

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, August 12, 2008 at 6:00 p.m. at Fruit Cove Middle School, 3180 Race Track Road, St. Johns, Florida.

Present and constituting a quorum were:

Susan S. Beaugrand	Chairperson
Kathleen P. Minnis	Vice Chairman
April Spears	Assistant Secretary
Del Dosch	Supervisor

Also present were:

James Oliver	District Manager
Wes Haber	District Counsel
Matt Maggione	District Engineer
Mike Lucas	Basham & Lucas Design Group
Carol Dodd	Basham & Lucas Design Group
Stacie Hernandez	Julington Creek CDD
Laura Callahan	Julington Creek CDD
Shelly Timbol	Julington Creek CDD
Ashley McVeigh	Julington Creek CDD
Paula Holstein	Julington Creek CDD

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Affidavit of Publication

Ms. Beaugrand stated the next item is the affidavit of publication.

Mr. Oliver stated in your agenda package you have a copy of the notice that was published and also mailed notice was sent to all of the landowners.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the July 8, 2008 Meeting and Minutes of the July 22, 2008 Continued Meeting

Ms. Beaugrand stated the next item on the agenda is approval of the minutes of the July 8, 2008 meeting. Are there any corrections, additions, or deletions to those minutes?

There not being any,

On MOTION by Ms. Spears seconded by Mr. Dosch with all in favor the minutes of the July 8, 2008 meeting were approved as submitted.

Ms. Beaugrand stated next would be the approval of the minutes of the continued July 8th meeting that was held July 22nd. Are there any corrections to those minutes?

There not being any,

On MOTION by Ms. Spears seconded by Mr. Dosch with all in favor the minutes of the July 22, 2008 meeting were approved as submitted.

FOURTH ORDER OF BUSINESS

Acceptance of Audit Committee Minutes of July 8, 2008

Ms. Beaugrand stated the next item on the agenda is acceptance of the audit committee minutes for the July 8th meeting. Are there any corrections to those minutes?

There not being any,

On MOTION by Ms. Spears seconded by Mr. Dosch with all in favor the July 8, 2008 audit committee meeting minutes were accepted.

FIFTH ORDER OF BUSINESS

Consideration of Berger Toombs Elam Gaines & Frank Engagement Letter for FY 08 Audit Services

Ms. Beaugrand stated the next item on the agenda is consideration of the Berger Toombs Elam Gaines & Frank engagement letter for fiscal year 2008 audit services.

Mr. Oliver stated at the last board meeting the board selected Berger Toombs Elam Gaines & Frank to conduct the fiscal year 2008 audit at a price of \$4,750 and this is the

engagement letter. Counsel has reviewed it and once the board approves this we will adjust the fiscal year 2009 proposed budget with this price.

On MOTION by Ms. Spears seconded by Mr. Dosch with all in favor the engagement letter with Berger Toombs to conduct the audit for fiscal year 2008 was approved.

Ms. Beaugrand stated I appreciate everyone being here but with the weather are going to wait a few more minutes to make sure people get here and we have one supervisor who is also running late. We are going to go to item eight on the agenda which is the approval of pay requests.

EIGHTH ORDER OF BUSINESS

Approval of Pay Requests

A. Pay Request No. 248 Payable to Sun State Nursery in the Amount of \$76,500

Ms. Beaugrand stated the first pay request is pay request 248 payable to Sun State Nursery for \$76,500. This is for the June pay request and relating to the installation of the landscape plan at the new recreation center. Also there is a lien waiver that Sun State has signed as part of that.

Ms. Minnis joined the meeting at this time.

B. Pay Request No. 249 Payable to Julington Creek Plantation CDD in the Amount of \$36,149.78

Ms. Beaugrand stated behind Tab B is pay request no. 249 payable to the CDD for reimbursement for recreation center supplies.

C. Pay Request No. 250 Payable to Hopping Green & Sams in the Amount of \$2,394.00

Ms. Beaugrand stated behind Tab C is pay request 250 payable to Hopping Green & Sams relating to professional services rendered to us in concert with contracts and obtaining the payment from D.R. Horton for the amount of money they were under contract to pay us and so on.

D. Pay Request No. 251 Payable to Basham & Lucas Design Group, Inc. in the Amount of \$935.00

Ms. Beaugrand stated next is pay request 251 to Basham & Lucas Design Group for \$935.00 for the document review for the bid package for the signage for the new recreation center.

E. Pay Request No. 252 Payable to Julington Creek Plantation CDD in the Amount of \$14,688.00

Ms. Beaugrand stated next is pay request 252 reimbursing the district for the acquisition of spinning bicycles for the new recreation center.

F. Pay Request No. 253 Payable to Basham & Lucas Design Group in the Amount of \$8,205.00

Ms. Beaugrand stated next is pay request 253 to Basham & Lucas relating to construction administration and the review of sidewalk bid documents for the new recreation center.

G. Pay Request No. 254 Payable to Julington Creek Plantation CDD in the Amount of \$2,911.00

Ms. Beaugrand stated pay request 254 reimbursing the district for \$2,911.00 for art work for the new recreation center.

H. Pay Request No. 255 Payable to Julington Creek Plantation CDD in the Amount of \$2,474.36

Ms. Beaugrand stated pay request 255 reimbursing the district \$2,474.36 for supplies, licensing fees and storage of some of the furniture that will be installed once the construction is completed.

I. Pay Request No. 256 Payable to Hopping Green & Sams in the Amount of \$1,459.07

Ms. Beaugrand stated you should have in front of you some additional pay requests that didn't completely make the meeting package. Pay request 256 to Hopping Green & Sams for \$1,459.07. These are for legal services relating to licensing issues for the recreation center.

J. Pay Request No. 257 Payable to Julington Creek Plantation in the Amount of \$14,872.30

Ms. Beaugrand stated 257 is reimbursing the district \$14,872.30 for the acquisition of computer, scanners, fitness supplies and licensing applications.

K. Pay Request no. 258 Payable to O.R. Dicky Smith and Company, in the Amount of \$654,369.00

Ms. Beaugrand stated pay request 258 is for the construction draw request from Dicky Smith & Co. for the construction that has taken place at the recreation center. I will have Mike talk about this in a moment.

L. Pay Request no. 259 Payable to Sun State Nursery & Landscaping, Inc. in the Amount of \$113,855.00

Ms. Beaugrand stated 259 this shows Basham & Lucas as the payee and I believe it should be Sun State. That is a correction to this pay request for \$113,855. This is for the installation of the landscape for the month of July. We have two pay requests in this package for Sun State, one for June and one for July.

Ms. Minnis stated I don't have those in front of me. I have a question about that. Who is 259 made out to?

Ms. Beaugrand responded it is made out to Basham & Lucas and that is incorrect it should be Sun State.

Ms. Minnis asked can that be approved if it is incorrect?

Mr. Oliver responded you can approve it as revised.

Ms. Beaugrand stated we will make sure the request that goes to the trustee is correct showing the right name. Mike will you address the construction draw to give us a quick synopsis. That is on pay request 258.

