are getting our wetland impacts down. We might be able to get them down to as minimal as half an acre which means we may be able to get an H and Y permit which may simplify some things but that is through the Corps and we have already gone so far with the Corps anyway I don't know if that will pick up too much time. Right now we are looking at probably another month and a half for civil engineering and another three months for wetland permitting, so around a five month period is when we would actually have the permits required from a jurisdictional agency or government agency standpoint.

Ms. Beaugrand stated those are not concurrent then.

Mr. Basham responded yes, a month and a half and three months, so five months.

Ms. Beaugrand stated they are not running at the same time.

Mr. Basham responded no they are not. That somewhat tracks with our working drawings. We are shooting to be in a position to permit in November.

Ms. Beaugrand stated there was a change relating to the wetland buffers or setbacks.

Mr. Basham responded there was but that was much more complicated when we had a smaller site to work with. Now that we have ample upland space, we meet the current buffer criteria. We are in real good shape.

Ms. Beaugrand stated last month you had the water management site inspection and that was a positive impact and wasn't there also a meeting with the county to talk about site plan approval?

Mr. Basham responded we didn't meet on the site plan. Mike met with the county building officials to talk about fixture count for toilets and fire protection and all of those things. We met with them and because of some unique determinations, the building department comes up with on restroom count we were able to negotiate with them that we can do a deck seating plan and use that as our fixture count which without complicating it is much better for us because originally they said we just take the square footage of all the deck and the pool, add it all together and then do restrooms for that, which is ridiculous. It was beneficial for us.

Ms. Beaugrand stated I thought there was going to be some discussions regarding the site plan approval.

Mr. Basham responded there were but we put that on hold when all of these wetland lines started moving around because the plan we had before didn't work with an upland buffer requirement.

Ms. Beaugrand asked is that something that is on the game plan for this coming month?

Mr. Basham responded absolutely. It is on the game plan for next week if you are okay with this new site plan.

Ms. Beaugrand asked were there any discussions, we had a question during the meeting about impact fees. I think Kathy brought that up last time.

Mr. Basham responded no, and you notice as part of this package we put this budget back on here so we can go through the list of items not included to try to associate numbers. We feel good about the other numbers we can put together other than some refinements to site work now that that site plan has changed but the impact fees were on there and I thought maybe tonight we could go through there and figure out who is going to put a number to what category.

Ms. Beaugrand stated task.

Mr. Basham responded task. Certainly environmental permitting we can handle.

Ms. Beaugrand stated first of all let's try to finalize the site plan issue and make sure any of the Board members have any questions on the site plan, if you are good with it so they can progress with the site plan meeting. This one is really old where the pond was in the center and that was moved a long time ago.

Ms. Minnis stated we don't have the last picture.

Mr. Basham responded I can show you. The only difference, because this plan is still fairly close, is we had two tennis courts here and we split them over so they are all in a straight line now. Then we picked up all of this parking where the two tennis courts used to be.

Ms. Minnis stated the question I have about the move of the tennis court was when it was here it seemed like the entrance was here.

Mr. Basham responded it is still right at the corner of the building.

Ms. Beaugrand stated kind of the eastern part.

Ms. Minnis stated okay.

Ms. Beaugrand stated you can look at the floor plan and you will see the gate access.

Mr. Basham stated the other thing this does is allow us a lawn to put a tent for tournament days which we didn't have before either.

Ms. Beaugrand stated this is more functional. It satisfies April's concern about having all of the restrooms on one end of the facility. This splits them up.

Ms. Minnis asked what about the concern of it being further away from little kids.

Ms. Beaugrand stated there are bathrooms in the building over here, so now you have them on both sides of the pool facility.

Mr. Abbatiello stated I still have a concern about having a beautiful view of the place and this puts parking in the view.

Ms. Beaugrand stated we changed that a long time ago. The last site plan didn't have the lake in the middle either.

Mr. Abbatiello stated the driveway going up will have some kind of aesthetic.

Mr. Basham responded it will, it will be tree line down both sides so it will be a very elegant arrival.

Ms. Beaugrand stated it still comes to the center of the building so you still have the building as a focal point as you drive down the parkway.

Ms. Spears stated now with the extended area that we have, couldn't you just take that whole thing and put it up there and put the parking lot behind it? I guess it takes you away from the tennis courts. Never mind.

Ms. Minnis stated I think it is less of an attractive nuisance to the side as and if it were towards the front you would have kids running out to the front. You are talking about a lot of kids.

Ms. Beaugrand stated if everyone is good with the site plan, do we need to do a motion, I don't think we did before.

Mr. Johnson responded I don't think so unless there is an objection from a member of the Board, I think Paul can be instructed to move forward.

Mr. Basham responded there are plenty of opportunities for mild refinement as we go through the process. We are 90% there.

Ms. Beaugrand stated go for it on the site plan. Should we talk about a timeline that we worked out last week? It impacts Paul and Mike in their budgeting process.

Mr. Johnson stated we had a conference call with Prager Sealy & Co., our investment bankers, to talk about the bond market and what we would need to do to be in a position to access the bond market and also how that might plug in against the new construction funds in hand to begin spending on both any permitting efforts as well as the hard construction. I think their strong recommendation just based on the last year and where they anticipate the market going is to try to get a bond deal done before the end of the year. We have funds on hand for the

efforts that we are undertaking currently, however, before you could be in a position to actually put a project out for bid or at least by the time you had bids back you would need to have bond monies in the bank in order to secure that contract and I think before bidding is better, although certainly sometime during the bid process is still workable but if you have the money in the bank when you go out to the contracting market that is something some of the big contractors are looking at in terms of your financial feasibility and if there are still question marks about that it may impact some of the prices that you receive. In looking to do that you may recall that your last bond issue which was a refunding bond issue was rated and insured and resulted in a very low interest rate. It is their recommendation that we go back to the rating agencies to apply for a rating for these bonds even though they would not be refunding bonds but would be an original issue, I think they are confident that they could obtain the same rating and insurance which of course would lower your interest costs dramatically and give you more construction dollars to do things with out of the project. In order to do that some of the things they will need are the beginnings of an engineer's report that you have an authorization on your agenda later today for England Thims to begin to get started on that and if you have been through the bond documents in the previous issue you are familiar with what that looks like but it is really a short document that lays out the story of what it is this District is building, what permits are needed, what has been obtained, what are the land use approvals, really telling the investors where the money and how the money at least conceptually is going to be spent. It sort of lays out the broad parameters. They also need draft copies of some of the initial bond documents, the trust indentures that you have seen in those bond books as well but are drafted by Mr. del Castillo from Squire Sanders and that would be a preliminary step to the formal issuance itself which we would want to tie into the bidding process to have monies in hand. Looking ahead it was our feeling that we want to at least get started on the contacts with the rating agencies and the preparation of those initial documents. You have a work authorization to consider later authorizing England Thims to spend some money to do the engineer's report. The bond documents themselves don't come at a cost. Mr. del Castillo's firm does work on a contingency basis and are paid out of bond proceeds. The work with Prager Sealy & Co. is also on a contingency basis paid out of bond proceeds. Much of that work comes at no cost to you at this time and certainly doesn't represent a commitment to issue bonds under any specific terms or conditions but I think we are going to ask you to consider before we adjourn tonight a general

motion to authorize those entities to begin working on those preliminary documents so that again, when asked by the rating agencies that you have authorized them, that we have something in the minutes to show them that yes, we are formally requesting that they evaluate in essence your credit worthiness and have some of the initial drafts of documents in place.

