

**MINUTES OF MEETING
SOUTH-DADE VENTURE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the South-Dade Venture Community Development District was held on Thursday, August 27, 2009 at 3:00 p.m., at the Watersone Clubhouse, Phase II, 1355 Waterstone Way, Homestead, Florida.

Present and constituting a quorum were:

Alex Diaz de Villegas	Chairman
Kimberly Felipe-Ochoa	Vice Chairman
Monica Elliott	Assistant Secretary
Sonia Castro	Assistant Secretary

Also present was:

Mike Pawelczyk	District Attorney
Paul Winkeljohn	District Manager
Kyle Vandenbrink	Landscaping Contractor
Jay Abazzia	Broadband Agreement Specialist, Inc.

FIRST ORDER OF BUSINESS

Roll Call & Pledge of Allegiance

Mr. Diaz called the meeting to order, called the roll and the Pledge of Allegiance was recited by all who attended the meeting.

SECOND ORDER OF BUSINESS

**Approval of the Minutes of the
July 23, 2009 and August 13,
2009 Meetings**

Mr. Diaz: Moving on to item No. 2, Approval of the Minutes for the July 23, 2009 and August 13, 2009 Meetings. Are there any question from the board?

Ms. Castro: No.

Ms. Elliott: No.

Mr. Diaz: There being no questions from the board then, I did provide some corrections to our manager, Mr. Winkeljohn and so we would just need a motion to approve the minutes of July 23rd with those corrections.

On MOTION by Ms. Castro seconded by Ms. Elliott with all in favor, accepting the Minutes of the July 23, 2009 Meeting with the submitted correction from Alex Diaz were approved.

Mr. Diaz: Then we would need a motion for the approval of the minutes of August 13, 2009.

On MOTION by Ms. Elliott seconded by Ms. Castro with all in favor, accepting the Minutes of the August 13, 2009 Meeting were approved.

THIRD ORDER OF BUSINESS

Staff Reports

Mr. Diaz: Next is item No. 3, Staff Reports, Mr. Attorney?

A. Attorney

Mr. Pawelczyk: Yes, and I'll make it brief. Portofino Point, which is the license agreement, apparently it was lost somewhere in the signing process, so Ed Gonzales in the office next door is making sure that he gets the second attempt at that document to be signed and then we'll record that after it's executed by the manager's office. As for the Stonebrook license agreement, both of which I'm referring to are the monuments in the entry circles to those particular developments. I'm waiting to hear back from Stonebrooks attorney, I sent her the final document, which included the speed humps that they had installed in that area, I sent them that on Monday, so I really would expect them to turn it around as fast as I would turn something around, but hopefully next week I'll have their comments back, if not I will follow up with her on Monday. I know the chairman is particularly interested in making sure that there is movement on this to get it done because they have delayed along the way. I think it was several months before they finally gave it to their attorney.

Ms. Castro: It's been 10 months and I am really interested to know what your opinion is regarding giving them a deadline because I don't want them to extend to one year.

Mr. Pawelczyk: Well I agree with that. I think maybe at the next meeting, I'll ask the manager to put on an agenda item, update regarding licensing agreements. The

only reason I say that, then at the meeting we can move to establish that deadline and if I can't get it taken care of by that meeting, authorize me to send a letter telling them if it's not out by this date, we're removing it.

Ms. Castro: Ok, thank you.

Mr. Pawelczyk: But if we're going to make such a claim, we better be ready to do it.

Ms. Castro: Yes, we are ready to do that I believe.

Mr. Pawelczyk: Ok. That's all I have on the license agreements. As for any other particular matters we're working on, one is the lift station tract, this is the one we're trying to get Caribe to convey to us in the Christy's Homes section. I actually have everything signed from them, except for two affidavits, which I just sent back because they were signed improperly and I sent them back sometime this week, so I should get those back by the next meeting too and we can record the documents and that will be done and you'll recall after that's done we need to approach the city and give them an easement and say, here's the easement we're going to grant you to keep your lift stations that you're operating on our property and see where we go from there. You'll recall that we don't want to convey that, at least the board said, we don't really want to convey that property to the city, we'd rather just grant them an easement over it. Then there's some other issues with regard to maintenance of those areas, outside and within the fences that surround the lift stations, that I think will come out as part of that easement agreement with the city in terms of maintenance, who's going to do it, and I think the board's option in discussion was that the board would prefer the District be responsible for that, since we have landscapers on site and that way we can maintain it to the standard we want, rather than the standard they think is appropriate. There was one other issue I needed to report on, I spoke with Juan Alvarez this morning, and he's not here, we don't usually bring our District engineer to these meetings, but he was talking to me about the transfer of the South Florida Water Management District permit from a conversion to a construction operation phase and there is an attorney working for Landstar, Jeff Cooperman, I believe is his name and the District board authorized

the proper District officials to sign off on the transfer process. Well Juan's looked at it again, once I copied him on everything to make sure everything is being done appropriately, and he indicated that there may be some other areas that aren't Landstar areas that may also need to be converted from construction operation that the original developer, which I'll use as the Joint Venture, just didn't do. I think Paul and Dennis will attest that this happens all the time, when the developer's done, they don't care and unfortunately this happens in, I would say, 80% of the Districts we deal with and it really happens most of the time and depending on your District engineer, if your District engineer doesn't follow through and make sure that's done, since he's familiar with the construction of the whole project, it just sometimes gets overlooked.

Ms. Elliott: So what do we need to do?

Mr. Pawelczyk: We don't need to do anything now, I think what Juan is looking for is he just asked me to report, unless there's any objection, Juan is going to look into this whole thing and there's some other issues that we'll discuss at the next meeting, not issues per se, but more or less direction, but he's going to gather some information between now and the next meeting to determine, number one, what's out there and it's not that hard for him to get with his contacts at the South Florida Water Management District and just see where we are, because the time to put in this application would be coincidental with the one that Cooperman just put in for Landstar to transfer, so he just wanted me to bring that to your attention since I had the opportunity to speak with him today. Are there any questions on that?

Ms. Castro: No, thank you.

Mr. Pawelczyk: But we'll give you some more information at the next meeting, in terms of what his recommendation is, which I think his recommendation is, let's just get them all done at once, all the drainage facilities completed.

Mr. Winkeljohn: Yes, a couple of years ago it was convenient for us to leave them open and leave them in the construction operation because we were just learning and observing them ourselves. You may have remembered we even used that as an explanation to some residents at times.

Mr. Pawelczyk: And sometimes as a District you want to stay out as long as you can, and keep the developer responsible for that project, but now really, your developer is the Joint Venture and I don't even know if it's still viable, and the entities under it, some of them are viable, but now is probably the time.

Ms. Elliott: Ok, very good.

Mr. Winkeljohn: Alright well, trying to go back and finding the original design engineer who certified was pretty time consuming, but I found her.

Mr. Pawelczyk: And it's not really unusual as to what we've been doing with the lift station tracts and cleanup, we're fixing the things that the developer really should have done, but they don't care, because they're done and as we've done this, as I've done this for the last five or six years, I caught onto things that you have to look for as part of the development process. Dennis Lyles, who is my boss, has caught onto things also and then we let the developer know at that time, or the District engineer, and we tell him, make sure you do this or make sure you do that. Well we shouldn't have to remind them, because they're developing the project, but occasionally that information does have to be conveyed to them, but we don't foresee any problems with it, we just want to keep you informed as to what Juan is doing.

Ms. Elliott: Thank you.

Mr. Diaz: Thanks Mike. Is there anything else Mike?

Mr. Pawelczyk: I don't think so, but if I do I'll let you know.

Mr. Diaz: Ok, if I could ask the board if we can go a little bit out of turn here, since we have two guests here today. We have Mr. Jay Abazzia here, which is our consultant for our negotiations with Comcast and I believe we have a gentleman in the audience Mr. Kyle Vandenbrink, so if we could just entertain for a moment and go out of order of the agenda and have Jay do his presentation first.

Mr. Winkeljohn: Sure.

Mr. Abazzia: Yes, let me give you an update. I know this seems like it's been a long road, and believe me it's been long and trying and we still have quite a way to go, but we do have an offer on the table, but I wanted to mention just a brief sequence of

events so that you know we have actually been doing something over the last 6 months. That is, the CDD signed the agency agreement with Broadband Agreement Specialist, Inc. on the 3rd of March and on the 12th we sent a letter to Comcast informing them that we were representing the CDD. We've had ongoing dialogues and again we requested in writing in May, and by sending them something in writing certified, that we wanted something, otherwise the board would evaluate things based upon the information that they already had and from that we received a letter back from Comcast on May 28th requesting another two week extension to June 8th. By approximately the end of July, we had a verbal offer on the table and Comcast drafted the offer and sent it out in writing on August 8th to us, but it was drafted in a way that was not compliant with the verbal offer. So, I sent it back to them again and it chugged around until the 25th and they sent it back again in a written form. Now, I will tell you that at this time it is sitting with their attorneys now for approximately three weeks to actually draft the legal addendum version to the agreement itself that has already been drafted and reviewed by Mike. So, what the offer says, and it's a good offer from a financial standpoint, and it may have some hurdles from a logistic standpoint but we'll discuss that. As it was written, and I went ahead and added some additional language to it, and it was sent back to me that it looked fine as I had written it and that they would send back a formal offer in writing in a contractual form and that the representative was going on vacation for 10 days and that I would hear from him when he got back. So the offer is, in exchange for a 15 year service agreement, where Comcast is granted easement rights for the, and I added (common property within) each individual homeowners association, and I'll explain that in a moment, and throughout the common property controlled by the Waterstone Community, Comcast will pay a onetime fee based on \$100 dollars per total unit compensation, or \$226,900 dollars for the South-Dade Venture Community Development District upon execution of the agreement, and the CDD will facilitate obtaining required signatures from respective associations within the CDD, now, I'll explain that in one moment. It also includes, which you had originally negotiated which was the five courtesy high speed internet