Mr. Lucas stated the draw from Dicky is 94% complete. I don't know if you have had a chance to get out there lately but we have a lot of pictures and he has provided an aerial. Basically, the exterior of the building is done, the site is paved, landscape is progressing very nicely. We even have water in the junior olympic pool right now and he is working on finishing up the other two pools. What is going on now is basically the interior finishing. We are pushing to get our site approval so we can get our C.O. so we can open up for events. Right now we are hopefully on course for that.

Ms. Beaugrand asked is there an estimated date of delivery at this point?

Mr. Lucas responded his date is October 15 and we are pushing for the middle of September so that you can get your tennis tournaments going. The main thing is if he can get the site turned over and that is why we have been pushing Sun State to get all the site work in and all the plants. That is why over the past month you have seen the transformation and it is pretty spectacular right now.

Ms. Beaugrand stated one thing I want to mention for the benefit of the audience these are all items that are included in our construction budget. They are not change requests per se. As we go through the budget we are tracking what we are spending against what we have budgeted in the construction budget or for the assets we are buying outside of it. These are all numbers that are in conformance. I know they sound like a lot but it is nothing outside of what is expected at this point in the construction process of the recreation center.

Ms. Minnis stated my only question was the change in the name of no. 259 that if we were going to approve in a series that that would not break up the series.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor pay request 248 through 259 were approved with a 259 being revised to being payable to Sun State Nursery.
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Change Order no. 10

Mr. Lucas stated the first one we will discuss is the architectural change order that is change order no. 10. These were approved at our last meeting. It is going to be a credit of \$22,124 back to the CDD. The PCOs that make up this change order was PCO no. 37 we had some issues with the fire marshal he wanted us to come back and do certain things after we had been approved and authorized to proceed in the manner that we did. We had to go back and create a fire rated ceiling and it ended up costing us \$7,773. PCO no. 38 is a credit of \$38,028 and we credited back playground equipment so that we could take advantage of the tax exemption. PCO no. 39 I will let Matt address.

Ms. Beaugrand stated these were PCOs that were approved at the last meeting.

Mr. Lucas stated PCO no. 39 is a cost of \$5,622 and PCO no. 40 was for modifications for the sidewalk on the other side of Durbin so this was a total credit back to the CDD of \$22,124.

Ms. Beaugrand stated those four PCOs were included in change order no. 10.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor change order no. 10 in the amount of a credit of \$22,124 was approved.

Mr. Lucas stated there are a total of four PCOs from Dicky Smith.

Ms. Beaugrand stated for the benefit of the audience a PCO is a proposed change order and from a procedural standpoint Basham & Lucas brings forth any proposed change order for us to discuss first and then it comes back as a final change order for final approval. We talk about anything they want us to consider changing first and approve that for them to move forward and then it comes back as final approval of a change order which is what we just approved a minute ago. These are new items to the board and it affects the construction budget one way or the other.

Mr. Lucas stated PCO no. 41 in the amount of \$1,255 we had to change out a single drinking fountain with no change to the time. We had to change out the drinking fountain to a high level drinking fountain so it is now ADA assessable and also back at the pool house my engineer missed the fact that I had a single and we had a requirement for a high level and it had to be changed out from a single to a high level. Basically you have two water fountains side by side one is normal height and one is ADA height. Also you have a credit for a mop sink and since we agreed to get the hot water heater we eliminated the mop sink. This is for a total add of \$1,255.

Ms. Minnis asked where it says facility per St. Johns County plans examiner comments as noted on the permit drawings. Was that a note that they put on the drawings?

Mr. Lucas responded that is a note that the county in their review put on the drawings.

Ms. Minnis stated you submitted the drawing their comment was you need to have something different.

Mr. Lucas stated we had a single one there but they wanted a high level there in those two locations.

Ms. Minnis stated so this is a St. Johns County requirement.

Mr. Lucas responded yes.

Ms. Minnis stated thank you. If you don't approve it what happens?

Mr. Lucas responded you don't get your C.O.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor PCO no. 41 in the amount of \$1,255 was approved.

Mr. Lucas stated PCO no. 42 if you refer to your sketch, what we are proposing is to put a four foot high fence around the pool equipment by the play feature. Typically we have a hedge over there to shield this equipment since it is in proximity to the pool deck and we don't want any kids running in there. Typically you don't put fences around these you just shield it with landscape but after we were out there last week we noticed now that the pool deck and everything is coming to shape Stacie thought it would be a good idea to go ahead and put a four foot high plastic fence around the pool equipment.

Ms. Beaugrand stated if you walk out the back door it is to the right.

Mr. Lucas responded yes.

Ms. Minnis stated this is to put a fence and this is play equipment that is adjacent to the pool so little kids can't wander off over to the pool.

Ms. Beaugrand stated it is next to the sprayground which is the spray feature and it is the equipment that relates directly to the water play feature.

Mr. Lucas stated typically we shield these with plants but because of the proximity we didn't want kids getting in there. Right now we have two rows of planting a lower hedge and a higher hedge. It is going to probably take a full year for that to be at a height to prevent a kid from getting back in there.

Ms. Minnis stated so the gate that is on the back end of it will be locked and only opened when it is needed.

Mr. Lucas stated that will provide access to the equipment. It is only for maintenance.

On MOTION by Mr. Dosch seconded by Ms. Minnis with all in favor PCO no. 42 was approved.

Mr. Lucas stated Matt will take 43 and 44.

Mr. Maggiore stated PCO 43 is in regards to a 4" irrigation main that Dicky found under construction of the parking lot on Davis Pond and it is an existing irrigation line we didn't know about and it runs basically across the front of the parking lot. It is very shallow and it really

can't stay where it is. This PCO covers moving that line outside of the paved parking area so it will be in a grass strip between the proposed parking lot and the existing parking lot. That includes rerunning a 4" irrigation line and rerunning control cable which is in a separate conduit that parallels the irrigation line. That PCO is \$1,284.

Ms. Minnis asked is this what we discussed it is connected to what we discussed in the last meeting?

Mr. Maggiore responded no it is totally separate. This is a pressurized irrigation line.

Ms. Beaugrand asked in the illustration is the existing line the dashed line that goes across the corner?

Mr. Maggiore responded that is correct.

Ms. Beaugrand stated the new one would be the solid line that does a 90° angle.

Mr. Maggiore responded that is correct. The existing line is very shallow.

Ms. Beaugrand stated so it would end up getting covered by the asphalt which is not what we need to have happen.

Mr. Maggiore responded yes, we are still going to cross that driveway but we will cross it at a deeper depth and you won't have as much under the parking lot.

Ms. Minnis asked when you say this line was not on the plans nor was it located by locate services is this not the original plans but the new plans?

Ms. Beaugrand stated the original plans.

Mr. Maggiore stated it is not located on the plans we did for the parking lot. We didn't have any knowledge of it.

Ms. Beaugrand stated it was an existing line that was there when that area was grassed.

Ms. Minnis stated this was similar to the drain.

Mr. Maggiore responded very similar.

Ms. Minnis stated okay, thank you.

Ms. Beaugrand stated it wasn't acknowledged on any as-builts that we had.

Mr. Maggiore stated right.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor PCO no. 43 was approved.