That is sort of an immediate horizon and then moving forward to trying to have a closing done by the end of the year. Having lived through it I think most of you know that is about a 60 day process from the time you definitively say “go” in order to prepare an offering memo, get that on the street to the investors. Typically, they will come down and do a site review process and then get the bonds placed and sold. That is the window we are looking for and hoping to have that done before the end of the year. Is there something else you wanted to add to that?

Ms. Beaugrand responded it is kind of running through the timeline and if you work backwards let’s say for example we want to issue bonds no later than November because I think typically the bond market kinds of goes into a flux at year end so if you go out to market we want to do it before the end of November. If you back up with those 60 days or so we are looking at having an assessment hearing in October or November but certainly before the bonds are issued and having to have the engineer’s report. I think we wanted to have that by the August meeting so they can start that due diligence process. What that means is that these numbers that Mike handed out, we have got to get further down the line on getting closer to a comfort level on those numbers. This is Paul’s first shot at those and we obviously have additional numbers that we have to get our arms around that could potentially be pretty significant numbers and be able to provide those to ETM so that they can do the engineer’s report which they did one for us when we did the refunding of the bonds and actually when we talked about buying this building before we had this facility. It is kind of a planning process.

Ms. Minnis stated you have a 60 day window.

Ms. Beaugrand stated I think by the August meeting we would want to have the engineer’s report and that would be ready so that during the month of September, early October Prager could go back to the rating agencies and get their commitment in that September/October timeframe along with the offering memorandum and all the other due diligence with having a funding happening in November.

Mr. Johnson stated those things would have to be wrapped up.

Ms. Minnis stated okay, not the end of November.

Ms. Beaugrand stated you want to hit it before the holiday starts, that is about when the market starts to go a little haywire.

Ms. Minnis stated that is why I was wondering the last time we did it, we were avoiding the same timeframe and I was worried we were getting too close to December.

Ms. Beaugrand stated if we are ready to close sooner, we can. Technically from a rate standpoint you would probably want to close sooner than later, the markets are still indicating that rates are going to continue to go up. I did ask Pam Holton from Prager what an indicative rate might be today or the day we had our phone call and she said with the rating and insurance exactly what we had when we did the refinancing of the original bonds, the rate would be a 4.95% rate which I was surprised it was below 5%. That is lower than our refinancing rates. We are surprisingly still in a good position there.

Mr. Basham stated there are a lot of assumptions that have been made on these budgets and as an example fitness equipment, this assumes we are going to buy fitness equipment whereas we could lease it which would obviously change this budget number but it just becomes an O&M cost. Furniture could be the same way but we have put an allocation in here and on all of these numbers optimistically we are estimating high so at the end of the budget analysis you may have a number that is higher than your target number. Through the bid process we will have those to take money out of the job if budget becomes an issue.

Ms. Beaugrand stated with value engineering.

Mr. Basham responded yes with value engineering. For example taking clay courts to asphalt or whatever it may be. The things that we have not put numbers to are these items on the back and anything else that Stacie or anyone else may be able to think of.

Ms. Beaugrand stated one of the things we talked about last month was as we go through this budgeting process is to kind of show us some of the options from a costing point. As an example, the cost of clay courts versus whatever the alternatives are.

Mr. Basham responded that will be part of the next budget I give you, the option 1 category and the option 2 category.

Ms. Beaugrand stated the items other than obvious refinements that have to go on for the first page, which for the benefit of the residents who are here, that totals \$11,814,000. Do you remember what the number was the last time? It wasn't that far off from this number. I remember it being in the \$11 million range. We need to go through the items on page 2, make a

determination whose task it is to determine those costs. I presume this falls between Basham & Lucas, ETM and Hopping Green.

Mr. Basham responded and possibly Stacie.

Ms. Minnis stated for the other costs there is the expansion of the CDD which has become a significantly more than we thought. Where does that come out of?

Ms. Beaugrand responded maybe O&M.

Ms. Minnis stated the \$15,000 that Jonathan sent us.

Mr. Johnson stated the cost of doing the boundary amendment to bring the facility in. That could be paid out of your current expansion funds. That is an overall project budget item. You could pay that out of your capital fund today.

Ms. Beaugrand stated the moneys we have accrued.

Mr. Johnson responded yes, that is another \$15,000 that we need to assume is going to go into the overall total cost.

Ms. Beaugrand stated we should probably add that to this list.

Mr. Johnson stated we could add that as "J".

Ms. Beaugrand asked was that \$15,000?

Mr. Johnson responded that was the working budget, that included the final fee to the county cost for GMS to prepare the SERC and my estimate of legal fees. I have had a fee as little as \$7,500 and as much as \$12,000 depending on what the county does. It is a good working budget.

Ms. Beaugrand stated I thought you said \$15,000.

Mr. Johnson responded I estimated \$10,000 for legal fees, \$1,500 is the filing fee to the county and approximately \$4,000 for the economic exhibits prepared by GMS. I think I pulled that out of their contract and I will verify that amount. That is about \$15,000. It could go up \$5,000, it could go down by \$1,000 or \$2,000 depending on actual costs.

Ms. Minnis stated I know we are working on this page with this thought in mind and this timeline, we have to have this boundary expansion to build this project.

Mr. Johnson responded you need to have this done by the time the project opens. It is not a preconstruction, bond sale or permitting issue. For us it is a way to ensure that we have consistent ability to charge the non user fees that we charge. I think we have an open contingency as to whether we could do that if we haven't brought the property into the boundary

but that is an operational issue. It is not going to be an impediment to either bond closing or construction.

Ms. Beaugrand stated I guess the best thing is to go from top to bottom and assign the tasks. Environmental permitting?

Mr. Basham responded that will be Basham & Lucas.

Ms. Beaugrand stated zoning and land use modifications are complete at this point.

Mr. Johnson stated they are complete. Between ETM and my firm we can itemize what those costs were.

Mr. Basham stated permit and impact is Basham & Lucas. Meter and tap fees we will take a stab at that.

Mr. Johnson stated on impact fees, if are you getting the feedback from the county that we are going to pay impact fee, bring me into that loop.

Mr. Basham responded sure.

Ms. Beaugrand stated O&M will be Stacie's office. Probably the card management system as well. You might want to check back with Eric because they do have a card access system at Oakleaf.

Mr. Basham stated while we are on it, anything else that may be of an operational nature like we want to do a lightning detection system or one of those security things in the pool that they have out now, the cameras, anything along those lines that are part of the operation.

Ms. Minnis stated meter and tap?

Mr. Basham responded Basham & Lucas.

Ms. Beaugrand stated we are down to professional fees.

Mr. Johnson stated I suggest recharacterizing that as financing costs because you have professional fees such as bond counsel costs.

Ms. Beaugrand responded yes, because we already have Paul's numbers in there.

