

**MINUTES OF MEETING
VISTA LAKES
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Vista Lakes Community Development District was held Thursday, June 11, 2009, at 10:00 a.m. at the Vista Lakes Clubhouse, 8841 Lee Vista Boulevard, Orlando, Florida.

Present and constituting a quorum were:

Randy Holihan	Vice Chairman
James Shelton	Assistant Secretary
Ron Cumello	Assistant Secretary
Dr. Harold G. Banks	Assistant Secretary

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Scott Clark	Attorney
Travis Rentz	Clark & Albaugh, LLP.
Lee Smith	Holland & Knight

FIRST ORDER OF BUSINESS

Roll Call

Mr. Moyer called the meeting to order and stated all Supervisors were present with the exception of Mr. Rose.

Mr. Shelton stated I would like to thank staff for taking care of the Melrose back entrance.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the May 14, 2009 Meeting

Mr. Moyer stated each Board member received a copy of the minutes of the May 14, 2009 meeting and requested any additions, corrections or deletions.

Mr. Cumello stated on Page 5 in the third paragraph, the words "*Based on the utilities*" should be stricken."

On MOTION by Mr. Shelton seconded by Dr. Banks with all in favor the minutes of the May 14, 2009 meeting were approved as amended.
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THIRD ORDER OF BUSINESS**Manager's Report****A. Financial Statements**

Mr. Moyer stated the financials through April 30, 2009 were included in your agenda package. We are currently 92 percent collected on your non-ad valorem assessments. I emailed a spreadsheet to the Board on the delinquent payers that will be subject to Tax Certificate sales in June. As we discussed last month, hopefully we will receive our eight percent from the Tax Certificate process.

B. Invoice Approval #107

Mr. Moyer stated Invoice Approval #107 was provided to the Board.

On MOTION by Dr. Banks seconded by Mr. Holihan with all in favor the financial statements for the period ending March 31, 2009 and Invoice Approval #107 dated June 1, 2009 in the amount of \$86,439.51 were approved.

C. Questions and Comments on the Proposed Fiscal Year 2010 Budget

Mr. Moyer stated I put this item on the agenda for Board discussion. We distributed the budget last month, which shows an increase of \$100,000, due in large part to *Streetlight – Electric*. I would like to get direction from the Board on reducing this number as it is 20 percent higher than our current budget. We spoke to FP&L and it appears there will be a 3 percent increase in the electric rates in the near future and early next year, there will be another rate increase of approximately 15 percent. At the most, we are probably looking at an increase of 15 percent. It is currently budgeted at 20 percent. The direction I am looking for from the Board is if we increase assessments, we have to send a letter to all residents informing them that we are increasing assessments over what they are currently paying and where the public hearing will be held so they can attend and comment. To the degree we can get away from raising assessments, we should do so. This means that Mr. van der Laan will have to look at some line items in the budget and reduce *Streetlight – Electric* somewhat, but this will not get you to \$100,000. The number we can adjust, but I am reluctant to do so is the \$100,000 budgeted in the reserves and approve the budget with a much lower number, with the understanding that anything coming in under budget next year would be allocated to the reserves at the end of the year. That is one of the larger budgeted items. Landscaping is another, but we are not anticipating an increase. We are keeping it at the 2009 level of \$295,000. I am sure that Mr. van der Laan would be willing to

take another look at some of these line items to try to capture the \$100,000. If this is the direction from the Board, we will come back to you in July with a revised budget. If we can keep the assessment the same, there is nothing we need to do, but if we increase it, we will have to send out letters. We have time as your July meeting is not until July 9 and the August meeting is not until August 13. This gives us the necessary time to send out the notices of our intent to increase the assessments. All I am looking for today is for the Board to give me direction on whether you want to try to reduce the budget or not use the reserve, which means we are going to have to increase assessments.

Mr. Holihan asked in the Reserve Study, where were we funding the reserves?

Mr. Moyer responded at the low end of the scale. According to your financial statements, we had \$95,000 in reserves for this fiscal year and started with \$30,000. This means, you may have \$130,000 to \$140,000 in reserves at the end of this fiscal year.

Mr. Holihan asked on the income side of the assessments, did you factor in anything for uncollectables based on what we have for this year?

Mr. Moyer responded no. I am optimistic that we will get 100 percent of our assessments through Tax Certificate sales.

Mr. Holihan stated I guess it is just a matter of timing.

Mr. Moyer stated correct.

Mr. Cumello asked can we get a feel for what the carry forward will be for the 2009/2010 budget?

Mr. Moyer responded I can get you an accurate number by July.

Mr. Cumello stated last month we thought it would be in the \$100,000 to \$200,000 range, which would cover the \$100,000 increase.

Mr. Holihan stated my recommendation would be to go back to the budget and see what you can come up with for the next meeting in terms of areas we can trim expenses and see where we are next month.

Mr. Shelton asked are the reserves contingent?

Mr. Moyer responded the reserves are pursuant to a Reserve Study the Board obtained into two or three years ago. The idea was not to use those reserves. They are not contingencies. We want to build those up because there is a schedule of renewal and replacement expenditures.