Mr. Maggiore stated PCO 44 is much more involved and I will try my best to explain it. The new restroom facility we are building at the park the plans were to connect the restroom facility to the existing potable water service to provide water service and to connect the sewer lift station that we are installing for the restroom to an existing 2" force main that was supposed to be stubbed out to the site. Neither one of those lines exists. We did a little research and going back 14 years those lines have shown up on various sets of drawings as existing lines. As best we can tell the lines were probably planned to be installed and somewhere along the line 16 odd years ago were not installed. This PCO covers basically what you would have had to incur anyway if we had known at the time that those lines were not in the ground. The first line item is the 1" water service which basically needs directional drilling a 1" line under Davis Pond to connect to the potable water that parallels Davis Pond on the south side of Davis Pond. Then the second line item involves the work required to hook up the 2" force main from our new sewer lift station to the existing 16" force main that is in the Davis Pond right of way on the north side of Davis Pond. We looked at several options on the force main as far as running smaller force main line to connect to the gravity sewer and this is the most economical option.

Ms. Beaugrand stated again this is an issue that we have no choice on.

Mr. Maggiore responded no we really don't. Basically this is work that we probably would have done, it is exactly what we would have done had we known that those existing lines were not in service.

Ms. Beaugrand stated we are not able to save the money we were hoping to save.

Mr. Maggiore responded yes.

Ms. Minnis asked shown in the plans do not exist as confirmed by the engineer. Maybe it is the wording. Was there something that made someone believe that the lines existed at one time?

Mr. Maggiore responded the lines are shown as existing lines on our plans.

Ms. Beaugrand stated on the as-builts.

Ms. Minnis stated okay.

Mr. Maggiore stated we called out the existing 2" force main and an existing 1" water service. From the research that we have done everyone thought those lines were there. We even had DEP sign off on the permit, JEA signed off on DEP permits I guess everyone thought the lines were there. I went back as far as 1994 and we found plans that showed those lines as

existing. For other work that was done along Davis Pond that 2" force main is shown and the 1" water service is shown.

Ms. Minnis stated I understand, thank you.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor PCO no. 44 was approved.

Ms. Beaugrand stated since we are on PCOs let's do the landscape ones at this time.

Mr. Lucas stated change order no. 1 was approved at the last meeting and is for a credit of \$2,834 and there are numerous items that were credited back and changes that were made and these were approved last month.

Ms. Beaugrand stated the PCO went through at the last meeting and this is the final verification of the change order.

Mr. Lucas responded yes and it is a credit of \$2,834.

Ms. Carol Dodd stated this is Carol with Basham & Lucas and in the packet in front of you the first one is PCO no. 2 and 2A they were put together with pictures and is for rubberized mulch versus cypress mulch at the playground. There are two options. When we originally bid this project we asked for 3" rubberized mulch and since it was bid we got a second picture you have which is the actual layout of the playground so you have two separate playgrounds with a border drawn around it but typically we use 3" of rubberized mulch at the base and in talking with the playground equipment guy at Play World there is no code or anything but he recommended the 6" rubberized mulch even though it is not a requirement. What we thought we would do is come up with two PCOs 2 and 2A. The first one shows 3" rubberized mulch on the new layout and 3" cypress mulch all the way around the playground so the second picture shows how it would be laid out. The question to the board is if we go with PCO no. 2 which is 3" rubberized mulch and 3" cypress mulch it will be a credit back of \$4,400. If you feel we need to do a 6" rubberized mulch underneath just the two playground areas and keep cypress mulch all the way around the outside it will be a debit of \$3,700. In talking with Play World playground system guys there was really no code and there is no playground mulch police that will come out and measure this but we thought you should know we recommend the 3" or 6".

Ms. Minnis asked we have heard this in another discussion as well. Since there is no code which is what you are saying there is no code for the mulch itself, correct?

Ms. Carol Dodd responded it is a recommendation.

Ms. Minnis stated it is a recommendation by one person. Have you ever had this recommendation from anybody else?

Ms. Carol Dodd responded no. Usually we just go with 3" and we always have in the past but this gentleman brought it to our attention that they usually do 6". Of course, this is using his rubberized mulch guy that comes along with him so it could be because they would make more money with the 6". Just so you know the highest point on the playground is 5 feet and he sent us an email and said something less than 6" would suffice but we always install 6" loose rubber.

Mr. Lucas stated both the playgrounds we did at Durbin was 3".

Ms. Beaugrand asked are there any comments by the board members?

Mr. Dosch stated I'm kind of in favor of the 3". I don't see any need for 6" particularly since the maximum height is 5 feet.

Ms. Beaugrand stated I tend to agree with that. If you have 3" of cypress mulch and 6" of the rubberized mulch you are going to have this lip an uneven thing all the way around that could end up tripping the children. It just doesn't make any sense to me. Does someone want to make a motion to approve PCO no. 2 or PCO 2A?

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor PCO no. 2 for 3" thickness all around was approved.
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Ms. Carol Dodd stated PCO no. 3 was missed in our bid document as we do not sod that second lake coming in, the bank was missed. PCO no. 3 is for additional St. Augustine sod to go around that slope and it is 10,000 square feet.

Ms. Beaugrand stated that just ate up most of the credit that we just got off the mulch. This is a St. Johns County requirement I presume to use sod versus seeding.

Ms. Carol Dodd responded right.

Ms. Minnis stated the next one says there is seed. There is not an option to do seed on this?

Ms. Carol Dodd responded the reason we went with St. Augustine sod is it is a nicer look, it is the main lake coming into the project.

Ms. Beaugrand stated it is right next to the skate park.

Ms. Carol Dodd stated the seed just doesn't hold as well, it will wash in. We do seed all the way around the back edge of the entire project to hold the slope and you don't see that as much but since this is such a visible pond we thought the St. Augustine would look nicer. Anything that is visible to the eye we want St. Augustine. When we go to PCO no. 4 we used Bahia sod on the two to one slope to hold that slope. We had seed originally but the slope was so drastic and sharp the civil engineers we work with recommended doing Bahia sod but you won't see it on the back side.

Ms. Minnis stated that is what prompted me to ask the question. Now that I know what that one is when it is on a slope you need to be putting sod and not seed. I understand, thank you.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor PCO 3 for St. Augustine sod around the slope of the pond at the entry next to the skate park and basketball court in the amount of \$3,400 was approved.

Ms. Carol Dodd stated PCO no. 4 is for Bahia sod on the two to one slope that I just described. We had seed originally but since the slope is so severe the civil engineer recommended sod which is already in because we needed it placed pretty quickly to stabilize it.

On MOTION by Ms. Spears seconded by Ms. Minnis with all in favor PCO no. 4 in the amount of \$1,695.52 for the Bahia sod for the two to one slope was approved.

Ms. Carol Dodd stated this is a St. Johns County code requirement that has been approved with St. Johns County, however, we did not pick up the upland buffer required. If you look at the map and the flow of the area it didn't get moved over to the bid documents so when we bid this out the four or five landscape contractors and we just noticed it last week because we know we have to go before St. Johns County for site approval and get a C.O. so this has to go in.

We missed it on our bid documents but we are bringing it up as a change order and recommend we do that. That is the price to finish that front lake where the sign is.

Ms. Minnis stated on your diagram you have the upland buffer plant list section 4.01.0603 is that the part of the county code that requires this?

Ms. Carol Dodd responded yes. When they come out to inspect they are going to expect to see those on the slope from his approved set. Unfortunately, we missed it in the bid documents.