Mr. Johnson stated you will have some mandated costs associated with establishing reserve funds in the bond issue so there will be bonds that will be issued that don't go to construction and I think if you broaden that you get a handle on your financing costs. What are you going to issue that you don't have going into the construction account. I would say probably Prager Sealy can spell that out for us.

Ms. Beaugrand stated so that will not include any ETM costs, Basham & Lucas we already have their numbers, or Hopping Green & Sams.

Mr. Johnson responded there will be bond issuance costs for ETM, my firm and we will wrap all that into this. I would include in there also the dollars associated with non construction funds like reserve funds and things like that.

Mr. Basham asked who is doing that?

Ms. Beaugrand responded Prager Sealy. Will you contact Pam on that?

Mr. Johnson responded yes.

Ms. Beaugrand stated off site development costs.

Mr. Basham responded that will be determined in the next couple of weeks when we meet with the county. The only reason I put that on there is the county may require us to do turn lanes out in Durbin Crossing Boulevard.

Mr. Beaugrand stated we need to include the parking lot over here and the parking lot across the street. That should be ETM. The bathrooms across there as well. We were going to fold that into this facility because of the cost. Off site development, Basham & Lucas is going to lead the charge with the county on that.

Mr. Basham responded and ETM.

Ms. Beaugrand stated and St. Johns County. The land cost, we have already absorbed the land cost. We have those numbers. GMS will do that. We need to talk about timeframe. We wanted the engineer's report back at the August 8<sup>th</sup> meeting so let's talk about when Paul needs to have these numbers so he can package it together to get to ETM. I think one person should be in charge.

Mr. Basham asked how long will you need for the engineering once you get our numbers?

Mr. Mizell responded about a week.

Ms. Beaugrand stated ETM needs those numbers at the end of July.

Mr. Johnson stated you probably want to review it a few days before the Board meeting. You would like to see his draft and your Board meeting is on the 8<sup>th</sup>, then you probably want Rob to be able to get a draft out by at least August 3, or 4, and that gives you the weekend which means he would need numbers by the 27<sup>th</sup> or 28<sup>th</sup>.

Ms. Beaugrand stated let's put the 28<sup>th</sup> so that gives you two and a half weeks. No, Paul needs to get them to ETM before that.

Mr. Basham responded remember we are going to have this option A and option B list so the number you are going to get in your engineer's report I assume will be the option A which will be the highest number.

Ms. Beaugrand asked can you have that option A and option B for the next meeting?

Mr. Basham responded yes.

Ms. Beaugrand stated so option A and option B is outside the engineer's report. We want the highest number in the engineer's report.

Mr. Johnson stated in terms of dealing with the agencies and starting the issuance process it is much easier to start and go back the other way.

Ms. Beaugrand responded yes. You have the highest numbers in the engineer's report. You all know when you need to get the numbers to Rob and Matt and at that point you can start working on the option A and B for the 8<sup>th</sup>.

Mr. Basham responded okay.

Mr. Mizell stated we will need to get a draft of the report to you.

Ms. Beaugrand stated I think it needs to be a draft because the Board needs to approve it anyway.

Mr. Johnson stated or in a form that can come back for final approval.

Ms. Beaugrand stated if it is fine, we can approve it. If you can get it to me ahead of time I can run through it and maybe catch if there is anything obvious.

Mr. Johnson stated understanding there is sort of a two tier process. The first cut that you say okay, we are in the ballpark will be good enough for the rating agencies discussions. There will be a final draft that will go in an offering statement that comes with SEC 15C212 liability in terms of making appropriate disclosures and that will come back to you later in the fall. That will be your final update. This is really what we are doing. Next month you could approve it in a conceptual form and know it is still coming back to you for final approval.

Ms. Beaugrand asked is everyone okay with that?

Ms. Minnis asked if he has until the 4<sup>th</sup>, are we going to get it before the meeting, because it won't make the agenda package.

Mr. Johnson stated it won't make the agenda but his target is to have it out to you by Friday the 4<sup>th</sup> so you have it for the weekend.

Ms. Beaugrand asked is it going to be in pdf or something?

Mr. Mizell responded yes.

Mr. Basham stated we gave you an updated set of plans and I apologize for not getting it to you sooner. We were working on it up until today so there is some progress. We have primarily focused on the site planning issues but I would like to ask Lori to introduce herself and she has some information on her company and the Board could share any thoughts you may have on the interior design of the facility.

Ms. Avampato stated I am with Rolland DelValle & Bradley and I am happy to be here and I have had the opportunity to work with Basham & Lucas for the past couple of years and they are really good architects. They are great to work with. I brought a statement of qualifications on our firm. I just wanted to get your feedback on what you are thinking about the recreation center as far as interior and what kind of feeling you want and maybe what kind of materials you are thinking of. It is my understanding that I will come back September probably and do an additional concept presentation. What I would like to do at that presentation is bring full size samples you can look at and from there if it is approved I will do full presentation boards. I prefer to do it that way to come in with boards. Our firm is a ten year old firm. We are doing some of the largest projects, architecture and interior design. We do corporate office and we also do a great deal of hospitality as far as clubhouses, amenity centers and community development.

Ms. Beaugrand asked what other community centers have you done?

Ms. Avampato responded right now I am working on one and a lot of things that are in there are not even finalized yet because they are not quite finished yet but I'm working on one in Tampa with Paul which is a 30,000 square foot facility.

Mr. Basham stated she has done a lot of work with Tom Gillette.

Ms. Avampato stated Eagle Landing this year.

Mr. Basham stated she has built the Eagle Landing facility for us now. Mirabella project.

Ms. Avampato stated I did Bartram Springs.

Ms. Minnis asked is the World Golf Village, the one you have listed.

Ms. Beaugrand stated the Sevilla is a World Commerce Center which is right next to World Golf Village.

Ms. Minnis asked can we see any of these?

Ms. Beaugrand stated go down to Bartram Springs. It is very nice. Is Mirabella complete?

Ms. Avampato responded yes it should be.

Mr. Basham stated I really encourage you in probably another 30 days see the Landing.

Ms. Beaugrand asked what kind of ideas do you want to help get us started?

Ms. Avampato responded I guess things that you want to see in different areas. Such as what ages are in the kids club and the teen room. What kind of things do you see in there? Pool table, those kinds of ideas. The multi purpose room, will it be all meeting room kind of set up or do you want room for one to be more casual seating and the other to be table seating. Those kinds of things.

Ms. Beaugrand stated I think the multi purpose room is going to be real flex space, where we can use it for a variety of different things.

Ms. Avampato stated folding tables and things.

Mr. Beaugrand stated so we can do meetings in there but clear it out for parties or dinners, card parties. This will end up being the center of our community.

Ms. Avampato stated I was looking for an adult room and I didn't see one.

Ms. Beaugrand stated the multi purpose room if we end up with senior breakfast, book clubs, card clubs, that kind of stuff will end up in the multi purpose rooms.

Ms. Hernandez stated the kids club is going to be used in several ways. It is going to function as a camp during the summer and also when parents go to work out they can drop their kids off and they are there for a short time. We are going to have to be able to separate the two. We also need to think about smaller children, how we can separate toddlers. Those two areas need to be separated. They may come into one place but we need to see the difference. We want to make sure that we know where all the kids are at all times and what program they are in.

Mr. Basham stated the age group will be from 2 – 8?