outlets and the cable television to the clubhouse and guardhouses. Now, a lot of research went into the Comcast part of this and of course I had to send them a lot of information as well with regard to the individual associations that were contained within the balance of the CDD, the names of those, the map of those, which I found someplace on line and also some research. When they went through and looked at it, what they found was that they had no easement access rights to the CDD itself, which is what we knew to start and that they also did not have easement access rights to roughly half of the communities within the CDD itself, so they were able to find some of the easements and others they were unable to find. I went and did a public records search and I was able to find, and I didn't bring that list with me today, but I was able to find four or five of them that were listed in the public records and had the easements through the Miami-Dade County Public Records search, but the rest of them were not there. So, their interest is, they don't have any of these rights and we should have had these rights to start with, we acquired this from Adelphia which picked this up from the developers cable company which was Strategic if I remember correctly and all this stuff should have been in line, and we should have had these accesses, but we don't, so we want to clean it all up and what we want to do is we want to take the existing agreement that we have, that we worked out and negotiated with and we'll add the compensation agreement to it, but we also want to add an access easement agreement for the sub-associations, each one that's included within, and have them all sign off on a single agreement and with that, we'll pay the CDD in exchange for their rights and exchange for facilitating the rights to the individual associations and what's in the interest of the associations, really is in the interest of the CDD, since it serves the individual associations, it's in their interest as well.

Mr. Diaz: Well that would be a logistical nightmare for us.

Mr. Abazzia: Well, I appreciate that, so let me ask this question. If I remember correctly, and I'm only going from memory, does not one management company manage all the associations?

Ms. Castro: No.

Ms. Elliott: They are varied.

Mr. Abazzia: Ok, I thought they were all rolled up under one.

Mr. Diaz: In Waterstone I, which is the first eight communities, you have three management companies serving there, and one manages five of the entities and in Waterstone II, you have two management companies, which would be Continental and M&E Management, but that might be changing soon.

Mr. Abazzia: Ok, now what we could do is, we could find out the ones that they don't have the rights to and only work to facilitate signatures from those, because if the CDD receives the compensation in the amount \$226,000, the next amount would go to fund the CDD, which in turn would have an impact on what they pay, so one would believe that it would have an impact on the total cost, which may have an impact on what they pay, so it's in their benefit to do that. Plus, Comcast is already in there and already providing services so it's not like they would have to give them permission to do something different than they're already doing at this time.

Mr. Diaz: So they're asking for easement rights within the HOAs correct?

Mr. Winkeljohn: Yes, it's certain HOAs.

Mr. Abazzia: They're asking for the easement rights within the whole place because, ultimately if they get the rights to the CDD, and if you think about this from a business prospective from their side, if they get the rights to the CDD and they get some sub-association that decides that they want to play tug of war because they decide they don't have the rights in there, they could do that, so ultimately what would happen in the end is they would pay for rights to a road that leads to nowhere because they would access in.

Mr. Diaz: Yes, I understand that, they don't want to make an investment and put in the main arteries and have all these little spine veins saying that they don't want to tap into that main artery anyway, so I understand that. The problem is the politics of this community being 19 or 20 entities working in here.

Mr. Winkeljohn: Let me just interrupt for a just a moment, and remind the board that our responsibility is the District hat right now. From your agreement and

negotiation and did I hear correctly or incorrectly that if the District is responsible for helping to facilitate these and the payment is contingent on that success, or not?

Mr. Abazzia: That's correct.

Mr. Diaz: That's where I see it difficult because we have no say what happens beyond Waterstone Way.

Mr. Winkeljohn: Well, the success or failure of that doesn't eliminate the other areas, it's on an area by area basis.

Mr. Abazzia: Well, they haven't actually said that, but like any large corporation they move extremely slow, everything is in baby steps, so I worked very hard to get it to as far as where it is now and it's a very sizable compensation.

Ms. Castro: I'm sorry to interrupt, but what will happen if the sub-associations do not want to sign this? For example, and my question comes because, are they going to remove Comcast services or are they going to still be there?

Mr. Abazzia: No, Comcast doesn't want to remove any services from the community under any circumstances because it generates millions of dollars of revenue on an ongoing basis. What they want to do is they want to solidify their rights to be able to do so, that's the objective for them and since you're essentially maintaining for lack of a better description, the highway which they're driving on an ongoing basis to deliver their goods to homes, they're using your property for profit and you don't receive any compensation whatsoever for that, plus you get the luxury of maintaining it for them at your cost. So, there's a fair and equitable balance that we're looking to make between the CDD and the company that's full profit that's using your land.

Mr. Diaz: Jay, one quick question for you, in all this terminology and in the contract is there anything in there that requires some type of exclusivity clause?

Mr. Abazzia: No.

Mr. Diaz: So we can still have AT&T come in and put in the same easements or anybody else?

Mr. Abazzia: Yes, as far as the federal laws go, the federal laws say that cable television companies and public cable television providers and incumbent telephone

providers that provide video service must provide their services on the non-exclusive access easement basis, that's what the FCC says. So if that's the case, then the contract cannot say that they are exclusive if the FCC prohibits it, and if it is in any of the agreements, then that part is removed from the agreement based upon the new FCC rule which was October, 2007 when that was passed. But what they want to do is they want to be able to solidify their right to provide services for the whole community and that's why they're willing to pay you \$200,000 for those rights. Now I do understand the logistics of getting additional associations to sign can be difficult.

Mr. Diaz: Well, they're going to want a cut of the pay.

Ms. Castro: Yes, that is exactly what I was going to ask either Mike or Paul.

Mr. Diaz: But then we're responsible for negotiating each one of those deals between us and them, because if you're putting this on our plate as a CDD, then you're saying in essence, go out there and you negotiate with all these HOAs individually and then we have to take it out of that \$200,000.

Ms. Castro: Well, my question is Mike and Paul, is there any way that if we tell the associations, if you sign this, this is the amount of money we can give you, can we do that?

Mr. Pawelczyk: We can't give them a dime, we're not authorized to give those associations one dime, and I don't want to talk about this too much in the meeting because it's still being negotiated, but I think the long and short of it is, Comcast can come forward and say, and I'm just throwing this out there, but they can say, CDD you go negotiate it and we will write a check to each association for their signature in the amount of blank dollars per home that's within that individual association so that we, when we're negotiating, go and say, we'll give you this check right now, or we'll give you a check within seven days for this amount, whatever it is, and the District would still have its money because we're going to use it for the CDD, then they can use that for whatever, but my whole thing is, these associations aren't going to sign anything unless they see something.

Ms. Castro: Well the other problem that I see is, that because a couple of the associations already have an easement, they are going to say, why did we get excluded, they're not going to understand that they already have an easement and that's why they're being left out.

Mr. Abazzia: Well if I could make a suggestion, one suggestion would be, if the CDD goes to the individual associations, and says, for access rights within the community we're not necessarily conveyed properly and we've been in discussions with Comcast and we have a consultant, there's an offer on table and the offer is \$100 per home within the community, the CDD has negotiated this on behalf of the CDD and there are also opportunities for the individual associations and so we'll split it with you and we'll have Comcast cut a check directly to you for \$50 for each home within your community, and the CDD will take the other \$50 and invest it in the CDD which is for the common good for all homes within the Waterstone Community and then that way it's an even deal, nobody's getting slighted and we include the ones that already have the roads because that way they can wrap it up under one single agreement that's nice and clean that supersedes the prior rights.

Ms. Elliott: That sounds fair.

Mr. Pawelczyk: The only question from a negotiation standpoint that I would have, is that, while the CDD is doing all the work, and this is a board decision, should it really be 50/50.

Mr. Diaz: That's exactly what I was going to get to and we haven't even started with the administrative processing and the consultant fee.

Mr. Pawelczyk: That's exactly right.

Mr. Abazzia: Yes, and I'm talking about primary, because the consulting fee comes off the top, because you'll receive the check for the \$226,900, you'll remit to me my fee, and the balance of it is for disbursement so, the way it's set now, is it's all coming, that's where the problem lies, because the way it is now is that all the money would come in here and my fee would be disbursed from that, if they pay their fees, then we have to do the math ahead of time on that because you'd still be responsible for paying.

Mr. Winkeljohn: Well, I'll give you my opinion as a manager, and a CDD and municipal manager, when I look at your map, I see the blue pieces of water and that road that goes through here, that's all I see, I don't see homes, I don't see gates for communities, I don't look at any of that and that's how I think you should be approaching your agreement with Comcast. Their goal of establishing relationships with the HOAs has nothing to do with you. You have an easement on your spine road, that's it, so I'm telling you that is what you are responsible for, that is your charge, if we were selling cable through the middle of the lakes, I would say yes, but we're not, we have an easement to maintain, we have plants, we have a road, and we have a security system, and we can't have a security system without our cable. The deal that we were shooting for was to get that for free. Now if you take the \$200,000 dollars plus subtract out the communities that you do not have agreements with and then subtract out the time and effort to go get those agreements, you have to decide as a policy board, is that your responsibility. Is that where your time or your legal time or your staff's time should be dedicated, I would say, just look at the map the way I look at it and you tell me.