On MOTION by Mr. Dosch seconded by Ms. Spears with all in favor PCO no. 5 in the amount of \$4,860.30 was approved.

SIXTH ORDER OF BUSINESS

Public Hearing Adopting the Budget for Fiscal Year 2009

Ms. Beaugrand stated at this time we are going back to item six on the agenda and open the public hearing.

Mr. Oliver stated a few announcements before we open the public hearing. First of all thanks for everyone being here tonight. It is really good when we have a large crowd like this. I want to thank Fruit Cove Middle School for letting us use their facility. A little bit later after we discuss and review the budget everyone here will have the opportunity to talk about the budget and that will be during the public hearing. When we do that we will ask that you fill out a comment card and give it to one of our staff in the back of the room and they will bring it to the chairperson and she will call you by name and when it is time for you to make your comments, please step up to the microphone and state your name for the record and make your point. We are recording the meeting so that we can have minutes. If someone has already made the point that you wish to make and you are happy that they were clear on that point, it would probably be in everyone's interest if you were not to repeat those comments. You can still do that if you want to but I ask that you try not to repeat comments. Try to keep your comments limited to three minutes but more importantly have the opportunity to say what you want to say and if it takes longer than three minutes so be it. Budgets are in the back of the room. We will have a presentation of the budget, then the board will talk about the budget, then we will open the public hearing. There are actually two public hearings we are holding tonight and we will do them at the same time, one is the public hearing to consider the adoption of the FY 09 budget and the

other hearing is to consider imposing assessments and an assessment roll for that budget. Those are basically the ground rules and what we will be talking about today. There may be some discussion you want to have about issues other than the budget and you will notice on your agenda there is a public comment portion later in the meeting. Again, I ask that you fill out the comment card and when your name is called step up to the microphone so everyone has the opportunity to hear you.

Just an overview on the budget process, I notice a lot of the faces we saw at last year's budget hearing and many of you come to the meetings throughout the year. I have talked to many of you on the telephone and know you are aware of this budget process. For those who haven't been through it before I would like to let you know what happens. We have to adopt a budget each year. The CDD is a governmental entity and has the same requirements essentially as any governmental body does whether it is a municipality, county and even the state. The fiscal year is from October 1 through September 30. The Board has to approve a proposed budget by June 15 and provide it to the local government and in this case it is St. Johns County and over the next 60+ days we refine that budget and held a publicly noticed public hearing so that all the landowners and public have an opportunity to have input on that budget. It goes back to the board so that they can adopt the budget after they have heard your comments.

You also received mailed notice. The statute requires that mailed notice be received by the landowners at least 20 days before the budget hearing and I had conversations with some of you talking about the language in the letter. There is a lot of legal language in the letter and it is a matter that we had to meet certain statutory requirements. The letter must include certain elements in order for you to be properly notified of the hearing. There were two published notices and they were published 21 and 14 days before the hearing. Again, that is a legal requirement for the public hearing.

As we talk about the budget today most of the discussion will be about the operations and maintenance budget and that is the budget that keeps the district running. The other two budgets you will see are the debt service budgets for the 2002 bonds and the series 2006 bonds. They remain unchanged from last year. They are actually the same for a 30 year period.

I ask that you take a look at the budget in front of you and I will talk about the framework of the budget at this point. Inside the table of contents beginning on page 1 is the general fund budget and this is what keeps the district going administratively. You can see three types of

revenues at the very top and that is the core of the operation of the administrative portion of the district, that is a carry forward surplus and those are anticipated surpluses from fiscal year 2008, the O&M assessments which will stay the same as you look across that line and interest income which is a conservative estimate.

Then you see two sections under expenditures, the first being administrative. These are costs that every CDD has and most cities and counties have also. Second, you will see the field section and that is landscape and irrigation as well as there is a capital reserve line item that is not associated directly with the recreation budget.

On page 1 it is pretty cut and dried that is the administrative budget and we can cover that in more detail once we get into the budget discussion as well as the public hearing.

On page 2 you have exhibit A and this shows that when you have funds at the end of the year if you look at the administrative budget on the very bottom under excess revenues there is a projection at this point that this budget will have excess of about a quarter of a million dollars. We have an exhibit taking that \$253,000 showing a beginning balance and also the estimated excess revenues for the year brings it to \$253,000 and under allocation of funds we have to take care of certain things before we make the rest available to put towards the fiscal year 2009 budget. The first one is operating reserve for the first quarter. You actually receive your tax bill that goes out November 1 and the assessments start rolling in toward the end of November so the district has to have a couple of months of operating funds for October and November and that is why some money is set aside for that. The other approximate \$100,000 is for capital reserves as there are replacement and renewal within the district that need to take place. That makes available about \$62,000 to carry forward to help fund the 2009 budget.

The next two pages are descriptions of the line items you see in the administrative budget.

Beginning on page 6 is the recreation fund budget. Keep in mind this is the largest CDD in Northeast Florida, Nocatee is around the corner but they still have a long way to go before it has as many households as you have here in JCP, approximately 6,000 households which is larger than most towns around here. The first part of the budget is the revenue section. You saw in the general fund budget there were only three line items, the carry forward surplus, assessments and interest. On this budget there are a couple dozen revenue sources most of which are ongoing but many of which as you look at the zeroes on there are going to be tied directly to

the new amenity center that is going to come on line in the next 30 to 60 days according to Mike's discussion earlier.

We will get more into the numbers but these are the sources of income. These are projections and we try to come up with moderate to conservative projections. Staff has worked hard to make good, solid projections so we would have to come back and have another assessment hearing during the fiscal year. The same thing with the expenditures that we see. At the bottom of page 6 through page 7 on to page 8 there are eleven different sections. For the recreation budget there is an administrative section which is at the bottom of page 6 and beginning on the next page you will see the administrative field, section 2 is essentially personnel and that is everything from salary to overhead to the training and different testing that they have for the personnel that work for the district. Number 3 is field programs. These are the nuts and bolts operations and maintenance of the facility. Four through eleven are different components of the recreation budget and they are pretty self explanatory but I will go into more detail later.

You have the totals at the bottom and you will notice that the largest increases were in fields that were tied to the opening of the new amenity center. We have the new amenity center and if you haven't had a chance to see it there are pictures of it in the back. I went out about a week ago and it is just incredible.

We will have a discussion of the budget with the board then the chairperson will open the public hearing, you will have opportunity to make your comments. If you have a comment, please fill out the comment cards. Once everyone has had an opportunity to cover all the points the public hearing will be closed and then it will go back to the board for more discussion of the budget.

Ms. Beaugrand stated one thing I want to make sure everyone is aware of is this budget is one that we have been working on for three years and the reason for that is that we wanted to make sure that the projections were not pie in the sky and in fact the budget that we set last year we had to assume the possibility of the recreation center being open maybe a couple of months during this current fiscal year which is not what ended up happening but in order to properly budget for fiscal year 2008 the year we are currently in we had to create the budget for the entire recreation facility as best we could in order to do a partial year within the current budget. You will also notice that what we adopted for budget for fiscal year 2008 versus what we have

actually spent in 2008 are completely different numbers because we did not open the recreation center during this fiscal year. So we have not spent anything close to what we had budgeted for this current year. I think that is an important thing to take into consideration. Our staff has worked diligently in researching costs of things that we are putting in the facility, programs, you name it they have sliced and diced it and brought things before the board. We have been talking about this opening for quite some time. It is not new to us, it is not kind of willy nilly bring it before everyone and let's just get it done, this is something we have put a great deal of thought and effort and time into. I will open it to the board if there are any comments or questions. I think there was one minor change from the budget that was brought forth last month for review and that related to a minor change in the carry forward.