Ms. Hernandez stated maybe 12, maybe older.

Ms. Beaugrand stated I think you almost have to go elementary age and younger and then middle and high school with the way we have the grades separated.

Ms. Hernandez stated now that we have the teen retreat we can separate that. Once we get into programs and I start developing it things will start to take shape and I can give you more information.

Ms. Spears stated there should be things in the room for the kids to do. Like places in the mall where they have tunnels, that may be extreme but we need to have something for them to do.

Ms. Avampato stated it is not a huge room there is a partition in it so you have two areas.

Mr. Basham stated on the teen retreat what do you see happening in there?

Ms. Beaugrand stated I think you have to have some game tables of some sort. Maybe a pool table would be a great thing to have. I don't know but we have to figure out game tables. We just need to figure out from a space planning standpoint how much room we have, whether a pool table would take up too much room, then we don't have any room left over.

Ms. Minnis stated I think a pool table is too expensive and takes up too much room and not enough people get the benefit of it versus if you have the air hockey, it is over fast and you turn it over to someone else. When we were in the Bahamas I saw this and there were so many kids that played forever in pool and the other kids just waited and waited. With the other things, they turn over faster.

Ms. Beaugrand stated maybe some pinball machines. Those are just some ideas to throw out. We went through this in our ad hoc to such a large extent. We plan on doing movie nights outside.

Ms. Spears stated it would be good to have things that can easily be moved. A pool table wouldn't go anywhere whereas if we have ping pong you can fold it up and put it against a wall.

Ms. Beaugrand stated I guess the biggest bang for our bucks as far as more people being able to use them and being flexible.

Ms. Minnis stated I can get in touch with Maryann and ask her for that list.

Ms. Beaugrand stated I have it at home too.

Ms. Minnis stated we had a list of ideas.

Mr. Basham stated along that same line, that third sheet was the snack bar list.

Ms. Minnis asked did you ask about this?

Ms. Basham responded yes. Our kitchen is based on that menu now.

Ms. Minnis asked is the kitchen where you could have a caterer come in?

Mr. Basham responded yes. We have a back up area which will have refrigerators and warming ovens and ice machines, primarily for a day in and day out operation on the multi purpose rooms. If you have a 4<sup>th</sup> of July event or 1,000 people, we don't have a kitchen for that.

Ms. Beaugrand stated you are talking about outdoor grills.

Mr. Basham responded yes, you would have a caterer who has that equipment with them or brings it with them.

Ms. Avampato asked do you have any information on the fitness club as far as desire for material or that kind of thing or aerobics room, or are you looking to me for those?

Ms. Beaugrand responded we are looking for you to provide us with ideas there.

Ms. Avampato asked do you want something casual for Florida.

Ms. Beaugrand responded functional, but nice, durable.

Ms. Minnis stated one of the questions was I was just thinking is that I like the light in the windows and that is why I bought the house I own. Are we are going to require a lot of window treatments? Because then we are getting into a lot of money.

Mr. Basham responded not necessarily. It faces northwest and southeast.

Ms. Avampato stated the window treatments we have been doing are functional. We are not doing a lot of decorative just to become a maintenance issue and expense. I think that is part of the furniture budget.

Ms. Beaugrand stated I think there are going to be some areas where you won't need to have window treatments in certain situations or want them. They will be in select locations.

Ms. Minnis stated I would prefer not to have them.

Ms. Hernandez stated when I prepare this O&M, I will be thinking about programs and thinking how the room is going to be utilized but I also do a lot of phone calls and talk to other people who are doing these programs and I always like to go onsite and visit, watch the kids, see what they use, see what they don't use. I have been waiting for this moment to get started. I have a lot of ideas. Before I put anything on the table, before I give you direction, I actually want to see how I'm going to do it and go visit and see what works and what doesn't. I work with a lot of 16 year olds and they are a good feedback for me. Do they go to these places? What do they want to see? What kind of maybe mentoring programs? The furniture has to be movable so that we can sit down and do some kind of mentoring because it may not just all be fun and games. We have some pretty sharp kids in Julington Creek. We have a lot of A+

students and they like to have fun but they also like to think and work and give back to the community. The room is going to be used in a lot of different ways but before I can tell you exactly I want to do some more research and I have to have that done by July 28, so I will have something for you by then.

Ms. Beaugrand stated for the fitness center with the aerobics room, we are going to want the flooring that would be appropriate.

Ms. Hernandez stated I have gotten a lot of feedback from gyms on their flooring. I want to take a look and see how long it has been on the floor and how good the wear is.

Ms. Avampato stated I can tell you what we have been using too.

Ms. Beaugrand stated it might make sense for you and Stacie to get together outside this meeting to get a bit more detail, once she gets her O&M budget put together.

Mr. Basham stated Eagle Landing has a lot of the same components, the teen room, the kids club, snack bar.

Ms. Avampato stated that is a different feeling there because it is sort of old timey, they were going for a different look than this.

Ms. Beaugrand stated it is much more of a luxury community too. It is a higher priced housing community. That may have had an impact there.

Ms. Avampato stated as we go through this process and I have questions should I contact one of you as a single point of contact or how do you want me to handle that?

Ms. Beaugrand responded I think Stacie would be a good first point of contact. She knows where we are going. You are certainly always welcome to call me or any of the other Board members. We will give you contact numbers.

Mr. Basham stated I can do that.

Ms. Minnis asked have you worked with CDDs before?

Mr. Basham responded many times.

Ms. Minnis stated they you know we can't respond to all. I can send you a question and you can respond to me.

Mr. Basham responded I would prefer to direct it to us. We can go through these drawings again. I apologize for not getting to you sooner but you can take these with you. The floor plans you have seen before. The things you haven't seen is the small building that is up at the skate park and airnasium which is just a small building for control and has an office, storage

area and two restrooms. You can estimate how many people might be up there at any given time but as far as the code requires, we are only required to have two restrooms there.

Ms. Beaugrand asked do we really need to have that extra large storage over there?

Mr. Basham responded I think you do just from a maintenance standpoint. You never have enough storage area. You may end up having racks for basketballs, a lot of things. A lot of this is just progress work. Page A2.1 is refinement on the front elevation, the side elevation. The next page is the rear and the left side. You can see predominantly rear elevation on the second floor we have a tremendous amount of glass looking out of the fitness area on to the pool area so it will be a great atmosphere for exercise. Because we have surrounded this building with functions, we are going to put the mechanical equipment up on the roof which is what that equipment screen is on the back side of the building. On A2.3 is the pool house which again is very utilitarian. I wasn't going to spend any excess money on that other than what is needed for the function of the building. A2.4 is the small building I just mentioned which is the control center for up there and also a picture of what the airnasium would look like.

Ms. Minnis asked how tall is the airnasium?

Mr. Basham responded 22 feet to the bottom of the ceiling. This is also an area we can value engineer. This building has been articulated with brick columns. Certainly, that comes with an expense and we can save some money if we do a simple steel structure building and that will be part of that option list that we talked about.

## **B. Purchase of Former Distinguished Realty Building**

Ms. Beaugrand stated the next item is the purchase of this building.

Mr. Johnson stated I think that is just an informational follow-up to say that it is all done, and we are here tonight.

