

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 10, 2007 at 6:08 p.m. at the Community Development District Administrative Offices, 950 Davis Pond Boulevard, St. Johns, 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
Jamie Fowler	District Counsel
Matt Maggiore	District Engineer
Mike Lucas	Basham & Lucas Design Group
Stacie Hernandez	Julington Creek CDD
Laura Callahan	Julington Creek CDD
Shelly Timbol	Julington Creek CDD
Ashley McVeigh	Julington Creek CDD

FIRST ORDER OF BUSINESS

Roll Call

Ms. Beaugrand called the meeting to order at 6:08 p.m.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the June 12, 2007 Meeting

Ms. Beaugrand stated the next item on the agenda is approval of the minutes of the June 12, 2007 meeting. Are there any changes to the minutes?

Ms. Minnis stated there is the same reference throughout but starting on page 3 we referenced the water management district and we are referring to the St. Johns River Water Management District. If someone were to come back in time and look at this we wouldn't know

what they were talking about. Should it be referenced as the St. Johns River Water Management District.

Ms. Beaugrand responded it probably should be, you can do the first time St. Johns River Water Management District and then do the SJRWMD.

Ms. Minnis stated then on page 4 we talk in the last paragraph towards the second line from the bottom, we refer to the county and we are also referring to St. Johns County.

Ms. Beaugrand stated we probably should clear that up as well.

Ms. Spears joined the meeting at this time.

Ms. Minnis stated then on page 5, I found a reference to the St. Johns River and the county throughout.

Mr. Oliver stated we will make it universal.

Ms. Minnis stated then there is a comment under the sunshine which is page 5 the final paragraph, should that be capitalized because we are referring to the sunshine law?

Ms. Beaugrand responded no because it is just saying that we are operating under the sunshine, in the sunshine. I don't think it is a legal reference.

Ms. Minnis stated then on page 10 the third paragraph says Ms. Beaugrand stated would you customarily have on a project and I thought I made that comment. I thought I was asking you a question about Durbin that is why I thought I made that comment.

Ms. Beaugrand stated there is another place where you asked about Durbin. I think you did ask that actually.

Ms. Minnis stated on page 16 we refer to TRIM notices should that be spelled out at all or should a person know based on the conversation?

Ms. Beaugrand stated I wouldn't know what it is spelled out, I only know it by TRIM notices.

Ms. Fowler stated it is pretty universal.

Ms. Minnis stated there were references to child watch as a program. Is that the official name of the program?

Ms. Hernandez responded yes.

Ms. Minnis stated I didn't know if that should be capitalized as designating a certain program or we are just talking about child watch.

Ms. Callahan stated on page 27 under the item C it says Ms. Timbol it is actually referring to me.

Ms. Beaugrand asked the second paragraph?

Ms. Callahan responded Ms. Timbol stated in past years we have allowed the girl and boy scout troops to use the facility for short periods of time. That conversation refers to me.

Mr. Oliver stated I do want to add one thing. The acoustics in this room are really poor for the recording. This board has a great habit of saying your name so if any of the staff speak that would be helpful too.

Ms. Beaugrand stated actually we haven't been doing such a good job lately of saying our name. Everyone once in a while I will or Kathy will. Actually I thought she did a pretty remarkable job this month.

Mr. Oliver stated it is a new person and it is the second time she is doing the minutes.

Mr. Abbatiello stated on page 44 the last two lines are duplicated on page 45.

Ms. Beaugrand stated actually you need to delete the last two lines on page 44 and then the next paragraph is complete.

Ms. Fowler stated there is the same problem on the bottom of page 27 and top of page 28.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the minutes of the June 12, 2007 meeting were approved as amended.

THIRD ORDER OF BUSINESS

Discussion of the Recreation Complex

Ms. Beaugrand stated the next item on the agenda is discussion of the recreation complex.

Mr. Lucas stated we do have the St. Johns River Water Management District approval. It has been sent to the Corps I guess they record it and they do their thing. All that is left to do is we are in the process of having the final surveys done which are easement surveys. I'm supposed to have those back hopefully, tomorrow and then we will send them back to the St. Johns River Water Management District to a lady we have been dealing with and she has to send them on to an independent survey company that does verify that the surveys do close. Typically that takes approximately two weeks.

Ms. Beaugrand stated you might want to explain what a closure of a survey is.

Mr. Lucas responded it is from point to point to make sure they will have to go in and they will have to physically map out each coordinate to make sure that all the points close. Once they find out that everything does close hopefully that will be sent down to St. Johns County to be recorded. That does not hold up as far as getting final approval. Right now we have sent them to St. Johns County they are reviewing that and that was one of their last comments they had. They can issue their permits but both the Corps and St. Johns County will have a condition on there that nothing can be done until the easements have been recorded. We are hoping this will be taken care of in approximately three weeks and hopefully no more than a month.

Ms. Beaugrand stated the new survey which will show the whole legal description of the entire parcel including the Rayland Parcel as well as Parcel 50 will that survey show where the easements will be placed?

Mr. Lucas responded that is my understanding, that is the main purpose of her locating the easements.

Ms. Beaugrand stated so when they record that survey after they verify the closure is that what would satisfy the conditional approval from the Corps of Engineers and St. Johns County as to those easements being recorded?

Ms. Lucas responded yes, that is my understanding. That is what we are waiting on for the Corps to sign off on and St. Johns County. After they both sign off on it then we will be ready to submit for building permit but the contractor should be able to start some site clearing.

Ms. Beaugrand asked do we have approval for our contractor to go ahead and start the site clearing as long as he doesn't touch any of the easement area? What does he need, a clearing permit or something like that?

Mr. Lucas responded before he can cross the wetlands he has to have this last approval from the Corps. The way I understand it now he can start working on the front parcel.

Ms. Beaugrand asked he doesn't need a clearing permit to do that?

Mr. Lucas responded I don't believe so because he can start working on that but he doesn't want to start working on anything until he can go forth and carry through.

Ms. Beaugrand stated so we think that it is going to be two to four weeks to make sure we have the survey recorded which will then take the conditions off of the St. Johns County and the Corps of Engineers permit.

Mr. Lucas responded that is correct.

Ms. Beaugrand asked at what point does it make sense to give the contractor the go ahead to start mobilizing on Parcel 50?

Mr. Lucas responded I will have to talk to Dicky to find out how soon he wants to get started because we are so close right now he may be willing to go ahead and start getting mobilized because it is going to take him a couple of weeks before he gets to that part where he is going to have to cross the wetlands. I did leave a message for him today.

Ms. Beaugrand stated I want to verify that we don't need a land clearing permit to do that. Sometimes the county will issue a land clearing permit because the building permit we are talking about submitting for is for the vertical construction. I would think there would have to be some approval to allow the commencement of land clearing as well. That is what I have seen in the past but I just want to verify that Dicky has done his homework.

Mr. Lucas stated I have a check list of things that he needs and the last thing he needs is that survey.

Ms. Beaugrand stated so as soon as that survey is recorded we can make submission for the building permit.

Mr. Lucas responded yes.

Ms. Minnis asked your point is that you want to make sure when he gets the building permit he can clear to start the building?

Ms. Beaugrand responded no. The building permit is to start vertical construction either on the skate park portion or the actual clubhouse, the pool facility, the rec facility. Oftentimes a county will require a land clearing permit that gives them the go ahead to start clearing the site which is completely different than the building permit which allows vertical construction.

Ms. Minnis stated so you could have a building permit and not be able to start because you didn't get the clearing permit.

Ms. Beaugrand responded it depends on the development.

Mr. Maggiore stated I'm not totally sure but usually you get county approval like clearing and grading on civil work and then I guess you have your building permit.

Mr. Lucas asked I will check to see if my civil engineer submitted for all of it. I want to say he has because I had a conversation with him yesterday and he said we were checked off for everything. I will check with him tomorrow.