We are going to try to stay with this to the best of our ability. You are looking at \$5 million worth of hard assets that will need to be replaced over time.

Mr. Cumello stated I agree with Mr. Moyer. We need another month to make a decision.

Mr. Moyer stated we will bring this back to you next month.

D. Ratification of Right-of-Entry from the Department of the Army

Mr. Moyer stated this is a housekeeping item. I recall discussing this matter last month. Mr. Cumello signed the Right-of-Entry as there was some urgency to do so and we are requesting ratification.

Mr. Cumello stated I thought the one I signed was sent back because it was incorrect. This is the second one I signed.

Mr. Moyer stated correct.

Mr. Cumello asked have they executed it?

Mr. Moyer responded I have not received a fully executed one.

On MOTION by Mr. Cumello seconded by Mr. Holihan with all in favor the Right-of-Entry from the Department of the Army was ratified.

E. Discussion of Action Item List

Mr. Moyer stated the action item list was provided to the Board. Are there any comments or additions?

Mr. Cumello asked was there any progress on item two?

Mr. Moyer responded you provided a list of the deeds to me and Mr. Clark.

Mr. Clark stated I have an ongoing project to try to create a comprehensive report.

Mr. Moyer stated we provided the Delinquent Assessment Report to the Board. In regards to the unclaimed funds from the overpayment of taxes and assessments, an error was made by the Property Appraiser. To the degree there are unclaimed funds, there is a process where the District provides those funds to the State and the State will keep those funds available until someone claims them. But, it is not under the control of the District. There is no urgency for us to do this and I am not saying we are going to stop our efforts to try to get the money to the appropriate people, but after we have gone through the due diligence, to the degree there are funds remaining, we proffer that to the State of Florida as unclaimed property.

Mr. van der Laan stated we just discussed item three and I will have some updates next month. I checked on the buildup of algae in Vista Lake on the far side where we do not have a fountain. The Lake Maintenance Company performed an oxygen test and recommended that we install an aerator by the canoe dock. We budgeted money to perform two aerator installations per year. We already set aside money in this year's budget and assuming this line item remains in next year's budget, we will be able to install it then.

Mr. Cumello asked which lakes did we install aerators in this year?

Mr. van der Laan responded we installed one in Pembroke and the other is currently being installed in the lake off of Lee Vista closest to CVS. Item eight is the meter for the lift station. We verified that the meter is only supplying power to the fountain in Vista Lake at the Warwick entrance and the bill of \$1,500 per month was accurate due to the size of the fountain. It is actually pumping 600 gallons of water a minute. It is a 30 horsepower pump with 5,000 watts of lighting. It is accurate as far as the amount of time we are running it and the amount of power it is drawing so I have reduced the amount of time we are running it. I am also checking the time on the other fountains. We currently run them from 9 a.m. to 10 p.m. I will start tweaking those hours slightly to see what feedback we get. The Lake Company said as long as we run them 12 hours a day, they will be moving sufficient water to keep the algae down.

Mr. Cumello asked what happens if we kill the lights?

Mr. van der Laan responded I will receive a lot of phone calls. The tennis court lights run on 1,000 watt bulbs. That is a significant amount of light, but most of the energy is drawn from the three phase 30 horsepower motor.

Mr. Holihan asked are the lights on during the day?

Mr. van der Laan responded no. We are going to reduce the fountain operation by three hours per day. I do not think we will hear any feedback because I do not think anyone notices them during the day. They are primarily on at night.

Mr. Cumello stated personally they are noisy. I do not know why they are on at night.

Mr. van der Laan stated it is a big deal when they are not working. We are going to reduce the time and see what happens with the electric bill, but it should cut the bill by 25 percent or several hundred dollars. In regards to the Wachovia irrigation, I met with the Vista Lakes Commercial Owners Association two weeks after our last meeting and spoke to them

about maintenance of the property. We sent out a violation notice to them and we are following up with them.

Mr. Shelton asked do they have access to the reclaimed water running along Lee Vista?

Mr. van der Laan responded their access to reclaimed water is across Chickasaw.

Mr. Shelton stated there was a line running from their property across Lee Vista. They were identified by purple manholes.

Mr. van der Laan stated that is part of the Vista Lakes system and not their connection point. The problem we have had with them in the past is they tried to tie into that system, but that was never the intent of the system.

Mr. Holihan asked have they tried to tie into yours? They tried to tap into ours a couple of times.

Mr. van der Laan responded yes, multiple times.

Mr. Shelton asked do you have a line installed at Chickasaw?

Mr. van der Laan responded no. My understanding is they would need to trench across Chickasaw to connect to the County system. They also have an option of digging a well or using City water. They have some options, they just have not pursued them.

Mr. Shelton asked is it legal for them to dig a well?

Mr. Holihan responded absolutely.

Mr. van der Laan stated Publix just did one.

Mr. Roy asked would they have to trench across Lee Vista Boulevard to get to the main on the south side of Lee Vista Boulevard?

