

**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, August 13, 2009, at 10:00 a.m. at the Vista Lakes Clubhouse, 8841 Lee Vista Boulevard, Orlando, Florida.

Present and constituting a quorum were:

John Rose	Chairman
Randy Holihan	Vice Chairman
James Shelton	Assistant Secretary
Ron Cumello	Assistant Secretary

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Scott Clark	Attorney
Barry Roy	Engineer: Bowyer-Singleton
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 Pastor Banks.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the July 9, 2009 Meeting

Mr. Moyer stated each Board member received a copy of the minutes of the July 9, 2009 meeting and requested any additions, corrections or deletions.

Mr. Cumello stated on Page 2 in the first paragraph, the word "*increased*" should be "*decreased*". On Page 18 in the third paragraph "*ticked*" should be "*ticketed*".

Mr. Clark stated on Page 6, in the sixth line of the large paragraph, the word "*fee*" should be "*deed*". On Page 8 in the top line, the word "*dozen*" should be stricken.

On MOTION by Mr. Shelton seconded by Mr. Cumello with all in favor the minutes of the July 9, 2009 meeting were approved as amended.
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FOURTH ORDER OF BUSINESS**Public Hearing to Consider the Adoption
of the Budget for Fiscal Year 2010****A. Fiscal Year 2010 Budget**

Mr. Moyer stated at the last meeting I mentioned that this was not a good year to raise assessments. We looked at the fund balance available to use as an offset to the increased expenses of our budget. The increased expenses are primarily in the area of electricity, which is hard to predict, not because we do not know what the usage is, but we do not know what the power companies are going to do with their rates. As a result, we have increased this substantially. We will monitor this throughout the year and it is my hope that we will not end up using that amount of electric and therefore not have to eat into our fund balance to the order of magnitude we are anticipating in this budget. The intent is to keep the assessment exactly the same. There is a table showing that the assessments will increase between \$2.00 and \$4.00. Please be assured, we will make any necessary adjustments. We are levying exactly the same amount we levied last fiscal year on the operation and maintenance side. The \$2.00 to \$4.00 would have been the result of some adjustments in debt service, but we will identify the funding source so these assessments will not increase and our residents will receive the same tax bill next year that they receive in this current fiscal year.

Mr. Rose stated this is something we need to consider, but I did some research and we pay for street lighting on a monthly basis in all of our communities. I spoke to the Traffic Engineering Department in the City of Orlando and they preliminarily agreed to take on this expense. However, because the street lights on Chickasaw are upgraded, they are going to charge us \$12 to \$15 per light per month. If I calculated this correctly, they are going to take on about \$60,000 to \$70,000 a year of expenses, but I do not want to count on that until this is in writing and committed. The Clerk I spoke to said this is something they do all the time. It is good news. I tried to get a status report before this meeting and for the past two weeks she has not called me back.

Mr. Cumello asked is that going to be retroactive?

Mr. Rose responded I will ask. The lights in the gated communities are not covered, but the Clerk is looking into those as well.

Mr. Moyer stated good job.

Mr. Holihan asked will the assessment difference for the commercial of \$293 go away as well?

Mr. Moyer responded yes. The assessment should be exactly the same as last year. This meeting has been noticed as a public hearing and with your permission; we will open this meeting for any public comment on the budget. Hearing none, at this time, I will ask for consideration of the two resolutions.

B. Consideration of Resolution 2009-03 Adopting the Fiscal Year 2010 Budget

Mr. Moyer read Resolution 2009-03 by title into the record. Staff will complete the blanks in this resolution in terms of how much we are levying for the General Fund and Debt Service Fund.

On MOTION by Mr. Holihan seconded by Mr. Rose with all in favor Resolution 2009-03 Relating to the Annual Appropriations of the District and Adopting the Budget for the Fiscal Year Beginning October 1, 2009; and Ending September 30, 2010, and referencing the Maintenance and Benefit Special Assessments to be Levied by the District for said Fiscal Year was adopted.

C. Consideration of Resolution 2009-04 Levying and Imposing the Non-Ad Valorem Assessments for Fiscal Year 2010

Mr. Moyer read Resolution 2009-04 by title into the record. This is the document we send to the Tax Collector along with the tax roll for 2010.

On MOTION by Mr. Holihan seconded by Mr. Rose with all in favor Resolution 2009-04 Levying and Imposing a Non Ad Valorem Maintenance Assessment for Fiscal Year 2010 was adopted.