Ms. Beaugrand stated Stacie, Matt and I were talking earlier tonight about different maintenance items for example flashing around that area so Stacie is getting some bids to get things like that that really need to get fixed, get bids to get that taken care of. The sign has been pulled down and no longer says Distinguished Realty Building. Now would be a good time to maybe come up with a name for the building to put on the sign. Administration Office, CDD Building, Residents Center, we don't have to come up with it tonight but think about what you want on the sign. Maybe the ladies in our office can come back with some names too.

### **C. Management of Recreational Facilities**

Ms. Beaugrand stated the next item on the agenda which we need to discuss before we get to the proposed budget would be the management of the recreation facilities. As we discussed last month and Stacie provided us with kind of a comparison, not taking our new facility into consideration but our current facilities, provided us with a budget to give us an idea of what the differential in the cost would be. That is taking into consideration existing programs, not any additional programs that we may choose to do in the future. I think what it comes down to is with the new facility we are going to have there are going to be a number of revenue generating opportunities that we have with it. When you think about the fitness center, tennis courts, the daycare facility, movie nights, whatever the case might be, there are going to be a lot of opportunities for us to be able to provide a lot of different services to the residents which I personally think we need to capture that revenue to help offset potential assessments to the property owners out here. That is a limitation that we have currently with the YMCA management contract. They run that part of the operation for us at this time so that revenue goes into their budget. That is a big issue for me. I also feel like Stacie is the lynchpin in this whole organization and I feel very comfortable that she and her staff are fully capable of running it without the YMCA as the backstop. The other opportunities are replacing the insurance and so on. That is what we need to talk about tonight because it does have an impact on the budget. I also think it is important that if we do choose to go that route that we need to do it before we bring on the new recreation facility because we can work out the kinks and bugs this coming year with just one facility, a much smaller facility, more simplified operation and have everything set for when the new facility opens up. With that being said I would like to open it to the Board for any questions or comments.

Ms. Minnis asked on the budget?

Ms. Beaugrand responded a discussion on the management. This budget gives you an idea of what we have here, the differences from a revenue and expense standpoint. Clearly we have an opportunity. This has a few extra things that Stacie has put in here.

Ms. Hernandez stated this is another one with the administration building included.

Ms. Beaugrand stated you also have in that one the holiday camp, parents night out, holiday shopping, which is stuff that she wants to go ahead and start doing during this fiscal year

too. Instead of just doing summer camp, having a Christmas break camp for parents who work, or a parents night out on occasion. It gives you an idea on the second budget she just handed out, if you look on the left hand side, we have YMCA costs \$324,000 the net cost on the right hand side would be just under \$300,000. There is potential profit just with that example of \$25,000 to the CDD. That is not adding any of the other potential revenue generating possibilities that we will have in the new facility. I think that number is going to be remarkably different with the bigger facility. We have more options.

Ms. Minnis stated you have ADP at \$1,400 under the YMCA budget, what is ADP?

Ms. Hernandez responded that is payroll service.

Ms. Beaugrand stated it is in the human resource number which covers the payroll process, benefits, and calculating all human resources you would have and you priced that out at third party service.

Ms. Hernandez responded yes, Paychex.

Ms. Beaugrand stated then you have the taxes and insurance added in too.

Ms. Minnis asked where are things like alarm and police and sanitation? Is that in here?

Ms. Hernandez responded that is on your other budget.

Ms. Minnis stated that is what I'm trying to distinguish, what is covered there.

Ms. Hernandez responded it is a little confusing. We have two budgets.

Ms. Beaugrand stated some of this is on the right budget. What she is trying to show you here was a comparison of our expenses today with the YMCA managing our facility and what they would be without the YMCA managing the facility, if we had to take over all of the administrative costs because a lot of these expenditures are within the contract through the YMCA.

Mr. Abbatiello stated I have had an opportunity to review this and I have talked a few times with Stacie and with staff. I feel comfortable with self management as compared to the YMCA. The total operation with Stacie steering us, the fact that she lives here, staff is well trained, I think it is a perfect set up for us to step off on our own particularly with the new facility coming up.

Ms. Beaugrand stated I do want to point out just so you don't get surprised, Stacie is planning to move out of Julington Creek.

Ms. Minnis stated my biggest thing is the potential revenue that we lose. The other issue has been that we are restricted in some ways on rules. This gives us the ability to decide.

Ms. Beaugrand stated we really need to formalize a decision on this. Do we need to do it in the form of a motion?

Mr. Johnson responded you do.

Ms. Beaugrand asked do we do this effective the end of the fiscal year?

Mr. Johnson responded I think you give notice as of the end of the fiscal year. I don't remember the exact provision for termination.

Ms. Beaugrand stated I think it is 30 days.

Mr. Johnson stated if it is a shorter window you can do it earlier.

Ms. Beaugrand stated you can give them notice and have it effective September 30.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the contract with the YMCA is to be terminated effective September 30, 2006.
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Ms. Hernandez stated I am a little uncomfortable, Gregg is the one who hired me five years and I appreciate him doing so. I wanted to be in the community and I wanted to work with the kids and work for the YMCA to come and obviously, those things didn't happen and we kind of moved into a new realm with the new facility coming. I wanted to go on the record thanking Gregg for giving me the opportunity to work in my own community and allowing me to learn something new. I am an art major, I have a masters degree in fine arts and this was a good fit for me, moving from the arts. I wanted it on the record that I appreciate everything Gregg has done for me and the YMCA. It was a good choice for the CDD to hire the YMCA because they are the only company that can do what they did and they did it well and I was able to learn a lot and I wouldn't have learned as much from Aquatic Alliance. I learned a lot and I appreciate that.

Ms. Beaugrand stated I agree. I was going to say the same thing. The YMCA has really been wonderful to work with and this is by no means a negative statement against the YMCA. When we brought the YMCA in, we needed them very badly and they really did right by us. At this point I think we have outgrown it and we don't need the YMCA anymore and that is the bottom line but I think anyone here would be happy to give the YMCA a reference and I have done that in the past with one of your other communities. We would certainly be happy to do

that again in the future should the need arise. There is absolutely no negatives here, it is just the change in our life cycle.

Mr. Gregg Coop stated we understand.

Ms. Katey Stuart asked will Stacie automatically become our manager or are we going to see if there is anyone else who is interested in bidding on that job?

Ms. Beaugrand responded I am not interested in having anyone else in that job. Stacie knows our operation and that is one of the primary reasons I am comfortable not having the YMCA in here. If Stacie weren't willing to do this I don't know that I would have suggested it or voted for it at all.

Ms. Minnis stated the same thing with Susan and I and Stacie as well have lived here a long time, we have seen the management companies that were turning over here and the problems we had at the pool so when the YMCA did come and said give them a try and they were successful and we had some of the best years. People have come to us and asked why does it go to the YMCA and we said we don't have anyone at this point. I agree with Susan we have the experience and we don't have to bid it out at this point, it is something we can always consider but when it is new we want the experience of someone who already knows and she has spent a lot of time in these meetings, rather than bring in someone else.