Mr. Oliver responded that is correct on the recreation budget.

Ms. Beaugrand stated which is also why you have handed it out because it was different from the one we have in our book as well.

Ms. Minnis asked where is the change on the carry forward?

Ms. Beaugrand stated if you look at page 6 you will note the carry forward surplus at the top of the row the \$93,000 was \$43,000 in the budget we reviewed previously. That is the one number that has changed in the budget that is in front of us today.

Ms. Minnis stated okay, thank you.

Mr. Oliver stated I will add that based on your approval of the auditor's agreement tonight we will change the audit number. We will leave it the same on the administrative budget but on the recreation budget the audit figure which is the fifth line down will be reduced from \$5,000 to \$1,750.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the public hearing was opened.

Ms. Beaugrand stated I have comment cards. If anyone wishes to speak who has not filled out one we would appreciate it if you would fill it out. It helps us keep the meeting progressing. The first person I have is Heidi Karl and before you come up you had asked about the issues relating to the pond cleaning. We have nothing to do with that. That is the POA they

are having a meeting tomorrow afternoon at 4:00 p.m. at the library if you are interested in appearing at that. If that is okay, I will put your card aside.

The next one is Robert Farrell.

Mr. Farrell stated it would have been nice to have this a couple of weeks ago. When I called I was told I could get copies here tonight. It is hard to digest all of this in a few minutes.

Mr. Oliver stated that is a good suggestion but actually we did have it on the website and a lot of people downloaded it from the website.

Mr. Farrell stated when I called they didn't know that, they told me I could pick it up here. Secondly, the letter we got is for a notice of assessment \$2 ½ million. I don't see where we are having a special assessment for \$2 ½ million. The recreation part our fees were being raised for Julington Creek not the CDD but the actual fees to offset the recreation center. There was quite a heat at the meeting because we discussed at that point a lot of us came forward and said why aren't they being charged for the usage. If somebody wants to have their child in swim class, charge them. If they want fitness charge us, we are willing to pay. But to charge all of us \$411 for usage that we don't have it is ludicrous. At this point I think the board should go back and review what charges can be assessed to those who use the facilities.

Ms. Beaugrand responded actually we have done that. Included in the budget are revenue sources if you look on page 6, all of those revenue sources that are at the top of the budget are taking into consideration user fees for those who are using babysitting services or doing tennis or personal trainer or swim lessons or swim team. Those specialized functions which cost us more to operate we have user fees so that everyone is not paying for those services, only those who are actually partaking of those services are paying for them.

Mr. Farrell asked can you explain on here where \$2 ½ million is that we are going to be assessed?

Mr. Oliver stated I can do that but first I would like to mention for those of you that got the letters and I had discussions with many of you, the proposed O&M budget for this year would be an assessment of \$411 per single family unit. Last year that number was \$325 so we are talking about an increase of \$85 tied almost exclusively to the operation of the new amenity center. You do see the assessments in there in the revenue sections of two budgets, the administrative budget which starts on page 1 and also you will see the rest of the assessments that are located on the beginning of the recreation fund budget which I believe starts on page 6.

Also keep in mind that assessments are also derived not only from single family but also from multi-family, churches, commercial and the golf course. It is spread among all of the landowners in the district.

Ms. Beaugrand stated that is where the almost \$2 ½ million you used comes from. You have \$2.1 million on the recreation budget and \$302,000 on the administration budget to give you the total of that.

A resident asked are our fees that we pay Julington Creek going up also in addition to this?

Ms. Beaugrand asked are you talking about the POA?

The resident responded yes.

Ms. Beaugrand stated we have nothing to do with the fees with the POA. I honestly don't know so that is outside of the CDD fee.

Next would be Lynn Abbot and then Maryann Behrmann, then Charlie Stuart.

Ms. Abbot stated I have to say that I'm not sure exactly what number we are talking about. I understand it is supposed to go up \$85. I want to comment as a real estate agent we have a wonderful value here in Julington Creek. Even with the increase we are so far below all of the surrounding communities and our facilities are going to be so much above that that I appreciate as an agent being able to sell the properties here and to have the value that we have. I jotted down some of the other fees in the local area and they are typically over \$2,000 a year. I just wanted to make a general comment and I think it is a great value.

Ms. Beaugrand stated thank you. Actually one of the things that we did take into consideration when we started this endeavor seven years ago was that we wanted to make sure that we preserved the value of our homes with all of the competing residential developments that were coming in that would have had better recreational facilities than what we currently had. This does give us added marketability as we go to sell our homes in the future. Ms. Abbot is correct we do have fees in many surrounding CDD residential districts Palencia at \$4,500, Aberdeen at \$2,200, Durbin Crossing at almost \$2,100, Sampson Creek which is St. Johns Golf & Country Club is almost \$2,200, Oakleaf Plantation which is fairly comparable to us is \$1,600 and \$1,700. Totaling at the number we are talking about at \$765 we are definitely providing a value. I agree with you there.

Mr. Stuart asked do you know if D.R. Horton has made their full commitment for \$500,000?

Ms. Beaugrand responded the commitment they were required to make by this point has been met. I think there is another piece of that that is made once the facility is complete. It is actually \$550,000.

Next is Bill Cosnotti.

Mr. Cosnotti stated I have made notes of all the amenities we are going to have, personal trainers, babysitting, this and that. If we are going to do all these things that takes a huge undertaking to do and if you can bring in all this business and at a profit because if you don't then you assess. I think we are too ambitious. When we talk about personal trainers, fitness centers that is an actual business that is run by people who don't live here that are allowed to make a profit. How many trainers on staff?

Ms. Hernandez stated as far as the personal trainers go they will only be provided to the community upon request. If you come up to the fitness center you can work out. If you want to talk to the fitness director and inquire about a personal trainer then we can match someone with you and they will be able to meet with you and you can pay them. The CDD will get a portion of that but we are not taking on that huge responsibility of having someone there on staff and being salaried. It is only upon request.

Mr. Cosnotti stated for all those different businesses?

Ms. Hernandez responded correct.

Mr. Haber stated I was going to add that because we are a body of government I would note that we are not looking to operate to make a profit such as a private business would we are just merely looking to cover our costs as reflected in the budget.

Ms. Beaugrand stated actually there are some components of it that will not cover the costs and there are others that will more than cover their costs. We will have some aspects that will offset others. This is a fluid process. We worked real hard to try to make sure that the projections that we put together are solid. There is a certain amount of that that is going to be unknown until we get through a year of operation. We understand what you are saying and you are absolutely right it is a big undertaking and we hired the staff with the expertise in their various areas to run these parts of the operation and we are going to be watching that on an ongoing basis. Next person would be Steve Galbraith.

Mr. Galbraith asked, what is my CDD fee next year? Is it \$411?