Mr. Cumello asked will there be an attachment when you provide this resolution to the Property Appraiser?

Mr. Moyer responded yes. My office prepares the tax roll and places it in a computer compatible media. They provide us with the roll with all of the folios. It used to be a real problem to come up with a way to download these assessments because as a company, we had districts in 40 out of the 67 counties and they did not all have the same computer system.

FOURTH ORDER OF BUSINESS

Manager's Report

A. Financial Statements

Mr. Moyer stated the financials were included in your agenda package. I have some good news. At this point, we have now collected 99.21% of our assessments and the \$78,000 of non-ad valorem assessments is now down to \$10,000.

Mr. Cumello stated congratulations!

Mr. Moyer stated I do not have anything specific to point out on the financials. We are running close to budget on most items.

B. Invoice Approval #109

Mr. Moyer stated Invoice Approval #109 was provided to the Board.

Mr. Rose stated I have some concerns about the maintenance cross charging. I would like to see if you have the same opinion I do. I do not like the fact that there is no transparency to the charges we incurred. We receive copies of the invoices, but I would like to see the backup to get a feel for what we are spending our money on. It seems like this is an area where inappropriate items can be easily slipped through. I am not sure there are appropriate internal controls. There is an invoice approval, but I want to see the source document. In regards to the maintenance charges, we receive copies of the Home Depot bills. Sometimes you can determine what was charged, but most of the time you cannot. It would be helpful to have some transparency to those expenses.

Mr. Cumello stated we need to have Mr. Moyer give some direction to Mr. van der Laan on the HOA charges.

Mr. Moyer stated I would be happy to.

Mr. Rose stated we would like to see copies of the invoices and receipts clearly reflecting the expense and what the item was used for.

Mr. Cumello asked do we have a feel for the total dollars coming across in a given year other than labor?

Mr. Rose responded I have not done the calculation yet, but this is one of the projects I would like to work on.

Mr. Cumello stated I am looking at the year to date numbers and several thousand dollars were spent on painting, which is not much.

Mr. Rose stated it is not much, but my only concern is this is an area where things can slip through the cracks.

On MOTION by Mr. Rose seconded by Mr. Cumello with all in favor the financial statements for the period ending June 30, 2009 and Invoice Approval #109 dated August 3, 2009 in the amount of \$86,071.60 were approved.

C. Consideration of Fiscal Year 2010 Meeting Schedule

Mr. Moyer stated under Chapter 189 of the Florida Statutes, we need to advertise our meeting schedule once a year. We propose keeping the same meeting schedule we are currently operating under except that the new schedule reflects the second Wednesday rather than the second Thursday. We will make this change.

Mr. Clark stated the dates are on the second Wednesday.

Mr. Moyer stated the meetings will be held on the second Thursday at 10:00 A.M. at this location.

Mr. Cumello asked are we forced to hold monthly meetings because of the invoices?

Mr. Moyer responded no. You can delegate staff to pay routine invoices and ratify those when we meet. Many Boards are going to every other month or quarterly meetings in an effort to save money.

Mr. Cumello asked do we want to have 12 meetings next year or meet every other month? I support meeting every other month.

Mr. Shelton asked would that cause any delays as far as you are concerned?

Mr. Moyer responded no. However, there are certain times of the year when we have to meet. I have to introduce the budget to you in May and hold the budget public hearing in August. We also need a meeting in November for the purpose of seating a new Board after we go through the election process. We usually schedule meetings in February. If you move to a quarterly basis, this would be your schedule.

Mr. Clark stated this works in a lot of cases, but it depends on the number of issues you anticipate coming up. Of course you can always call a special meeting.

Mr. Shelton asked what do we need to do to advertise a special meeting?

Mr. Moyer responded you need to advertise in a newspaper seven days before the meeting. The newspaper needs three days lead time once we set the date.

Mr. Cumello asked are we locked into the remaining year's meeting schedule?

Mr. Moyer responded no, you can cancel meetings.

Mr. Cumello stated we should hold quarterly meetings.

On MOTION by Mr. Shelton seconded by Mr. Holihan with all in favor the Board set the meeting dates for the second Thursday in November, February, May and August.

Mr. Rose asked can we still receive monthly copies of the invoices?

Mr. Moyer responded yes.

Mr. Cumello stated as well as the Manager's Report. I think there is still value in seeing it. If we have any questions, we can provide them to the Manager.

Mr. Moyer stated we will give you an agenda package in September, but will not meet.