Ms. Beaugrand asked will you email me and let me know?

Mr. Maggiore stated that is the St. Johns County approval for the civil work and I'm not sure what that is.

Mr. Lucas stated I think that is all part of my site plan approval.

Ms. Beaugrand stated I think that is it then.

Mr. Lucas stated but I will verify that. As you know we had our first change order. We originally planned on holding up on getting our builders risk policy until Dicky got started but when he put in his proposal we weren't in hurricane weather and his agent informed him that if he doesn't go ahead and get his policy now there is a chance that if we have bad weather whether it be in Jacksonville or somewhere close he won't get a policy so Dicky took the initiative to go ahead and get an 18 month policy that was an additional cost of \$5,400 to ensure that we would have builders risk through the entire project rather than get a policy and be in the middle of construction next year, 12 months from now, and have something happen and then it could be almost impossible or he would have to renew at an astronomical rate. This is something I did speak to Susan about and she did say it was okay.

Ms. Beaugrand stated this is a case where it was either spend an extra \$5,400 now or potentially spend another \$25,000 or \$30,000 in 12 months which we are going to run past 12 months, there is no question. If it is a matter of you can't get builder's risk insurance we can't build. This was a situation where he had to trip the switch by yesterday or his insurance company said we are done. It was something he really had to do.

Ms. Minnis asked is this part of all of the paperwork?

Ms. Beaugrand responded no.

Ms. Minnis asked is this change order going to be reflected in any of the documentation?

Ms. Beaugrand responded it will be reflected in the first draw that he puts in. From a procedural standpoint we will get the draw that will outline the whole project, what has been spent, similar to what Mike has done for Basham & Lucas. If there are any change orders involved it will be submitted as part of that draw package.

Ms. Minnis stated there is just a reference to work orders and change orders in here.

Ms. Beaugrand responded that is related to giving someone authority to make directives, decisions during the month.

Mr. Lucas stated this is one of those things that we sort of talked about at the last meeting. You had asked me what could come up and this is an example that he couldn't wait until this meeting because his insurance agent said he had to submit the policy by yesterday.

Ms. Beaugrand stated although this is a situation where it is a monetary issue and Jonathan made it very clear that he didn't want any monetary changes but this is one of the situations where we had no choice.

Ms. Fowler stated at this point I think it would be appropriate to have the board ratify the actions and approve that change order so when it comes back up you have already approved it.

Ms. Beaugrand stated but we don't have the document.

Ms. Fowler stated if it would make the board more comfortable because he has already done it. I'm skipping ahead here but I have prepared a resolution regarding construction change directives as well as the minor changes in the work and giving someone on the board the authority in particular I put your name in the resolution but that is the board's pleasure, but since this is a change order that is not included in those things and arguably the board is more comfortable going forward if you have that ratification on record now rather than wait until you have the document because when you get the document it is up to you how we want to do it. You are right there are no documents today but that way you are covered and they are ratifying your actions if the board feels that is appropriate.

Ms. Minnis stated to her point the person that is not at this table is the one that is most likely going to question it and I'm speaking of Brian. He has caught some of these amounts and has questioned it and since we did hear about it I would rather put it on record that we did address this.

Ms. Beaugrand stated I don't have a problem with that. I don't think we can approve the change order because we don't have a change order document in front of us and we will get that in the future.

Mr. Lucas stated I have a proposed change order. He addressed it to me and I asked him to go back and address it to you but I do have the proposed change order. I don't know if you want to scratch my name out and sign that.

Ms. Fowler stated if you would rather do it this way what we can do is separate from the resolution we are going to consider the board can give you the authority to review this particular change order and sign off on it subject to final review by counsel and staff.

Ms. Beaugrand stated that is fine. This is exactly what was represented. The base increase in the policy was \$4,810 and you add overhead and bond insurance on top of that to take it to \$5,442 and it is a six month extension on the policy to take it to 18 months.

Ms. Fowler stated this way we can get a paper trail and we can authorize you to sign this particular change order and then we will ratify it again at the next meeting just to make sure all our i's are dotted and our t's are crossed.

Ms. Beaugrand stated in that case we would have to go ahead and approve this today for me to sign this.

Mr. Lucas stated it is a proposed change order.

Ms. Fowler stated the board can authorize you to sign the change order once it is presented and we can ratify that at the next meeting.

Mr. Lucas stated what typically happens over a period you won't have one change order what he will do if there are a group of proposed change orders whether it be additions or subtractions and submit one change order once a few have accumulated because he won't want to be running to the board every time for every change order.

Ms. Fowler stated so this is not going to be something that is going to go on its own. It is going to go later.

Mr. Lucas stated it is going to go later but it is a tracking mechanism.

Ms. Fowler asked does it ask for a signature on the proposed change order?

Mr. Lucas responded yes.

Ms. Fowler stated I guess what the board can do is authorize Susan to sign the proposed change order and that way you are not authorizing the change order until it is brought back in its appropriate form. You would just be authorizing Susan to execute this in its current form, send it to the board later.

Ms. Minnis asked should the change orders be if they are coming to Mike, should it be approved by Susan to go back to Mike?

Ms. Beaugrand responded I don't want that to happen. What needs to happen is the change orders need to be submitted with the draw and the entire draw will be reviewed by our architect, the architect will tell us that the work that is being submitted within that draw is correct and it has been completed to our specifications and then we approve the draw. Mike is kind of the clearinghouse for everything from that perspective.

Ms. Minnis stated I agree with that. What if a change order occurs and we disagree with it when it comes to the draw?

Ms. Beaugrand responded that is when we talk about approval of the draw. We talk about it at that point in time when we approve the draw on a monthly basis.

Mr. Lucas stated every change that occurs we will have a proposed change order listing what has happened. It could be a positive, it could be a negative but they will need to be signed off on probably before the work if it is a change order that work needs to be done I will need approval.

Ms. Beaugrand stated that is when we have those mid monthly meetings. When we have the continuation of the today's meeting and if in two weeks there is another change order, that is when you bring it before the board for approval. If there is nothing in the meantime and we don't have a meeting it comes at our next normally scheduled meeting.

Ms. Minnis stated but this one was the case that there wasn't a meeting and it had to be done.

Ms. Beaugrand stated and it was a de minimis amount. Based on a \$14 million project it was a de minimis amount. Even though it probably broke the rules I thought it was a necessary decision to make.

Ms. Minnis asked should we put a judgment call on it?

Ms. Fowler stated I don't think you want to do that with change orders. I think counsel is comfortable with that and Susan is comfortable with that but this particular one is a de minimis amount and it absolutely had to be done immediately. To protect Susan and authorize your decision if you want to make a motion for this particular change order only and then not say we are setting a policy for the future. It is a moving target. In construction things happen. After the discussion at the last meeting we said we would prepare a resolution that would authorize Susan or whoever else the board would like to designate to make decisions short of a change order. If you will also name the definitions out of the contract, change order, construction change directives and minor changes to the work and it says the difference between those three types of changes and what the resolution does is give Susan now but we can change it to whoever you would like the authority subject to the architect's sole discretion which he is like the clearinghouse that you see throughout the contract language he is who it comes through and in his determination if it can't wait the two weeks, construction change directives as well as the

minor changes to work if they can't wait for the next board meeting or the next continued meeting that Susan would have the authority to authorize those changes short of a change order which changes the terms of the contract. The directives and minor changes do not in our opinion change the scope or the money basically. That is going to be up to the architect to let Susan know when he has those two things short of a change order generally. This is something that just comes up sometimes and they have to be dealt with immediately and you ratify these. I don't think we are comfortable saying change orders would normally be handled this way.

Ms. Beaugrand stated this has in here that I am hereby authorized to approve construction change order and/or minor change in the work that the architect has designated as needing to be considered. This is not right.

Ms. Fowler stated I sure did, I apologize. That should be change directives on section 1 of that resolution.

