

MINUTES OF MEETING  
BRANDY CREEK COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Brandy Creek Community Development District was held on Wednesday, November 9, 2011 at 6:00 p.m. at Watson St. Johns Realty, 175 Hampton Point Drive, St. Augustine, Florida 32092.

Present and constituting a quorum were:

Meredith Payne	Chairman
Gary Williams	Vice Chairman
Barbara Little	Supervisor
Diane Drinkwater	Supervisor
Charlie Arnold	Supervisor (by phone)

Also present were:

Jim Oliver	District Manager
Jason Walters	District Counsel
Tom Welch	District Engineer
Tracey Michaels	Facility Manager
Brian Moore	Austin Outdoor
Joe Taylor	Johns Creek POA
Residents	

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Payne called the meeting to order at 6:00 p.m.

**SECOND ORDER OF BUSINESS**

**Approval of the Minutes of the  
October 12, 2011 Meeting**

Mr. Payne stated included in your agenda package is a copy of the minutes of the October 12, 2011 meeting. Are there any additions, corrections or deletions?

On MOTION by Ms. Little seconded by Mr. Williams with all in favor the Minutes of the October 12, 2011 Meeting were approved.

**THIRD ORDER OF BUSINESS**

**Hearing Regarding Violation of  
Amenity Center Policies and**

**Terms of Suspension Imposed by  
Board of Supervisors**

On MOTION by Mr. Williams seconded by Ms. Drinkwater with all in favor the Public Hearing Regarding Violation of Amenity Center Policies and Terms of Suspension Imposed by Board of Supervisors was opened.

Mr. Walters stated included in your agenda package is a letter dated October 19<sup>th</sup>. As you recall, we had previously dealt with an issue regarding a resident and violation of District policies at our amenity center. At the last meeting the board decided to impose a suspension on Ms. Fasanello at that time and that suspension was for a period of 90 days. During that meeting it was decided to revisit this issue and decide whether to impose additional suspension. We sent the correspondence to Ms. Fasanello alerting her of the Board's decision to have this hearing and to have this discussion. We invited her to show up and present any testimony and evidence in her support.

Mr. Payne stated the individual is not here today.

Ms. Michaels stated on October 5<sup>th</sup> at approximately 12:30 p.m. I heard the gate open and I looked up from my office and I saw she was walking in with her dog and another individual, who had a dog as well. I went out there and confronted her and told her she was not to be on the property. She told me she didn't sign anything. I told her it wasn't necessary and that she needed to leave. She proceeded to walk around to give her dog a drink of water out of the water fountain. I opened the gate and told her she needed to leave right now and she started walking out and then turned around and started again with her profanity. I turned around and told her she needed to get on the sidewalk right now. I told her the sheriff would be on their way to talk to her and do what was necessary. I did call the sheriff's office. They gave her a warning and said the next time she was to step foot on the premises she would be arrested for trespassing.

Mr. Payne asked was she still on the premises when the sheriff's department came?

Ms. Michaels responded no. The sheriff's department met her at her house.

Mr. Williams asked has she been up there since?

Ms. Michaels responded not while I have been there.

Mr. William asked are there specific guidelines in terms of next steps? My thought would be to suspend her privileges for a year.

Mr. Walters responded there aren't specific guidelines. In other Districts I have a year suspension is not out of the question, especially for a second violation.

Mr. Williams stated I think a year suspension would be sending a message and I think we need to send a message.

Mr. Payne stated I think last time we had a discussion about this we talked about 180 days but I have no reason to disagree with Gary's recommendation of a year. I think this is serious and we are dealing with an adult.

Ms. Drinkwater stated I agree.

Ms. Little stated I agree.

Mr. Arnold stated I think a year would be adequate in my mind.

On MOTION by Mr. Williams seconded by Ms. Little with all in favor to Suspend Amenity Center Privileges for Ms. Fasanello for 1 Year was approved.

Mr. Walters stated I think it would be important that if she violates this that we certainly bring the sheriff back in to issue trespassing.

Ms. Drinkwater asked if anyone sees her up here other than Tracey can also call the police, correct?

