

**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 on Thursday, July 14, 2011 at 10:00 A.M. at the Vista Lakes Clubhouse, 8841 Lee Vista Boulevard, Orlando, Florida.

Present were:

James Shelton
Ron Cumello

Assistant Secretary
Assistant Secretary

Also present were:

Gary L. Moyer
Scott Clark
Barry Roy
Gary Van der Laan

Manager: Moyer Management Group
Clark & Albaugh, LLP.
Engineer: Bowyer-Singleton
Property Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Moyer called the meeting to order at 10:02 A.M. and stated that only two Supervisors were present for this meeting, which did not constitute a quorum, but the Board can have general discussion.

These are detailed minutes; almost a verbatim transcript so whatever you say today will be reflected in these minutes that will be provided to the Board when we meet in August.

The reason why we do not have a quorum is the Chairman, Mr. Rose had confirmed he would be here, but he sent me an email last night saying he had a family emergency and would not be able to attend this meeting.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the February 10, 2011 and April 7, 2011 Meetings

Mr. Moyer stated we cannot approve these minutes and will carry them over to the August 11 meeting.

THIRD ORDER OF BUSINESS

Discussion of Canoe Deck Removal

Mr. Moyer stated this item was discussed at the last meeting where the Board decided to remove the dock rather than meeting the new requirements for the ADA Act. After this happened, there was a lot of concern and discussion from residents of Vista Lake who expressed

concern about the Board taking that position. The Board can discuss this matter or open it up for discussion from the residents.

Mr. Al Gomez asked why did the Board decide to remove the dock?

Mr. Moyer responded Congress adopted new requirements for handicapped accessibility. Since we are a government, it affects us because they require that by March of next year, we have to do whatever is necessary to bring our facilities into compliance with the new ADA rules. The requirement does not apply to HOA's or condo associations and we are unfortunately swept into the area where we need to comply because we are a government.

Mr. Gomez stated that is the part I did not understand.

Mr. Clark stated worse than that is usually those requirements apply to new infrastructure. We are required to retrofit them even though they were built years ago. One of those categories that we spoke about a couple of months ago was fishing piers. In the discussion, there was a concern raised by the Board that it would create a walkway with the proper scope, width and necessary turnarounds and creating handicap parking. It would be a significant expense to the CDD and the consensus from the Board at the time was that the expense was greater than the amount of use that this facility received. I believe this is what prompted the email exchange.

Mr. Gomez stated I am familiar with the regulations. I just did not know that we needed to comply as a public facility because we are a gated community. I was wondering if someone can explain the government part to me.

Mr. Moyer stated in 1980, the State of Florida adopted Chapter 190, which creates special purpose governments, which is fairly limited. Our special purpose as a Community Development District or CDD is to provide infrastructure to new communities, but then we have to abide by all of the other laws like the public records law, sunshine law, auditing and accounting standards; just like if we were a city. The only thing we are involved in is the construction, operation and maintenance of infrastructure we provided.

Mr. Gomez asked even behind closed gates do we still have to comply?

Mr. Moyer responded yes.

Mr. Cumello stated the public has access to all CDD property such as the lakes and docks.

Mr. Shelton stated this is why you cannot put in pedestrian gates.

Mr. Gomez stated I know that. In Waverly we do not have pedestrian gates, but I have seen them in other communities.

Mr. Shelton stated we have them in Melrose, but the reason is that we have no public property.

Mr. Gomez stated you have the same lake.

Mr. Shelton stated we do not have any CDD property in Melrose so there is no property that the public has access to.

Mr. Cumello stated this lake is on CDD property and the public can put in a boat, but there is no dock. They can still launch it from the shore.

Mr. Gomez stated I understand about what is public property, but I am still unclear on where it becomes public property because the community is behind a gate. I asked Mr. Randy Young to explain it to me. The concern is we want to keep the dock and if we need to bring it up to code, I know it is going to be expensive. The major problem is they need to install parking.