Ms. Minnis stated in the fourth whereas strike out minor.

Ms. Beaugrand stated minor changes in the work are fine. It is the construction change order that should not be in section 1 it should be construction change directives versus construction change order.

Ms. Fowler stated construction change directive and minor changes in the work are defined terms in the contract document that has been provided. Change order is the big daddy, the one we don't want and I mistakenly put that in there.

Ms. Beaugrand stated to get this moving along do we want to have a motion to ratify my decision to approve this \$5,442 change order for the builder's risk insurance.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor Ms. Beaugrand's approval of the \$5,442 change order for builders risk insurance was ratified.

Consideration of Resolution 2007-12 Authorizing Susan Beaugrand to Approve Certain Construction Change Directives and/or Minor Changes in the Work Pursuant to the Agreement with Dicky Smith

Ms. Fowler stated the resolution we were discussing is not on the agenda so you can take that in any order you would like if you would like to consider that today.

Ms. Beaugrand stated we may as well because we have talked about it anyway. Is there any other discussion on Resolution 2007-12?

Ms. Minnis stated I just want to make it clear that the section that says, section 1 we are removing to approve any construction change order, those are words that will be taken out.

Ms. Beaugrand stated actually the only word that changes is “order.” “Order” will change to “directive.” If you look up above you will see construction change directives in the title and so “order” is the only incorrect word.

Ms. Minnis stated okay.

Ms. Beaugrand stated I think it would make sense to have an alternate in the event that I am not available. I travel with work and stuff and may not be available at some time. I think the board needs to consider who an alternative person would be if I am not available to represent the board. Kathy is the vice chairman and that would be a logical choice. Would you be comfortable with that?

Ms. Minnis responded I guess if I’m getting advice from Hopping Green & Sams and the architect, I would be comfortable with that.

Ms. Beaugrand stated I think we should put in there the chairman and the vice chairman rather than specific people in the event during construction we have a change of elected positions.

Ms. Fowler stated notification of these kinds of issues will probably come from Mike if he can’t get in touch with Susan then if you have any questions feel free to give us a call.

Ms. Beaugrand stated I will read it, Resolution of the board of supervisors of the Julington Creek Plantation Community Development District authorizing the chairman and/or the vice chairman of the board of supervisors to approve certain construction change directives and/or minor changes in the work pursuant to the agreement with Dicky Smith & Co., Inc. and providing an effective date. This would also include modification of the paragraph in section 1 to take out the name Susan Beaugrand, add “and vice chairman” after the word “chairman” and to substitute the word “order” with “directive.”

<p>On MOTION by Mr. Abbatiello seconded by Ms. Spears with all in favor Resolution 2007-12 was approved as stated by Ms. Beaugrand above.</p>

Ms. Beaugrand stated I guess you will modify that and email it to me and I can sign it and send it back or whatever?

Ms. Fowler responded yes.

FOURTH ORDER OF BUSINESS

Discussion of Landscape Installation

Ms. Beaugrand stated next would be discussion of the landscape installation.

Mr. Oliver stated this was at the June meeting. You had mentioned to put this on the agenda and I don't know if Mike has anything to cover that. Chris Commins had discussed it.

Mr. Lucas stated we had approximately ten bidders pick up drawings so far. Bids are due next Monday at 2:00 p.m. at England Thims & Miller's office. The last time I believe you were going to try to be over there for the opening of the rec building so if anybody from the board is interested the bids will be opened at 2:00 p.m. at England Thims & Miller's office. At that point in time we need to go ahead because we had that same scoring method that we had for the amenity building we talked about having five people review and score.

FIFTH ORDER OF BUSINESS

Discussion of Landscape Committee Meeting Dates

Ms. Beaugrand stated we need to set and this is kind of the meeting dates so really those two items need to be set. What is the publication timeline?

Mr. Oliver responded it is a seven day requirement and we will need three days lead time, so 10 days is what we need between time of coordinating publication and the actual meeting.

Ms. Beaugrand stated we need 10 days and we are opening on Monday. If we got the ad in what is the earliest we could meet?

Mr. Oliver responded late the week of the 27th.

Ms. Beaugrand asked the earliest we can get an ad in is the end of this week or early next week?

Mr. Oliver responded yes, today is the 10th so we can get an ad in by the 13th. You are looking at the 20th.

Ms. Beaugrand asked we could do it the week of the 23rd?

Mr. Oliver responded yes.

Ms. Beaugrand asked the members of the committee are?

Mr. Lucas responded somebody from my office, somebody from England Thims & Miller's office, Stacie Hernandez and two board members.

Ms. Beaugrand stated Mr. Abbatiello and myself. So we need to look at the week of the 23rd. I'm open that week other than Monday or the following week.

Mr. Abbatiello stated the 25th and 26th is good for me.

Mr. Maggiore stated the 26th is better for me.

Ms. Beaugrand stated let's set it for July 26, 2007 at 5:00 p.m. here.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2007-13 District Records Retention Policy

Ms. Beaugrand stated the next item on the agenda is discussion of the records retention policy.

Ms. Fowler stated this is the policy that states how long the district has to keep records and staff asked us to help to come up with a policy and we discovered it is a State of Florida policy for governmental entities to use and that is what is before the board. We can do more than what is required, we can keep records longer but this is the minimum the state requires. We recommend that you adopt this as is because the standards in this policy are pretty stringent and we are comfortable that there won't be any need to retain records longer than what is in these documents but that is at the board's discretion. I will be happy to answer any questions if anybody has any.

Ms. Beaugrand stated I guess typically that is the policy that most districts have adopted in the past.

Ms. Fowler responded exactly if they have adopted any policy, this is it, since its inception. It has not been around that long.

Ms. Minnis stated based on the problems that Duval County is having with the sunshine and they are now enforcing a law to abide by the law or something like that. I think if we were to change the existing law we could put the staff at jeopardy for having overlapping laws if something got lost. We have had problems finding some of our records from the past. I think if we stuck with the state and they had a reference that they are not worried about some change to it that that is a good recommendation.

Ms. Fowler stated since we are talking about records and sunshine, the Duval County issue is one reason we recommend that if you keep anything that you come across in the course

of your service on the board that you keep it separate from your personal records if you keep it at all. If someone should ask for your records under the sunshine law and the public records law you would be required to produce those. If you have your personal records intermingled it could be difficult and you wouldn't want to accidentally release your personal records should that be the case. Not that we anticipate that anyone would do that but it has happened and it could happen. That is one reason we recommend that you keep them separate if you keep them.

Ms. Beaugrand asked do you want to approve this resolution as is?

On MOTION by Ms. Spears seconded by Ms. Minnis with all in favor Resolution 2007-13 was approved.

SEVENTH ORDER OF BUSINESS

Discussion and Review of the Emergency Procedures and Policies, Signs and Employee Handbooks

Ms. Beaugrand stated the next item on the agenda would be discussion and review of the emergency procedures, signs policies and employee handbooks.

Emergency Procedures and Policies

Ms. Hernandez stated you do have the corrected information for emergency procedures.

Ms. Callahan stated the only thing we are waiting on is Brian's work number. I don't have his work number. I have all of the other numbers. I'm waiting for one more number.

Ms. Beaugrand stated you would just call Brian and ask him.

Ms. Beaugrand stated in reading it I thought it was fine.

Ms. Minnis stated in general the procedure of how everything flows looked good to me but what is the emergency that would cause this evacuation? If one person had a heart attack would the whole pool be evacuated?

Ms. Hernandez responded correct.

Ms. Minnis stated it doesn't really define.

Ms. Hernandez stated we define that in our training.

Ms. Minnis stated I didn't see that but it is determined by the staff.

Ms. Hernandez stated when we initiate calling 911.

Ms. Minnis stated okay, then I'm fine with it.