Mr. Walters responded that is true. You would be within your rights.

On MOTION by Mr. Williams seconded by Ms. Little with all in favor the Public Hearing Regarding Violation of Amenity Center Policies and Terms of Suspension Imposed by Board of Supervisors was closed.

**FOURTH ORDER OF BUSINESS**

**Discussion of Florida Forest Stewardship Program**

Mr. Williams stated I haven't gotten any from Greg Dunn.

Ms. Michaels stated I believe he is still waiting on the water management district.

**FIFTH ORDER OF BUSINESS**

**Discussion of Pre-Emergent Weed Control Program – Austin Outdoor**

Mr. Brian Moore stated in front of you is a proposal to apply a higher end pre-emergent specifically for the control of dove weed. As I mentioned in our last meeting the Department of Agriculture is removing a selective use herbicide from the market and we actually use that as a tank mix partner with another selective use herbicide to control dove weed. The two herbicides mixed together will suppress that weed in a matter of 10 to 14 days and without the other product it takes six to eight weeks. The standard contract does not call for a specific pre-emergent to control dove weed. Dove weed is becoming a more popular weed at Johns Creek. It can thrive here. We have other properties that are in similar shape, as far as having Bermuda grass. Murabellla is another development that has dove weed and they jumped on board with this pre-emergent and we were quite successful this past summer. Doveweed is kind of a new weed. It is very difficult to control post emergent. The best method of treatment is through a pre-emergent and that is what you have in front of you. The proposal in front of you is to treat three acres, in which Tracey and I agree up on are the most infested areas within the common areas.

Mr. Payne asked does this dove weed destroy the grass?

Mr. Moore responded it invades its living area. It is very aggressive and when it germinates and grows it actually takes over the plant, therefore, the plant does not receive adequate sunlight for photosynthesis to occur and the plant to thrive.

Mr. Williams asked has the property been treated for dove weed in the past and now one of the treatments is not available, so we have to go to a new treatment or has it not been treated in the past?

Mr. Moore responded it has been treated before with the two selective use herbicides.

Mr. Williams asked and one of those is going away?

Mr. Moore responded that is correct.

Mr. Williams asked so if it has been treated then why is it an issue? Do you have to treat it every year?

Mr. Moore responded that is correct.

Mr. Williams asked so we are just looking at what the next years treatment will be?

Mr. Moore responded that is correct.

Mr. Williams asked why is this incremental to the existing contract? Is it a higher expense for the material?

Mr. Moore responded that is correct.

Mr. Williams asked some of the expense that is in here is for the technicians but wouldn't they have been doing that anyways?

Mr. Moore responded no. There is a herbicide applied or coded onto the fertilizer that we use as a weed and feed. When we apply that we get both sides of the coin.

Mr. Williams asked so now it has to be applied twice?

Mr. Moore responded that is right. It will be a two step program. There are two different rates that are involved with this application; one is at one certain rate and the other is at a second rate, which is a little less. It needs to be mentioned that this product is a petroleum based product and that is why we go at a higher rate during the dead of winter because the potential for turf burn is much less. Everyone in the past has always applied nitrogen, phosphorus and potassium. Those are base fertilizers and those are going away. The reason why the rate is higher is because the product is a petroleum based product. We don't want to apply that during the part of the year that it is hot. The manufacturer recommends a higher rate in January and then to be followed up by a lesser rate in 45 to 60 days later.

Ms. Drinkwater asked was the product taken off the market by the Department of Agriculture or was it DEP?

Mr. Moore responded all of the above. It is actually an arsenic, which is a very bad contaminant of Florida's ground water.

Mr. Williams asked is this just for January's application?

Mr. Moore responded no, that is for both applications.

Mr. Williams asked do we need to do this ongoing or can this be built into the contract?

Mr. Moore responded yes. Tracey and I have discussed that today. Let me reemphasize that is only an enhancement for three acres. I didn't see a need to treat over dove weed invaded areas. It can be added to the contract to be included with the pre-emergent program that Austin Outdoor offers. It does not include any Bahia or St. Augustine grass.