Mr. Cumello stated this is the same issue the Board has been grasping with. The Board was trying to figure out how much money it wanted to spend on a facility that is hardly used.

Mr. Gomez stated I believe it is used a lot. The main issue is the expense. The piling is not that steep going towards the dock and it could be fixed fairly easily. My main concern is with parking. You will need parking if it becomes handicapped accessible.

Mr. Jerry House stated the Board made an assumption that the dock was not used and therefore chose to tear it down. However, the fact is that there is considerable use of that dock. In fact it is used more than the fishing dock. Has there been any investigation in what cost we are looking at?

Mr. Roy responded I took a quick look at the cost for access. To bring it up to 20 to 1 access, we are going to need to have handrails and 150 feet of sidewalk at an angle coming down to the dock. To have a parallel sidewalk adjacent to the existing sidewalk will have to be 150 feet long to get the elevation changed. I provided two options to the Board. Option 1 is to create a sidewalk, slope the grading and sod for \$4,025 while option 2 includes everything in option 1 with a handrail for \$14,430.20. None of these options address handicapped parking. Each spot will cost at least \$2,500.

Mr. House stated you can just have one parking spot.

Mr. Roy stated the problem with the handicapped parking is you need signage, 12 foot wide and five feet striped access. The only place you can have this parking spot is south of the lift station in the grass tract. This will involve cutting of the existing curb to have a concrete or asphalt parking spot with signage and handicapped ramps. You are looking at a minimum of \$5,000 to put one or two parking spots across the road to access the lake.

Mr. Clark asked are there any parking places currently onsite?

Mr. Roy responded not in that area.

Mr. Clark stated there was a question at the last meeting about whether we had to provide handicapped parking where there was existing parking. We might take the position that it is strictly a pedestrian facility and as long as we do not provide any parking, we do not have to provide handicapped parking.

Mr. Roy stated the closest parking would be at the Publix where there is handicapped parking with access to the sidewalk by the dock. But then you would have to provide access to the dock, which would cost approximately \$4,000 just for the concrete.

A resident asked is this option 1 or 2?

Mr. Roy responded option 2. It would also need to have handrails. There is only so much room to work with in there to get the slope changed.

The resident asked would it be 5% all the way down?

Mr. Roy responded yes.

Mr. Cumello stated I do not think we want to consider putting parking in there because you would make it more convenient for the public to come in and park. The gates do not stop the public. So people can come in and park their vehicle and use the dock. We have a problem with people parking on the resident's side because they are not allowed to park on the lake side. The problem is the way Vista Lake was designed. It was designed not to be friendly and was meant to be used by only the people who live there.

A resident asked is the fishing dock ADA compliant?

Mr. Clark responded yes. The slopes getting to the dock are ADA accessible.

The resident stated if there is no parking, it does not need a handicapped parking spot.

Mr. Clark stated that was in the discussion we had. We were not intending to provide parking.

Mr. Cumello stated this issue started when we discussed the fishing dock, which was starting to deteriorate. The Board approved replacement of the fishing dock. Both facilities are 10 years old, but the fishing dock has deteriorated more than the boat dock. We would still have the issue of spending money if we were to have kept the boat dock or replace it.

The resident asked what are you going to do to the dock?

Mr. Cumello responded tear it down and replace it.

Mr. Moyer stated that work will probably start by the end of the month.

Mr. Roy stated correct.

A resident asked has the Attorney determined that handicapped parking is required according to the regulations for this facility?

Mr. Clark responded no. We discussed this matter in some detail at the last meeting, but since the Board decided to remove the dock, we did not get to this question.

The resident stated I urge the Board to do a couple of things before removing the dock. One is to determine what the use of the dock is rather than determine whether it is heavily used. Also, find out from the residents in the community whether they want a dock. We pay for it through our CDD fees. I would like to see a budget for this for the cost to remove the dock and find out whether or not we need parking. I might conclude that parking is not required. If it is required, it does not need to be a significant expense.