Ms. Elliott: So should we start the negotiation process with not offering money and just try to get the signatures?

Mr. Winkeljohn: That's your expert's opinion, he's saying that the best deal on the table is to couple with, and it's really opposite of what I'm saying. He's saying that they offer what they want, which is us to help them make these connections into the easements in the private property, and I use the word private because it has nothing to do with the CDD and their cable services, we are not in the cable business, we just happen to own an easement, that's it. The ones that are already there, and I'm not a fan of giving away free money, if somebody wants to pay me \$100 per home for an easement that I already have, I would say, run with it, take it, the ones you don't have, that's drawing you into a profession that you are not charged with, that is not your responsibility, and you are not negotiators with HOAs, if Jay wants to do that, that's great, but that is not our job as a District.

Mr. Diaz: I see your point.

Mr. Abazzia: Ok, well I'm looking for direction from the CDD on how you'd like me to proceed and I'll go back to Comcast and tell them, this is going to be a nightmare, the CDD doesn't want to facilitate all these signatures, they believe that the individual associations are going to want part of the monies, so why don't we do this, the CDD has requested that you propose and you do only the ones that you already have the rights to, that you leave the \$100 on the table for the individual associations and I'll go back to the individual associations and try to work through that.

Ms. Felipe-Ochoa: Ok, wait a minute, I have a really hard time with him going to the individual HOAs at this time because the political climate right now within our District and you're not familiar with that, but everyone here on the board is, and I'm just telling you right now because you're going to go there as a representative from us, and he's not fully disclosing why he's there, and how he came to get there and I have a hard time with that ethically.

Mr. Diaz: Kim, you may have missed a conversation from before, it's exactly opposite of what you're saying. Initially when Jay came here he was saying that what Comcast offered was for us to negotiate out, or sub-negotiate out the deal that's on the table, which is \$226,900. Paul, rightfully so, suggested that we don't want it because of exactly what you're talking about, the political environment, we want to separate ourselves from that, so that the ones that do not have easement agreements within their HOAs, they have to deal with Jay if they want to, or they can deal with any other consultant they want to, or they can do nothing at all if they want, but that's their deal, but we will get for the ones that already have the easement, the HOAs that do have easement agreements, \$100 per home of those, correct?

Mr. Winkeljohn: Yes.

Ms. Elliott: Well I really am interested in what Paul's feelings are, to me your proposal sounds logical, and I'd like to look for direction from the management company.

Mr. Winkeljohn: Well, the business incentive for Jay, from the very beginning actually started backwards, it started with the HOAs and then came to us, because it

grew into coming before us because you guys were dealing with Jay, or had learned of Jay expertise and abilities as a HOA member and brought him to the District and so I always saw that his best business opportunity as an individual was with the HOA right when this piece comes together and I don't think that's the District's responsibility as I said earlier, and that is what Jay does.

Ms. Felipe-Ochoa: Right, I understand that, but then it's going to be perceived differently and that's why I brought up that valid point.

Mr. Winkeljohn: Yes, and that's what Monica is asking I think, and that's exactly where the line is drawn. The District responsibility works perfectly, we hired Jay, and said Jay this is yours, go get it, and he brought us back what I'm seeing is an offer that if there's an agreement in place, it's \$100 per unit, if there isn't an agreement in place then the next piece of the puzzle is for us to release Jay to work for those associations backwards and eliminate us from that equation and if the CDD happens to benefit at the end from that, then that's fine, but I would not go in it and say we need you so we can make this money, that isn't appropriate, it's not our responsibility, we don't know how to do that and we would have to hire Jay to do it anyway so I would prefer our arrangement with Jay to stop at the existing easements and then if anything happens, let it happens.

Mr. Abazzia: Your arrangement with me is for the easements within the CDD, that's what the arrangement is for. They've asked that you help facilitate signatures on easements agreements within their sub-associations. You have the perfect right to say you don't like that particular proposal and reject that proposal.

Mr. Pawelczyk: I think we're concerned with the power that the District has to become involved with private acts.

Mr. Abazzia: And I certainly understand that.

Mr. Pawelczyk: Our power is limited.

Mr. Abazzia: I take no issue with that, so if Comcast is willing to say, ok, we will pay for the rights within the CDD because we know we have access rights within these "X" number of communities, so we know that we're guaranteed access within those, so

we're willing to pay the CDD for their rights of their common property and then as far as the individual associations, if I have to go back to them, it really has nothing to do with the CDD in any way shape or form because the transaction would not be with them. I would have to go to them, and I would have to speak to their management companies and I would have to make an arrangement with them to represent the associations with Comcast, which is what I would do with any association that I would contact, it would be directly through their management company and it would have nothing to do with the CDD.

Mr. Diaz: Alright, Kim did you have something else you wanted to say?

Ms. Felipe-Ochoa: I have no further comment.

Mr. Diaz: Mike?

Mr. Pawelczyk: Yes, one question I have and it's really more towards Jay as an expert, is you can't get to any of the association entities without going through Waterstone Way so to me, we're the most valuable, from a negotiating standpoint, we're the most valuable link to the whole thing. You can't get anywhere without us, so I think that should be considered as part of the negotiations in determining what the District gets versus what the individual HOAs get because you need us, and is it really fair to base the compensation to the District based on the number of homes that they already have easements for, or should it be based on the number of homes they can get?

Mr. Abazzia: Well how it's broken up is another issue, and you may say that if they sign an individual easement right, that you're due additional monies because they're using you as part of the way into the community.

Mr. Diaz: So when you approach them, just don't tell them you're coming from the District.

Mr. Abazzia: Right, well my point is for me not to do it at all, I'm going at the opposite end from what Ms. Ochoa says, and that is if I arrange something for "X" amount of dollars for the CDD and it's done, they can go back themselves and do that as part of their regular business. I don't want to leave money on the table either, but at the same time, the sale cycle to negotiate an agreement is quite long and for individual

associations it may be 100 homes here, and 125 that may be very heavy in political issues which may cost very much of my time with very little pay back.

Ms. Felipe-Ochoa: If I could, what would you specifically recommend here right now to the board that we do?

Mr. Abazzia: Well, my recommendation is that I'd like to go back to Comcast and say, the board does not want to get involved in facilitating your agreements, they just don't want to do it.

Mr. Diaz: If I can interrupt for a second, I think what I'm starting to see here now with the verbiage that they put in the original language and what you're telling us now, is that somehow they're looking at us as a master association.

Mr. Abazzia: No, first of all most telecommunication providers don't understand the roll of CDDs and their agreements are not written in such a way that they work for CDDs, so they have to write them all from scratch so it becomes a whole complex thing for them and they usually try and use their standard proposal templates that they use for associations and push them out and then they're totally out of sync and don't work, and that's a generalized statement and I'm not saying this is necessarily the case here, but that's a general view that many telecommunication providers have with regard to CDDs. So I would go back to them and say that the CDD does not have the power or authority or responsibility or the role to facilitate agreements on your behalf and that we would like you to reconsider your offer to the CDD based upon the merits of their request, the number of homes that are in the CDD, the common lane controlled by the CDD and any agreements that you necessarily have within the CDD already and we see what they come back with and maybe it works out to 50 cents on the dollar from what you have here, or maybe it's 60 cents, maybe it's 80 cents, I don't know what the number is, we'll have to see what they come back with and at that point they still have put this much money on the table, so if they only pay you \$125,000 let's say, they still have another \$101,000 to go out and share with the sub-associations, so they've already created the pot of money, that's the way I perceive it, unless somebody else sees it differently.

Mr. Diaz: But I'm with Paul, I think the lion's share belongs to the main arteries.

Ms. Elliott: I agree as well.

Mr. Abazzia: I think so, that a larger percentage than half would be appropriate because you can't get to the sub-associations without that and this is their offer and that doesn't mean it's the top. So I will go back and ask them to revise the bid based upon what they already have documentation for aside from the CDD and we'll see how much they offer the CDD.

Ms. Elliott: Thank you for taking the time to explain it so thoroughly.

Mr. Abazzia: Thank you very much.

Mr. Diaz: Alright, so if there are no further questions for Jay, we can move on to the next item.

Ms. Felipe-Ochoa: If we could because we have someone that's from far away that would like to give a presentation and he's been here waiting, Mr. Kyle Vanderbrink.

Mr. Vanderbrink: My name is Kyle Vanderbrink and I'm from OLM and I want to thank Ms. Ochoa and Mr. Baldis for responding to us and inviting us to your CDD board meeting today. I want to tell you a little bit about our company, our company is called OLM, we're a landscape contract management company. What we do is we bid out CDDs and HOAs to landscape companies, putting the bid together and the bid package for you and then doing all the paperwork for you and then you guys as a CDD make the decision. A little bit of history about the company, the company was started 21 years ago in 1998, he was a landscape contractor and got frustrated when bids would come in from \$5,000 to \$500,000, so he sat down and wrote a nice 90 page document of a landscape maintenance program and this is what you'll be receiving when you do the process. What we do is we write specs for your property according to what you want done and how you want it done and then we help you out in that process and we have examples of that.

