

**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, October 23, 2008 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
Curtis Cooper	Assistant Secretary

Also present was:

Michael Pawelczyk	District Attorney
Paul Winkeljohn	District Manager
Dennis Baldis	Governmental Management Services

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Diaz called the meeting to order and called the roll.

**SECOND ORDER OF BUSINESS**

**Approval of Minutes of the  
September 25, 2008 and October  
9, 2008 Meetings**

Mr. Winkeljohn: Item No. 2 are the minutes from the September 25, 2008 and the October 9, 2008 meetings which have been produced for you. If there are any questions we'll take those at this time, or any changes, corrections, etc., otherwise a motion to approve those would be in order.

On MOTION by Ms. Felipe-Ochoa seconded by Mr. Cooper with all in favor, the Minutes of the September 25, 2008 and October 9, 2008 Meetings were approved.

**THIRD ORDER OF BUSINESS**

**Staff Reports**

Mr. Winkeljohn: Next we have Staff Reports, Mike?

**A. Attorney**

Mr. Pawelczyk: The only thing I had to follow up on was dealing with Comcast and I'm just double checking to make sure that's dealt with and I sent our revisions to them and they sent me a revised services agreement which I'm going to distribute and there's no need for us to take action on this. The changes shown are my changes and I'm really just passing this out for information at this time because they haven't seen it. The one item they cannot do is the telephone and we can just stop here if the board wishes for a brief moment because we have something very important to discuss, but Comcast cannot do the telephone for free. They indicated they are prohibited by law from doing that but they are providing me with the rule section once he finds that because he's not the lawyer, but that's what he was told by his legal department.

Mr. Winkeljohn: It was something we just threw in.

Mr. Diaz: No, it was something the board requested.

Mr. Winkeljohn: I know, but we added it to the agreement, they didn't offer it and then take it back.

Mr. Pawelczyk: Yes, he thought he could initially do it but then he found out that he can't legally, so we're not taking any action today, but everything else would be done for free, whether it's the wiring, the equipment rental, etc., into these clubhouses which are not District property, as well as the three guard houses, internet and cable, and I think the cable TV. They can run a line into that if we need cable for over there, so it's not just the basic cable, but I think it's called expanded basic or something.

Mr. Diaz: Yes, it just means that they're not going to put the filter in the cable line to lock it.

Mr. Winkeljohn: Right.

Mr. Pawelczyk: The agreement states, "The District acknowledges and agrees that it's prohibited by federal copy write law and the company's agreement with its program and providers from ordering, purchasing or exhibiting premium services or pay for view

in the common areas of the premises and it will inform the clubhouse owners of such requirement in writing” and it’s actually called “full basic cable” and that’s what they’re going to provide. That’s all I have to report at this time, but if there’s any questions on the services agreement you can send me an email, but you’re really limited as to what you can ask for from them and what they’ll provide, but if it’s within reason maybe they’ll add it in there. It doesn’t hurt to ask, which we’ve done and we’ve gotten everything we wanted except for the phone, plus they’ve expedited their assistance with respect to our road project, as well so they’ve gone out of their way for that, when they really didn’t have to, to work with our engineer and do all that.

Mr. Winkeljohn: Very good, thank you Mike.

#### **B. Engineer**

Mr. Winkeljohn: The engineer is on vacation and available by phone if we should need him.

#### **C. Field Manager – Management Report**

Mr. Winkeljohn: Dennis, your report?

Mr. Baldis: Yes, the work order for Marbella Cove which was approved at the last meeting, that work has been completed. The paved pad for the benches is being completed, I still have to do a walk through to install some minor items, bricks that are loose, etc., but nothing major so we’ll do that next week.

Ms. Felipe-Ochoa: Dennis, I understand that you’re going to do the walk through, but at the exit at 137th there are probably about 6 or 7 pavers that the previous paver company was going to repair.

Mr. Baldis: On 137th, going out of Waterstone Way, he repaired those last week.

Ms. Felipe-Ochoa: Oh he did, I didn’t even notice.