Mr. Roy stated the cost from the contractor doing the repair of the fishing pier charged \$800 for the demolition of the canoe dock. The cost to re-deck the existing canoe dock is \$3,200.

Mr. Cumello stated without the parking, we are looking at somewhere close to \$8,000 to \$10,000 to keep the canoe dock there.

The resident asked what is the cost per homeowner? I calculated \$4.00 per unit. I believe when people look at these costs, they will understand that we are going through some extraordinary economic times. It is helpful not only in terms of the CDD budget, but also what we will be asking the homeowners to pay.

Mr. Moyer stated there are 1,187 units so the cost would be close to \$7 per unit.

Mr. Cumello asked are you on the Lennar side or Morrison side?

The resident responded the Morrison side.

Mr. Cumello stated for the year, you are currently paying \$1,333 to the CDD.

The residents stated I am more concerned about the community being at a high standard in regards to the amenities than paying a few dollars more in our fees. I expect you to manage the community effectively and efficiently and if it takes more money to maintain it, then that is what it is.

Mr. Shelton stated you raised a good point about characterizing the usage. I voted to remove the dock, but from the discussion we were having, it was not being heavily used. However, if it is more heavily used, it would certainly change my vote.

A resident stated there is actually no difference between the HOA and CDD.

Mr. Cumello stated there is a difference. The HOA cannot remove an amenity without 75% of the residents agreeing to it. The CDD Board makes those decisions. We have spent a lot of money in the last year on improving the area such as replacing the fishing dock, installing sod on both sides of Chickasaw, putting in new landscaping on Vista Park and new aerators in all of the ponds. We are opposed to spending money if it is not in the budget. But we have to see what benefits all of the residents. I am sure if we went to the other communities and said "Is there a choice between fixing the canoe dock or the fishing dock", we would get many different comments. There is no dock on this lake and people have to fish from the shore. What would be a better investment? It is not like the \$4 or \$7 per resident is a determining factor.

A resident stated in this case we already have a boating/fishing dock and you want to take one away. It is not like you are going to give us something totally new.

A resident stated I respect your comments, but it is almost impossible given the layout of this community for you to put in an investment that truly benefits everyone. Quite frankly, we should concentrate our efforts on Chickasaw Trail. I think the community should be first class, but the reality is it is next to impossible for the community center to benefit the residents. If you believe that we need to spend money in another neighborhood, we should do this and fund it. I understand that you have to take a closer look, but anything you do in the neighborhood should be approved by the entire neighborhood. If you have to spend money, you should track it. If this were in another lake, I would say the same thing.

Mr. Moyer stated interestingly enough, at this meeting we will have some preliminary discussion on our budget for next year and in August, we will ask the Board to have a public hearing and adopt the budget. Your comments will be factored into those discussions. I think all of you did a good job of telling us where you are coming from and what you are looking for and

I am sure the Board will take that into consideration. If there is nothing else on this subject, we will move on to the budget.

Mr. Clark stated as soon as the emails were sent, the Board decided to discuss this issue. I think everyone agrees that we will continue to be in that status until it comes back to the Board.

Mr. Moyer stated that is correct.

A resident asked did you say that no decision will be made until the August meeting?

Mr. Moyer responded yes. The Board cannot vote on any matter at this meeting.

Ms. Toni Campbell stated I live in Carlisle and I have a different perspective, not only as a homeowner, but as a real estate agent. There is a value to that dock to the homes in here. What are the plans for some of the landscaping on the CDD property at the intersection of Lee Vista Boulevard and Chickasaw? We have seen it deteriorate. It used to be stunning and now it looks horrible.

Mr. Roy stated I think you are referring to the fact that there are no annual flowers.

Ms. Campbell stated a lot has changed at that intersection. That is something that a lot of people have commented on over the years.