Ms. Felipe-Ochoa: Can I ask you a question really quick? Each time you give us an example, can you give us an example with the number of homes, and the acreage or

size of the community so we have something to compare that to what we currently have?

Mr. Vanderbrink: Well, I don't know exact acreage but I know that we just bid out four Districts and I'm there for two days straight from eight in the morning until five in the afternoon.

Ms. Felipe-Ochoa: Well, how many homes?

Mr. Vanderbrink: I have no idea, but I think it's in the 5,000 to 6,000 total, there's four Districts so I think there's about 1,000 homes.

Ms. Felipe-Ochoa: Ok, so you do all four of those Districts is what you're saying?

Mr. Vanderbrink: Yes.

Ms. Felipe-Ochoa: Ok.

Mr. Vanderbrink: So what we do is we sit down and we write down a proposal for your property, we send out a RFP, and this is what that is, and since you are a public entity, it will be a public bid, Paul would be in charge of advertising that and taking care of all that, and I would come down and handle the pre-bid meeting, go through the whole contract and certifications with every contractor. The next thing about the contract is, we're a performance based contract, and what that means is that your contractor is guaranteed 75% of their monthly payment every month, no matter what they do. So what I would do is come down once a month and do a walk through with that company and make sure they are living up to their contract that they signed here, and then they're guaranteed the other 25% and we have a grading scale in the back of this package, we have a grade sheet and it shows how we grade the property and what we do is we come in and we grade the property and make sure the contractor is living up to their process they said they would do and what we do is we have certain categories and I'll go through it real quick, we have turf, if they're running a turf or if they're scalping a turf, also turf fertilizer, turf edging, weed control in turf areas, turf insect disease control, plant fertility, weed control and bed areas, plant insect disease control, pruning and mulching, irrigation management, and carry over items that they don't complete and then we also have comments for annual review. So what we would

do as a process, we would take your current contract and we would come in and we would compare your contract and we would write a set of specifications just like this, compare it to your same contract, we would hold a bid process and we would get the results in and this is from last year, May 5, 2008 and the prices came in anywhere from \$300,000 to \$586,000 and if you look at the scale, it's nice to have the prices very close together.

Ms. Felipe-Ochoa: How many homes are in each of these Districts?

Mr. Vanderbrink: Anywhere from 1,000 to 1,500 in each District, but we're only doing the common areas, just like you guys, we're doing the common areas, we're not doing homes. So you can see that the results came in very close for Lakewood Ranch and then what we do, if you turn to the next page, we provide a written summary and then on the next page it states the current contract, they were paying \$452,000 a year, the lowest bid came in at \$301,000, so we saved them almost \$150,000 a year. The other process that we do is we put together a timeline.

Ms. Felipe-Ochoa: Kyle, before you go on to the next thing, we have a very good established relationship with ValleyCrest and you know they are of course our vendor, do you guys have nurseries that are close by, because I see that everything is based out of Georgia?

Mr. Vanderbrink: I don't do the physical landscape.

Ms. Felipe-Ochoa: Ok well, do you have nurseries that would provide plants or sod?

Mr. Vanderbrink: Well, that's not my job.

Mr. Diaz: Kyle's services as I understand it, he's a consultant basically, that he negotiates bids specifically for landscape maintenance.

Ms. Felipe-Ochoa: Just like Jay?

Mr. Dias: Yes, basically the same thing, in landscaping contracts.

Mr. Vanderbrink: From Florida, to Texas to D.C. to Puerto Rico.

Mr. Winkeljohn: It's more of a managerial, quality control role.

Mr. Vanderbrink: What it really is doing is helping your District manage because he's got a lot of other stuff on his plate and we're horticulturists. I've been in the business for 20 years, so what he has done is he has hired these people and we come in and we write the specs for you, hire a company that has the contract with you and then we come and make them accountable and the reason we do that is because, if you guys have a problem you can make so many phones call in trying to get them to do it but if I show up and it's not done, I can take points off, they fail, they lose, let's say you have a \$1,000 they're going to lose \$250 dollars, but they're guaranteed \$750 dollars out of the \$1,000 dollars, but if they don't pass they lose the \$250, you keep it and you invest it wherever you want to put it and I receive nothing. The other process too is if we bid this out and let's say you're currently paying \$1,000 dollars and the process comes in and you're paying \$101,000 dollars, you just received a free set of specifications for your property and I get no money at all, but what we like to do is come back each month and do the monthly walk through to keep the contractor accountable, because you can only slap a child on his hand so many times until you take the toy away, or take the blanket away, and that's when they start listening.

Ms. Felipe-Ochoa: And how does that affect our contract currently with ValleyCrest? How does that work exactly?

Mr. Vandenbrink: You would have to rebid, what I'm saying is you rebid the landscape specifications is what you'd do. Most of your contracts have a 30 day out.

Ms. Felipe-Ochoa: Right, I know that.

Mr. Vanderbrink: So, what you would do is you would go through this process, there's no cost up front, and what we do is we have a 75% cost savings process is what we do. Let's say we save you \$1,000 dollars, we get 75% of your first years savings, so if you save \$1,000, I get \$750 and you get the other \$250, the next two years your receive all of it, 100% of that.

Ms. Felipe-Ochoa: And how is that measured?

Mr. Vanderbrink: It's measured on the lowest responsible bidder that turns in their price.

Ms. Felipe-Ochoa: No, that's not what I meant, how is it measured, let's say, you guys come out and you do your monthly walk through and whatever isn't done?

Mr. Vanderbrink: It's based on industry standards.

Ms. Felipe-Ochoa: So there's like a criteria or a check list kind of a thing that you use to determine that, because I thought you were like ValleyCrest, I didn't know.

Mr. Vanderbrink: No, I'm sorry I'm a landscaping consultant.

Ms. Elliott: In the long run you could most likely save us money.

Mr. Vanderbrink: Yes, it's a three year contract, the first year I would get 75% of your savings, you would get the other 25%, and then the next two years you would receive the full 100%.

Ms. Castro: I would like to ask Dennis, as it stands right with what we have, I want to know how does that compare to what they offer? For example, they have a 75% guarantee payment and 25% that they don't pay if things are not done. With us, do we pay everything even if they don't do it? Or we don't pay them at all if they don't? I want your opinion on this.

Mr. Baldis: Well, unlike having a monthly inspection, we have a weekly inspection and there's a list made every week and it's followed up weekly, so everything gets done and is brought to one of the board members, normally it's Alex, but today you were there and that's how we do our inspections, so, it's a constant check. The way I understand this is that, you saved Lakewood Ranch CDD \$100,000, and you made \$75,000 of that for rebidding their landscaping so, they saved \$25,000, not \$100,000 for the first year and the risk of getting a qualified contractor, since it's a public bid, you have no control over that?

Mr. Vandenbrink: We have a prequalification questionnaire at the beginning of our process, also our insurance is at \$2 million which will also throw out a lot of your mom and pop landscape companies.

Mr. Winkeljohn: Very good.

Mr. Vandenbrink: That other thing is, not to knock your weekly landscape follow up, but like I said, you can walk with them, you can tell them what you want to get done, also I'm a specialist, just like Jay is a specialist that's what we do for a living.

Mr. Baldis: How would you rate our landscaping?

Mr. Vandenbrink: You have a lot of dead leaves, the shrubs are being sheared tightly, they don't need to be sheared that nicely, I'm more of a free flowing natural, it depends on what the board wants, some of your hedges are starting to get too tall and you can see underneath them, they need to be cut in half so they can re-flush so you can get more blockage from the roadways. I noticed that you have a couple of dead palm trees throughout the property, but mainly the biggest thing I saw was the bed weed control.

Mr. Diaz: Thank you for the presentation Kyle.

Mr. Vandenbrink: You're welcome, if you have any questions, feel free to call me.

Ms. Felipe-Ochoa: Thank you.

Ms. Castro: Thank you very much.

Mr. Diaz: Alright, moving on, back to the regular agenda items, I'm sorry, Sonia?

Ms. Castro: Yes, I would like to ask Dennis a question. How much have you saved us within the last year and what would be your budget increase if you got 75% of all the money that you have saved us throughout the years, ever since you've been working here?

Mr. Diaz: Just for the record, how Kyle came here, I think he solicited a couple of board members and asked if he could present, and since this is a public meeting I told him that he was more than welcome to give a presentation.

Ms. Felipe-Ochoa: I responded as well.

Mr. Diaz: So it was a solicitation, that's all it was.

B. Engineer

There not being any, the next item followed.

C. Field Manager

Mr. Diaz: Ok, moving on to the field manager, item C, Dennis Baldis.