Ms. Beaugrand stated I would only add on the third bullet point when the EAP is initiated, the guard on the chair. I lost context there. Put a comma after initiated.

Signs

Ms. Hernandez stated now signage. Did you have an opportunity to look at all of the signs we will have at the pool? Keep in mind that all of the rules and regulations will be in the hard copy that the homeowners will get when they get their permanent pool cards. What we are looking at is what do you think is going to be necessary outside on deck. What rules and regulations do you want to see? I pretty much incorporated everything possible. I don't know if you want to go that far but what are you comfortable with?

Ms. Beaugrand responded I have sat here and checked off the ones that I thought were the most blatant or whatever but I really think it comes down to you are at the pool and see the things that you have to remind people of and I think that would apply to a lot of the other things too. I feel pretty comfortable that you are going to pick the appropriate things to put on the signage. We can sit here and I can tell you what I think should be in here and Kathy and April and Al can tell you what they think should be in here and I think it will probably be pretty consistent with a few deviations but I just think in my opinion that the main egregious kind of issues are those that need to be on the signage. If someone is doing something that is not on the posted sign and they argue with one of the guards or the supervisors all you have to do is say here are the full rules, this is what you all got, stop or get out. You always have that to fall back on.

Ms. Minnis stated to that point take the last comment, make a comment on the sign that these are in the books given to residents.

Ms. Beaugrand stated you want to do bullet points on the sign.

Ms. Minnis stated I mean at the very bottom.

Ms. Hernandez stated I understand what you are saying.

Ms. Beaugrand stated if there is something in particular you are questioning and you want second opinions on it, I think that is great and I suggest you call us and see what we think.

Ms. Hernandez stated I guess that is why we are going over it. Is there anything in particular that you object to, any thoughts, any concerns?

Ms. Beaugrand stated we have talked about this a couple of times. I think any issues that anyone had we have already discussed as far as what the rules are. It is a matter of what you think is most appropriate. That is kind of why you guys are here. You are out there every day, you see what really needs to be reminded. Do you agree with me?

Mr. Abbatiello responded if there is a question and you need additional guidance, call the supervisors.

Ms. Beaugrand stated or if you want a second opinion call a couple of us. I think you guys understand it better than we do personally. I'm not sure it is worth running through each item.

Employee Handbook

Ms. Hernandez stated the employee handbook. I think section 5 under substance abuse, if I recall I think the only change that was in question was brought up by Brian. He believed that we needed to add that background check in addition in that paragraph and as I reread that paragraph that handbook is for employees only not potential employees. We have already done the background check, we have already done the drug test, we have already done a records check. I don't think we need to put background check in that section under substance abuse.

Ms. Minnis stated I agree.

Ms. Beaugrand stated I agree.

Nanak's Contract

Ms. Hernandez stated Nanak's contract. After my conversation with Wes Haber and Jonathan Johnson we feel that it is best to proceed with the landscape and maintenance bid process for both our current property and future property. We need to terminate both the contracts that we currently have and that would be with Trim Terrific and Nanak's and then ask Hopping Green & Sams to prepare those termination letters as well as an interim contract with one of them to continue service until we can come together and look at the specifications as we go through the bid process.

Ms. Minnis stated based on the fact that Trim Terrific does the pool area and the park and Nanak's does State Road 13, Racetrack Road, etc. it doesn't appear that Trim Terrific could take on State Road 13 and Racetrack Road based on the criteria we had.

Ms. Hernandez stated that is the problem that I'm having with Nanak's. They don't have the manpower. They don't have the ability to give me service on the weekends like Trim Terrific can and that is over at the park doing trash pickup. They also don't have the tractor ability; that is why it takes so long to get that land mowed. Trim Terrific does have tractors, they can do it in a day instead of waiting four days here then ten days and another four days here. Not only that they are able to do seeding and fertilizing on a more continual basis than we are getting from Nanak's right now. It was my thought that I would prefer to go with Trim Terrific because they are local, they are here, they can work on the weekends, they have more manpower and they have that tractor ability because I really, really want to work on Racetrack and get that seeding and fertilizing done. The experiment I did with St. Johns County worked.

Ms. Beaugrand asked what section was that?

Ms. Hernandez responded that was all along the south side of Racetrack Road where it was dirt. The main area was probably from Publix on to the park, that was the worst area. Now as you see we have grass and weeds, at least it is green. That is because St. Johns County put seed down which Nanak's told me that seed will never grow, we can't do seed.

Ms. Beaugrand stated we used to have Trim Terrific doing State Road 13 and Racetrack Road before we have R & R.

Ms. Hernandez responded I don't know who we had before R & R.

Ms. Minnis stated we went with R & R, we went with a professional company because Trim Terrific was having issues.

Ms. Beaugrand stated we can sit here and guess at what those issues were. It is the same issues we have had with every other company doing the landscape maintenance.

Ms. Minnis stated that is what surprised me that they can do this, this and this when they couldn't do it when the request for proposal went out, they didn't seem to have the ability to do that. That and the financial, when we laid everything out Nanak's seemed to be able to handle it and Trim Terrific couldn't.

Ms. Beaugrand stated I have a question and Charlie and Katey you are working on the landscape committee for the POA, have you had issues with Nanak's also?

Ms. Stewart responded yes.

Ms. Beaugrand stated I wanted confirmation to make sure it wasn't just us. I think we then go through the RFP process again and put it out for bid and maybe someone else comes up.

Ms. Hernandez stated you are right, I'm just saying in the interim we have Trim Terrific go ahead and do the other areas.

Ms. Beaugrand stated if they have the capacity.

Ms. Hernandez responded they have the capacity. I have seen it and they would go through the bid process and Nanak's can come back and bid too. It is not permanent. The contract with Trim Terrific is only in the interim until we can sit down and put it out to bid.

Mr. Abbatiello stated I agree that we should go out to an RFP because what happens typically in a contract is that people get it and then get careless and there is always a time to go back and look at what is out there that may be a better job for us.

Ms. Beaugrand stated I agree with that. The other thing is having discussions with the POA because between the two, the whole community is a big piece of business. I don't know if it makes sense to try to jointly bid it with breakdowns with service for us and service for the POA. That is a thought process that we might want to have discussions over. We have talked about that in the past. I don't know if we can get some efficiencies in the pricing by doing that. You would think that we could.

Ms. Minnis stated I agree with that but we still do not have an agreement between the POA and the CDD on the ownership of who owns what land within this community and I think that needs to be resolved.

Ms. Beaugrand stated yes we do. What areas are you talking about?

Ms. Minnis responded the bridge.

Mr. Stewart stated the bridge is POA. We got with Stacie and looked at the plans for what the CDD property is compared to the POA.

Ms. Minnis asked where is that map?

Mr. Stewart responded in my possession and if you want one I will make another one so you can have a copy too.

Ms. Beaugrand stated that would probably be a good idea for both groups to have a copy.

Mr. Stewart stated Stacie knows what is CDD property.

Ms. Beaugrand stated if we did a joint bid if the POA was interested in pursuing that, we would still have to have separate contracts because we are separate entities but it may be a way to get some efficiencies and save the community a little bit of money too. Do we need a motion to terminate both contracts?

Ms. Fowler responded yes.

Ms. Beaugrand asked can we put in the motion that we are also going to temporarily contract on a month to month basis with Trim Terrific?

Ms. Fowler responded it is probably best to have that separate.

Ms. Minnis asked is Trim Terrific aware of this and they have verbally stated they can take this on?

Ms. Hernandez responded yes.

Ms. Minnis asked what is the plan if they can't?

Ms. Fowler responded there is 30 days notice.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the landscape maintenance contracts with Nanak's and Trim Terrific were terminated.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor an interim contract on a month to month basis with Trim Terrific was approved until such time as an RFP committee can be formed and the process started.

Ms. Beaugrand stated we are going to need a motion to direct staff to put together a landscape maintenance RFP.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor staff was authorized to prepare a landscape maintenance RFP.