Mr. Oliver responded for a single family it is \$765 and that is the O&M of \$411 and the cost of the two bond issues the 2002 bond issue is \$214.85 and the 2006 bond issue is \$139.41.

Mr. Galbraith stated the main question I have is more of a detail question. For salaries there is about a \$1 million increase on the recreational. What are the major cost components of that increase?

Ms. Beaugrand responded for one thing and I will let Stacie get into the details but one thing is during 2008 we only ran the recreation facility the existing pool facility. For fiscal year 2009 we are adding the new recreational facility that is a 15,000 square foot facility with the pools and fitness center and the daycare and tennis and so on. The salaries associated with that we are more than doubling what we had before because it is a much larger facility.

Ms. Hernandez stated the number one salary department that is the most expensive is aquatics. We are going to run about \$400,000 a year to operate and staff four pools, two wading pools, water feature so we have quite a bit of activity. Keep in mind that the competition pool will be open year around with residents. That is the number one salary increase.

Mr. Plunket stated I had some of the same questions as far as the expenditures went up quite a bit. I look at line items things like XM radio, credit card fees, printing copying, security.

Ms. Hernandez stated we will have security onsite at night after we close at 10:00 p.m. until first thing in the morning until we get there. That is definitely something that we need. We have a lot of vandalism in Julington Creek Plantation unfortunately and I know we have all lived with it at the aquatic complex on several occasions. We will have security at night that will be primarily at the new recreation center but they will also be able to come down and keep an eye on the aquatic complex and recreation office as well.

Ms. Dominguez asked the assessments that were mentioned for the other communities in the area is that just the district or does that include their homeowner fees as well?

Ms. Beaugrand stated those are the CDD assessments, the O&M and debt. Some of them include their POA fees but for the most part those are primarily the CDD related assessments.

Ms. Dominguez stated if it does include the homeowners fees that does make a difference.

Ms. Beaugrand stated even if you add our homeowners fees we are still less than the cheapest one out there.

Ms. Dominguez stated the other question I have is as I recall from way back we are legally required to offer use of the CDD facilities to residents outside the CDD. We used to get revenue from the pool ownerships that were offered to the communities such as the Greens at half price for those older neighborhoods that are not part of the CDD. Also at a higher rate for the communities in Fruit Cove to use the aquatic complex. Are we still getting any kind of revenue from that? Have we actively pursued getting revenue from that?

Ms. Hernandez responded if you see on the third item down, non CDD memberships on page 6, you will see that we have addressed non CDD memberships.

Ms. Dominguez stated okay so you are assuming that we will have some because of the new facility that we will have an increase in the revenue from that source.

Ms. Hernandez responded yes.

Ms. Dominguez stated the concern has been raised that perhaps we are expecting to generate more revenue than we think we are. If that does become the case then perhaps advertising it more outside the CDD name may help us if we have such a large facility. That could be another option to advertise and get some of that non CDD revenue. The last question I have as far as single family versus the multi-family is the difference in the assessment \$200 is that solely due to operating and maintenance budget?

Mr. Oliver responded the combined assessment for multi-family will be \$509.77.

Ms. Dominguez stated I understand for single family it is \$765.

Mr. Oliver responded correct.

Ms. Dominguez asked is that different in the bond assessment or is it O&M?

Mr. Oliver responded in both. The methodology we used for the bond assessments we use the same methodology for application of the O&M.

Ms. Dominguez stated you are required to do that. You talked about that before.

Ms. Beaugrand responded correct.

Mr. Jarrett asked why should the families out here have to pay for the landscape area?

Ms. Beaugrand asked are you talking about the things that were in the change orders?

Mr. Jarrett stated I don't think we should pay for it. They should pay for most of it themselves.

Ms. Beaugrand stated I don't know how many of you have worked in the construction industry. You can try to make sure you cover everything you can. In some cases things get

missed and other cases the county changes things on you which we have had happen and there is nothing we can do about that. Mike would you like to address that?

Mr. Lucas stated these are things that you would have had to pay for from the very beginning. If they were mistakes you have not been charged for mistakes. When it is something that you would have had to pay for from the beginning I think it is only fair. There were mistakes that were made that you didn't have to pay for.

Ms. Minnis stated I would also like to say something to the people who were not at the last meeting. Dicky Smith took a big hit on an item that had to be corrected and he didn't charge us. It was a savings to the CDD. He wanted to keep the construction going so there have been some savings that you are not all aware of. You happen to see these here but you haven't seen some of the other ones where money was returned for various reasons. You saw one example but you can go back in the minutes and look and see some of the other ones we approved where money came back to the district. It hasn't been always we are paying for someone's error. These contractors have picked up some of the errors and have just moved ahead and not charged us.

Ms. Beaugrand stated that is all the comment cards we have gotten from the audience here.

Mr. Haber stated I just wanted to note one thing for the record. I realize we got comment cards for the participants here today. I believe emailed to the board were also some written objections. I just want to confirm that the board has seen those, read those, if not we have copies. I just want to note it for the record that they were received and that the board has taken those into consideration in their decision-making process this evening. If you would like me to pass those down I can if you haven't seen them.

The board members acknowledged that they had seen the emailed objections.

Ms. Minnis asked will they be part of the formal record of these proceedings?

Mr. Oliver responded yes, we will make them part of the record of proceedings.

Ms. Beaugrand stated at this point in time we will close the public hearing.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the public hearing was closed.

A. Consideration of Resolution 2008-08 Relating to the Annual Appropriations and Adopting the Budget for Fiscal Year 2009

Ms. Beaugrand stated back to the board for budget discussion. We have under consideration an increase in the O&M portion of our assessment of \$85.54. For the benefit of the audience the debt service portion does remain the same. There is no change to that which is why we only note it in the correspondence that went out the O&M. It certainly wasn't meant to be misleading but we were trying not to confuse at the same time. That is the only portion that is being proposed to be increased at this point in time. Any further discussion on the board's part as far as the budget process is concerned, the work that has gone into it or any questions on any of the items within the budget?

We go back to the item on the agenda which is consideration of Resolution 2008-08 relating to the annual appropriations and adopting the budget for fiscal year 2009.

Mr. Haber stated I think Jim may have noticed or stated in his opening that we began this process in excess of 60 days ago, at that time a proposed budget was approved by this board. In between that timeframe the proposed budget was provided to St. Johns County and we have noticed today's public hearing for the adoption of the final budget. Once this resolution is approved, Resolution 2008-8 the budget you see before you will be formally adopted as the district's final budget. Chapter 190, Florida Statutes, which governs CDDs in Florida specifically provides that a budget will be approved by virtue of an appropriation resolution and that simply means that the resolution is going to break down the various funds and the amounts that belong in all of those funds. I draw your attention to section 2 which is labeled appropriations and one thing I would ask that be added and that your approval of this resolution be approved subject to this addition is that in addition to all of those funds listed that we also add recreation fund because as you saw and as we have gone through today there was a general fund and recreation fund. All of those amounts will be filled in by district management and all those amounts are the ones reflected in the budget that you were given. By virtue of your action tonight and the adoption of this resolution you will be formally adopting the budgets for the general fund, the recreation fund as well as the capital project fund and debt service funds for both bond issues. I will be happy to answer any questions regarding the resolution.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor Resolution 2008-08 was approved subject to the noted amendment of the recreation fund in section 2.