**D. Proposed Budget**

Mr. Oliver stated when we approved our proposed budget at our June 6, meeting, I misspoke and said that the public hearing would be August 11, it is actually August 8, which is the regular scheduled meeting for August. I spoke with counsel and he advises that we publish a resolution that reschedules the public hearing date to August 8, so we don't come in on a Friday evening. I would ask for a motion to approve Resolution 2006-05 rescheduling the public hearing to adopt the budget for fiscal year 2007 to August 8, 2006.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor Resolution 2006-05 was approved.
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Mr. Oliver stated the proposed budget is in the agenda packet and now that we have direction on the management of the recreation facilities, we will further fine tune this budget

working closely with Stacie to make sure we have all of the revenues and costs to be as accurate as possible.

Ms. Minnis stated there is a typo on this page, the table of contents page.

Mr. Oliver stated I will take care of that.

Ms. Beaugrand stated I was just going to point out some things that have changed from that last edition. If you look at the general fund budget I brought up last month that there was a kind of question we had. The TRIM notice publication which showed \$5,000 on the current budget but nothing on the new budget and then in the notes there was an item describing what the assessment roll was, however, we didn't have a line item on the budget for the assessment roll. You will notice the TRIM notice, the very last item under administrative costs is still at zero but they have in fact added an assessment roll line item which is the \$16,500 number about seven lines down and if you look at the work authorization 49 in front of you that is the estimate of the cost of the assessment map roll and the true up that ETM has provided us and they have done it for us over the years. That number is higher than we have had in the past. I do know that.

Mr. Mizell responded it was \$15,000 before.

Ms. Beaugrand stated I just wanted to show you that that has changed and that is where that number comes from. The other thing if you look under field, the administration and the first budget we got there was a \$6,000 budget item that went all the way across and the description of that is the management of the landscape contract which is what Stacie does so they have deleted that from the new budget. If you go to the recreation fund budget on page 5, you will notice that the carry forward surplus on both of these has changed a little bit with the changes in the expenses so you just follow how the budget has changed and that carry forward has changed accordingly. Then if you look under the revenue section you will see that Stacie has had them add the aquatic classes, the aerobics, day camp, etc. which is from that list and those are things that we are currently doing, that the revenue currently goes to the YMCA. That is not over and above, it is a basic budgetary income item, not showing any increase in revenue although the revenue will probably be higher than that based on this year's numbers and what you are saying. That is from Stacie's budget and then if you go under field, there is the facility administration and pool attendants, that is also off of her budget. This is \$415,000 and you have \$418,000 what should it be?

Ms. Hernandez responded \$418,000.

Ms. Beaugrand stated that number should be \$418,000 from Stacie's budget she handed out which includes the camps and some of the other things she wants to go ahead and start doing. Those are the primary changes that took place from when you looked at it last month. There may be some minor nuances and dollar amounts on some of the line items but they are very minor in nature if there are any.

Ms. Minnis stated based on that and based on this, is this budget now going to change?

Ms. Beaugrand responded yes.

Mr. Oliver stated we will have the most current information in the next budget that comes before you.

Ms. Beaugrand stated we are not approving the budget tonight, we are discussing the budget tonight. We introduced it last month and we are discussing it tonight and we will adopt it at the August meeting.

Ms. Minnis stated we will approve it with this fee schedule put in and we will review it then, so when we get the next one in our agenda package and we compare them and if we see any discrepancy we bring it up.

Mr. Oliver responded yes.

Ms. Johnson stated on the recreation fund budget on page 5, maybe you and I can before the final hearing go through and the attorney fee line item has gone up and I think that the actual number shown there almost \$15,000 includes the one time cost associated with the land use changes which really were paid out of the capital fund. I think on my bills they are entitled recreation capital fund because my actual billings on the recreation operation are closer to \$1,500 so I think you can probably take that line item back down to the \$8,000 that it was.

Ms. Katey Stuart asked is there a way that the proposed budget could be in a pdf file on the website so that residents coming to the meeting would be able to look at it beforehand?

Mr. Abbatiello stated I can forward it.

Ms. Beaugrand stated that is a good idea, thank you and if we can have extra copies of the budget at that meeting for anyone who might be here.

Mr. Oliver responded I will do that.

**FOURTH ORDER OF BUSINESS**

**Approval of Pay Requests:**

- A. No. 132 Payable to England Thims & Miller, Inc. in the Amount of \$2,640.14**
- B. No. 133 Payable to Basham & Lucas in the Amount of \$225.00**
- C. No. 134 Payable to England Thims & Miller, Inc. in the Amount of \$7,458.26**

Ms. Beaugrand stated we have pay request 132 to ETM, 133 to Basham & Lucas and 134 to ETM.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor pay requests 132, 133 and 134 were approved.

Ms. Minnis stated there is more information in these than there has been in the past. England Thims & Miller’s are very detailed and Basham & Lucas is very detailed.

Ms. Beaugrand stated and GMS does a very good job of providing it.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2006-05  
Amending the Debt Service Fund Budget for  
Fiscal Year 2006**

Ms. Beaugrand stated the next item is consideration of Resolution 2006-05 which is amending the debt service fund budget for fiscal year 2006.

Mr. Oliver stated if you look on the rear side of Resolution 2006-05 you will see the debt service fund for the Series 2002 Bonds and the second line of miscellaneous income lawsuit settlement, zero dollars were budgeted so we actually need the budget to reflect the fact that proceeds of \$175,689 were received so we are amending the budget to show that. Also if you look at expenditures of the debt service, zero dollars were budgeted but there were debt service costs of \$4,430. We are amending that budget to bring it current.

Ms. Minnis stated for the next budget is either of these two expenses included?

Mr. Oliver responded to the extent that they are predictable but I will speak with the attorney.

Mr. Johnson stated often those kinds of line items are not predictable. We don’t include them but under revised governmental accounting requirements of the auditor general’s office, we are required to come back and amend the budget once we know what those actuals are. I think it doesn’t make a lot of sense but those are the auditor general’s requirements. You have not done anything wrong in your budgeting by the way you have done that.

Ms. Minnis stated I was just wondering on the lawsuit settlement if we know the projected date is to know when it is going to end so you can actually make a decent estimate.

Ms. Beaugrand stated it is once the permit is pulled. Once the last permit is pulled we will have no further impact fee credits.

Ms. Minnis stated even if you put \$1,000 it is still going to change and you are going to come back to us.

Mr. Johnson responded yes.

On MOTION by Mr. Abbatiello seconded by Ms. Minnis with all in favor Resolution 2006-05 was approved.

**SIXTH ORDER OF BUSINESS**

**Other Business**

Mr. Oliver stated I do want to mention as a housekeeping matter the resolution that we passed earlier rescheduling the budget hearing for August 8, will be renumbered 2006-06.

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Johnson asked if I can ask your indulgence to go after the engineer because one of the things I want to ask you to consider is predicated upon your approval of the work authorization.

**B. Engineer – 2006 Engineer’s Report Bond Series 2002**

Mr. Mizell stated you have two work authorizations that did not make it into the agenda package. No. 49 is work for the assessment map in the amount of \$16,500 and the second one is the work authorization for the engineer’s report for the new facility that Jonathan spoke of earlier. Neither of those are in your agenda package.

Ms. Beaugrand stated we need to approve these today and obviously the assessment map and true up is a work authorization we approve annually. The engineer’s report work authorization relates to our discussion earlier in getting the engineer’s report done for the additional bonds we are looking to issue later on this year.