Mr. Oliver stated probably at your July 26th meeting you will review the evaluation criteria for the proposal because it will be part of the scope of services in the RFP package.

Ms. Beaugrand asked is that two weeks from today?

Mr. Oliver responded it is a little over two weeks. It is when we have the meeting with the landscape review. We can use the same committee if you would like.

Ms. Beaugrand stated that RFP has to be approved by the board not that committee. Let's do that at the August meeting.

Mr. Oliver responded the criteria will be part of the RFP packet that the proposers pick up.

Ms. Beaugrand stated I assume we might want to start with whatever the criteria was that we had the last time we went out on the RFP for the landscape contract and maybe tweak that based on the committee's experience that they had in evaluating those contracts.

Ms. Minnis stated there was such a broad range of what was given back.

Ms. Beaugrand stated I think it is going to be difficult to avoid that to a certain extent.

Ms. Minnis stated I think with the experience that Stacie has had between dealing with both of them, I think we will be able to make it better.

Ms. Beaugrand stated I would like to get Mike out of here and he doesn't have to sit through the budget discussion so if it is okay with the board let's go to item 9B.

9B. No. 176 Payable to Basham & Lucas Design Group in the amount of \$12,300.00

Ms. Beaugrand stated pay request no. 176 is in the amount of \$12,300.00.

Mr. Oliver stated this is for three different invoices.

Ms. Beaugrand stated you can see meeting attendance, shop drawings, construction administration. The construction administration is the new contract.

Mr. Lucas responded if it says for shop drawings it is.

Ms. Beaugrand stated okay because I think there may be confusion. The previous contract was pretty much closed out. So this is the separate contract for construction administration.

Mr. Lucas responded yes it is. Is the landscaping closed out?

Ms. Beaugrand responded yes. The only thing you have under that one is the meeting attendance and you have the other one. What would probably make sense is since the original contract is fully closed out, to move the meeting attendance over to the construction administration contract so you only have one contract on here in the future.

Mr. Lucas responded okay.

On MOTION by Mr. Abbatiello seconded by Ms. Spears with all in favor pay request 176 was approved.

Mr. Lucas left the meeting at this time.

EIGHTH ORDER OF BUSINESS

Fiscal Year 2008 Budget

Ms. Beaugrand stated there are copies of the budget that were emailed out yesterday and then they also put a summary of assessments before you. What Stacie is handing out now is a breakdown of the budget that we kind of worked on earlier this year I think at the March meeting. This budget is a lot more voluminous than the ones that we worked on in the past so this will kind of give you a point of reference back. A couple of things to keep in mind we were talking about earlier is that in Stacie's assumption she is assuming that the new recreation center opens in about a year so you are only going to have three months of the new facility included in this.

Mr. Oliver stated the board approved the proposed budget at the June 12, 2007 meeting and that started the process. Immediately after that meeting staff, primarily Stacie, analyzed every line item in the budget to find reductions where possible in an effort to keep the assessments as low as possible. We already know what the assessments are going to be for the debt service because we made that decision when the bonds were issued in December 2006 and then we had to come up with the O&M portion of the budget which is tied primarily to this new capital project and the running of that. The budget we provided to you yesterday incorporates changes Stacie suggested and there will be more changes along the way.

I have taken that budget and on one sheet of paper that should have been with your budget that shows what the assessments were for fiscal year 2007 and at this point what they would be for fiscal year 2008. You can see that the total increase for single family which includes debt service and O&M would be \$190.66, multi-family would be \$98.11. In the section below that you can see that break out by O&M for single family and multi-family and you can also see the series 2002 bond payment stays the same and you have the addition of the series 2006 bonds in the next to the last column which comes up with a total combined assessment.

Ms. Beaugrand stated remember when we did the bond issue at the end of year the increase in the assessments based on that debt service was that \$139 that you see in the column "series 2006 bond". The difference for a single family between \$190.66 and the \$139.00 is the increase in the O&M per household, is that right?

Mr. Oliver responded yes. If you look in the column marked "O&M" you will see FY 07 O&M and FY08 proposed O&M.

Ms. Minnis stated that is the number I was looking for based on the \$139 but the increase up above of \$190.

Mr. Oliver stated that includes the debt service and the O&M.

Ms. Beaugrand stated the difference between the \$190.66 and the \$139 is the increase in the O&M costs in the second column where you see it going from \$274.05 to \$325.71.

Ms. Minnis stated okay.

Mr. Oliver stated through her efforts Stacie has pretty much cut the O&M in half from what was projected June 12. Because there will be an increase in assessments there will have to be mailed notice to the entire community at east 20 days before the budget hearing which is August 14. We will continue to work on the budget based on your input tonight and we will also have a conference call with the attorney and other staff members and the chairperson to discuss what the final numbers will be in the letter that goes to the residents. Even when we have the public hearing the budget will still be fluid at that point and as you make line item changes we will tell you what affect that has on the assessments.

Ms. Beaugrand stated the bottom line is the letter that goes out to the residents is not the end all be all that the board still has the ability to make modifications to the budget until we pass it.

Mr. Oliver responded that is correct.

Ms. Beaugrand stated relating to the O&M because I want to make sure everyone is clear, since this is a partial year for the new recreation facility our budget next year at this time is going to see an increase in O&M because of the larger facility being open a full year.

Mr. Oliver responded it is similar to a new district that builds their amenity center mid year, assessments increase and then again the following year with a full year's O&M to fund.

Ms. Minnis stated if we went with this, can you shoot for the future one in this budget?

Ms. Beaugrand responded we don't know what it is going to be. You would have to budget for the full year of operation. I guess you do kind of know what it is which is right here but we don't need to pre-collect that. I don't think that is something we need to do.

Ms. Minnis stated I'm just thinking that when we send out a notice it costs about \$5,000 that we are spending each year that we change the budget. If we shot for the year and put it in you would have it covered for the next year.

Ms. Beaugrand stated there are too many variables that are going to happen.

Ms. Fowler stated as Jonathan mentioned at your last meeting in the future it will be on the TRIM notices and we won't have to do mailed notice. If we get the budget in early enough we can put the assessments on the TRIM notices and we won't have that concern as to the notices. We won't have to have that mailed notice.

Ms. Minnis stated then I am fine with it.

Ms. Beaugrand asked have you calculated that if we have a full year based on these numbers, what the O&M costs would be on a single family house?

Ms. Hernandez responded yes, that was the old figure that Darrin had given us and it was an additional \$266.

Ms. Beaugrand stated I think it is important when we go through the public hearing process that we make sure that people understand that this year we are going to see \$190 increase, \$139 of it being because of the debt service which was previously approved and then the \$50 or so because of the O&M and you are looking at another \$225 or whatever the number is. I think we want to be sure that we make people aware that there is going to likely be another O&M increase next year which at that point should then stabilize as we go through the operation of the facility to a certain extent. We still have some unknowns out there, exactly how much revenue we are going to generate, exactly what the expenses are that are going to occur to get to that point. I don't want people to think that this is a static number and that it will never change. I just think that we need to make sure that people are aware of that because what we don't want to have happen is have them come back next year and say this was only \$190 more now you are talking about another \$200. I just think that we need to do a good job communicating that there are going to be some variables that we can't predict over the next two years.

Mr. Oliver stated we will not be able to do that in the mailed notice.

Ms. Beaugrand responded we will have to do that in the meeting itself. It might not be a bad idea using this format to then say based on what we project for a full year of operation next year you may see blank. That way it identifies it and we have something for the record to refer back to when we go back to budget next year at this time.

Ms. Minnis stated just based on those comments and the thought that you are sending out, here is an increase and here is a potential increase the following year, we could have a larger than usual audience, is this office appropriate for having that meeting?

Ms. Beaugrand responded no. Not after what happened with the last public hearing we had in here. We need to go somewhere else for that.