Mr. Baldis: He did that on Friday, late afternoon. Also along those lines he had some additional work where the electric for the island on Waterstone Way for the Christmas lights, we cannot locate the sleeves to run the electric wire to the island, so we had to lift up some pavers at the roundabout and install two sleeves in and then reinstall

the pavers, so he's going to come back next week because there's been some settling around the pavers that were removed, so he's going to keep working on that.

Ms. Felipe-Ochoa: And how much did that cost, was that extra?

Mr. Baldis: Yes, it was extra and I think for the two sleeves it was \$2,188 and that was for ValleyCrest to put the sleeves in there and the guy had a boring machine and they had a trencher. He told me he repaired the front entrance because I asked him to do that and he said that would be a couple of hundred dollars, so I'm not sure how much more time that's going to take.

Ms. Felipe-Ochoa: Well, I don't want them paid until the roundabout is corrected properly and there are no dips.

Mr. Winkeljohn: That won't be a problem.

Ms. Felipe-Ochoa: Yes, because they corrected those pavers from the exit, so that's additional and in addition to that is the roundabout, because I saw how much they removed.

Mr. Baldis: So I won't know what that is, what he's going to charge for that until he turns in an invoice. Ok next is the benches and they're scheduled to be delivered next week, and I'm not sure of the day.

Mr. Diaz: I thought they said October 27th.

Mr. Baldis: Well Monday would be October 27th.

Mr. Winkeljohn: For the record, Sonia Castro has just joined the meeting.

Mr. Baldis: So I have a quote here for the electric for the Christmas lighting for the street lighting and for the entrance features, they had additional outlets and the outlets on the light poles and that's for \$9,840.

Mr. Winkeljohn: I would have estimated it at about \$10,000 so that's excellent and that's a capital purchase, it's a permanent electrical installation, so it's not on your operating budget which we're going to talk about in a little bit.

Ms. Felipe-Ochoa: So with that, where are we at with the Christmas decorations and this?

Mr. Baldis: Well the Christmas decorations will be installed Friday and Saturday of this week and that's pretty much all I have to report on today.

Ms. Felipe-Ochoa: What's the total for the Christmas lights, that portion?

Mr. Baldis: That's basically all I have as far as cost of what we were spending, but are you asking about the actual Christmas decorations?

Ms. Felipe-Ochoa: Right.

Mr. Winkeljohn: Well the lighting contractor came back and originally we didn't have a clean proposal in front of us so the board authorized execution that was about \$40,000 to \$45,000 in lighting on your operations and maintenance and about \$50,000 to \$60,000 in your capital. Unfortunately, he does not sell the actual lights, it's still a rental, so you pay for maintenance, storage and lights themselves are an operating account, so that would force about \$54,000 on to your O&M and you have budgeted \$30,000. The subtraction off of your capital side, keeps that at about \$51,000, so we have his bills and that wasn't what the board authorized because it's a little bit heavier on your O&M, so I'm bringing it back to you today to authorize basically a 50/50 split, half capital, half operating which would be in essence about a \$23,000 increase to you O&M line.

Mr. Diaz: We had approved \$30,000 a year for holiday decorations and the original idea was supposed to be a couple of holidays.

Mr. Winkeljohn: Really we're talking about a \$16,000 swing out of your capital side and on to your O&M and I even tried to talk him into characterizing it as a purchase and make it a purchase and he said he couldn't do that, wouldn't do that, and doesn't allow that, almost like the cable and the phone, he just doesn't work that way. The lease to own is the purchase of the things we are purchasing, like the banners, the brackets, some of the light components, but not the actual lights themselves which are a capital purchase and that total was about \$50,000. The banners and the brackets, I talked to him a little bit, just to get the sense of the life expectancy, because if the life isn't more than three years, you wouldn't qualify for a capital purchase either typically, it would be more of a durable item, so he gets 5 years out of all that stuff, easily, so that's a good investment on your part.

Ms. Felipe-Ochoa: Is that in writing?

Mr. Winkeljohn: It's a 3 year contract, but he doesn't guarantee or warranty anything that we're buying other than what's in his contract, but he generally can keep them around and doesn't have to start replacing them until year 5.