Mr. Roy stated the idea was to continue the current theme down Lee Vista Boulevard and do the same for the entranceways. There is \$65,000 set aside in the budget each year for landscaping improvements. As far as the flowers, the decision was made three years ago to start reducing the amount of annual flowers and plant more Florida landscaping. They are planning on planting some perennials that have some color to them.

Ms. Campbell stated I understand that concept and appreciate it. I guess you have to weigh the aesthetics of it as well. It seems like there should be some other plants that can go in there such as begonias. If they are planted in the Spring, they will bloom in the fall. It does not seem like a huge expense to make it look better.

Mr. Moyer stated thank you.

Questions and Comments on Fiscal Year 2012 Budget

Mr. Moyer stated another item that does not require action is the 2012 budget. The budget in your agenda package has been revised from what we presented to the Board initially. At the last meeting, Mr. Cumello suggested that we come back with a reduced budget. We reduced the non ad valorem assessment by 5%.

Mr. Cumello stated what we have in our agenda package has an increase of \$100,000.

Mr. Moyer stated there was a decrease of \$100,000.

Mr. Cumello stated I am looking at what was projected for FY 2011, which is \$1,090,000 and the annual budget for FY 2012 is \$1.2.

Mr. Moyer stated you are looking at budget to actual instead of budget to budget, which is the \$1,213,000. We always strive to remain within the budget and to the degree that we can bring a budget in under what as budgeted, we try to do that on a regular basis.

Mr. Cumello stated admin went from \$1,058,000 to \$1,014,000.

Mr. Moyer responded correct.

Mr. Cumello asked where is the deduction?

Mr. Moyer responded we took engineering from \$27,000 down to \$19,000; decreased legal fees by \$2,000 and made adjustments to reflect an increase in the insurance premium. The major change is actually a combination of \$9,000 out of engineering and \$2,000 out of legal fees.

Mr. Clark stated there was a decrease under repairs and maintenance for field services.

Mr. Moyer stated under field services, we decreased renewal and replacement from \$10,000 to \$5,000; decreased renewal and replacement of the common areas from \$20,000 to \$10,000, increased the flowers from \$40,000 to \$45,000, decreased mulch and tree trimming by \$10,000 and we do not have a fund balance. We have a balanced budget, but do not anticipate a surplus.

Mr. Cumello stated so the carry over from 2011 to 2012 is zero.

Mr. Moyer stated no. We are anticipating that we will carry over \$195,000 at the end of this fiscal year.

Mr. Cumello asked non reserve related?

Mr. Moyer responded yes. There is a schedule on Page 13 that shows how we propose to allocate the fund balance.

Mr. Cumello stated I was looking at the actuals where there was \$200,000 year to date.

Mr. Moyer stated Page 13 shows an analysis of your overall fund balance, some of which is in reserves and unreserved funds as well as the working capital.

Mr. Cumello stated \$283,000 is the reserve.

Mr. Moyer stated correct.

Mr. Cumello stated so if this budget is reflecting \$195,000 remaining in the fund balance, that does not include the reserve.

Mr. Moyer stated no. The \$195,000 flips up to the top of the analysis. When you look at the budget, the total at the end of this fiscal year for fund balance is \$757,000. That includes \$195,000. Then we distribute that out into those categories in terms of working capital, the reserves identified in the Reserve Study has unreserved funds of \$32,000. The updated budget that I have is based on an update through June, showing that you would end up with \$32,000. The \$195,000 is only a projection.

Mr. Cumello asked when they look at this budget for our August meeting, can they look at the Reserve Study for 2011 from a standpoint that we reserved to do something? We are not using the reserves and the money is sitting there.

Mr. Moyer responded sure.

Mr. Cumello stated if we should be using the reserves, then we do not need to use the operating fund. We can use reserves.

Mr. Moyer stated yes.

Mr. Cumello stated there should be a schedule.

Mr. Moyer stated there is a schedule. I will include that in your agenda package for the next meeting. Are you satisfied with proceeding with the budget as outlined?

Mr. Cumello responded yes.