Mr. Cumello stated we will not have minutes for two months.

Mr. Moyer stated correct.

D. Discussion of Action Item List

Mr. Moyer stated the action item list was provided to the Board. When Mr. Rentz was here last month we went through some of the title work in terms of ownership.

Mr. Clark stated I have some follow-up discussion. One of the open questions at the prior meeting was whether deeds to the three private roadways in Melrose, Waverly and Carlisle had been done correctly. Mr. Smith provided the missing deed to Mr. Rentz. Those roadways were correctly deeded in fee simple meaning everything under it was deeded to the HOA. I read through the minutes and I am not overly concerned about passive open areas that may have ended up in the wrong place as long as this Board and the HOA are happy with them being where they are. We generally do not get into questions about the expenditure of bond funds and whether the assets are in the right place because they are open areas. However, we need to figure out the direction with regard to the three roadways. There are different choices you can make. In my opinion, the HOA has total responsibility for those roads. There was discussion about surface versus base, but based on the deed, they do not own the base. That was not reserved out so those roads and everything included in the rights-of-way, which are the sidewalks, are owned by the HOA. That has some implications. We talked about maintenance responsibility and how it follows the ownership. One of your concerns was *"If we have the base, how do we decide if there is a failure whether it was a surface or a base failure and who is responsible and should be*

reserving for it.” If the title stays that way, it becomes an HOA responsibility. There may be some feedback from the HOA about whether they want that responsibility. This is where we currently are.

A counter issue is Mr. Cumello’s concern about those being assets on the books of the CDD, which we no longer own. That is an issue. If we break down those assets into individual components, we will find some things should be removed from the list. This has some implications. One implication is having to change our audit to where it will now probably have a negative net worth, which raises eyebrows at the Auditor General’s office, although I think they would understand since it is just a paper transaction because you transferred the assets. One of the other issues is under the bond covenants, if the bond funds paid for those assets, they probably should not have been conveyed out of the ownership of the CDD and there may be a technical breach of a bond covenant. I am not greatly concerned about this because if the Board decided whether to leave those in the HOA, I suspect we could solicit and get bondholder consent so there was not some technical default we had to worry about. They are not looking to the assets to pay the bonds; they are looking to the assessments that were levied.

On the other hand, you may say “*We have these problems and should we look at taking those assets back?*” That creates another list of what I think are significant problems. If the CDD takes the roads back, they cannot be privately gated communities and you are going to have angry residents. That does not seem like something you want to necessarily get yourselves into.

Mr. Cumello asked if you chose this option, would those roads be owned by the CDD or deeded to the City like the other roads built by the CDD that were eventually deeded to the City?

Mr. Clark responded either one is a viable option, although you should be consistent with it. If you decided to do this, are you going to get the HOA to sign a deed or dedication to the City to make it happen? I doubt it because of the expectations that people have about living behind those gates. If you decide to go in this direction, it will be difficult to do.

Mr. Moyer asked could we solve a lot of these issues by the HOA granting an easement to the District?

Mr. Clark responded yes. The next step would be to take back some right that represents something on your balance sheet. There was a great deal of discussion about the separation between the base being the stormwater system and the surface being the road itself. I have never

been a big fan of that distinction, but I understand why people did that as a good approach to the CDD expenses on gated projects.

Mr. Shelton stated keep in mind if the HOA owns the road and there are problems underneath the road, the homeowners have to pay for the repair.

Mr. Clark stated let me clarify this. This leaves the maintenance responsibility for other people and it is a question of whether you want those maintenance responsibilities to be in your community; the HOA or the CDD. I have never been a great fan of slicing the road in the middle. You see that problem when you see the deed because the deed does not attempt to do that. We could try to take back that underlying stormwater right as a CDD, but you need to decide whether or not this is desirable because it puts the stormwater part of the maintenance responsibility back to the CDD. The community needs to ask the CDD and HOA if this is what it wants. You also need to have a document speaking to the base versus surface failure and clearly delineating the regular resurfacing responsibilities versus underlying structural failures. This gives a basis to retain that asset on your balance sheet at a value the Engineer feels represents the base and stormwater system. The community was developed under this assumption and I would not try to assert my opinion about the pleasantness of separating the base from the surface because this is how it was developed. I do not have a problem continuing to act consistently with that, but the question is whether you want to have that underlying stormwater responsibility or to fix that problem or wait until it becomes an issue.