Mr. Baldis: Yes, the guardrail out by Waterstone Grand clubhouse, we dug out all the rock and we redid the area where the bourgenvilla weren't growing properly. We took everything out, put some rocks and sand in to get better drainage because those plants have just been struggling forever and we believe this is going to be the solution. The curbs that the board authorized have been completed, we're going to get a proposal from Corrine at ValleyCrest to put the landscaping in there that we discussed to block the ends to keep people from driving around the curb and I'll have that shortly for you. FPL is replacing all the poles throughout the easement, there's been a problem with the staging area over on Waterstone Blvd., coming off the FPL easement where it's been getting very muddy, not only from FPL doing that, but we're using that as a staging area for the work being done on Waterstone Blvd., we are going to clean that up as much as we can while the construction is still going on and while FPL is putting their poles in. We're going to throw a bunch of sand down there and make sure the sidewalk is clean because the people over there are living with a little messy spot there now, so it's been brought to our attention and we're going to address that. There's a fence being installed over at Waterstone Blvd., on the north side of Waterstone Blvd. where the new berm went in, so the fence company is doing that. He's also doing several repairs throughout the community, it's an ongoing problem with people taking the fence apart for different reasons. Also, I've been talking to the gentleman about the golf cart purchase, the price for the golf cart was \$7,700 dollars and it's not here yet because I've asked him to make sure when it was delivered here that it's street ready, that it's ready to have a tag and everything on it and so I want to make sure that's done before we accept it, so John Merit, their representative told me that he would have that all cleared up by tomorrow, so hopefully next week we'll have the golf cart onsite and be driving it around. We are also looking for getting a price for a shed to go out here to house the golf cart. It's the same shed that's already existing and

they'll be an additional one there. The vendor said that he's going to give us the exact same price and maybe a 10% discount on what they paid for the one out there now. There was a question on the medjool palm that was installed, if it was as large as the last one that was installed, I have invoices that ValleyCrest paid from the company they purchased both of them from, they're both in the 9 to 10 foot range. The medjool palm that's out there now has a foot of clear wood and that's to the end of the pineapple which you call the bottom of it. If you measure up the pineapple it falls within the range of 9 to 10 feet which is how it's been explained to me and that's how it's being measured, so that's the answer. Is it smaller, it may be a little bit shorter in the area of clear wood but overall it's in that same category of what we ordered originally?

Mr. Winkeljohn: And this was a warranty replacement?

Mr. Baldis: It was replaced at no cost to us, yes.

Ms. Elliott: Very good, thank you.

Mr. Baldis: Ok.

Mr. Diaz: Dennis, going back to the shed thing, because I was with you today, do we want to approve a not to exceed amount, because he said he could have that done in a week.

Mr. Baldis: Sure.

Mr. Diaz: We had talked about this before.

Ms. Elliott: Did Dennis just quote the price and say it would be 10% less?

Mr. Baldis: Well we don't have the exact price yet, and the other thing to be considered is, if you want to do it separately, to run an electrical line out there, or if you just want to do the price of the shed, the purchase of it.

Ms. Elliott: Don't we need an electrical line to charge it at night?

Mr. Baldis: Yes.

Ms. Elliott: Ok.

Mr. Baldis: And we also want to put additional landscaping to buffer it.

Mr. Diaz: Well, the idea I had about to approve a not to exceed amount was to give you a budget, so that you could just work within that budget and get these items done.

Mr. Baldis: To do all those items?

Mr. Diaz: Right, that's what I was thinking.

Ms. Castro: But do you have an idea how much that shed costs?

Mr. Diaz: The shed is \$3,300 or \$2,300?

Mr. Baldis: Oh no, it was more than that, I thought it was \$3,300 dollars, then you have the electric line running from this building out there.

Mr. Diaz: Right, working from the outside because that's where the electrical panel is.

Mr. Baldis: Then you have any additional landscaping and you also mentioned brick pavers.

Ms. Castro: The problem is, that I don't think we an idea of how much it's going to be for the electrical and for the landscaping.

Mr. Diaz: Well, that's what I'm getting at, do a not to exceed amount and he can work that budget, he can find the lowest price.

Ms. Felipe-Ochoa: But how much is that?

Ms. Castro: Exactly, because I can't say, I think it's going to cost about \$1,000 to run the electricity from here to there, but it's probably \$3,000 and then we'll be extremely over budget.

Ms. Felipe-Ochoa: How much do you think you would need Dennis to get that?

Mr. Diaz: Well, I'm saying just by my rough calculations of what I think it's going to be, you can work it within \$8,000 dollars.

Mr. Baldis: I believe that's fair.

Ms. Elliott: So should we make a motion not to exceed \$8,000 dollars?

Ms. Felipe-Ochoa: Well, I don't know what would be an appropriate amount.

Mr. Winkeljohn: Dennis just said he could live with that amount.

On MOTION by Ms. Elliott seconded by Ms. Castro with all in favor, authorizing staff to proceed with the purchase of the additional shed for the new golf cart and all related matters, such as electrical wiring, landscaping, pavers, etc., not to exceed a total amount of \$8,000 was approved.

Mr. Baldis: Ok, I have an AEW I'd like you to consider. The AEW is for landscaping and filling of 19 beds in the locations from Waterstone Way and 137th Avenue, including 41st Road, running up past, let me look at the map to make sure, so, it would fill in all the beds from 137th Avenue, Waterstone Way, 41st Road, across the bridge, it would stop where the new construction is where the curbs were, because we're getting a separate proposal there and it would pick up on the other side and run generally into this area by Portofino Lakes. Then it would pick up from where the road widening project stopped and run all the way in this direction on Waterstone Way and end up in front of the clubhouse here, so it would exclude maybe 8 to 10 beds in the middle that would not get landscaping. These are the beds that are on the flat surface underneath the trees that have been bare for a couple of years.

Mr. Diaz: Are those the beds he just mentioned now?

Mr. Baldis: I'm not sure what he was referring to.

Mr. Winkeljohn: He said weed control in beds, so he was probably thinking of a couple that are already planted.

Mr. Baldis: Ok, well it does not include the beds that are up on bank, these are all flat areas underneath trees. Those beds can be addressed with part of your landscaping plan, with the new landscaping that's going in at Waterstone Blvd., and the price to do all these 19 beds comes in at 1,251 plants and sod and some of the beds will need to be tightened up which cypress mulch, so the total is \$4,437.00. The reason this happened and we did this today because we were presented with an opportunity where another branch of ValleyCrest has purchased a bunch of plants and they were more or less stuck with them and they called me up and asked, would you be interested, because they said they would give it to us at a discount, which I responded by asking how much of a discount, and when they told me, I said we'll go for it. So myself, Sonia and Alex went out at different times, we didn't go at the same time, separate periods, and inspected the beds and said, this is what we can do for this small amount of money and I think it's a huge impact for under \$5,000.

Ms. Felipe-Ochoa: Well, what kind of plant, because I think I saw those plants, and they used to grow as weeds in my backyard, when I was a child.

Mr. Winkeljohn: Well, they're a native wildflower, but you're absolutely right.

Ms. Felipe-Ochoa: So they are weeds?

Mr. Winkeljohn: Anything that blooms is a flower category, but you're right, it grows naturally, it's called a weed in Florida, but it is a native flowering plant, it works well in the summer, particularly well in the summer.

Ms. Felipe-Ochoa: Right, ok.

Mr. Baldis: It's this plant which would not be in the gold, there has been a change since I spoke to you about it, so some of the plants would be red, so 400 of them would be red.

Mr. Winkeljohn: Just for a little technical clarification, the weed that grows in your backyard is the native version, these have been farmed raised in nurseries and they hybrid out a few of the back characteristics, so it's a little bit different.

Ms. Felipe-Ochoa: So we have to pick only red?

Mr. Diaz: Well, it's a combination, why don't we let Dennis do his full proposal.

Mr. Baldis: Ok, it's red and gold, those are the colors that we're getting the 60% reduction on. We can buy whatever we want, but it's going up to probably \$6.60 per plant. This proposal also includes different colored pintas, so it's not going to be just these, what we more or less did was pintas, lantanas, and we're going to alternate them so it's not just one streak of one plant.

Mr. Winkeljohn: And these are peri-annual not annuals, they last a few years, they'll get leggy over time and have to be rotated.

Mr. Baldis: We were also introducing this plant on 41st Row, because there are already some at some of the entrances in the community there and so we're going to do two of the beds in this, just to see how the board feels on how it looks. It's also in the entrance of your neighbor at Malibu Bay.

Mr. Winkeljohn: It's really popular because it's very hardy, has a little bloom.

Mr. Baldis: Yes, it's low maintenance. This price also includes the existing beds that have society garlic and the red fallen grass that we're not removing, that we're just going to fill in and add sod around it to tighten them up. Again, I think this is a good deal.

Ms. Felipe-Ochoa: I'm shocked at the price, are you sure, did you verify that amount?

Mr. Baldis: Yes, this has been worked on all day, well actually from yesterday to onsite at 9:00 o'clock this morning until you saw him walk in and hand me this.

Ms. Felipe-Ochoa: I've never been happier in my life to hear about an AEW.

Mr. Baldis: I'm very excited because the impact this is going to make is gigantic.

Ms. Felipe-Ochoa: So it's the sod, mulch, and you're saying where the areas that already have the existing beds.

Mr. Baldis: Yes, and it's not for every bed, it's 19 beds.

Ms. Felipe-Ochoa: Right, and there's no other colors, just red and gold?

Mr. Baldis: Well we can purchase another one, and the pintas are going to be different colors, we have our choice in those.

Ms. Felipe-Ochoa: Right, ok.

Mr. Diaz: Alright, do we have a motion entertained for \$4,437.00 for this project?

On MOTION by Ms. Felipe-Ochoa seconded by Ms. Elliott with all in favor, accepting the AEW from ValleyCrest in the amount of \$4,437.00 to fill in 19 flower beds with landscape plantings was approved.

Mr. Baldis: That's it for me, unless you have any questions.

Ms. Felipe-Ochoa: Yes, well I just wanted to let the board know that where we put the guardrail up, and we have been very patient to watch these shrubs and bourgenvilla do what they're supposed to do which was to hide the guardrail and it's been quite a bit of time and the bourgenvilla and the bushes in front of Waterstone Grand look like they're getting there, but the ones on the bridge are having a problem

and it's because I saw them actually cutting them this week, so I let Dennis know, and I just wanted to let you guys know, that's supposed to be hidden, am I correct?