Mr. Diaz: So I see there are two motions to entertain here, one is to entertain the motion to approve this \$9,800 for the electrical work and the other one is to authorize a line item for the annual costs which is \$51,855, rounding it off to \$52,000 a year, which comes out to \$22.47 a year per resident.

Mr. Winkeljohn: Ok so do we have a motion to that affect? So the electrical will be out of the capital budget.

On MOTION by Ms. Elliott seconded by Ms. Castro with all in favor, authorizing the work order for electrical work related to the installation of Christmas lighting not to exceed \$9,500 was approved.

Ms. Felipe-Ochoa: I want it not to exceed \$9,500 only because it's 26 light poles, can we do that?

Mr. Winkeljohn: Yes, we can do that.

Mr. Diaz: And the second motion?

Mr. Winkeljohn: In essence the O&M portion for the holiday lighting is \$52,000.

Mr. Diaz: So we're just going to reconfigure that line item and take it out of contingency or something like that?

Mr. Winkeljohn: You're authorizing execution of the agreement and also the amendment to the budget to correct that line item.

On MOTION by Ms. Felipe-Ochoa seconded by Mr. Cooper with all in favor, authorizing the proper District officials to execute the agreement with Christmas Designers, Inc in the amount of \$52,000, subject to District Counsel's review and authorizing the amendment to the budget to correct the budget line item for holiday decorations was approved.

Mr. Winkeljohn: Actually, you've authorized up to \$60,000 from the capital side, but that number has come down to about \$54,000 I believe and some change. His proposals don't split it up so cleanly, so I've run the numbers on my own.

Mr. Diaz: Yes, and I ran them on my own also, it's roughly on the capital side it's the first time payment of \$56,000 and then the O&M, or the annual process would be \$51,855, so round it off to \$52,000.

Mr. Winkeljohn: Yes, we rounded that to \$52,000, so capital was how much?

Mr. Diaz: Capital was \$56,000, which we approved \$60,000, so we're good on that.

Mr. Winkeljohn: Yes, so we have that and that's essentially the holiday lighting topic. Dennis anything else?

Mr. Baldis: No, thank you.

#### **D. Manager**

Mr. Winkeljohn: Just a couple of updates, almost all of the paperwork is flowing through the city of Homestead for your gate project, tentatively scheduled for November 20th for your developmental regional impact committee meeting.

Mr. Diaz: Do we need to be there?

Mr. Winkeljohn: No, but as I told you at the last meeting I've been spoon feeding them pieces, I ran them labels and maps of all the people they want to mail notices to, to give them the proper heads up about our project, so it's moving along very nicely, we're erring on the side of caution really, we're going to notify more people than we really have to, so we're just basically jumping through all the hoops that the city could possibly ask because we'd rather not miss a step and have to catch up afterwards. The cost recovery part I talked to you about at the last meeting which was \$5,000, and that account is set up. So as soon as it gets through that first committee, we're going to get the permitting process started also simultaneously and I'm going to release the bidding process after that November meeting, that's about the right timing. Then your widening project, they've gotten a lot accomplished but they slow down a little bit, I think the contractor has realized that two crews working now doesn't really work that well and he's just using one crew in one spot, before he was working on the north end and the south end at the same

time to get out of the school area and I don't know if he poured that sidewalk today or not, but it should have been ready for pouring. Anyway, he is almost out of the way of the school and he'll start working in the median. When we bid the project, the destruction of the three guard houses was held for the contractor that would be installing the new guardhouses. Also the meetings with the county regarding the school, took place after our bid documents were created and you may remember our actual budget estimate for the road widening was about \$850,000 and the bid came in at \$419,000 and so we have approved by virtue of the project \$800,000 to spend on this, but out of respect for the board's consideration, the contractor was asked to price out the remaining pieces of the contract that changed since the bidding. One of the things we asked him to do was to flow through a performance bond. You may know that when we do these projects we require them to purchase a performance bond that we pay for and it's about \$10,000 the utility companies came in after the project and decided they would like us to reroute some water lines and that was about a \$20,000 or a \$30,000 dollar change order. The school reconfiguration was about \$30,000 or \$40,000.