Mr. Williams asked how many acres are we not treating?

Mr. Moore responded probably between two and a half and three.

Mr. Williams asked and you are satisfied that treating half of it is sufficient?

Mr. Moore responded yes.

Mr. Joe Taylor asked is the dove weed prevalent just to Bermuda or will it grow in anything?

Mr. Moore responded we have seen it in St. Augustine and Bahia, as well. This product is not safe for those two species of grasses. At the last meeting I asked for your time to discuss this. This is not something that needs to be voted on tonight but the application needs to occur between the middle of January through Valentine's Day.

Mr. Payne asked in the other community did the dove weed disappear totally?

Mr. Moore responded we had reasonable success, where even though the application was an error. We had very acceptable results when the application was made correctly. When we spray we use a dye colorant as it indicates there and that improves our accuracy.

On MOTION by Ms. Drinkwater seconded by Ms. Little with all in favor the Proposal from Austin Outdoor for Pre-Emergent Weed Control Program totaling \$1,426.13 was approved.
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**SIXTH ORDER OF BUSINESS**

**Review of Draft Resident Survey  
Regarding Potential Phase 1  
Capital Improvements**

Mr. Oliver stated at previous meetings the board has discussed the fact that there are some remaining funds from the series 2003 bond issue. Those are funds that can either be redeemed or they can be used for capital projects within the phase one area. You directed the property manager to reach out to residents to see what suggestions they may have to use the funds and at the last meeting you asked that a survey be prepared

that could be sent to the residents. Staff worked with the Chair. We had a few conference calls. This is the product we have come up with. Once we have a final draft we will circulate it to the residents.

Mr. Williams asked do we have space for number seven?

Mr. Welch responded yes. The thought being that if you are coming in Nature Walk Parkway there is that driveway there. When we had talked on the conference call I think we had looked at number eight, which is the sign behind Publix and the budget for that was \$25,000.

Ms. Drinkwater stated so instead of \$10,000, it is \$25,000.

Mr. Williams asked does this get mailed out to everyone in the District or just phase one?

Mr. Walters responded this will get mailed to everyone.

Ms. Drinkwater asked so these decisions are for which amenity center?

Mr. Walters responded the funds will be used in phase one. We did determine that it might have been possible if we brought in bond lawyers and tax lawyers to possibly look at arrangements but at the end of the day it was going to eat up half the money or more to do that. As it stands now this money can only be used for phase one improvements that are consistent with the existing improvement plan. We have recreational components, transportation and entrance features in our existing plan, so I think all of these are fine.

Ms. Drinkwater asked can we make a comment, so people know this is phase one and it would be the phase one amenity or do you think it is understood?

Mr. Walters responded it is in the letter.

Mr. Payne asked do you think we need another item to say "other" just in case residents want to write in something?

Ms. Drinkwater responded it is on the last page.

Mr. Williams stated maybe one thing we can do on this is format it, so it can fit on two pieces of paper, instead of three.

<p>On MOTION by Mr. Williams seconded by Ms. Little with all in favor to Distribute the Resident Survey Regarding Potential Phase 1 Capital Improvements was approved in substantial form.</p>
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A resident asked so this will be mailed out and then we return it to Tracey but what is our timeframe on that?

Mr. Williams responded January 3<sup>rd</sup>.

A resident asked is there a timeframe for deciding what we are going with?

Mr. Payne responded we haven't set a timeframe but the last discussion we had was we will consider the items based on how the residents preferences came up. We also wanted to align what other decisions we make with phase two completions, as well.

Ms. Drinkwater asked when do you anticipate mailing it out?

Mr. Oliver responded within the next week.

Ms. Drinkwater asked once they come in, who will be reviewing the surveys?

Mr. Oliver responded Tracey will accumulate them and then on the deadline we will compile them and provide a summary to the Board, as well as copies of all of the survey responses.