Mr. Diaz: The discussion that we've had on this before was and everybody should recall if we go back two years when I first proposed putting those there, was yes to hide the guardrail, but it was going to be for the initial guardrail. Secondary to that conversation, we had a conversation that said look, there's another guardrail there by the bridge where the pedestrians go, why don't we do the same thing there and it was the original intention to cover up that guardrail as well, however, how things change when you look at them on the site, that particular area, if you let the thorns grow through that, your pedestrian is going in a very limited space and it's a safety hazard.

Mr. Winkeljohn: Actually, one of the main goals of those bourgenvilla was to protect the sidewall of the bridge from graffiti which is really what its success has been.

Ms. Felipe-Ochoa: Ok, so I don't want to say let's go out and get new landscaping in that area, but down the road, we need to think of a way to cover up that guardrail, because that was the intention and frankly we want it to look nicer and it's not getting there which is my point.

Mr. Diaz: This is just the pedestrian side or the road side?

Ms. Felipe-Ochoa: The bridge side, just the bridge side, because the other ones are coming in, they're starting to fill out and they look like little by little, they're starting to get fuller.

Mr. Diaz: That was error in the communication, because somehow it didn't get communicated to them that we wanted that to grow through and for the first year they trimmed them and then we kept saying why are you trimming them, and it never got done, and I think they understood I think they understood the last time and they stopped trimming them and will let them grow through.

Ms. Felipe-Ochoa: Ok, well maybe we can talk about how much it would be to install another plant there, so maybe we can get that going.

Mr. Winkeljohn: Well the bourgenvilla is the right plant, so it will make it and the first value of those plants is to protect the bridge from graffiti and I think that's your first priority.

Ms. Felipe-Ochoa: Right, but what I'm trying to say is to keep those, because that's not really in pedestrian traffic, but the ones that are actually right by the guardrail that are starting to look like an eyesore at this point because it's been awhile.

Mr. Winkeljohn: Ok well Dennis, do you want to take a look at that?

Mr. Baldis: Sure.

Mr. Winkeljohn: Ok, he'll figure something out and come back with an answer.

Ms. Felipe-Ochoa: Ok, thank you.

Mr. Winkeljohn: Anything else Dennis?

Mr. Baldis: No sir.

Mr. Winkeljohn: Any other questions for Dennis?

Mr. Diaz: Alright, nothing else for the field manager, we can move on with the manager.

Ms. Felipe-Ochoa: I'm sorry Alex, I have something else. The flashing lights in front of the school, they're not all functional at the school zone.

Mr. Diaz: I reported that to JVA, I've been in contact back and forth with the county for the last two weeks, and the county is programming them, so we had to wait for them to program them to actually see if they were working, when they did start working there was two of them that aren't working right now and they have to replace some part on the inside of it, so JVA has sent away for the replacement parts.

Ms. Felipe-Ochoa: Ok and that is, just so I understand which lights they are, that's the one going southbound right in front of the school?

Mr. Diaz: The one in the center median and then there's one north of the traffic circle, the one that you're going north for the new traffic circle, that ends at the school zone, that one isn't on, so both of those have been reported.

Ms. Felipe-Ochoa: Ok, so it's two or three that are out?

Mr. Diaz: It's two sets that are out.

Ms. Felipe-Ochoa: Ok, and so the county has to come out and do that?

Mr. Diaz: No.

Mr. Winkeljohn: There are two players, there's the contractor, he wasn't able to test them because they hadn't been turned on by the county who has to turn them on with the traffic signal technically.

Mr. Diaz: These lights are actually remotely programmed by radio frequency, so the county actually has to say they'll turn them on Monday through Friday from 8:00 a.m. to whatever.

Mr. Winkeljohn: Yes and then they have them all on a master system so they can follow a school schedule.

Ms. Felipe-Ochoa: Ok.

Mr. Winkeljohn: And the contractor didn't know they weren't working until the county activated it.

Ms. Felipe-Ochoa: Ok, thank you, that was all I had.

D. Manager - Discussion of Financial Disclosure Report from the Commission on Ethics - Everyone has Filed

Mr. Diaz: Ok, moving to the manager's report, Paul?

Mr. Winkeljohn: Actually I have a thousand things to go over today and I will try to be as quick as possible. The first report since Mike is still here is the gate decal pre-registration program which is the concept of a website where people login, enter in their vehicles, the vehicles get validated by the management or the staff at each of the two clubhouses. I met last night with the Waterstone I board of directors for the master association and I have a lengthy list of items they'd like me bring up to you, I'll give them either at this meeting or at another meeting, should time allow, but they are on board with the program so at this time I would like the board to authorize our District attorney to draft a brief direct document for the two master associations in an agreement where we would share in the responsibility of applying the decal, and they would apply the decal and validate the cars through our system for a monetary exchange which I'm proposing at \$5.00 per decal.

Ms. Castro: I have a question before we continue, did we ever add on that webpage, remember that you guys had the idea to take a survey whether to have the guardhouses done and keep the detail police officers here and to increase the budget for next year, we need to include that I think on the website and that way we know if we have to increase the budget.

Mr. Winkeljohn: You want to post a poll? It's not a scientific poll but, we can see how many people respond, sure.

Ms. Castro: Yes, please, I think that would be in order because that way we know what amount of police detailing people want, how much the increase should be and if we should increase it at all.

Mr. Winkeljohn: Sure, I can do that.

Ms. Castro: Thank you.

Ms. Felipe-Ochoa: Also, if you could include in that survey, which would they prefer.

Ms. Castro: Yes, and how often could they be, could they be 24 hours, or 16 hours?

Ms. Felipe-Ochoa: Something like that.

Mr. Diaz: Well, the minimum hours are four hours.

Mr. Winkeljohn: Well, I'll tell you it won't be very useful information, but it would be interesting to see what we get.

Ms. Castro: Yes, but I think homeowners will feel that they at least have a say.

Mr. Winkeljohn: But you're not getting a real sample of residents, you're getting the people who look at the website, which may not be representative of anything, it may just be people who look at the website.

Ms. Castro: I know but I have been approached by people who say that no I don't want increase regardless, I have been approached by people that say, if it's for police detail to remain here in Waterstone, I'm all for it.

Mr. Diaz: For next year, I think closer to the next budget cycle would be the more appropriate thing and I would say the poll would have to be like a one time per

actual householder per voter and I thought actually awhile back ago, we can actually put a referendum vote or poll in the election, right?

Mr. Winkeljohn: Yes, I think we can. It costs money, anything you put on the ballot will cost money.

Mr. Diaz: How much does it cost?

Mr. Winkeljohn: I have no idea and I haven't seen a District do that, but I can't see why you wouldn't be able to do it.

Ms. Castro: Well, it's not an election, it's just a survey, that's why I thought about including it on the website where people have to go to purchase the decal.

Mr. Winkeljohn: I see what you're saying, as part of our registration process, and now you would get a better sample size, that makes a lot of sense.

Ms. Castro: Yes, and that way we can say, do you like the police detail, would you like it to continue?

Mr. Winkeljohn: Ok well I'm sure we can do that.

Ms. Castro: Ok, thank you.

Mr. Diaz: Ok so you were saying you met with Waterstone I and they have a laundry list of stuff.

Mr. Winkeljohn: Well, before you is a authorization for a legal draft a the document that would be the agreement for the master associations I and II to serve as the decal validation and application site for our pre-registration for a fee exchange of \$5.00 per decal and I just need a motion authorizing Mike to draft that document.

Mr. Pawelczyk: I don't need a motion, I just need direction from the board.

Mr. Winkeljohn: Alright, is that agreeable from the board?

Ms. Castro: Yes.

Ms. Felipe-Ochoa: Yes.

Mr. Diaz: Yes.

Mr. Winkeljohn: Thank you and obviously I'll give him all the details and I actually have some of it with me right now. There are several gate policy decisions that I'm going to start bringing to you for decisions and direction, most of it has been pretty

technical and pretty easy for me to work with. One of which is and Alex has been in this process from the beginning because of his law enforcement background and he had a really good sense of the security roll, but there's a business decision at this point that I think I've toned it down and I am pretty sure of the answer but I wanted you to have the final decision. Originally when we specified the gate system we wanted the durability of the Turnpike system for the gate arm, but the reader, the little box that gets the signal to determine whether that's a good car or a bad car and then lift the gate, the reader part determines what kind of tag you stick on the window and originally we had ultimately inspected the Turnpike quality gate arm, but also the Turnpike quality gate reader, that decal that works for that device that looks like the decal I showed you, it's thin, non-transferrable, a stick of gum is what I call it. It is about \$10 per decal and I had changed away from that piece of technology because of a number of reasons and I don't need to go into them now, but the decal that I've been picking is called the Sirit, and the Sirit is \$4.00 per decal, and so that's double and when you do the math, with 5,000 decals that's a \$35,000 dollar outcome because the actual reader is a little bit cheaper too for Sirit and the decals are cheaper. One of the motives I had for changing that was cost, obviously and the technology for us won't really matter that much because originally with our system we had a lot of latitude and I tried to do everything with as much flexibility as possible, but I lost a lot of the flexibility when the fire department doubled the size of our resident lane and made it 15 feet wide. What that does is it put the outside configuration of the curb all the way against our sidewalks because we had to widen the roads just to accommodate that. I used to have a planting area and a grassy area, I lost that, so the readers have to go on the building on the left side. The consequence of that is the decal has to go on the left side. The political issue for you, as we had told some residents that they could possibly use our system, well most of the residential systems are on the right-hand side and because our lane is so wide, our reader system is going to be very complicated because we really have to keep the driver as far to the left as possible to catch their tag and when you have a 15 foot wide lane, human nature is to get away from a structure and stay in the middle and so