Mr. Diaz: Let me just explain it a little easier way. What we bid for, the change, the county got involved in after the bid packages went out, so one of the things is coming into Waterstone Way, there was going to be two lanes originally, after the county got done with it, it's not three lanes, so that's part of the change order. The median in the middle which wasn't a part of the original plan, the re-diverting the sewer line, they don't want it going under the guardhouse, they want it going around the guardhouse.

Ms. Castro: And how much is this going to cost?

Mr. Winkeljohn: Your original approved amount, or the original contract for JVA Engineering was \$419,330, and all these changes combined is \$89,545, so it's a \$508,000 total, so it's a \$89,000 increase. All of these items and just for background purposes, when we bid contractors, we bid unit pricing, for him to install a foot of pipe, for him to install a foot of curb, for him to install a square yard of asphalt, all of these unit prices, that's what he actually bids and he says, it's \$3.00 for that, it's \$50.00 for that and whatever it is, so when he gives us a change order, he has to honor those original prices.

Mr. Diaz: It's like a price menu.

Mr. Winkeljohn: Yes, and that makes it fair so a change order doesn't suddenly make him the most expensive contractor, he's still the best priced contractor that bid this project, so this has been reviewed thoroughly by the engineer, Juan Alvarez and Ramon, the project engineer is Ramon, but Juan is his boss, so both of them have gone through it and they found that the quantities were exactly right, that the bid numbers were exactly right and it was recommended for your approval.

Ms. Felipe-Ochoa: I just want to bring up to the board that this was my point, when any construction project starts, then little changes like this, this is the kind of thing that happens so now we approved \$420,000 but now it's an additional \$89,000 because of the city's changes, so I just want to make sure that we keep that in mind, and I see more coming.

Mr. Winkeljohn: Yes, there are two or three other things that we've added that will increase our costs, not substantial though, this was the only known substantial change to this project that happened after we released the bids. We knew \$419,000 was never the actual cost of this project, the original estimate was over \$700,000 so somewhere between the \$400,000 and the \$700,000 is where you're going to end up. Right now you're at \$500,000, but you've actually expanded the project, one is you had to, to get your permit, that's the city side of it, you expanded the project because you want to make it better, one of which is the mitigation process of removing all those trees, is what got you to put the pavers around the lakes and allow a seating area, so that's what our exchanging and that will be in essence a change order that will add scope to your project, but backing up to the very beginning, this is how I look at it. If I authorize a \$2.5 million dollar capital improvement plan and our engineer draws it, that's what you're spending and now we're in the process of piling the money on to things that mean the most to us.

Ms. Felipe-Ochoa: I just wanted to make that statement just so we all think about it in terms of anymore capital improvements and I think right now, for me from my standpoint, we have the paver pads and we have the Christmas decorations coming and then we have the guard gates coming and I'm sure there are going to be change orders like

this in the future and to just be cognizant of that because we don't want the assessments to go up because that's the last thing we want, so if we really look at the pennies and no more big projects or anything like that.

Mr. Pawelczyk: You want to make sure that your projects stay within budget and if you think about it this way, that's what this change order is for, if you have \$2.5 million dollars and the project costs you \$2.3 million dollars, you have \$200,000 left, you can do one of two things with that, you could use that for related project costs to add on to your project, or you could pay down the bonds. If you pay down the bonds with \$200,000 per homeowner, over 30 years, it's probably about \$200 overall, like \$20 a year for 30 years, when you break it all down and that's something that you could look at as you get closer to the project end and that's why Juan's there, he watches the project budget, he makes sure that those change orders that are brought to you are actually based on unforeseen conditions that weren't there when the project was bid and that's what the case is with this \$80,000.

Mr. Diaz: From what I understand, this \$89,000 is the bulk and we knew it was coming.