**SEVENTH ORDER OF BUSINESS**

**Consideration of Arbitrage Reports, Series 2003 and Series 2006**

Mr. Oliver stated included in your agenda package you have two arbitrage reports. Both bond series that were issued are tax exempt bonds and for those tax exempt bonds, there are certain IRS restrictions. Bond proceeds are to fund construction projects. The District cannot issue tax free bonds and then invest them to achieve a higher yield and make money off of the tax free bonds. They actually establish the maximum yields that you can achieve with those. These reports do the calculations to ensure you do not over earn or exceed that yield. In both cases you will see in the opinion letter that did not happen. It says, "The results of our computations based on the information provided to us indicate a negative rebate requirement of \$68,858 for June 3, 2011. Consequently our results indicate no amount must be on deposit for the rebate fund." Of course, in these economic times it would be extremely difficult to over earn anyway.

On MOTION by Ms. Little seconded by Mr. Williams with all in favor the Arbitrage Reports for Series 2003 & Series 2006 were approved.



**EIGHTH ORDER OF BUSINESS**

**Update Regarding ADA Compliance**

Ms. Michaels stated I am still working on this project and collecting information. I am working with a couple other Districts that have to be compliant, as well. Collectively, we are gathering information and trying to learn the best we can on what it is that we are required to have.

Mr. Payne asked what is our compliance date?

Mr. Oliver responded March 15, 2012.

Mr. Payne asked do we need to speed this process up?

Mr. Oliver responded no. I would say we are on the same timeline as the other Districts. The largest piece that we are dealing with that is out of Tracey's control, which is the wading pool or splash pool.

Mr. Walters stated some of them are easily identifiable and the fixes are very easy. The biggest issue we run into with a lot of Districts is with the wading pools and kiddie pools because they are requiring sloped entries into them. The problem you run into is based on the angle of the slopes required. They usually require a sloped entry into 24 inches of water. If you have a small wading pool the size of this inter circle then your ramp needs to go almost to the other end. We have been having discussions with some of the consultants on whether that is even feasible or not and whether there are alternatives to explore. If it is economically feasible then generally you are not going to have to do something for that.

Mr. Payne asked would the District have to officially file an exception with the ADA?

Mr. Walters responded no. I think we need to rely on the consultants here. You are going to need to know if it is a \$2,000 fix or a \$100,000 fix because that will affect the analysis there. We don't file anything. This is a self regulated area. You have to look at the regulations and bring in a consultant like we did and determine if you are in compliance.

Mr. Payne asked when are we going to engage the consultants to proceed?

Mr. Oliver responded Tracey will bring proposals to the January meeting for all of the other items. She is working with Louis Cowling, who is an operations manager at

several Districts in St. Johns County, to do a bulk purchase on semi-permanent or permanent chair lifts.

Ms. Drinkwater asked how many bids would you need to satisfy that you have done your due diligence?

Mr. Walters responded as a rule of thumb often times we go for three. If there are three reasonable companies in the area then that is probably a good start.

**NINTH ORDER OF BUSINESS**

**Update Regarding Phase 2  
Amenity Center**

Mr. Arnold stated there is no real change from last months update. We are still in the process of doing value engineering. I met with one contractor today that went very well. We have another meeting next week, so we will spend the remainder of November doing that. As we evaluate these structures we are keeping in mind the cost of maintenance. We have gotten some good suggestions from our potential contractors on changes to the plans. We will continue to work on that through the remainder of the year with the plan to break ground the first of the year.

**TENTH ORDER OF BUSINESS**

**Other Business**

Mr. Payne stated I wanted to take this opportunity to read this letter to the board of supervisors and to the audience. This letter is from Jodie Caputo, who I believe helped facilitate our facility here. She wants to extend us gratitude to two individuals in our community. The letter states, "To whom it may concern I am writing this letter to recognize two people that make Johns Creek Community a much better place to live which are Dana Boggs , who is our social committee Chair and Tracey Michaels, who is our property manager. I have witnessed both of these ladies putting in a lot of time and effort in our community events to ensure that the events are safe and are enjoyable for all. Both of them work tirelessly and go above and beyond their call of duty in their planning and execution of events in the neighborhood. Most of it may be behind the scenes but it has not gone unnoticed. The most recent fall festival was a huge success with a great turnout and many happy residents. They are already working hard on the upcoming Christmas event. As a local realtor it is awesome to see one of my favorite neighborhoods come together as a community and it is thrilling to see so many wonderful events held with such dedication, caring for people and bringing the families

of Johns Creek together.” She asked that we please thank them. Thank you Dana and Tracey.