Mr. Johnson stated that is a critical path item for dealing with both the rating agencies and being on track for offering statement. I will say that the scope of services and the fee are consistent with what I have seen in other Districts so the rates are consistent with your contract. It is not something that is out of line with what other Districts pay for a similar scope.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor work authorizations 49 and 50 were approved.

**Attorney’s Report Continued**

Mr. Johnson stated as a follow-up once we have a draft engineer’s report and while we are working on this process on some of the other documents we would like to take to the rating agencies are drafts of the supplemental indenture that ultimately we will be asking you to approve later in the fall and some of the other bond documents. They will all be in draft form but I would like to at least have the authorization to begin and ask Prager Sealy and Squire Sanders to begin to prepare those documents. Those are at this time zero cost items for you, they are all on a contingent basis under their agreements with you. I would like something to appear in the minutes in the event that we need to show that to MBIA to show that you have authorized them to transmit those documents and prepare them.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor Hopping Green & Sams was authorized to work with Prager Sealy & Co. and Squire Sanders & Dempsey to prepare the documents for the upcoming bond.

Mr. Johnson stated I will start putting together and having in your agenda or before the meeting, a package of what the boundary amendment documents will look like so you can take some formal action on those.

Ms. Beaugrand stated we also talked about on our phone call last week, the workshop. Do you want to discuss that? I forgot to bring that up earlier.

Mr. Johnson responded among staff we had talked about whether or not it would be useful to try to set aside some workshop time. We were thinking between now and your August 8<sup>th</sup> meeting. I wonder if that wouldn’t be more fruitful with Paul’s data.

Ms. Beaugrand stated you are talking about doing it after that meeting?

Mr. Johnson responded yes, after your August 8<sup>th</sup> meeting and between that and September where you really have a lot of things coming together, I think you may want to consider scheduling a workshop meeting so you have an opportunity to get back together, review those numbers and documents as they continue to evolve because a lot will happen between August and September. I don't know that you need to take any action on that today. As a heads up I think we are going to have to have a couple of meetings and it could be a Board meeting or a workshop which wouldn't require quorum.

Ms. Minnis asked should that be on the next meeting agenda to schedule a workshop?

Mr. Johnson responded we can put that on the agenda.

Ms. Beaugrand stated we will have to notice it so let's put that on the agenda.

### **C. Recreation Facility Manager**

Ms. Hernandez stated Wes Haber and I have been working on the swim test form and we have come up with new wording for the pool regulation; the swim test form itself and also the non swimmer acknowledgement. I think it looks pretty good.

Ms. Beaugrand asked should we say in the pool regulations that the non swimmer acknowledgement form signed by a parent or guardian?

Ms. Hernandez stated we can add that if you would like.

Ms. Minnis stated if the children 6-12 must pass the swim test, does a 13 year old have to pass the swim test?

Ms. Hernandez responded no, neither does a 21 year old.

Ms. Beaugrand stated there are plenty of adults who can't swim. You have to set a boundary somewhere. I'm okay with it.

Ms. Minnis stated I'm okay with the wording; I just wanted a clarification.

On MOTION by Mr. Abbatiello seconded by Ms. Minnis with all in favor the swim test form and the non swimmer acknowledgement were approved.
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### **D. Manager**

Mr. Oliver stated during the two recent property acquisitions both from Rayland and D. R. Horton we were working with Bank of America which is the District bank and we had a great

difficulty setting up the wire transfers for both transactions and at the very least I would ask for some Board guidance or direction in allowing the District to pursue opening accounts with another bank.

Ms. Beaugrand stated I would like to defer this discussion until Kathy gets back because Kathy works for Bank of America. She will be back in a minute.

Mr. Johnson stated for the record will you make sure the new properties get listed on the liability policies?

Ms. Hernandez stated that has already been done.

Ms. Beaugrand stated we will come back to the Manager’s report.

**EIGHTH ORDER OF BUSINESS                      Supervisor’s Requests**

There not being any, the next item followed.

**NINTH ORDER OF BUSINESS                      Audience Comments**

Mr. Charlie Stuart stated on the grounds we are getting complaints about the sprinkler system on Racetrack Road. I think it is under the CDD. Could you take a look at that.

Ms. Hernandez asked what area in particular?

Mr. Stuart responded we are getting it all over, that the sprinkler heads are damaged.

Ms. Beaugrand asked doesn’t Nanak look at that?

Ms. Hernandez asked on the swale area?

Mr. Stuart responded on the roadside.

Ms. Hernandez responded most of that has been shut off. When were the complaints issued?

Mr. Stuart stated the last time I called Rich and he said it was not his.

Ms. Beaugrand stated it is not us.

Ms. Katey Stuart stated I think some of the concern was on the bike path area where the heads had been turned such that it was flooding the bike path and not the grass.

Ms. Beaugrand stated I guess they just need to do general inspection.

Ms. Hernandez stated they do that once a month. I will ask them again.

Mr. Stuart stated there were complaints about trash I think at Wendys.

Ms. Beaugrand stated the residents are the ones putting the trash there.

Ms. Katey Stuart stated I think the question was, who is picking it up.

Ms. Beaugrand stated before they mow, Nanak goes through and picks up trash. They are supposed to.

Mr. Stuart asked is it possible to get some trash cans installed that can't be turned over along the sidewalk area?

Ms. Beaugrand stated I thought about that once. We had this discussion right after Wendys opened. The thing is if you had a trash can right at the end of that commercial property or right at the park, stuff is still going to get thrown further down and further down. Maybe the POA or someone should ask Wendys to install trash cans since it tends to be their garbage.

Ms. Hernandez stated it was my understanding when I brought this to Wendys when they first opened that they actually schedule on their work schedule for the supervisor to go out and pick up the trash on a daily basis, whether or not they do that I don't know. That is supposed to be done.

Mr. Stuart stated another question I have is the approximate cost of running that fountain. We are going to ask the POA to look into placing fountains in the lakes to aerate the water.

Ms. Beaugrand stated we don't have a base line. We would have to run it for a month and not run it for a month to get a differential on the cost. I wonder if JEA could make an estimate on a typical fountain.

Mr. Stuart stated if we could we would like to get a breakdown, we are having problems with the breakdown with what the CDD controls and the POA controls.

Ms. Beaugrand asked will you connect with Stacie on that?

Ms. Hernandez stated I don't have a map and I don't believe Rich has a map either.

Ms. Minnis stated the question also comes up in the engineer report that England Thims filed.

Ms. Beaugrand stated that came up earlier, I don't think that is ours, I think that is the POA. The sidewalk as you go past the park across the street and there is the bridge, that bridge, isn't that under the control of the POA?

Mr. Don Riley stated I know we have sent our maintenance man out there to repair.

Ms. Beaugrand stated ETM did a maintenance check on our facilities and without knowing it they also looked at that walking bridge and they noticed some deferred maintenance.

Mr. Don Riley stated that is part of the learning process for us. Racetrack is the complicated area and where does the POA pick up compared to your right of way along Racetrack.