what I'm going to do is, that's a paver brick ground, I'm going to swap a pattern of the red bricks for a white brick and give it the impression of a lane basically and visually try to keep the drivers over to the left side, that will work a percentage of the time, it won't work all the time. So, the outcome is that the average error rate, if I had a decal on the right hand side will be very high, they'll be a lot of people that won't get read and they'll have to stop suddenly and that causes all kinds of problems, so that's not good, you don't want to have a high error rate in your resident lane, the whole goal is efficiency. So the policy is to go to the Sirit system because the transporter, which is the Turnpike thing where you would be able to use your reader from the Turnpike in our system is useless because if they don't have that in the right place, it won't work for us because our reading window got very restrained because of this lane issue, so that doesn't work for us and then you add that to the \$35,000 dollar cost difference, we need that money to pay to the two associations for their participation, so my request is for you to confirm that's the direction you want to go, which is to go to the Sirit system, save the money, because our reading capability is terribly restrained now.

Mr. Diaz: We just have to reach out to that board member or that board.

Mr. Winkeljohn: Well, and I told you earlier and this is for everyone's benefit, as I was walking into Waterstone Grand yesterday, he was there, the president of that homeowners association, and I did break the news to him that this was likely going in the other direction and he understood that and the major points to the issue. There are a couple of other things they brought up, police officers with take home cars may not be permitted to stick a decal.

Mr. Diaz: Yes, they brought that up at the meeting, it's absolutely incorrect.

Mr. Winkeljohn: Well if they have one car, I could see them putting it on and just taking it off and let us know and we'll switch it for them, I would work cooperatively with them, but if it's a pool car, and they have to switch them, we don't want our decal on it.

Mr. Diaz: The cars they take home are not pool cars.

Mr. Winkeljohn: Well if they work for a city, that may not be their policy.

Mr. Diaz: No, the whole purpose of a take home car is accountability to that one particular vehicle, they don't check out a different vehicle and take it home, they're assigned one car.

Mr. Winkeljohn: Well, he cited federal officers as his source, and he brought it up and I said, it's just as a matter of policy, if someone comes to me and says I can't put a sticker on my police car, I would authorize using, and you remember before there are certain vehicles that the window is made out of lead and it won't read through anyway and so we're going to have a box of the other type of transponder that will work also for those types of Lexus, and Mercedes, which there probably aren't too many of those running around Waterstone, but you never know, so we would solve that problem that way. I'm just letting you know that on the street that association thinks that is a big deal and that we are not being cooperative, so I told them we would definitely be cooperative and that would be our answer.

Mr. Diaz: I studied policy very well and I can tell you what they're saying, the only thing they're saying with these take home vehicles is, you cannot modify them and you can't have any type of message on them and their thinking is that you're going to put something that says Waterstone on there, and for undercover operations you wouldn't want something like that because then they know where you live and there are issues like that, but this just says Sirit, and I explained it to them last time.

Mr. Winkeljohn: Yes, and so the point is we have an answer whether it's really necessary or not, but the point is we have an answer for anyone who says they can't possibly use the decal, and the policy for you is that if management or if we come to a policy that we feel that this is a legitimate concern and they're not taking advantage of the system that we may authorize the other type of transponder, because once we feel that the transponder has been abused and we get a report that this transponder is being used improperly we can turn it off.

Ms. Elliott: Paul, I apologize I have a previous engagement that I have to be at, so I'm going to have to leave at this time.

Mr. Winkeljohn: The other item on my list, is just an update on construction. As you can see the Waterstone Way, Campbell Drive gate has a roof on it, right on schedule. The dry in for that gate, meaning windows, doors, and then you'll start to see nothing happen for awhile because of the electrical, plumbing and mechanical work is inside, but that building will actually be turned over from a contractor standpoint to a gate security standpoint probably within four weeks. The other gates are about four weeks behind that one, and actually at the last meeting I didn't get a chance to talk about this, but from a contractors schedule standpoint when he started which was mid-June, he is in about day 65 or 68 of his contract and it's a 120 day contract, so he's right on schedule and he's going to start picking up a little bit of speed because the first gatehouse when the inspector comes, he finds a lot of things that weren't on the plans, so we've had a few change orders for things like that and that causes a delay where they wait four days for a sub-contractor to come back, correct the problem and then they reorder the inspection. The architect also does an inspection in that process, so that's a four day loss of work and we had that happen two or three times on that gate, but that won't happen going forward, so he'll be faster at the next two gates than he was at this one, so there will be an acceleration, so we're pleased with that. He has a number of change orders which are quantity issues where in his contract he bid 16 feet of a certain item, where we didn't really know the final number until we started to build it and so those types of change orders don't really come to you. There will be a couple of change orders for the electric lines, which we did not bid one of the electric lines, and so that will come back to you when I get that price. We bid the electric lines for the Boulevard gate and the 137th Avenue gate, but the one at Campbell Drive we had no idea which transformer they were going to ask us to use until a couple of weeks ago. We were hoping they would put a new transformer in and shorten it up, but they didn't so now we have to run the line all the way past the roundabout and tie into the old main transformer that runs all the way back and runs the monument signs, so that will be coming back to you in about the \$20,000 range. The biggest thing that I have for you today is \$40,000 worth of irrigation and sod and landscaping. As you know when

we did the first gate, all that widening, we spent about \$80,000 to \$90,000 in irrigation landscaping and this is the irrigation and demolition of trees, sod and the irrigation at the Boulevard and it's \$40,000. It's already been done and we did it because we had to keep the area looking nice and we couldn't stop building the berms and stop working without going forward, so I authorized it, but I would like the board's approval though for the record.

Ms. Felipe-Ochoa: Who is that \$40,000 going to?

Mr. Winkeljohn: All ValleyCrest and there will be two more pieces coming back from them, which is the berm and the installation of the landscaping on the side areas at the Boulevard. Those two pieces are \$50,000 and \$20,000, so another \$70,000 for them.

Ms. Felipe-Ochoa: So, it's for a berm, sod, and what else?

Mr. Winkeljohn: Irrigation.

Ms. Felipe-Ochoa: Ok.

Mr. Winkeljohn: So those are the items before you and I would appreciate a motion to authorize that expense.

On MOTION by Ms. Castro seconded by Ms. Felipe-Ochoa with all in favor, authorizing installation of berm, sod and irrigation for the road widening project was approved.

Mr. Winkeljohn: And for the rest of my report, I wanted to talk about item B under supervisors requests.

FOURTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

A. Consideration of Resolution #2009-07 Honoring Major Scott Kennedy of the Homestead Police Department for His Support to the South-Dade Venture Community Development District and Waterstone Community (previously discussed and approved at the June 25, 2009 meeting)

B. Approval of New Graphics/Signs for the Six Entry Monuments

Mr. Winkeljohn: So the new graphics sign, I did receive the proposal to put in, instead of the four different lights, and remember he said he couldn't put all four of them in there, but he probably could put two, or he could put in with the LED lights,

there is a little computer system that can control one light in any color, so he can put that in for \$3,000 for all the signs. So I do recommend it, it gives you the chance to change the color, and at Christmas that may not be a bad idea, or over the holiday season, or whatever, for all six signs.

Ms. Castro: I think Kim you liked the idea of being able to change the lights, is that something that you would like to have?

Ms. Felipe-Ochoa: That's fine.

Mr. Winkeljohn: The beauty of it is, if we don't like it, we just leave it white.

Ms. Felipe-Ochoa: Well, it's one of those beautification things that I don't necessarily have to have it, it's more of a want issue, I don't think we need it, so that's my opinion.

Ms. Castro: So \$3,000 to have this option?

Ms. Felipe-Ochoa: Well do you like the option Sonia?

Ms. Castro: I really don't care one way or the other, but our monument in the Boulevard was yellow for the holidays and I thought it looked spectacular with the yellow instead of the white spot light.

Mr. Diaz: I was originally not really for this because I thought we may be spending too much money for such a small benefit, but now that it's coming back at this price, \$3,000 dollars for all six of them, as an option and if it's not really going to affect the lighting, then I don't foresee a problem with it. I think our original budget was \$26,000, so this would bring it up to \$29,000.

Mr. Winkeljohn: Right.

Ms. Felipe-Ochoa: Ok, so I move to approve it.

Mr. Winkeljohn: With the variable lighting option?

Ms. Felipe-Ochoa: Right.

On MOTION by Ms. Felipe-Ochoa seconded by Ms. Castro with all in favor, approving the variable lighting option for the six graphic signs was approved.

Mr. Winkeljohn: That's all I have.

Mr. Diaz: No, you have more, the rock behind you.