Mr. Williams asked can you send that to our POA President, so he can share it with the POA board?

Mr. Payne responded that is not a problem. Are we at liberty to give certificates of appreciation at our expense?

Mr. Walters responded I have done that at several places in different forms, such as certificates and resolutions.

## **ELEVENTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. Attorney**

Mr. Walters stated this is a redistricting year. They do it every 10 years, so they are already in committees now and session will start in January.

#### **B. Engineer – Requisition Summary**

##### **1. Ratification of Requisition No. 217, Payable to Vallencourt Construction Co., Inc., in the Amount of \$4,675.00**

Mr. Welch stated included in your agenda package is a requisition summary. This is to ratify requisition number 217 out of the 2003 construction fund payable to Vallencourt Construction Company. This is for the wetland outfall structure. The work is physically completed. I am waiting on what we call an asbuilt that shows where everything was constructed and what elevations and then certify the project complete. Once I get that I will release that check to them but the work is done.

Mr. Payne asked and you indicated that you visited the area when we had a downpour, as well?

Mr. Welch responded yes and the ground was so dry that it went straight to the ground. As far as I know it has been unused.

<p>On MOTION by Mr. Williams seconded by Ms. Drinkwater with all in favor the Requisition No. 217 Payable to Vallencourt Construction Co., Inc. in the Amount of \$4,675.00 was ratified.</p>
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#### **C. Manager**

Mr. Oliver stated this was an unscheduled meeting, but obviously we noticed it. At the end of the meeting, the Board may want to consider not having the December meeting and meet again in January.

**D. Facilities Manager – Amenity Center and Operations Update**

Ms. Michaels stated we are moving forward with the approved proposals from the last meeting. We have adjusted the light on the flagpole last week.

Mr. Payne asked and I noticed you did some décor around the flagpole, as well?

Ms. Michaels responded that was part of what you approved last month. We should be getting our flowers this coming week.

Mr. Williams asked did you replace the lights that were out?

Ms. Michaels responded there should only be one out and I have to replace the fixture.

Mr. Williams stated I think there were two out yesterday morning.

Ms. Michaels stated I will double check again.

Mr. Williams stated there are also a couple streetlights out too. I know there is one that is completely out.

Ms. Michaels stated that one is on order.

**TWELFTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

Mr. Williams asked I was back in phase two the other day and I know a couple meetings ago there were some questions from residents about the height of some of the weeds that are along the fence line and in some of the undeveloped areas. "Charlie, were you able to take a look at that or was there anything done about that?"

Mr. Arnold responded yes. We had a contractor in there doing some mowing and after the last meeting in October it was pointed out that we failed to do some mowing specifically adjacent to that white vinyl fence. I called the contractor right after that meeting but I haven't went back there to see if he has done. We are trying to stay on top of it. I have a contractor on will call that will go in and work on any areas that may need some attention. If Tracey wants to shoot me an email with comments from residents on where we need to get them back in there then I will be glad to ask them to do it.

Mr. Williams stated I appreciate it. I was back there Saturday and the weeds are still over the fence.

Mr. Arnold stated I will follow up and make sure it gets done.

Ms. Dana Boggs stated we have a situation where our storage unit on 210 is packed. We have a 5x10, which is \$72 a month and then we can go up and double the size with a 10/20 at \$89 a month. I just want to know if we can move into another unit.

Mr. Williams stated it is primarily POA stuff but it is stuff for residents. Sometimes there is a thin line between what the POA does and what the CDD does. Should we be telling the POA that they need to pick this up?

Mr. Walters responded I think when we had discussions long ago about funding this there were things that we have in there, as well.

Ms. Michaels stated the CDD owns the Christmas tree and the lights.