Mr. Moyer stated at this time, we will open the meeting for any discussion or presentations from staff.

Mr. Scott stated I do not have anything.

Mr. Roy stated I just want to give an update on the fishing pier. The permit was submitted approximately two weeks ago and the contractor is hoping to receive it this week. They may be able to start at the end of next week or the following week. I spoke to the contractor as far as the drainage and he said he is on board with a similar time frame. Did he coordinate with Mr. Cumello or Mr. Moyer as far as access and shutting it down for a little bit?

Mr. Cumello responded I heard from Sharon.

Mr. Shelton stated she is out for awhile.

Mr. Cumello stated she will be back next week. I have one issue for us to research, which is the rumor that Chickasaw is going to be open to four lanes. There are two questions; one is eminent domain for them to take our property and the second is the price.

Mr. Roy responded they provide an Appraisal and we argue about which one to use.

Mr. Cumello asked are you going to check with the Transportation Department?

Mr. Roy responded I will check with our guys to see what the County is up to.

Mr. Cumello asked will all of this money be used for putting in sod and irrigation systems on both sides of Chickasaw and do we need to negotiate this with the City?

Mr. Clark responded absolutely.

Mr. Cumello stated if this is true, we need all of the invoices. They are going to expand to four lanes according to the rumor. Then the question is what impact it will have on the Newport signature walls and how far back they are going to go.

Mr. Shelton stated the plan is to have four lanes up to Gerford.

Mr. Cumello stated someone from the county was here the other day talking to one of our staff who said they are going to start this project next year.

Mr. Clark stated the way it works is they will approach us at some point with an appraisal. It may be low because it is from someone who does all of their appraisal work and this is the tactic they take. They probably will not include any of the experts, perhaps because they do not know about them. It is just a guy driving by. We should be prepared to lay out all of the extra charges and tell them that we think the property is lakefront and what they should give us for relocating the wall, irrigation and landscaping. Then we will negotiate with them.

Mr. Shelton asked is it their assumption that they will not encroach on conservation lands?

Mr. Clark responded that would be my assumption because that is much more expensive for them to do. They would try not to but sometimes the generating strengths dictate that.

Mr. Moyer stated there are ways to mitigate those encroachments through mitigation banks. Whoever does the work will actually pay a fair amount of money to a mitigation bank to offset those impacts.

Mr. Clark stated it would not seem like it would be, but it is more expensive for them to buy swampland through a mitigation bank than to replace landscaping and walls.

Mr. Roy asked how will that affect the entrances to Melrose and Horizons that have gates as there are spacing requirements for those gates from a roadway?

Mr. Clark responded to the extent they create a situation that violates the code requirements, they will just have to live with that and it becomes a non-conforming use. There will be engineering concerns that we have on our own. They may say "We will change it and

recognize that it is not the code, but we will recognize it and say “Yeah, but it does not work that well”. We will have a chance to comment on that.

Mr. Shelton stated it possibly may not affect Melrose because that is where it transitions right at Melrose. They could consider four laning that area.

Mr. Cumello stated it should impact Newport because they have signature walls on both sides.

Mr. Roy stated the County is going to have to work with the City because the County cannot condemn City property for the City portion of the road. It has to be a joint venture. I will check with the County.

Mr. Cumello stated I think the City paid \$4 million to the landlords or property owners on Narcoossee to open Narcoossee between Lee Vista Boulevard and the beach line. Those people ripped them off.

Mr. Moyer stated condemnation for right-of-way is fairly expensive if it is opposed.

Mr. Shelton stated get their names.

Mr. Roy stated that is all industrial/commercial property, which is fairly expensive. The zoning is industrial/commercial.

Mr. Shelton asked are they going to start the four laning next year?

Mr. Cumello responded the rumor was that they were going to start next year. That is why we need to validate whether or not this is true.

TENTH ORDER OF BUSINESS

Adjournment

There being no further business, the meeting was adjourned.

Gary L. Moyer
Secretary

John Rose
Chairman