Mr. Winkeljohn: Oh, that's just sample of the veneer coral stone, at the gravity wall. This is true Florida coral stone and that is the material that can be broke, not that piece, but it would be a big large piece broken into random pieces and then it adheres to the wall, it would look exactly like your entry features. That is provided through JVA, not by Nikko, it's \$25 per linear foot, so your gravity wall would be about \$38,000 to cover and you have 30 square feet at each guard house, and I still haven't gotten a final measure on the bridge, but I asked for them to do that tomorrow to tell me how many square feet we have at our bridge and then the \$25 dollar price, I think I can get it down to about \$20 if we throw it altogether because the contractors are sitting around, so I think there's a negotiation if you have some quantity there. The cultured stone that actually looked very good, but it doesn't behave well when it's cracked and reapplied, it looks cheap.

Ms. Castro: What is the maintenance on this?

Mr. Winkeljohn: There's none.

Ms. Felipe-Ochoa: Well would we have to pressure clean?

Mr. Winkeljohn: Well that's a cosmetic aesthetic decision, most people let it build a little of the black mold in it, and that gives it a little bit more character, it gives it depth and makes it look three dimensional, so it doesn't look flat, but if it is in a shadow a lot and it gets a lot of moisture, you'll have to pressure clean it because it will turn all black, but I don't think you'll have that in these applications because they get a lot of direct sunlight. One of the reasons I wanted to see the cultured stone is because it does better at removing graffiti, this is very difficult to get graffiti off.

Mr. Diaz: That's not necessarily true, there's a new technique now that Dennis is going to be introducing which is the ash treatment.

Ms. Felipe-Ochoa: Ok so this is my take on that, I say we wait to see what everything else is going to cost and see where we're at by then. I want it, but right now,

it's that when you look at everything else, we're way over budget on the police, and we should talk about that a little bit later.

Mr. Diaz: I would argue that we're not over budget with the police.

Mr. Winkeljohn: It's the way the budget reads.

Ms. Felipe-Ochoa: Right, and I know that, and I know the reasons we adjusted that and said because of the security not being in place and so on and so forth, but I think that we should wait, and that's just my opinion.

Mr. Winkeljohn: Well I wasn't asking for direction, I just brought it so you could get educated on what we've been up to.

Mr. Diaz: And just to give a little bit of background on that, that was part of the original plan for the road widening project that started well over a year ago and it's an item that has not been finished and there is a cost savings for doing the bridge, the guardhouse feature, which is also on the plans and the retainer wall also.

Ms. Felipe-Ochoa: Right, let's hear what that would be.

Mr. Winkeljohn: Ok, the guardhouses are not enough material to argue the price too much, and I could argue the price just on the gravity wall, I could say \$25 is too high, give me \$22.50, and I could probably get that, but I want to get \$20 or lower and I can get that if I throw the bridge in, I'm thinking, so do you want me to try?

Ms. Felipe-Ochoa: Ok, yes so let's see, absolutely.

Mr. Diaz: Yes.

Ms. Castro: Yes.

Mr. Winkeljohn: Ok, I'll give it a shot.

Mr. Diaz: I'd like to see the road widening, if you're telling me that in four weeks the building will be done, I'd like to see that whole area just come online and be done.

Mr. Winkeljohn: The other thing is, and just backing you up a little bit on the sign project, the aluminum signs, he does do a high quality six step painting system on the aluminum signs, which is the right way, and it has a three year warranty on it which is the same as the powder coating and I gave him the paint chip that matches that from

the powder coating paint chip, not from his paint chip, so he's going to match that. The powder coating price is coming to do the rails and I'm going to have that contractor give us a price for additional items, but the signage would not be included in that because the signs can be painting to match and also it's the same warranty and also he doesn't have the system, but he'll have it in about 3 months so we don't really want to wait for that.

Ms. Castro: Ok.

Ms. Felipe-Ochoa: Ok.

Mr. Winkeljohn: That's it, unless you have anything else Alex?

Mr. Diaz: No. Ok then moving on to Supervisors Requests and Audience Comments and the first thing on there is item A, Consideration of Resolution #2009-07 Honoring Major Scott Kennedy of the Homestead Police Department for His Support and Service to the South-Dade Venture Community Development District and Waterstone Community (previously discussed and approved at the June 25, 2009 meeting) so I think that would be Mike?

Mr. Winkeljohn: Actually it's already done you just need a motion.

Mr. Diaz: Alright, so it's a consideration and everyone in their packets got a draft because I think the board said they hadn't seen it before. Everyone's had an opportunity to read it and review it. Are there any questions for that?

Mr. Pawelczyk: I think we also circulated that beforehand, didn't we?

Mr. Diaz: No, I think what happened was it got sent to management and myself, but it didn't get circulated out to the board, so the board hadn't seen it and at this point I think the board has seen it now. Are there any questions, concerns, comments regarding this resolution?

Mr. Pawelczyk: Well, the only comment that I would have is, if you're going to use this resolution, if you look at page 2, there's a little formatting issue when they saved the document in the signature block, so if you're going to use this document before it's signed you might want to fix that, in terms of presenting him with a copy.

Mr. Diaz: Yes, and I was thinking of actually having it put on a nice plaque frame.

Mr. Pawelczyk: Well you probably want to fix that little formatting issue and that's from Paul's office because they changed the font and everything from what I had, which is fine, so that's a formatting problem before you sign, but otherwise it's just a resolution honoring Major Kennedy for his loyal and dedicated service that he provided to the District while he was here, so we would just need a motion to that affect.

On MOTION by Ms. Felipe-Ochoa seconded by Ms. Castro with all in favor, accepting Resolution #2009-07 Honoring Major Scott Kennedy of the Homestead Police Department for his Support and Services to the South-Dade Venture CDD and Waterstone Community was approved.

Mr. Diaz: The next item on our agenda is item B, Approval of New Graphics Signs for the Six Entry Monuments and I think we've already made that motion so we can skip that.

FIFTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Register

B. Balance Sheet and Income Statement

Mr. Diaz: Moving on to item No. 5, Financial Reports, Approval of the Check Register and Balance Sheet and Income Statement.

On MOTION by Ms. Felipe-Ochoa seconded by Ms. Castro with all in favor, the Check Register, Balance Sheet and Income Statement were approved.

Mr. Diaz: Are there any comments from the board?

Ms. Felipe-Ochoa: I have a comment, there are several budget line items that I know we're balanced on, and that's not my issue, but if you could just adjust those line items so that they're a little bit more not in the red.

Mr. Winkeljohn: So you would like to amend the budget?

Ms. Felipe-Ochoa: Yes, amend the budget so it looks a little bit cleaner, because there's so many different items and on the supervisor fees, if we're adopted as it is at \$12,000 and the actual is \$15,000 isn't the variance \$3,000, not \$5,000, am I reading that correctly?

Mr. Winkeljohn: No, the variance is between the prorated and the actual.

Ms. Felipe-Ochoa: Ok, I just wanted to double check that and all the line item budget items, you see them all right?

Mr. Winkeljohn: Well, there's a couple I would agree with and a couple I wouldn't agree with, for instance, plant replacement, if I put that in the reserve fund you lose sight of what you spent in plant replacement.

Ms. Felipe-Ochoa: Right, no I like that, I want to see that.

Mr. Winkeljohn: The security one, if you wanted to balance that, that makes sense to me and really that's not a budget amendment, what is it is a coding direction to the accounting department, that you authorize that to be coded to that other line.

Mr. Diaz: Mike?

Mr. Pawelczyk: Yes, in or about October they're going to bring back a resolution cleaning up the budget anyway.

Ms. Felipe-Ochoa: Ok, right and there is one line item that I am concerned with and that happens to be the magazine, which is really over budget, I didn't think it would get to be that, where are we with receiving any of those monies back and is that reflected in here with any of the advertisement?

Mr. Winkeljohn: It's not showing, there's actually \$1,000 or so not showing and I just received a \$500 check also.

Ms. Felipe-Ochoa: Ok then, that's it.

Mr. Diaz: Sonia do you have any items, or anything you want to comment on?

Ms. Castro: No.

Mr. Diaz: The only other thing I have, is the plaque that you had talked about last meeting and this is not for a vote or anything, I know I gave the quote for Friendship Park for the plaque.

Ms. Castro: Now that you are talking about the plaque, I want to put out there that we have various options. We could have a flat plaque, two-dimensional, or three-dimensional, we just need to pick and choose what it is we want to do in that plaque and what we want to include. I thought that putting a picture of him would be a nice thing in 3D so that at least his face would be there and people would know who Scott Kennedy is and then just add the quote and maybe some short sentence as to the feeling from the CDD and the master because they are also going to chip in for this, so just a general sentence saying thank you for your service, and dedication and commitment to our community or whatever, something to that affect.

Mr. Diaz: Well, it's different than what I thought, I thought what I showed you, which was just basically with our logo, the name of the park, a quick quote from wherever, and then dedicated to.

Ms. Castro: Well, here is the quote I have and I think that's a very appropriate call just because that is what we're doing, we're not dedicating this after he's dead, we're dedicating it while he's still here with us and alive, so I think that one is a little bit more appropriate, I don't know you can just tell me what you want and we can do that.

Mr. Diaz: Alright we'll discuss at another time, we have time.

Ms. Castro: Ok, not a problem.

SIXTH ORDER OF BUSINESS

Adjournment

Mr. Diaz: Ok then can we have a motion to adjourn the meeting.

On MOTION by Ms. Felipe-Ochoa seconded by Ms. Castro with all in favor, the Meeting was adjourned.
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Secretary / Assistant Secretary

Chairman / Vice Chairman