Mr. Cumello stated this discussion started with the discovery of the \$17.7 million in assets and whether or not this was a true number. I was looking for the legal opinion that says we can support this \$17.7 million because we agreed with the Audit report subject to refinements.

Mr. Clark stated my legal opinion is to the extent it includes these roadways, I do not think there is a basis for keeping those assets on your balance sheet.

Mr. Cumello asked if you remove the cost of building those assets, I assume you have to do some depreciation to come up with the real asset value.

Mr. Moyer stated we do depreciate.

Mr. Cumello stated maybe the next step is to find out what the present day value of those assets are today in relation to the \$17.7 million as to whether it keeps us in the negative or the positive.

Mr. Moyer stated we can do this work.

Mr. Cumello asked if we say those assets totally belong to the HOA and therefore there is no cost to the HOA but they own the asset, what is the liability issue against what the general assets are?

Mr. Clark responded there are two decisions to make; one is how you want to address the audit issue, which should be made during the next audit cycle. The second decision is how to divide responsibility for stormwater maintenance and whether we should know now instead of when there is an emergency of who is going to maintain what. This is not an urgent decision you need to make at this time, but at some point, if there is a failure in that system, I do not think you want to be in the situation of the two entities looking at each other and saying “*You fix it.*” This discussion should happen in connection to how you treat it on the balance sheet because if you decide to take responsibility for the underlying stormwater base system, then you do not want to transfer it off of your balance sheet. Initially, a decision needs to be made, which will affect the balance sheet.

Mr. Rose stated the bottom line is technically we do not own the assets.

Mr. Clark stated you do not own the assets.

Mr. Rose asked were these the ones that transferred and Newland did not have the authority to transfer them?

Mr. Clark responded the developer, Terrabrook Vista Lakes LLP. and the CDD entered into a Quit Claim Deed transferring these assets in fee simple, meaning everything on the surface and below it.

Mr. Rose stated in my opinion, if the HOA is going to own the road, they need to own the entire road.

Mr. Cumello stated we are talking about three deeds and five neighborhoods. Which neighborhoods are the roads in?

Mr. Clark responded Tract E in Melrose, Tract H in Waverly and Tract C in Carlisle.

Mr. Cumello stated these are the original villages that were built in the first phase of Vista Lakes. The Windsor and Warwick roads were deeded to the HOA. There was no question about these deeds.

Mr. Clark stated according to the chart, the roads in yellow belong to the HOA and the title work appears to be consistent.

Mr. Cumello stated according to the research you have done, there is no question that the other two roads are owned by the HOA, which applies to the same maintenance theory.

Mr. Clark stated correct.

Mr. Cumello stated the HOA would be responsible for all of the maintenance issues on those roads including the water management.

Mr. Clark stated correct. Those are in gated communities and were originally intended to be done this way. Of course, what was not thought out or reduced into agreements were the maintenance responsibilities and the effect on the CDD balance sheet.

Mr. Cumello asked do we have an average number per year that we have spent on repairs for the eight failures we had so far?

Mr. Roy responded I have not calculated it.

Mr. Cumello asked can the District Manager look at the invoices and determine the cost over the past several years?

Mr. Moyer responded yes.

Mr. Cumello stated the understanding the two Boards had up until today was that the HOA reserved for the asphalt and the CDD was responsible, but not necessarily reserving for the water management.

Mr. Moyer stated I will get you this number. We will also come up with an estimate to remove those three roads from our asset list.

Mr. Cumello stated I assume that the other two roads are not on your balance sheet because Warwick was built with developer funds because they ran out of bond money. You need to validate that in the asset build-out. Windsor was also built with bond funds. Four neighborhoods and Vista Park Drive have to be removed from the balance sheet. You may have to go back and look at all of the contracts.

Mr. Roy stated keep in mind when you are talking about the conveyance of maintenance responsibilities, that some of the storm drainage underneath these roads are for the master stormwater system and are separate from the road drainage. There are large diameter pipes connecting each of these ponds. I do not think that should be transferred over to the HOA because this would have Waverly and Carlisle taking a good portion of maintenance responsibility for the northern section of this community.

Mr. Clark stated what you want to end up with is a clear agreement and delineation of who does what. You are correct that the individual neighborhoods should not be responsible for the master stormwater system.

Mr. Cumello asked is there any way to determine where the master stormwater starts from an engineering standpoint?

Mr. Roy responded there are some sections specific to the lake interconnects and other ones along Chickasaw that have drainage from the road tying into the same storm pipe. The majority of them were separate isolated systems.