Mr. Abbatiello stated we originally started here and went to \$140 and a \$190 increase will cause a whole lot of unrest for people who were not expecting anything that high when we kept assuring \$140, \$150 in that range.

Ms. Beaugrand stated we said that that was the debt service portion of it.

Mr. Abbatiello responded I agree we understood that and whether we said it or not is another question and I think when we say that there will be additional costs the following the year potentially, we do need a larger place to accommodate those folks.

Mr. Oliver stated while we are talking about having the meeting somewhere else, are there any suggestions? When we passed the resolution June 12, the resolution said where and when we are going to have the public hearing. It is not as easy as changing a regular meeting. We can change it by board action but we don't know where we can have it yet because we don't have anything reserved. We can get right on it tomorrow if you have some suggestions even if it means renting conference space offsite somewhere because conceivably it could be a pretty good crowd.

Ms. Minnis stated I recommend contacting Fruit Cove Middle School because it has the parking and it has an auditorium.

Mr. Oliver stated I will do that.

Ms. Beaugrand stated that is before school starts so hopefully, there won't be a conflict.

Ms. Fowler asked when is the public hearing?

Mr. Oliver responded August 14, 2007. We have ample time to revise the published and mailed notices.

Ms. Fowler stated the 60 day notice to the county is generally the start.

Mr. Oliver stated if we could authorize staff to find a new meeting location and publish notice accordingly.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor staff was authorized to find and notice a new meeting location for the August 14, 2007 budget hearing.

Ms. Stewart asked on the O&M how is the difference calculated for single family and multi-family? What is the difference? There is a \$15 increase for single family but a \$3 reduction for multi-family. What is the formula used to calculate that and why is it different?

Mr. Oliver responded there were two different issues affecting the multi-family homes. They had different Series 2002 debt service assessments for the two different types of multi-family, and O&M was assessed to counteract that so that they came out to equal assessments. This is something that occurred with the original bond issues. You will notice on the 2006 issue, it is the same for all multi-family.

Ms. Minnis stated the original bonds were issued in 1996 and the same issue came up and they explained the methodology, the number of cars, etc. and the use and then when the new bonds came there was no reason to change the methodology that was used with the first one so it was applied to the second one and it has been carried over. It was an acceptable methodology.

Ms. Stewart asked it is carried over to the O&M?

Ms. Minnis responded the O&M is tied to the assessment methodology of the bonds.

Mr. Oliver stated this particular chart is simplified. What is complicated about this is that there are two different debt payments for the two different types of multi-family homes and because of that the O&M assessments are adjusted so that at the end of the day they both have the same combined assessment.

Ms. Stewart stated thank you.

Mr. Oliver stated here are some of the things we will be working on after tonight in addition to whatever guidance we get from the board. We are going to take a good look at capital reserve which we have on the administrative budget. As you can see right now it is zeroed out and we will get with staff to determine if that is the best thing to do. We will also note on page 6 the recreation budget, there is an increase in capital reserve as well as an increase in operating reserve. I want to see what type of flow we can have between the recreation fund and the administrative general fund budget. We will also take another look at the debt service excess revenues. I do have with me the adopted fiscal year 2007 budget and it is footnoted on the debt service fund, excess revenues are budgeted to pay the November 1, interest payment for

the next fiscal year. What we will do if appropriate is add that footnote to the fiscal year 2008 proposed budget. Also we are going to take another look and get with the underwriters as well as counsel to make sure that we are protecting the right of the district to turn back any surplus capital funds that you may have after this project is completed so that you can preserve that opportunity and also lower your debt service requirements.

Ms. Beaugrand stated making sure that we are using the right pool of money to cover our expenses upfront, cash versus bond proceeds.

Mr. Oliver responded correct and I have been going through the bond documents to try to find it.

Ms. Beaugrand stated I think that is a question for Ed Bulleit at Prager.

Mr. Oliver stated those are some of the issues we are dealing with. Of course, the landscape maintenance issue we have been talking about will affect the budget one way or the other. Right now it is static at the same amount it was last year. Perhaps you will realize some savings by going with one provider but we will find out through this process.

Ms. Beaugrand stated I have a question on the landscape and irrigation on the general fund budget. If you look under the field expenses, landscape and irrigation, we are projecting to spend \$188,000 but we are budgeting \$175,000.

Mr. Oliver responded what we will do is take a look at the existing contract which is about to go out to bid and find out if there are any extraordinary events.

Ms. Beaugrand stated I suspect it is probably repairs and maintenance on the sprinkler system.

Ms. Hernandez stated Maggie just pulls it out and divides it and makes a projection.

Mr. Oliver asked are you comfortable with that amount?

Ms. Hernandez responded yes.

Ms. Beaugrand asked the \$175,000?

Ms. Hernandez responded yes.

Ms. Beaugrand stated presumably some of the administrative expenses that have gone up like engineering and attorney that is based on the activities we are going to be undertaking next year that we will need their assistance so we are budgeting higher dollar amounts? We are actually coming in much less than budget over the last year. What was the increase in the trustee? That is double from the original budget.

Mr. Oliver responded that is based on two bond issues; however, if there can be a savings we will check that out.

Ms. Minnis stated I had a question about dues, licenses and subscriptions.

Mr. Oliver responded that \$175.00 is to DCA in Tallahassee each year, the Department of Community Affairs.

Ms. Minnis asked don't we have to have other licenses to operate pools?

Mr. Oliver responded not out of the administrative budget.

Ms. Beaugrand stated supervisors fees have been taken out of this and put entirely under the recreation budget versus entirely under the general fund budget. I noticed that.

Ms. Hernandez responded that is because of the payroll service that we have.

Ms. Beaugrand stated okay, I was just curious. You said you were going to check on the capital reserve?

Mr. Oliver responded yes I will.

Ms. Beaugrand stated as well as the operating reserve because the capital reserve went down significantly as well on that same budget.

Mr. Oliver responded okay I will check both of those out.

Ms. Beaugrand stated the recreation fund budget starts on page 5. To reiterate I'm looking mostly at the revenues, most of this should really work under similar assumptions that we have going on over at the existing pool with minor increases assuming the new recreation center opens within this coming fiscal year. There are some pretty significant increases like the non CDD memberships.

Ms. Hernandez stated we increased the fee. I had it based on a much lower amount.

Ms. Beaugrand stated the party rentals, aquatics classes double.

Ms. Hernandez responded all of the classes I increased the fee, it is nominal but I did increase the fee and I broke down my programs, I rewrote programs, I added a couple of extra classes.

Ms. Beaugrand asked the swim team program?

Ms. Hernandez responded that is for a year around team.

Ms. Beaugrand asked what about teen programs?

Ms. Hernandez responded there will be our lifeguard program, skating, and basketball clinics.

Ms. Beaugrand stated you are not going to have that much of an increase in a two or three month period at the end of the fiscal year. Are you assuming most of that stuff would be at the new facility?

Ms. Hernandez responded no, most of it is going to be over here. Very little of the skate and basketball is in that number. It is more our lifeguard programs and scuba programs that we are going to have. We added another aerobic instructor who can offer deep water and prenatal so we have added a lot of other classes that will start over here in the old facility.

Ms. Beaugrand asked child watch fees?

Ms. Hernandez responded that is for the new facility as well as this facility.

Ms. Beaugrand stated that is \$32,000 for two or three months.

Ms. Hernandez responded correct.

Ms. Beaugrand stated they are just big increases when you look at child watch, tennis, adult fitness classes, multi-purpose rental, concessions, special events. I just want to make sure that we really thought through and I know you have.

Ms. Minnis stated I have a question on the ones below. The telephone, cable, credit card point of sale, are those one time expenses, initial start up expenses?

Ms. Hernandez responded no.

Ms. Minnis asked that is yearly?

Ms. Hernandez responded correct.

Ms. Beaugrand stated it says merchant card services for the credit card.