Mr. Winkeljohn: Yes, there isn't anything in here, the only surprise that caught up to us was the utility relocation, but that is normal. The last thing I have, I have to mention about the change order #1, is the performance bond, just for disclosure, is still based on the \$419,000 price, but I'm going to suggest that you leave it at, that you don't increase it to the \$500,000 because it would just be spending \$1,000 unnecessarily, because you've already spent it and the contractor certainly has more than \$100,000 worth of work in the ground, so his performance requirements are diminishing.

Ms. Felipe-Ochoa: I don't really understand what a performance bond is.

Mr. Winkeljohn: It's basically insurance, if he were to stop working, then we would have this insurance policy to go hire somebody else to finish the work.

Ms. Felipe-Ochoa: I see, ok.

Mr. Pawelczyk: It's required, it's a payment and performance bond, it's a form of surety, it's required by Florida Statutes for governmental entities having projects and the

reason for it is because, the contractors and the subcontractors and suppliers and material men, they can't lien government property, so the bond is there to protect suppliers, material men and subcontractors, at the same time it serves to protect the government entity and allow them to, if the contractor defaults, walks off the job and leaves we can call on the surety to finish the work basically.

Ms. Felipe-Ochoa: And that's called a bond?

Mr. Pawelczyk: It's a performance bond, but I don't think it's necessary to increase it.

Mr. Winkeljohn: Right, so I'm just saying out loud that I don't think you need to increase it, leave it at that amount, so are there any other questions?

Mr. Pawelczyk: I think a motion to approve the change order in the amount of \$89,545 that would be appropriate in this case.

On MOTION by Ms. Felipe-Ochoa seconded by Ms. Castro with all in favor, authorizing the change order for the road widening project in the amount of \$89,545 was approved.

**FOURTH ORDER OF BUSINESS**

**Ratification of Holiday Lighting Agreement**

Mr. Winkeljohn: Item No. 4 we took care of this earlier in the meeting.

**FIFTH ORDER OF BUSINESS**

**Consideration of Agreement with Hyman, Spector & Mars, LLP to serve as Special Counsel**

Mr. Winkeljohn: Item No. 5 on your agenda is the agreement with Hyman, Spector & Mars, LLP the special counsel for the punch list items with the Joint Venture. Alex would you like to discuss that?

Mr. Diaz: Yes, did we hash out all the concerns Mike of what he wants?

Mr. Pawelczyk: I never got anything from him, but the questions I had initially were to make sure that the board reviewed before they made a decision to do this, make sure they reviewed and did a cost benefit analysis and I don't know if that's been done or not.

Mr. Winkeljohn: Yes, ok the cost benefit analysis was the cost of providing an audit of the construction documents and we know how many documents there are, we found the documents, we don't have to pay for them and the trustee, etc., we have them, they're in storage, the District actually holds them in storage. They came to us when our company became the District manager, so that part in essence is zero cost. The audit price cannot be estimated until somebody went and got the boxes and started to do the audit, it would be a cost recovery type audit, that's how it was presented, so that part of the equation whether you should pursue it can't be determined. My analysis of it is, you're not going to prove that the developer didn't spend money on the District, because no matter what, they spend more than the bond amount of money on the District, and there were more than enough projects on the list to account for that, so there's no win on that side of it, it would simply be getting them to the table to the point of paying for the most important items, or any of the items on your punch list and that's where this person comes in. My advice is to retain him, have him review it and then give us back an estimate, because he couldn't give us an estimate upstream without being hired and looking at it.

Ms. Felipe-Ochoa: How much does he charge an hour?

Mr. Pawelczyk: \$275.

Ms. Felipe-Ochoa: And do we have an estimated time of how long it would take him to do that?

Mr. Pawelczyk: No, he didn't provide one.

Mr. Winkeljohn: And my understanding from Gary, and I've worked with him before and he's been intimate with this joint project from an HOA stand point from what I've been told, so he's going to probably be the most efficient person you could hire. The way I look at this type of legal issue, and my advice to you is, to inch into it and always have control to stop it at any time.

Ms. Felipe-Ochoa: Mike, I don't know if you know this or not, but what would the timeframe of the limitations be for something like this?

Mr. Pawelczyk: The statute of limitations?