Mr. Cumello stated so they could be identified.

Mr. Roy stated yes.

Mr. Clark stated it looks like we have some tasks to work on.

Mr. Rose asked can you list those tasks and who will be performing them?

Mr. Moyer responded we are going to identify the expenditures the District has made for the drainage pipes within the four subdivision roadways that were constructed by the District before we assume whether or not it is a District responsibility. I am going to get with Mr. Roy and try to come up with a detailed engineering value for the four subdivisions that we will remove from our asset list. We will do that by formula in terms of a percent of what was expended in the total capital program to be represented by those roads on a normal engineering type of an estimate, which should suffice for the Auditor's purposes. We will bring all of this information back to the Board at the next meeting, which is November.

Mr. Rose stated I thought we were still going to receive monthly agenda packages.

Mr. Moyer stated I doubt we will have this completed by September.

Mr. Cumello stated personally I do not see the value of meeting in September.

Mr. Rose stated I agree.

Mr. Cumello stated if we make a decision to not maintain these roads, then the HOA has a decision to make on what to do with these roads such as turning them back to the CDD.

Mr. Clark stated they could.

Mr. Cumello stated there is a legal reason why they could turn them back over to us.

Mr. Clark stated there is a legal reason for us to say "*No we gave them to you and you accepted them.*" It is clear the two entities are going to have to agree on the end result. They should because this is one community.

Mr. Moyer stated the determining factor driving this decision is whether or not you want to keep the roads private. Someone could make the argument that you have to open your gates to the general public. You can have the gate, but you have to open it when someone shows up.

Mr. Clark stated you can say to the HOA *"If you want the roads, you can have them."*

Mr. Cumello stated we had discussion about the gates two years ago and determined that the gates were built with CDD money. In theory, anyone who wants to come in can ask to have the gates open because if they belong to the CDD, they are open to the public.

Mr. Moyer stated frankly I feel good that we may be getting to the end of this process and you will at least be able to make the decision of whether you want to make the roads private or do something in between private and fully public. It is more confusing in the communities that have CDD roads with gates. The residents are always confused and are not happy because they cannot keep everyone out. You can stop them and take license plate numbers, but at the end of the day, they are public roads. There are financial ramifications to the HOA for keeping them private, but at least there is a clear line and everyone understands what the rules are.

Mr. Cumello stated if the roads are public and were built by the CDD and they have to be opened to anyone who requests them to be open, then every resident should pay for their maintenance instead of the way the HOA currently has it where only the residents behind the gates pay for the maintenance.

Mr. Clark stated if there was a challenge based on who purchased the gates; the HOA should probably purchase the gates from us.

Mr. Cumello stated the way we probably thought we fixed this problem was to transfer the maintenance of the gates over to a separate agreement under the HOA because the gates are on HOA property. Under that agreement, which this Board and the HOA have signed, the HOA has the ability to terminate the agreement with proper notice and remove the gates at any time.

Mr. Rose stated that was because we had concerns about transferring assets built with bond money.

Mr. Cumello stated I recall two issues; one was we had CDD property sitting on HOA property and if there were problems with the gate and the maintenance, it became impossible to get someone to respond to it. It is easier to get the HOA to respond. So moving the maintenance over to the HOA fixed the maintenance problem and if a decision was made to call out the contractor to replace an entire unit, you could not wait a month to take it to the Board. That is

one of the major reasons why we moved the responsibility over to the HOA. We had residents who said “*We want to upgrade the gates*” and they had to come to the CDD to do that. However, with the new agreement, the HOA has the right to tell the CDD to remove their gates.

Mr. Shelton asked do you see any issue other than the HOA maintaining the storm sewer?

Mr. Cumello responded there are two issues; the deflation of the \$17.7 million because the assets no longer existed and who would pay for the repairs.

Mr. Rose stated I wonder if the roads are on the HOA’s books as assets.

Mr. Cumello stated the HOA does not have any assets.

Mr. Holihan stated we have liabilities.

Mr. Roy stated it was my understanding when the Reserve Study was prepared, the underlying road system and drainage was put into CDD reserves and the asphalt was put into the HOA reserves. I believe the same company performed the Reserve Study for the HOA and the CDD.

Mr. Cumello stated it is not clear that water management is reserved in the \$5 million reserved for the CDD.

Mr. Roy stated I thought it was more specific in the Reserve Study.

Mr. Rose stated the Reserve Study is very clear.

Mr. Roy stated I do not have a copy of the HOA Reserve Study.