Mr. Walters stated I think it is reasonable for the CDD to store that stuff. The argument is we have a facility that we rent for some of our stuff and we have extra space. If it ever got to the point that there was nothing in it that was CDD involved then we might want to look at that.

Ms. Little asked could we try not to have the late fee on this?

Ms. Michaels responded that was my mistake. I misread the email.

Ms. Dana Boggs stated that was partly my fault too because when we did switch the unit towards the beginning of the month, we had been paying for the whole entire year. Then in August the money had run out because we did up the unit.

Ms. Drinkwater asked is this \$89 per month or is that the annual discount?

Mr. Dana Boggs responded he pretty much said that is our rate, so it comes out to \$1,068 for a year.

On MOTION by Ms. Little seconded by Mr. Williams with all in favor Rental of a 10x20 Storage Unit at \$89/Month was approved.
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Mr. Payne stated Barbara showed me this information on a conference about public records and government Sunshine.

Ms. Little stated it is excellent. They go through all the legalities of being on the a board and the Sunshine Law and the confidentiality. The State attorney office gives it.

Mr. Payne stated I would like the supervisors to entertain a discussion now about giving Tracey a bonus.

Mr. Williams asked do we have a process to look at annual pay increases?

Mr. Oliver responded we don't but there is room in the budget for that.

Mr. Williams stated I am not opposed to some sort of bonus but it just dawned on me about a salary increase. She has been with us for a couple years and her compensation is probably still the same.

Mr. Oliver stated that is correct.

Mr. Williams stated I know that we are kicking in for some insurance and there are some other reimbursements there but I would like us to have a little better process for identifying a process on a merit increase.

Mr. Walters stated a lot of public employees at the State level have cost of living adjustments on an annual basis and that is if you have met expectations then you are entitled to a COLA adjustment. There is an increment over that if you have exceeded expectations. There could be a level under that if you did not meet expectations.

Mr. Payne stated I think Gary's discussion point is a valid one and we should consider putting a process in place.

Mr. Walters stated there are very few Districts that have District employees but I know Nocatee has some employees, so maybe we can look at the process they have put in place. It may make sense to do it closer to budget time.

Mr. Oliver stated I would say her line item has a comfortable margin.

Mr. Williams asked how long has she been with us?

Mr. Oliver responded right at two years. We do need to have an appraisal process. You certainly have the room in the budget if you want to offer her a percentage increase and then we can come up with an evaluation process and merit pay process moving forward.

Mr. Williams stated she has been with us two years and I think we need to have a discussion tonight about a permanent salary increase and not just a bonus.

Ms. Drinkwater stated I also agree that I think it needs to be something consistent, so every year in November we are going to be looking at this.

Mr. Williams stated I think we need to define that process.

Ms. Little asked who would do the evaluation?

Mr. Oliver responded I suggest that it be the Chair but each of the board members would have the opportunity for input.

Mr. Arnold stated I think she is tremendously valuable. My mind is in the neighborhood of a 6% or 8% salary increase, which would pick up both the years. In my world I can definitely quantify the savings she has brought to the District. I also agree that it would be nice to have a standard formal process from here on out.

Ms. Little asked other than her salary, what other benefits do we give her?

Mr. Oliver responded she gets a health insurance stipend of \$350 a month and a cell phone allowance of \$50 a month.

Mr. Williams asked and that insurance is a flat fee and it's not a percentage of salary, right?

Mr. Oliver responded correct.

Mr. Williams stated I agree with Charlie. I think we need to be talking about a 6% to 8% increase. She has been with us two years. She didn't have an increase last year.

On MOTION by Mr. Williams seconded by Ms. Little with all in favor a Performance Bonus for Tracey Michaels of \$1,000 Net was approved.

Mr. Payne stated now we can discuss the salary increase. I say we start with 6%.

Mr. Williams stated I think 6% is reasonable. I suggest we make it effective November 1<sup>st</sup>.

Mr. Payne stated I think we should make it effective immediately with her next paycheck.

On MOTION by Ms. Little seconded by Ms. Drinkwater with all in favor an Increase of 6% in Tracey Michaels Salary Effective Immediately was approved.