B. Consideration of Resolution 2008-09 Imposing Special Assessments and Certifying an Assessment Roll

Ms. Beaugrand stated the next item would be Resolution 2008-09.

Mr. Haber stated I will touch on that briefly. As Jim also noted in his opening comments what we did here today was hold two separate public hearings, a public hearing on the adoption of the budget as well as a public hearing on the levy of assessments. What this resolution does is it levies an assessment for the adopted budget and also certifies for collection the assessments which were previously levied for the previous two bond issuances. What is probably worth noting on this resolution is that it provides the manner in which these assessments will be collected and they are going to be collected on the assessment roll and the assessments will be collected in connection with the tax bills that are going to go out to collect the ad valorem taxes on all of the residences and businesses throughout the district. By your adoption of this resolution you are effectively imposing a lien for the assessments for O&M and as I said certifying the assessments which have already been imposed for debt services. I am happy to answer any questions regarding this resolution.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor Resolution 2008-09 was approved.

SEVENTH ORDER OF BUSINESS

Discussion of Clerk of Circuit Court Letter Summarizing Distribution of Third Quarter Impact Fees

Ms. Beaugrand stated the next item on the agenda is the letter from the clerk of the circuit court regarding the impact fee distribution.

Mr. Oliver stated there were no collections during the third quarter of the year so it is zero.

Ms. Minnis stated if there are no collections we wanted to get a final summary from the county. Do we know how much land is left or are they going to tell us there is no more to collect?

Mr. Oliver stated they will tell us then but also we requested a reconciliation from St. Johns County to reconcile their report with the report we presented to the board in May.

Ms. Minnis stated okay, thank you.

Ms. Beaugrand stated we do know that there are more fees to collect because there are still lots that are unbuilt on within JCP.

NINTH ORDER OF BUSINESS

Discussion of Recreation Complex and Preliminary Opinion of Costs

Ms. Beaugrand stated next would be discussion of the recreation complex and the opinion of costs.

Ms. Hernandez stated we are on schedule everything looks good. They are coming in under budget. Everything you see in here we have addressed previously.

Ms. Beaugrand stated then no issues to date. For the benefit of the audience this is where we are tracking what we have budgeted for expenditures outside of the GC contract to complete within the recreation facility and tracking what we are spending so that we make sure we are on track from a budgetary standpoint and not spending any more than what we had budgeted.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There not being any, the next item followed.

B. Engineer

There not being any, the next item followed.

C. Recreation Facility Manager

Ms. Hernandez stated I would like to discuss reservations for the multi-purpose room in the recreation center. I would like Paula Holstein our food and beverage manager to explain our current needs.

Ms. Holstein stated one of my responsibilities is coordinating the multi-purpose rooms that we have at the new facility. We are already getting requests for these rooms even sight unseen. I propose that we open up taking the bookings prior to the opening of the facility. Possibly publishing it on our website that we are now taking bookings.

Ms. Beaugrand stated I don't have an issue with that. Does anyone else have an issue?

Ms. Minnis stated I don't have an issue with it. Do we have a fee payment? We had so many fee schedules that I can't keep up.

Ms. Holstein stated we can publish that on our website and give as much information as possible with regard to the process and the cost.

Ms. Beaugrand stated that was in the fee schedule we approved earlier this year.

Ms. Minnis stated okay. I don't have an issue with it. Is there a way to request it through the website or do they have to call?

Ms. Holstein responded I don't think we have that set up now but I think we can. Currently, we were just going to put on the website to contact the person and I will take all the bookings at this point. I do have a reservation book set up for the rooms and all the requirements and the sheets they have to fill out. We are getting requests and I would hate for people who are planning rehearsal dinners and weddings and it takes months to plan. I think we should go ahead and book these.

Ms. Minnis stated I think that is great because that is planning ahead and it is revenue. What is the soonest? I wouldn't want to jeopardize anyone as well. Is there a certain date that we can say we will take it from this point? We have to have a C.O.

Ms. Beaugrand stated I don't think we would want to take a reservation before November.

Mr. Lucas stated I think that would be safe.

Ms. Holstein stated then we will have the date start as of November.

Ms. Beaugrand stated I just don't think anyone wants to have a tenuous situation if they are planning an event like that. We would have to be honest with them and we plan on having it available by this date but we could have a hurricane next week that would delay that.

Mr. Dosch stated when they call for bookings I assume you will give them some kind of confirmation number and depending on the size of the request are we going to ask for a down payment?

Ms. Hernandez responded yes, those fees have all been established.

Ms. Beaugrand stated we also have paperwork they have to fill out.

D. Manager – Proposed FY 09 Meeting Schedule

Mr. Oliver stated in your agenda packet behind Tab D is the proposed meeting schedule for FY09. We are proposing the same meeting schedule you have had, the second Tuesday of each month at 6:00 p.m.

Ms. Beaugrand asked what about Veterans Day?

Mr. Oliver responded we are proposing the 18th rather than Veterans Day.

Ms. Beaugrand stated I assume we are going to move the meetings over to the new recreation center into one of the multi-purpose rooms once it opens.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the meeting schedule for fiscal year 2009 was approved with the November meeting being November 18th rather than the normal second Tuesday.

ELEVENTH ORDER OF BUSINESS Supervisor's Requests

Ms. Minnis stated for the record I am recording this for reading back in the minutes. I called Mr. Haber regarding the HOA meetings. Del Dosch is on the board of the CDD and he is on the board of the HOA and I realized I had planned to attend a meeting tomorrow but I thought it is possible that someone like Maryann Behrmann or Charlie Stuart would be at that meeting and they are regulars to this meeting and it is possible that something would be discussed while Mr. Dosch and I were in the same room and could possibly be brought back to this meeting.

Ms. Beaugrand stated relating to CDD business.

Ms. Minnis responded correct or something that would come up. Does it have to be CDD business? My concern is have we set ourselves up to possibly violate the sunshine law?

Mr. Haber stated as Kathy noted she and I spoke about this previously and we have done a little research and what we have determined is that a situation like this one is not entirely uncommon where a city or county may have a sub committee where they have a community group where they will meet and commissioners or board members want to attend those meetings and requests have been made of the attorney general and there are attorney general opinions that specifically state that the way you deal with those issues are (1) in order for it to be a violation of the sunshine law the issue to be discussed would need to be an issue that is necessarily going to come before this board for a decision. So just by virtue of you being there and discussing POA issues such as whether somebody's fence is to high or whatever typically POA issues you

discuss, as many board members that are there can openly discuss that issue because it is completely irrelevant to the CDD and therefore not a violation of sunshine law. The opinions also do recognize the fact that because the groups are somewhat related there is a possibility that issues may come up that are relevant to the CDD and there may be issues that the CDD may need to determine or discuss at their board meetings. What those opinions say is that the board members themselves need to take the responsibility to recognize the fact that those issues have come up and to not comment on those issues. You can sit there and listen to the board comment on those issues, you can sit there and listen to other HOA members comment on those issues but you cannot discuss those issues at an unnoticed meeting. It also recognizes the fact that to the extent that you have some notice that there will be multiple board members at the meeting if a notice is published indicating the fact that it is a meeting and that board members are going to show up and there is a possibility for district business to be discussed then you have a properly noticed meeting and you would be able to discuss those issues. I realize there is a meeting scheduled for tomorrow. For purposes of that meeting it would be up to the board members to be diligent and to make sure that CDD issues are not discussed amongst CDD board members at that meeting. At future meetings it would be our recommendation that a notice be published when you have some indication that multiple board members would be there and then you solve that problem as well as far as meeting outside the sunshine.