Mr. Moyer stated I do not have a clear copy of the CDD Reserve Study, but I have the HOA Reserve Study.

Mr. Roy stated we can probably go back to see how it is being reserved. I know drainage repairs done in Waverly and Carlisle were paid by the CDD.

Mr. Cumello asked will \$1.1 million replace all of the water management systems in all neighborhoods?

Mr. Roy responded it is over time.

Mr. Cumello stated if they have a 50 year lifespan and you had to replace them at the end of 50 years, the total CDD reserve is only \$5 million according to the Reserve Study and only \$1.1 million is reserved for asphalt pavement, re-paving and total replacement.

Mr. Rose stated that is only for roads we own.

Mr. Roy stated I would like a copy of the HOA Reserve Study. I do not know if I have the final CDD Reserve Study.

Mr. Moyer stated if you recall, we had the final version and then Mr. Mark Jacobson wanted to amend it. It sounds like he never provided the amended one to us.

Mr. Rose stated I have a copy, but it is not the final one.

Mr. Holihan stated I believe the last tweaking was to get the asphalt and drainage into the correct locations. The sidewalks are owned by the HOA because they are in front of the actual houses. The common area sidewalks on these parcels are owned by the CDD.

Mr. Cumello stated the other decision the HOA has to make is whether they want to reserve for replacement of the water management system, which they do not have today.

Mr. Rose stated if we decide to say to the HOA that they are fully responsible, we need to make sure there are enough reserves to transfer over. Is that a question we need to answer as well?

Mr. Cumello responded if the CDD is reserving for infrastructure and the HOA takes total responsibility for maintenance, those monies can be transferred from the CDD to the HOA. However, I am worried whether or not we can do this legally.

Mr. Roy asked is there a way for the HOA to reimburse the CDD for the gates and take ownership?

Mr. Rose responded it would be interesting to see the answer because I am confident that is one of the reasons we entered into the Maintenance Agreement.

Mr. Moyer stated it was. It is difficult to dispose of public property by giving it to a private entity. There is nothing in Chapter 190 that says how to do it, but there have been similar arrangements. Basically the Water Management Districts under Chapter 373 like SJWMD and SFWMD operate under the process that you cannot just give it away or sell it. You have to go through a public hearing process and advertise it. It is a mess.

Mr. Roy asked does someone else own the roads behind the gates?

Mr. Moyer responded I am not sure how we got rid of the roads.

Mr. Roy stated the same issue came up in some of these individual parcels as far as deeding to the adjacent property owner for maintenance. It became legally cumbersome to do this even though it made sense.

Mr. Cumello stated at one point the CDD was going to sell some of these small parcels to homeowners.

Mr. Roy stated they have to do it through a public sale.

Mr. Moyer stated we will do some homework and continue this discussion in November.

FIFTH ORDER OF BUSINESS

Attorney's Report

There not being any, the next item followed.

SIXTH ORDER OF BUSINESS

Engineer's Report

Mr. Roy stated I distributed copies of maintenance maps as several emails were sent following the last meeting regarding the Melrose entrance and Vista Lakes commercial south. The first map is the most current one. The second map shows a small green area just past the Melrose entrance, adjacent to Chickasaw Trail that is identified as a CDD maintenance area. I believe the prior map did not reflect this.

Mr. Cumello stated on the prior map the island in front of the Melrose gate was identified as being owned by the CDD, but the new map shows the island being owned by the City.

Mr. Roy stated I will check again, but I do not believe that the City took ownership of that island.

Mr. Rose stated we maintain it so it needs to be on this map.

Mr. Roy stated I believe the island was in the HOA/CDD agreement for the gates.

Mr. Shelton stated that is my understanding. The island was never in question.

Mr. Roy asked does it still belong to the CDD?

Mr. Shelton responded it has never changed. I always assumed it was owned by the CDD.

Mr. Roy asked even though it now has an HOA controller on it?

Mr. Shelton responded we determined that the gates are owned by the CDD.

Mr. Roy stated subject to maintenance and upgrades by the HOA.

Mr. Cumello stated not upgrades. The CDD is still reserving for upgrades on the gates according to the Reserve Study.

Mr. Shelton stated Melrose added pedestrian gates.

Mr. Roy stated I thought the HOA had the ability to upgrade them if they desired.

Mr. Shelton stated we did.

Mr. Roy stated I will put the Melrose island on the map. Are there any other pieces at the Melrose entrance that do not appear correct?