Ms. Felipe-Ochoa: Yes.

Mr. Pawelczyk: It depends on what the claim is, if it's a contract claim I think it's at least 10 years.

Ms. Felipe-Ochoa: Ok, so he would have to determine what exactly is the claim?

Mr. Pawelczyk: I thought at the last meeting someone was going to come back and tell you how much it would cost to fix all the punch list items and then you can determine whether or not you wanted to spend between \$25,000 and \$50,000 on an attorney to deal with those issues.

Mr. Winkeljohn: Do we have an estimate of the punch list items?

Mr. Baldis: No.

Mr. Pawelczyk: You'll spend at least \$25,000 on a lawyer.

Mr. Winkeljohn: The one thing about your punch list items that is hard to put a number on is, and the hardest one on your plate and the most important one on your plate is the main irrigation line, wondering off of your property and I guess you could put a price for a whole new water line and we know the street sign costs and they started to negotiate with us and we were within a reasonable order of magnitude of that number when they stopped negotiating. I would say your punch list is give or take \$100,000.

Ms. Felipe-Ochoa: Well can we get an accurate cost to see if the lawyer is really worth it and then at that point we can ask him how much does he think it's going to cost, just for him to review it.

Mr. Diaz: That's what Paul is saying, let's hire a lawyer and give him direction to do a cost analysis for us, present that to the board, and then from there see if we can pursue it.

Mr. Pawelczyk: If that's the direction you want to take, you can approve his agreement and only authorize him to spend a certain amount of money on his review and present it to you and then it will go back to him and if he says ok, fine, and if he says no, it will come back to you in 2 weeks, but I've expressed my concern to the board, to the fact that I think you could be spending a lot of money for no reason, but at the same time, there has not been a determination as to whether or not all those items on the punch list are actually District items, that the developer was required to do for the District, and that's

difficult to determine because the engineer's records from before aren't as good as your current District engineer and in fact may not be complete. Juan has expressed concerns that he didn't even have all the as-builts on him.

Mr. Winkeljohn: Well his situation and I explained this last time, but just to clarify, his job is to see that whatever is being invoiced here, that it's on the project list and is part of the plan, and the quantities are within a range of reasonable cost so you're not being ripped off and that's what he's really certifying. He's not certifying that it was exactly 15 feet of pipe, he's just saying there was 10,000 feet of pipe in the project, the bonds are paying 70% of that, so I think what you authorize is to go ahead and authorize this attorney not to exceed let's say \$5,000 to give us an answer on whether we have a winnable case or not.

Mr. Pawelczyk: \$5,000 is 18 hours, so there's no way it takes more than 18 hours to go through those documents and come up with a recommendation, that's a long time.

Mr. Diaz: And isn't there a secondary fee for using a paralegal which I think would be doing the research anyway?

Mr. Pawelczyk: Your paralegals are at the rate of \$115 dollars per hour.

Mr. Diaz: I would think that research is done more by a paralegal than the actual lawyer himself.

Mr. Pawelczyk: It depends on how Mr. Mars bills.

Mr. Winkeljohn: Yes and what I would do is I would draw two lines, one is \$5,000 and I think that's a reasonable investment on your part to get him educated and get him to give us back an answer.

Mr. Pawelczyk: Well, if you wanted to move on this I think the motion could be, a motion to authorize the chairman to execute the legal services agreement with Hyman, Spector & Mars, subject to the amount to be expended, not to exceed \$5,000 without further approval of the board, so he can go up to \$5,000, because he shouldn't expend that amount of money, he's only going to bill for his hourly rate.

Ms. Castro: Well my concern is that, if he knows we approve \$5,000, he's going to do everything in his power to bill that \$5,000.

Mr. Pawelczyk: No, but if you don't put an amount in there, he could still spend over that amount and I'll be happy to look at the bills for you and if I have questions I will bring them up with Mr. Mars and Paul can let him know that.

Mr. Diaz: Mike, I see two issues, number one is, we need to clearly define what the task is at hand for the first stage of this, and we need to be very specific with this motion I think, which is not to exceed \$5,000, but for the performance of a cost analysis of the type of work.