Ms. Minnis when you go between Honeysuckle down at Mills Field and start walking down the sidewalk towards Durbin Creek you see a lot of branches that are falling off trees and I don't know where our contract for maintenance along Racetrack goes but then you have people's trees against the sidewalk and when you turn the corner there is a whole slew of dead sod these questions came to my mind. Whose boundary is that? We did something with the sidewalk and fence a couple of years ago.

Ms. Beaugrand responded yes when we widened Durbin Creek.

Ms. Hernandez stated that is the grounds committee problem.

Ms. Beaugrand stated I think you can sit down together, what we have is pretty good, and only a few places where you are not sure exactly of the actual boundary.

Mr. Riley stated we are always concerned about certain grass areas in there and we come out into the Florabranh and do the maintenance on the entryways and the sidewalks but there has to be some sort of definition.

Ms. Hernandez stated any of the entryways are the POA.

Ms. Beaugrand stated you need to sit down together and talk about it.

Mr. Stuart asked did you get the check from Horton yet?

Ms. Beaugrand responded no, it is staged during construction. It is not a lump sum check. It is a percentage of completion, two or three stages.

Mr. Stuart stated I want to commend the CDD on the purchase of this building. I think you made a good investment. I do have one problem with the ownership of this building, and that is the sign.

Ms. Stuart asked has there been any definitive idea of how we are going to use this building?

Ms. Beaugrand responded I don't think we really talked about it. One thing we talked about earlier was community groups that need to use it whether it is the POA or some of the different groups for meetings or whatever. Jim Richardson mentioned to me last week that he had people asking about being able to use it. I think Stacie needs to set up a procedure the same

way she does with the pool and the pavilion controlling access if someone wants to use one the rooms for a board meeting or whatever.

Ms. Stuart stated will there be a fee structure?

Ms. Hernandez responded we have a lot of non profits calling and I think the first step is to actually get moved, meaning our offices over there. We have people in two offices. We need to move over here, we need to get things set up and we need to clean up that side of the room and once we clean that up and listen to the phone calls and see what we are going to do then we can start thinking about meeting spaces and what we are actually going to be doing in here. We need to get the phone system set up. We need to move. Then we can get into what we can do.

Ms. Beaugrand stated I think also for non profits, we have gone to every church and school in this community, and begged, borrowed and stolen meeting space. I have a hard time charging a fee for a non profit group. If someone wanted to come and do a Pampered Chef party here I have no problem charging. I don't know how the rest of the Board feels but we have had to take advantage of so many community groups for meeting space and they were great.

Mr. Stuart asked is there room here for a satellite office for May Management?

Ms. Hernandez responded May Management occupied the space, they had 27 different communities they were servicing out of this space. It would nice to be able to work with the POA, because we are all involved in the same projects. I would like to entertain that thought but it comes with who is going to be in here. We get people every day who don't know that May Management has moved.

Ms. Behrmann asked can you mention to Paul because I don't see anything in the bathrooms, can we put in a changing pull down station, especially the one by the pool. I haven't seen it in any of the drawings.

Ms. Beaugrand responded okay.

**TENTH ORDER OF BUSINESS**

**Financial Reports**

- A. Financial Statements as of May 31, 2006 and Statement of Revenues & Expenditures for the Period Ending May 31, 2006**
  
- B. Treasury Report – May 31, 2006**
  
- C. Special Assessment Report**

**D. Check Register Summary – 5/24/06 – 6/27/06**

Ms. Beaugrand stated behind Tab D are the check registers for the general fund and the recreation fund.

Ms. Minnis stated I have a question about the JEA. Do we know where all of these meters go?

Mr. Oliver responded we had an operations person actually walk and check the meters with a representative of JEA and that was after a telephonic confirmation they did earlier. He is confident that we are paying our bills. I will have that same person follow-up on your question on which of those meters is actually for the recreation center.

Ms. Minnis stated it is just the fact that they have account numbers and some have addresses.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the general fund check register for check numbers 1252 through 1266 was approved.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the recreation fund check register for check numbers 1638 through 1674 was approved.

**ELEVENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – August 8, 2006 at 6:00 p.m. @ Community Development District Administrative Offices**

Ms. Beaugrand stated the next scheduled meeting is August 8, at 6:00 p.m. here at the CDD administrative office.

**Manager’s Report continued**

Mr. Beaugrand stated we are going back to the Manager’s report because Ms. Minnis stepped out and there was something I wanted you to be involved in.

Mr. Oliver stated I just wanted to mention that during the closing process for this building and the closing for the Rayland property we had a great difficulty having the wire transfer executed from the CDD funds to the trust account at the attorney’s office. There was one of those last minute things that we couldn’t get the trigger pulled.

Ms. Beaugrand stated you need to explain what the hang up was so that everyone can understand that it wasn't just a last minute request for us to wire transfer.

Mr. Oliver stated for this building I went to the bank branch to set up the wire transfer, you cannot do it on the telephone. I sat down and filled out the report paperwork and signed it and it was to be executed the next day. When the next day occurred, the branch manager was not there so the assistant manager that I did the document with said she had to get the branch manager's approval so that the wire transfer could be executed.

Ms. Beaugrand stated she didn't have the wire transfer authority high enough. In a bank certain people have wire transfer authority and you have to have someone who has a higher transfer authority to verify the wire so you have to have two people for control purposes to execute a wire transfer. We almost didn't get the wire transfer out and this was the second time we had that issue. We had a very similar issue with the Rayland closing as well.

Mr. Oliver stated at the very least I would like to investigate other options with other banks or receive some type of assurance from this bank that this would be avoided in the future.

Ms. Minnis asked what bank are you dealing with?

Mr. Oliver responded it is Bank of America, the office on St. Augustine Road. I will say the assistant manager I was dealing with took every measure she could including contacting other branches and ultimately we had it worked around because her husband worked at another Bank of America center and told his supervisor and she was able to work that out.

Ms. Minnis asked can I get back to you and investigate why this happened because I work with the programmers in the wire transfer group as well. I have heard of this happening before and I have heard of it happening at other banks for the reason that Susan said.

Ms. Beaugrand stated there are other options and the problem is at a bank branch you have got a limited number of people who are at a high enough level to have the authority to transact a wire. The accounts for CDDs should not be handled from a relationship standpoint in a branch, it needs to be handled in the kind of department I work in or business or corporate banking department where you have a number of people who have the authority to transact a wire like this. I'm not suggesting that I'm the perfect place at all. I'm just saying we need to be handled not out of a branch regardless of what bank.

Ms. Minnis stated years ago before Barnett became Nations, etc. I worked in the wire transfer department and I did the wires but customers called their personal bankers, they called us and it was done.

Ms. Beaugrand stated it is all done online now. They will come in and do the paperwork and the person who executes the wire keys it and then someone comes in behind them and verifies it. It is all done electronically now.

Ms. Minnis stated if your account is set up to have that ability. Can I get back to you?

Mr. Oliver responded that would be great.

Ms. Beaugrand stated I still think that we need to investigate options at both B of A and other banks as far as moving the account from a branch to a commercial lender or something and what the options are at other banks and keeping the process honest. Pick B of A and two other financial institutions and let's look at the pricing and how things like that are executed.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the meeting adjourned at 8:15 p.m.
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Secretary/Assistant Secretary

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Chairman/Vice-Chairman