Mr. Rose responded I requested these maps because I wanted to make sure the maintenance map was completely up to date. There were some questions when Servello came into play. I just want to be able to provide this map to someone so they can have a complete picture and there is no confusion later on.

Mr. Moyer asked is that the only change?

Mr. Roy responded no, Mr. Holihan's parcel was added on Lee Vista Boulevard south in the Town Center area. It used to be shown as a CDD road, but the grass median and areas adjacent to the road were maintained by the CDD. We highlighted them as open space.

Mr. Rose stated we do not maintain anything on the north side of that road. If it abuts up against the property, the property owners maintain it.

Mr. Roy stated I will remove any green north of the road adjacent to the parcel.

Mr. Rose stated correct. The medians should remain as we have to maintain the islands, but the green strip along the property should be removed.

Mr. Cumello stated there is a triangle from the pond where the tower is situated that goes up to Mockingbird to the Home Depot property.

Mr. Rose asked do we own the wetlands by Odyssey Middle School?

Mr. Roy responded yes.

Mr. Cumello stated I noticed that the wetlands between Horizon and the Resident's Club have changed colors and the one above it by Melrose along Chickasaw should be green.

Mr. Roy stated the colors should not have changed. The person who originally did the maps is no longer with us and the maps were in CAD. We had problems with some of the colors. Mr. Moyer's office sent me a document regarding Lee Vista Boulevard in front of the commercial pieces. There was discussion about the CDD's responsibility as far as maintenance of those landscaped areas and what the City would say if you cut off the irrigation. I could not locate a copy of the Vista East Improvement Corp. Annexation Agreement, which spells out how it worked for the CDD to install landscaping in the City ROW.

Mr. Smith stated I do not recall seeing this agreement. There was an overall Annexation Agreement when the property was annexed.

Mr. Roy asked was this the VA Annexation Agreement?

Mr. Smith responded no, you are referring to the VA Hospital Settlement Agreement. I am referring to the Vista East Property Annexation Agreement.

Mr. Moyer stated the question is whether the District is obligated to maintain Lee Vista Boulevard from Narcoossee into the project. I do not know whether that is in the Development Order or in the Annexation Agreement.

Mr. Holihan stated it was for the upgraded landscaping.

Mr. Roy stated I assume we have not received any response or favorable response on the commercial.

Mr. Moyer stated no.

Mr. Lee stated there may have been a provision for the ability to upgrade landscaping in the Vista East Property Annexation Agreement. It would be in the public records.

Mr. Roy stated I could not locate a copy in our office.

Mr. Holihan asked was there any response at all?

Mr. Moyer responded I received a response from Mr. Yeager at Narcoossee Acquisitions LLC. in response to my letter informing us that this should be a City obligation and they were not paying their share.

Mr. Lee asked what happens if you just do not cut it?

Mr. Roy responded the question was whether they were going to be responsible for taking out any dead material and adding sod.

Mr. Moyer stated Mr. van der Laan and I determined that the amount of CDD money spent on an annual basis to maintain that entrance is \$7,500 per year. The only issue you need to deal with is whether or not you want to spend \$7,500 to maintain it.

Mr. Rose stated my recommendation would be to tell Servello not to cut it for a week or two and see what happens. You can continue to irrigate it.

Mr. Moyer stated at the very least, they would come back to us and say "*Under your Agreement you are obligated to maintain it since it is at your front door.*"

Mr. Cumello stated it would generate a maintenance problem if the grass dies.

Mr. Rose stated I understand that it is our "front door", but we could technically move our "front door" because the median separates right at the entrance to the Home Depot. That is just about where our responsibility starts. I am not sure it is worth it.

Mr. Cumello stated I agree. We are only talking about \$7,500. I recommend we drop this issue.

Mr. Shelton stated we currently mow around all of the lakes. Just to simplify the map, you did not show those areas. Either the lake goes right up to the property edge or the CDD property between the water's edge and the property line is not accounted for.

Mr. Rose stated the legend says "*Including slopes and features.*"

Mr. Roy stated it shows that the ownership and maintenance includes slopes and features along those water bodies.

Mr. Shelton asked which are not shown on the map.

Mr. Roy stated there could be a green strip around there. Servello is currently maintaining that.

Mr. Rose stated I think any reasonable person looking at this will see that the lakes include the slopes and features.

SEVENTH ORDER OF BUSINESS

Community Association Manager

A. Activity Report

Mr. van der Laan's monthly Activity Report and Agronomist Report were provided in the Board's agenda package.