Mr. Winkeljohn: Right because we need a decision point.

Mr. Diaz: Right and I understand the point of not spending CDD money, but I also don't want to go back and forth for 16 meetings and then we go beyond our statutory timeframe, just knowing that it's probably not going to get to \$5,000 but it will not delay the process and giving him a specific task I think is a very important point.

Mr. Winkeljohn: Yes, there are some questions that he could answer pretty quickly, item #1 would be, is there something that's going to do this work or correctively or financially solve this problem for us. Number 2, can we prove what we didn't get or what our punch list is, and most of it I think we can prove the water line not being on our property is a pretty easy one, and there's a handful of things that we've narrowed our wide thinking punch list to a reasonable 20 or so items. So what I was talking about earlier about what the engineering records will show is a slippery slope you'll never climb back up from because he's always going to have the quantities on his side because of the project being bigger than the actual bond side, so the District's argument is probably not very strong but we'll certainly give it a test, but I suspect those concrete items that we've been carrying, he can look at those, he can look at the records and probably for less than \$5,000 because he's going to know what's happening with the Joint Venture because of his other responsibilities fairly quickly and come back to us with a decision point of is this worth pursuing.

Mr. Cooper: What would be the timeframe on this? Would we give him a month?

Mr. Pawelczyk: You can just ask him to expedite it.

Mr. Cooper: Ok.

Mr. Pawelczyk: Typically at this time, law firms are looking for work, just like everybody is looking for work and business, so most law firms are not that busy at this time. So let me just re-phrase the motion, and if it's agreeable you can just say so moved, and then we'll go from there. It would be a motion to approve the legal services agreement with Hyman, Spector and Mars, LLC for the purpose of reviewing claims that the District may have against the Joint Venture and its partnership entities pertaining to the District infrastructure project and that the amount to be expended shall not exceed \$5,000 without further approval of this board.

On MOTION by Mr. Cooper seconded by Ms. Castro with all in favor, authorizing the proper District officials to execute the legal services agreement with Hyman, Spector and Mars, LLC for the purpose of reviewing claims the District may have against the Joint Venture and its partnership entities pertaining to the District infrastructure project not to exceed \$5,000 without further approval of the board was approved.

Mr. Pawelczyk: That way the scope of Mr. Mars representation is limited to that review, he can't expend more than \$5,000, Paul will work with him and indicate the District's concerns. If the board wants to appoint a board member to work with Mr. Mars, I know the chairman has a relationship with him, you could do that, that's up to you, and I don't know if that's really necessary because he can talk to each of you individually if necessary, but I'll look at his billing and Paul will let him know that District counsel will look at the billing, just to make sure that I think it's reasonable.

**SIXTH ORDER OF BUSINESS**

**Supervisors Request and Audience Comments**

Mr. Winkeljohn: Item No. 6 of your agenda, do we have any Supervisors Requests or Audience Comments today?

**SEVENTH ORDER OF BUSINESS**

**Financial Reports**

- A. Approval of Check Register**
- B. Balance Sheet and Income Statement**

Mr. Winkeljohn: Item No. 7 is your Financial Reports which have been provided for you and this is a good point for us to talk about financials just for a quick second. These financials represent the end of the fiscal year and you may remember when you do your budgeting obviously we're estimating what the end of the year is going to look like, we project our expenses through the year and we have a carry over. Just to talk about that for a moment, you projected about a \$600,000 carry over and your actual carry over today is \$573,000 so that's actually pretty accurate, that's within \$25,000 of the estimate.

Mr. Diaz: If you could reiterate what that means Paul.

Mr. Winkeljohn: What that means is that in your line items starting this year, you carry a reserve, basically a cushion and so today when you increase the amount of money for lighting that's where I would take that money from. If the carry forward was only \$50,000 the answer would have been, we shouldn't be adding to any of our line items, we should be possibly looking for ways to hold the line, so that's all good. You did have a big carry over last year because of the gate project, you remember you set your O&M assessment level at a fixed point knowing you weren't going to be spending that money immediately and it would create a little bit more of a cushion for you and so that was done. The good news is that you've tracked pretty consistently, you have initiated some pretty sizable capital projects. You do remember that you had surplus funds in one of your bond issues of about \$450,000 dollars and that's where you've been taking the larger capital items from, that number I'll try and bring back to you at your next monthly meeting to show you where you stand on your overall capital with the \$2.3 million dollar bank loan plus that money combined against what you've spent.