Ms. Hernandez responded correct.

Ms. Minnis asked what telephone computer network are we using that is \$27,000 a year?

Ms. Hernandez responded right now we are going to have to because of the ID card system that we have, we are going to have to have telephone computer capability at the skate park, the front desk, we will have nine computers for the staff, the whole network, I can break it down if you would like.

Ms. Beaugrand asked is it like a scan card system?

Ms. Hernandez responded yes. Remember we will have to have something over here, we have something at the recreation office, we have the new facility we are going to have to have something at the aquatic stations and sportsplex, all of those average out \$4,800, \$5,600, the new facility \$13,000 a year. You add all of that up and it is \$27,000. Again, if I don't need it I won't

get it. Some of these are unknown costs. This is what we are projecting now in order to run programs. Everyone is going to have a computer to run their programs.

Ms. Beaugrand stated these are not capital expenditures, these are all ongoing expenses.

Ms. Hernandez stated ongoing. You have your separate line charges. Right now we are spending \$5,600 a year here in this office so you have to add all of those extra buildings. If I can cut a deal I will. These are numbers given to me by the current companies.

Ms. Minnis stated just out of curiosity, the lines you have here were they inherited or did you put them in?

Ms. Hernandez responded we put them in.

Ms. Minnis asked who did you go with?

Ms. Timbol responded BellSouth which is now AT&T.

Ms. Minnis asked have they done a review? Have you asked to meet with them about the facility?

Ms. Hernandez responded correct.

Ms. Beaugrand stated I assume all of the HR, employee benefits, payroll taxes, etc. you have run the numbers through our payroll services to verify.

Ms. Hernandez responded yes.

Ms. Beaugrand asked is the pool maintenance monthly service?

Ms. Hernandez responded yes.

Ms. Beaugrand asked has he given you an estimate?

Ms. Hernandez responded he has given me an estimate. He doesn't know if he will do the job until he actually sees the pool.

Ms. Beaugrand asked have you shown the plans to anyone else to get an idea?

Ms. Hernandez responded no.

Ms. Beaugrand stated office cleaning service, that isn't showing in the budget.

Ms. Hernandez responded he is under housekeeping because of the difficulty in finding a good service just like landscaping. I prefer to have in-house housekeeping.

Ms. Minnis stated I have a question back on pool service. That is \$107,000 based on one person's comment or their estimate.

Ms. Hernandez responded I have talked to other pool facilities. I haven't shown them the actual plan.

Ms. Minnis stated when you said no, I assumed you hadn't talked to anybody that is why I asked the question. I guess the question is to Jamie, if it goes to \$150,000 we have to put that out to bid, correct?

Ms. Fowler responded I believe it is around \$150,000, not on the nose but around that.

Ms. Minnis stated just because these numbers are walk away and we don't have that I'm concerned we are going to be running to bid if we get to that number, will we be in jeopardy? Should we start looking at that now?

Ms. Fowler stated since it is projected to be \$107,000 that is quite a bit under the threshold. I don't think by the time this new pool gets on it will to up \$40,000 beyond what is projected.

Ms. Beaugrand stated we are talking about a three month period too in this budget for the other facility. It is going to be next year at this time where we are going to have to bid that out. It is going to be more than \$150,000 for everything at that point.

Ms. Hernandez stated because he couldn't give me a definite answer that he would do it, I would prefer him to do it, I put it in here as if we were opening in June. There is an extra padding. We are not going to be open in June of next year.

Mr. Abbatiello asked what happens if we don't open at all?

Ms. Beaugrand stated then we are going to have a lot of excess funds. Our costs will be offset by less revenues. We are assuming that capital projects and land acquisition gets zeroed out and that is part of your question to Prager about which funds we should be expending first.

On page 11 we have the proposed budget for the debt service fund.

Ms. Beaugrand stated this is where you were talking about in the excess reserves what I asked you about earlier, the \$867,000 that would be earmarked for the November interest payment.

Mr. Oliver responded correct.

Ms. Beaugrand stated then the same is applicable on page 13 the \$327,000.

Mr. Oliver responded right.

Ms. Beaugrand stated you are going to clarify that and put that additional footnote on. So these are all contractual numbers here.

Mr. Oliver responded yes, these are from the bond covenants, the two interest payments per year and a principal payment each year and you have to have some money budgeted in fiscal

year 2008 for the November 1 payment for fiscal year 2009. Because the assessments start coming in late November but you have to have the money available for the November 1 interest payment.

Ms. Beaugrand stated if you look at the amortization schedule on page 12 the November 2007 interest is the \$440,000 so there is still an excess revenue number there. The same goes for the 2006 series. On the other one you have the \$301,000 in interest against the \$327,000 which is a little bit of excess.

Mr. Oliver stated as I was looking at the 2002 bonds for fiscal year 2007 the interest payment was \$448,000 and the excess revenue was \$571,731 so I will find out why there is that additional margin. There is no action necessary but I will get with Stacie and we will set up a staff call.

Ms. Beaugrand stated and you will add the additional operating portion.

Mr. Oliver responded yes.

Ms. Beaugrand stated I suggest to the board to take a look at this O&M budget. It is not going to correlate because this doesn't have a full year but it will give you a basis for a starting point.

NINTH ORDER OF BUSINESS

Approval of Pay Requests

A. No. 175 Payable to Hopping Green & Sams in the amount of \$1,414.57

Ms. Beaugrand stated we have pay request no. 175 to Hopping Green & Sams in the amount of \$1,414.57 related to construction. You can see the break out on the next page.

On MOTION by Mr. Abbatiello seconded by Ms. Spears with all in favor pay request 175 was approved.

TENTH ORDER OF BUSINESS

Other Business

There not being any, the next item followed.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Fowler stated I wanted to make a report on the boundary amendment process. It is FLWAC and we anticipate it will be on their September agenda for their consideration of the boundary amendment, approving that to include the new land.

Ms. Minnis stated that is the Florida Land and Water Adjudicatory Commission.

Ms. Beaugrand responded yes.

Ms. Minnis stated and in the meantime resolving the tax with St. Johns County until then?

Ms. Fowler responded yes.

Ms. Beaugrand stated there are still some outstanding issues with them. Do you have an update on that?

Ms. Fowler responded I know Jonathan and Vicki Weber, who is a shareholder in our firm who does tax law, sent a letter to the tax collector and property appraiser trying to get them to reconsider their position. I don't think we have heard back from them regarding that issue.

Ms. Beaugrand stated some of the issues were resolved but there were others not resolved.

Ms. Fowler stated there are a couple of outstanding items that I don't think they have reached consensus on.

Ms. Minnis stated my point is that we don't assess their land within the district because of this intergovernmental agreement yet they are now assessing land that we buy. It seems like it is okay for them to be on our land we not assess them but it is not okay for us to do the same. What happened to the intergovernmental?

Ms. Fowler responded there is a statutory basis for both of those, us not assessing their land as well as them not assessing the land within the district and they have taken a position because the land is currently outside the district even though it is owned by the district. I believe they put a minimal value on it and I'm not sure what that is. We are just trying to get that resolved. It hasn't been fully resolved yet. Jonathan as well as Vicki in our firm are working with St. Johns County to resolve that issue.

B. Engineer

Mr. Maggiore stated the only thing I have is the yearly engineer's report. We inspected the facilities and everything looks fine. The recurring potholes across the street are still there. Because that will be repaired with the construction of the new parking lot we will finally get that addressed.

Ms. Minnis stated based on that pothole, is it the way they were built in the year they were built and will new construction do away with this problem?

Mr. Maggiore responded I don't know exactly what is causing that to be honest with you. It may be that once we get the contractor in there, we may be able to determine more exactly what is happening. Those plans were actually done by another person in our firm. I think the plans involve milling and resurfacing that, taking the asphalt up and putting in new asphalt.