Ms. Minnis stated I know we have done this when we went down to petition the county to approve Aberdeen and Durbin Crossing so we could do the land sale, multiple board members and we did notice we would be at a county commission meeting. What is the requirement by law to notice that we are going to be public?

Mr. Haber responded there isn't a specific law addressing the requirement. These meetings we hold here we like to say need to be reasonably noticed. Our firm has taken the position that reasonable notice is a week in advance so if we would be able to notice your participation at an HOA meeting a week in advance we would be comfortable with that. There is no specific statute or other regulation saying a CDD's board needs to be noticed within this timeframe. We have generally said a week which I will note and Jim can probably supplement requires something more than a weeks notice so Jim to get the ad prepared and in the paper.

Ms. Minnis stated okay. That is the only question I had about the possible sunshine violation.

TWELFTH ORDER OF BUSINESS

Audience Comments

Mr. Galbraith stated the grassy areas along the roads, is the CDD responsible for that or is the property owners association?

Ms. Beaugrand responded it depends on which road you are talking about.

Mr. Galbraith stated the area that was just resodded.

Ms. Beaugrand asked on Davis Pond Boulevard?

Mr. Galbraith stated between the pool and the playground.

Ms. Beaugrand responded that actually is the POA but that was relating to a county project that was done there. It was a drainage issue to bring the grade of the grass down below the grade of the road so it drains properly which is why it flooded last year because the grass was higher than the road grade.

Mr. Galbraith stated they didn't do a very good job.

Ms. Beaugrand stated I think it is really the POA's issue to address any deficiencies with the county. There are some landscape committee members sitting right there with their hands up that you can always talk to.

Mr. Galbraith stated the second question I had was related to the new complex it is going to be a lot of activity. I'm wondering what the big parking lot is you are installing next to the old complex. Are we expecting that to take traffic off of the requirement of the other parking lot?

Ms. Beaugrand responded we started planning the reconstruction of that parking lot probably three or four years ago because of the drainage issues there. If it rains half the lot floods. That was something that we had wanted to do along with fixing the parking lot at the playground across the street, putting in new playground equipment there, adding a restroom facility with water fountains and so on. Doing it separately was cost prohibitive so we ended up delaying so that we could get a better bid on it along with the bigger project.

Mr. Galbraith asked do you think there is going to be a need for that large a parking lot?

Ms. Beaugrand responded it will be a parking facility for both the administration building and we will still have swim meets at that facility as well.

Mr. Keating stated I apologize I am late today and didn't get to hear the portion on the budget. I do have a couple of comments. CDDs are good for residents. CDDs provide access to low cost capital, bond financing which the private sector can't access and those savings are

passed on to residents. I think that is a good thing. I applaud this board for their work on this recreational project to be able to access resort style amenities of this fashion at a cost of less than \$100 a month it is a very good value. I can't even join the YMCA with my family for less than almost \$90 a month. I am looking forward to accessing this new amenity at that cost I think you will do a good job in keeping costs in line and do financing and put those savings into a benefit for the residents. I know it is a thankless job and I appreciate you all serving on the board.

Mr. Johns stated I have numerous questions that I would like some answers if possible. One of the questions and/or concerns that I have is regarding the homeowners association fees. I understand why you continue to raise the homeowners association rates based on the fact that other people don't pay is what it appears like. It seems to me that it is in the documents or whatever that when people don't pay you put a lien on their house.

Ms. Beaugrand stated we don't assess the homeowners association fees. I think what you are talking about is people not paying, that is relevant to the POA fees. Their meeting is tomorrow at 4:00 p.m. at the library.

Mr. Johns stated part of it has to do with the amount of money that is spent on landscape maintenance. I see numerous things, I owned a landscaping and grounds keeping business for five years in Cocoa Beach, it was very successful, I sold at a tremendous profit. I see that you have Sun State which I know is not the most economical company around here. They are a large, large company, I know they charge a premium. I see them doing things like you are talking about when they tear up the grasses over there not the part the county did but what I have seen them tearing up Bahia grass, putting down St. Augustine grass. It makes no sense to me to pay that type of money to have that done when Bahia grass is more drought tolerant and certainly requires less water. I know we use reclaimed water but if you are going to use all the sprinkler systems, all of the pumps, all the electricity and everything like that as well as the chemicals they have to apply to St. Augustine grass to keep it healthy.

Ms. Beaugrand stated I think you are talking about the interior roadways within Julington Creek where the St. Augustine is down. That is also managed by the POA. The roadways that we manage are along S.R. 13 from our entry nothing inside other than the property that the CDD owns around the recreation center and the park. We also manage along Race Track Road.

Mr. Johns asked do you have to do with the ponds?

Ms. Beaugrand responded no we have not, that is the other meeting as well.

Ms. Paige stated as I understand it out of town guests will be charged a fee to use the facility when they want to go to the pool and whatnot. For a week I think it was \$20 or something like that that they are going to have to pay in order to visit the pool. Is that correct? Previously they were not charged anything at the current facility and I have my grandchildren who come for a weekend and they want to run over to the pool. Is there any kind of exception?

Ms. Hernandez responded you have your individual guest pass, you have 12 guest passes. You get that every year. If you only want them to come up once you can certainly pay a guest fee, 3 years and under is free and then you pay a nominal fee for older children. You don't have to purchase a weekly houseguest pass.

Ms. Paige stated I thought on the guest pass you had to accompany them in order to use those.

Ms. Hernandez responded correct.

Ms. Paige stated I just wanted them to be able to take my pass and go play at the pool without me.

Ms. Hernandez stated you can come in and speak with us. We can register them as an in-house guest. That would be fine.

THIRTEENTH ORDER OF BUSINESS Financial Reports

- A. Balance Sheet as of June 30, 2008 and Statement of Revenues and Expenditures for the Period Ending June 30, 2008**

- B. Treasury Report – June 30, 2008**

- C. Assessment Receipts Report**

- D. Check Register Summary**
 - 1. General Fund 6/28/08 – 7/31/08**

Ms. Beaugrand stated we have the check register summary for the general fund, items 1591 through 1604.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the general fund check register was approved.
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2. Recreation Fund 6/28/08 – 7/31/08

Ms. Beaugrand stated we have the check register summary for the recreation fund, 2924 through 3017.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the recreation fund check register was approved.

**FOURTEENTH ORDER OF BUSINESS Next Scheduled Meeting – August 26, 2008 at
6:00 p.m. @ Community Development
District Administrative Offices**

Ms. Beaugrand stated our next scheduled meeting is August 26th, that is a noticed meeting at 6:00 p.m. at the CDD office. That is two weeks from today.

On MOTION by Ms. Minnis seconded by Ms. Spears with all in favor the meeting adjourned at 7:53 p.m.

Secretary Assistant Secretary

Chairperson/Vice Chairperson