EIGHTH ORDER OF BUSINESS

Supervisors' Requests

Mr. Cumello asked did you have any response from the property owner who invaded the conservation area?

Mr. Moyer responded Mr. van der Laan went out there two days ago and the property owner had not done anything to restore the wetland.

Mr. Shelton asked which neighborhood?

Mr. Cumello responded Pembroke.

Mr. Moyer stated I have not actively pursued anything because these are your neighbors. If you want the District to get actively involved in terms of contacting Code Enforcement, I would be happy to do so.

Mr. Cumello stated the letter gave the resident 10 days to restore the wetland or the plot of land they cleared for a vegetable garden. Since they did not respond, do we contact the City?

Mr. Moyer responded any step we take from here on in would be more in line with writing them a formal legal demand notice to remove the garden. The District technically cannot do much other than spend the money to restore it. If that is the step you want to take, we can

have Mr. van der Laan and his crew undertake the restoration. Otherwise, we do not have any enforcement powers such as writing a citation or issuing fines and penalties. We could turn this matter over to the City Code Enforcement Department for violation of that wetland or we can go to the Water Management District to take enforcement action because they violated the terms of our permit. Those are actions we can take without spending money. My desire was not to spend money to do anything and get the City or the Water Management District involved to issue violations.

Mr. Holihan stated I sit on the City Code Enforcement Board so if you give me the information, I will turn it over to that department.

Mr. Moyer stated that would be wonderful.

Mr. Cumello stated I think it is necessary because the resident has continued to go in there even after he received our letter.

Mr. Rose asked for a vegetable garden?

Mr. Cumello stated he cleared about 30 to 40 feet for the vegetable garden and has gone 20 feet into the conservation area.

Mr. Shelton asked has he cut down any trees?

Mr. Cumello responded he cut down whatever brush was there.

Mr. Moyer stated thank you for the offer, Mr. Holihan. I will provide that information to you right away.

Mr. Cumello stated the other item I have is in regards to the discussion last month about golf carts on streets.

Mr. Moyer stated under Chapter 316.212, City employees can use golf carts if they are authorized by the City. There is nothing permitting Districts or HOA's to use golf carts. There is a section pertaining to the HOA's use of utility vehicles, which is a defined term, but the road has to be approved and designated for that purpose by the City. Obviously this is a step in the right direction for the HOA to use utility vehicles, but you still have a process to go through the City to get them to approve the HOA using utility vehicles on their roadways.

Mr. Cumello stated since the CDD and HOA are doing something illegal by using golf carts around the community to perform maintenance work, we have to upgrade our equipment from golf carts to utility vehicles. The CDD and HOA need to understand there is a cost associated with this. You could say there is a certain lifespan to the equipment and effectively it

has to be replaced, but we generally replace them every two to three years. In the next replacement cycle we can purchase utility vehicles.

Mr. Moyer stated that makes sense.

Mr. Rose stated we can systematically replace them.

Mr. Cumello stated the Board needs to be aware if they receive an invoice from the HOA for 60% of the replacement of a vehicle, it is on the record that this is something we are going to have to do.

Mr. Rose stated we need to control this because the HOA cannot just decide to replace a vehicle and blindside us with an invoice. We need some parameters.

Mr. Cumello stated I think this meeting is formal notification that this is going to happen some time in the future.

Mr. Rose asked how do you budget for it?

Mr. Cumello responded we can find out the cost for the utility vehicles.

Mr. Roy stated they are notorious for having maintenance problems.

Mr. Cumello stated in regards to the Pinycastle issue, there is a meeting scheduled this month by the Restoration Advisory Board. We had postponed meeting for several months because we were waiting for the Army Corp of Engineers to come back with the results of their soil and water testing. They told us at the last meeting they procured 146 soil and water samples from the ponds as well as performing a sludge test. The expectation was that we would get those results from the Army Corp of Engineers along with review of the results by the Florida Department of Environmental Protection in regards to what the testing meant from the standpoint of the standards and whether they conform. We were just informed by the Army Corp of Engineers that they are not prepared to discuss those results at the next meeting. I do not know when they intend to provide those results.

NINTH ORDER OF BUSINESS

Audience Comments

There not being any, the next item followed

TENTH ORDER OF BUSINESS

Adjournment

The next meeting is scheduled for November 10, 2009

There being no further business,

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

Gary L. Moyer
Secretary

John Rose
Chairman