Ms. Beaugrand stated I thought there was a water leak or something under there but I don't know why there would be water lines.

Mr. Maggiore stated it could be the storm sewer.

C. Recreation Facility Manager

Ms. Hernandez stated I have some revised access cards page, rules and regulations and then the budget narrative in here.

Ms. Beaugrand stated that is part of the review for the next meeting.

Ms. Hernandez responded yes. You have already reviewed most of this. It is just the corrections that we have made except for the narrative. I redid the narrative.

Ms. Callahan stated I wanted to inform you that we had some problems ending the Porpoises swim meets. These issues resulted in select parents and board members deliberately disrespecting my instruction to call the end of the swim meet and led to the announcer, a parent of one of the swimmers, inappropriately causing a disturbing scene to the surrounding parents and children in the meet. This disrespect for policies and complete violation of our rules and regulations. Since the incident the Porpoises president has been very apologetic and more than willing to work with us to make sure that the ending time is communicated correctly. At this time we feel the issue is resolved but we have another Porpoises swim meet on the 19th of July and we anticipate that everyone will be fine. I just wanted to put that on the record.

Ms. Minnis stated I didn't get that last part.

Ms. Callahan stated we have another meet on the 19th and I wanted to put this on the record so that you all knew this happened.

Ms. Beaugrand stated so it was getting dark and it was time to call the meet and they refused effectively to call the meet.

Ms. Callahan stated it had come to the end of the meet and obviously they want to see the children swim, we understand that but our bottom line is safety and when it is getting dark we have to call it.

Ms. Minnis asked are they going to take responsibility for this parent?

Ms. Callahan responded the gentleman who was the loudest of them all, was quite disrespectful to me and he is no longer allowed to initiate anything. They have been very apologetic towards the boy who treated me and our staff and they are going to try to get him to apologize. I appreciate all of the apologies that I did get.

Another thing we wanted to update you on something for our staff. We have it in service today just to let you know what our staff does, we do lifeguard training every month and they do hands on training for spinal injuries, rescues, CPR and we do fitness training. This training basically helps lifeguards maintain their knowledge and skills and keeps them up to speed throughout the year.

Ms. Kannatt stated I am a community resident and also a board member of the Porpoises. On the record I want to extend an apology to Laura and to your staff for the terrible behavior. I truly apologize for the people who were involved. The person who was doing the announcing will no longer announce or be asked to participate in any volunteer position on the Porpoises because we cannot control that person's behavior or anyone else's you can only control your own behavior. It was unfortunate. You should also know it was about 8:20 p.m. and I think what incited all of it was that the pool typically closes at 8:30 p.m. and there were two races to go. The pool typically closes at 8:30 p.m. and we are being told to close at 8:20 p.m. there are two races that are going to take a matter of 2 ½ to 3 minutes to finish the meet and things just got out of control and people got hot as a result of that. Just so you know both sides, it wasn't like it was 8:45 p.m. and they ran over. It wasn't like we had 10 minutes to go, it was two races and a final event.

D. Manager – Report on Number of Registered Voters

Mr. Oliver stated in your agenda packet you have a letter from Penny Halyburton the supervisor of elections. In accordance with Florida Statutes, we put on the record the number of registered voters within the district and as of April 15, 2007 the number of registered voters is 10,813 in this district.

TWELFTH ORDER OF BUSINESS Supervisor's Requests

There not being any, the next item followed.

THIRTEENTH ORDER OF BUSINESS Audience Comments

Mr. Stewart asked is there a breakdown of the water usage for irrigation and water usage for potable water?

Ms. Hernandez asked on our bills?

Mr. Stewart responded yes.

Ms. Hernandez responded yes.

Mr. Stewart asked do you know the irrigation water comes from the JEA Blacksford plant. The POA is being charged the same price for that as they are for regular potable water. You may want to look into that and try to get them to give you a rate on it. The other question I have is if the CDD and POA would be interested in combining contracts for landscaping there is a POA meeting tomorrow night at 5:00 p.m. if you want to have a representative of your board there tomorrow evening or I can mention it. If you want to have someone there call Dottie at May Management and get on the agenda.

Ms. Beaugrand stated I think maybe bring it up if you want to bring it up to the board to see if that is something they are interested in and then get together with Stacie on that. Then we can figure out what kind of benefits we might be able to get because that is definitely a much larger contract either way.

Ms. Minnis stated I think we have to bring it to this board to discuss since we are under the sunshine rather than us go that way.

Ms. Beaugrand stated we could have one board member go but I think it is kind of conjecture at this point. Is that something they are interested in talking to us about and then I think we have staff talk to Del or whoever.

Mr. Stewart stated maybe we can have someone from POA at your next meeting.

Ms. Beaugrand stated definitely. Looking at those bills in the back on the irrigation it doesn't indicate whether it is potable or non potable.

Ms. Stewart stated you are probably getting charged the regular price for both.

Ms. Hernandez stated I will check into it.

Ms. Minnis stated there is supposed to be an agreement between the CDD and the JEA on the first right of refusal for that water as well. There is supposed to be a formal agreement on how that water is distributed. There have been issues when there hasn't been enough and these agreements are verbal or we have talked about them in the past 12 years but no one has ever been able to come up with these agreements. I am interested in what the JEA says based on that, if they know of an agreement.

Mr. Stewart stated it may pay to sink our own well and have our own pumping station right here to take care of it all.

Ms. Beaugrand stated I think that is going to be a consumption issue from a permitting standpoint. The other issue is I think that JEA has to have that outflow to get rid of that water.

Ms. Behrmann stated I missed a meeting a couple of months ago. Did we change the tennis courts from clay to something else?

Ms. Hernandez responded no.

Ms. Behrmann asked am I correct that the increase will start on the next tax bill?

Ms. Beaugrand responded correct. Anything that gets approved with this next budget hearing would show up on the tax bill that gets sent out in November.

Ms. Behrmann stated just to clarify that increase is going to be on the tax bill, it is not on the POA.

Ms. Beaugrand stated the POA is separate.

Ms. Behrmann asked did I hear correctly that we still have another month before we can break ground?

Ms. Beaugrand responded maybe not. From the land clearing standpoint we are getting some clarification on that. If you think about it having to go through Parcel 50 and then we still have to go all the way back to where that whole upland island is, there is a lot of work that has to be done before you are going to see any vertical construction.

Mr. Abbatiello stated I suggest we schedule a groundbreaking ceremony.

Ms. Beaugrand stated that is a great idea.

FOURTEENTH ORDER OF BUSINESS Financial Reports

A. Financial Statements – May 31, 2007

Ms. Beaugrand stated you have the balance sheet behind tab A.

B. Treasury Report – May 31, 2007

Ms. Beaugrand stated you have the treasury report behind tab B.

C. Assessment Receipts Report

Ms. Beaugrand stated you have assessment receipts behind C.

D. Check Register Summaries

1. General Fund – 6/1/07 – 6/30/07

Ms. Beaugrand stated behind tab D1 you have the general fund check register summary, check numbers 1425 through 1439.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the general fund check register consisting of checks 1425 through 1439 was approved.

2. Recreation Fund – 6/1/07 – 6/30/07

Ms. Beaugrand stated behind tab 2 we have the check register summary for the recreation fund check numbers 2181 through 2249.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the recreation fund check register for checks 2181 through 2249 was approved.

FIFTEENTH ORDER OF BUSINESS

**Next Scheduled Meeting – August 14, 2007 at
6:00 p.m. @ Community Development
District Administrative Offices**

Ms. Beaugrand stated we want to have a motion to continue this meeting to July 24, 2007 at 6:00 p.m. at the CDD offices.

On MOTION by Ms. Minnis seconded by Mr. Abbatiello with all in favor the meeting was continued to July 24, 2007 at 6:00 p.m. in the CDD office.

Secretary Assistant Secretary

Chairperson/Vice Chairperson