Mr. van der Laan responded I thought it was across Chickasaw.

Mr. Holihan stated they would be better off digging a well.

Dr. Banks stated I am not familiar with the main on Chickasaw.

Mr. Cumello asked how much would it cost them to put in a sub-meter on their water line?

Mr. van der Laan responded a minimal amount.

Mr. Shelton asked why are they unable to tie into the reclaimed one on their property?

Mr. Roy responded that is the Vista Lakes irrigation system and it was not sized for that parcel. We went through the same thing with Gentry Park. It was decided that no other connections would be made to the Vista Lakes irrigation system.

Mr. Holihan stated there is one more parcel to be sold along there and we are going to have the same problem.

Mr. Moyer stated Mr. Clark has one item assigned to him.

Mr. Clark stated I did not have anything in my notes. What do I need to do? I recall the discussion, but I do not know what I needed to follow-up on.

Mr. van der Laan stated I seem to recall this had to do with looking at the Reserve Study to see if the wall was included.

Mr. Clark stated this probably overlaps into the other matter I am handling as far as trying to identify ownership.

Mr. Moyer stated that was part of the discussion. It appears we do not own the wall.

Mr. Roy stated I believe the wall is owned by Horizons and not by the CDD.

Mr. Shelton asked what about the column and the fence?

Mr. van der Laan responded that is the Gentry Park column. We know it belongs to the CDD.

Mr. Clark stated we will look at this area in our plat study and report on it.

Mr. van der Laan stated the question of ownership is the wall surrounding Horizons. Several months ago a car coming from Melrose drove directly into it.

FOURTH ORDER OF BUSINESS

Manager's Report

Mr. Clark stated I would like to introduce Mr. Lentz who joined our practice a couple of weeks ago. He is a Real Estate Lawyer by trade with some litigation experience. He is here to understand what CDDs are all about so he can assist me. As I mentioned before, we are gathering the plats and various agreements to try to come up with a comprehensive answer of road ownership, dedications and what those dedications mean and who paid for what. We want to match those with the spreadsheets that Mr. Cumello worked on. I hope to have a report for the Board next month. You need some guidance in several areas relating to the Reserve Study. This issue originally came about due to the discussion about the assets. We want to try to give you something that will answer these questions whenever they come up. They seem to come up frequently. I reported at the last meeting that we requested from Mr. Smith's firm a title insurance commitment in connection with the donation of a portion of a lot. He has done that; I have received it and reviewed it. I have some documents for the public record. We approved

this, but no action is required today. Mr. Smith indicated to me he would get the documents executed and forward them to us so that item is complete.

Mr. Cumello asked are you looking at the Quit Claim Deeds to make sure that Terrabrook had not deeded the property to the Association instead of the CDD?

Mr. Clark responded yes. I will try to determine what happened or what should have happened. If something should have happened and did not happen, that does not mean I will recommend that we change it. Obviously I will point that out and try to also address the question of what was paid for by us and what was dedicated to the City and whether we should carry those on the balance sheet.

Mr. Cumello asked if there is a piece of property, for example, that was deeded from Terrabrook to the Association, but the road was built by the CDD using CDD funds, do we need to fix that problem by correcting the deed?

Mr. Clark responded at this point my job is to point that out to you. However, whether or not we fix it has to do with several things. First of all, there is a public asset question regarding whether we should own the things we spent bond money on and agree to own a few of them. That is balanced off by the Reserve Study maintenance question of who is going to take these on an ongoing basis. My job is to bring those to your attention so you can make a decision on them.

Mr. Cumello stated you are basically going to give us a legal opinion if there is an issue.

Mr. Clark stated yes.

FIFTH ORDER OF BUSINESS

Engineer’s Report

There not being any, the next item followed.

SIXTH ORDER OF BUSINESS

Community Association Manager

A. Activity Report

Mr. van der Laan stated the monthly Activity Report was provided in the Board’s agenda package. I covered most of the items under my report.

B. Agronomist Report

Mr. van der Laan stated the monthly Agronomist Report was provided in the Board’s agenda package. Once again, the landscaper has reported that the property is in good condition. I met with Mr. Larry Smith this morning who inspected the property. He told me he has seen an

outbreak of Cinch Bugs on other properties he manages and will be inspecting us this week, which is two weeks earlier than he normally does to make sure we are not having the same issue.

Mr. Cumello stated I know we spoke about the restoration of Lee Vista Boulevard by the City for the work they are doing at the intersection at the last meeting. I suggest this item be placed on the action item list for tracking purposes.

SEVENTH ORDER OF BUSINESS

Supervisors' Requests

There not being any, the next item followed.

EIGHTH ORDER OF BUSINESS

Audience Comments

There not being any, the next item followed

NINTH ORDER OF BUSINESS

Adjournment

There being no further business,

On MOTION by Mr. Holihan seconded by Mr. Shelton with all in favor, the meeting was adjourned.

Gary L. Moyer
Secretary

Randy Holihan
Vice Chairman