Mr. Diaz: I think the other thing I had asked Paul earlier today and there were two issues, one was the security the other one was the 5 year landscaping plan and how we're going to implement that.

Mr. Winkeljohn: Right, the security budget because you took some of your operating account out of this year's budget and you moved it over to the costs of the debt service, so you didn't increase anyone's assessments, that put a little bit more pressure on the off duty detail money, last year you authorized up to \$70,000, you spent about \$50,000.

Right now you are at a pace to spend your entire budget of \$200,000 for the whole year for that off duty detail, you have burn rate of a little over \$16,500 a month for the off duty detail and you may remember the thinking was build it as big as you think you could ever need it and then identify in a very random way to start and shrink down those numbers, because once you establish a presence from a detail officer, the element here establishing the presence for it, won't know that you've eliminated a few hours here and there, so you get the same impact for less money and so you're at that point right now and I think we've authorized to shave about 8 hours a week off of your schedule. When the construction is over that will come down a little bit more because you're using more hours to coincide with the construction schedule. Maybe in another month or so we'll look at it again and see if we want to adjust it because you want to be under that budget number.

Mr. Diaz: I had also asked for two additional officers for 8 hours on Friday, October 31st.

Mr. Winkeljohn: Yes and then you would pepper in those hours back when you really know you're going to need them.

Mr. Diaz: So we'll have three officers here between the hours of 5:00 p.m. to 1:00 a.m. on Friday night.

Mr. Winkeljohn: That's all I have.

Mr. Diaz: Then the landscape plan?

Mr. Winkeljohn: Yes, the 5 year budget estimate, Corrine and because a little bit of it was tied to your gate landscaping, she's held off on giving us a final number for the whole project than in a 5 year interval. We should have that pretty soon and the ultimate plan is to bite off of that plan on a set amount each year and this year you can adjust a little bit of money towards that and you've already spent money on the pavers so you're probably going to focus on that project this year, but next year's budget will have a page that shows all the things you want to accomplish in your landscape plan and then it would draw it into 5 intervals where you pick the most important stuff for year 1, and then you work your way down.

Ms. Felipe-Ochoa: What kind of numbers are we looking at?

Mr. Winkeljohn: Well, I would say between \$25,000 and \$50,000 a year should be your investment, but back to the discussion from a budget perspective, this year's improvement plan will really be part of the project is how I'm seeing it because you can expand the scope of your project soon and a great deal of it includes landscaping because you have the mitigation which created the benches and the pavement area, so that is where you'll dedicate this year's wave and then next year and the year after you'll start to increase your quality throughout the community. So if I could just get a motion to approve the check register, balance sheet and income statement we can continue talking about this after that.

On MOTION by Mr. Cooper seconded by Ms. Elliott with all in favor, the Check Register, Balance Sheet and Income Statement were approved.

**EIGHTH ORDER OF BUSINESS**

**Adjournment**

Mr. Winkeljohn: If there are no further items to discuss we just need a motion to adjourn.

On MOTION by Mr. Cooper seconded by Ms. Felipe-Ochoa with all in favor, the Meeting was adjourned.

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Secretary / Assistant Secretary

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Chairman / Vice Chairman

October 23, 2008

South-Dade Venture CDD

**NOTES:**

**Please note that effective immediately the board moved the meeting time to 3pm**

Please be advised that Paul has informed me of the following

November 13 Meeting no financials/ minutes (Ratification of Engagement letter with Keefe)

November 20 meeting will be a Landowners meeting ONLY

December 11 – Resolutions Confirming the LO elections & electing Officers

December 18 meeting will have financials & minutes

Let me know if you have any questions

Jennifer

**Agenda Items:**

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