Mr. Payne stated it is my pleasure to let you know that we have approved a bonus for you in the amount of \$1,000 net. In addition to that Supervisor Williams

thought we should consider your salary, since you have been with us for two years and evaluate that, as well. We will go through a formal evaluation going forward. Effective immediately we also agreed to increase your salary at a rate of 6%.

Ms. Michaels stated I appreciate that.

**THIRTEENTH ORDER OF BUSINESS**

**Financial Reports**

**A. Financial Summary Report**

Mr. Oliver stated included in your agenda package is the financial summary report. On the general fund budget you ended up with a surplus of almost \$31,000. Our biggest deficit of any line items is utilities. They are largely tied to irrigation, especially those associated with the new areas and with the drought that we experienced this summer. We will continue to look at ways to find cost savings.

**B. Balance Sheet & Income Statement**

Mr. Oliver stated included in your agenda package is the balance sheet and income statement. The balance sheet shows that you have capital reserves of \$150,000. Those will grow by the \$31,000 that I mentioned earlier, so now you have capital reserves of about \$180,000.

Mr. Williams asked and that is separate from the bond fund that is out there that we have talked about?

Mr. Oliver responded correct. This is all general fund. I also have on there that the capital reserve study will need to be updated this year. The audit is underway and is being conducted by McDermitt Davis. On May 19, 2011 Standard & Poors relooked at the bonds and they reaffirmed the A rating that the District has on its bonds.

**C. Approval of Check Register**

Mr. Oliver stated included in your agenda package is a check register.

On MOTION by Mr. Williams seconded by Ms. Little with all in favor the Check Register was approved.
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**D. Treasury Report**

Mr. Oliver stated included in your agenda package is a treasury report.



**E. Assessment Receipt Schedule**

Mr. Oliver stated included in your agenda package is an assessment receipt schedule.

Mr. Williams stated Jim, you and I exchanged some emails about the assessment of the agreement with Litestream and the District. Is it assigned to the District now?

Mr. Oliver responded right now there is an agreement with Litestream that they reached an agreement with the original Developer. The original Developer is ready to convey it to another entity, whether it be the CDD or the HOA. I have never had any involvement with cable companies in the CDD world. I don't think the CDD wants the agreement.

Mr. Walters stated I have never conveyed one to a CDD and I can't think of a reason to do so.

Mr. Williams asked why would a POA or HOA want it?

Mr. Walters responded I don't know what they generally do. It is more related to private property. The POA has prevue over private property.

Mr. Williams asked even though the access points are on common property?

Mr. Walters responded yes. I have shot an email out and I will follow up with some folks in my office.

Mr. Williams stated I thought there was an end date to that agreement. So if the CDD doesn't want it and the POA doesn't want it then what is the Developer going to do?

Mr. Walters responded they are going to keep it until it expires.

Mr. Joe Taylor stated I researched it about two years ago because some of the residents weren't happy with Litestream. I contacted Litestream and they said they did not ever have a signed agreement. I told him that it states that in our covenants but I was assured there wasn't.

Mr. Williams stated Jason and Jim have sent me that agreement but I just haven't had time to look at it.

Mr. Walters stated I have shot an email around and if I get some input I will bring it back to the board but I am not going to spend time on it.

**FOURTEENTH ORDER OF BUSINESS**

**Next Meeting – December 14,  
2011 at Watson St. Johns Realty**

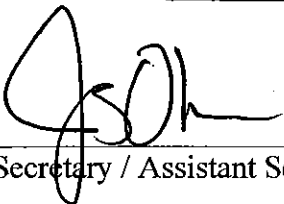
Mr. Payne stated I do not see a need to hold the December 14, 2011 meeting. I would recommend cancelling it and holding our next regular meeting on January 11, 2012.

On MOTION by Mr. Williams seconded by Ms. Little with all in favor the December 14, 2011 CDD Meeting was cancelled.

**FIFTEENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Williams seconded by Ms. Little with all in favor the Meeting was adjourned.

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman