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**MINUTES OF MEETING
VILLAGE COMMUNITY
DEVELOPMENT DISTRICT No 3**

The Meeting of the Board of Supervisors of the Village Community Development District No. 3 was held on Friday, July 13, 2012 at 11:00 a.m. at the District Office Board Room, 1894 Laurel Manor Drive, The Villages Florida, 32162.

Board members present and constituting a quorum:

Charlie Cook	Chairman
Bill Ray	Vice Chairman
Tilman Dean	Supervisor
Gail Lazenby	Supervisor
John Goetz	Supervisor

Staff Present:

Janet Tutt	District Manager
Diane Tucker	Administrative Operations Manager
Valerie Fuchs	District Counsel
Sam Wartinbee	District Property Management Director
David Miles	Finance Director
Barbara Kays	Budget Director
Jennifer McQueary	District Clerk
Brittany Wilson	Executive Assistant
Bill Thompson	District Property Management Supervisor
Candice Lovett	Staff Assistant

FIRST ORDER OF BUSINESS: Call to Order

A. Roll Call

Chairman Cook called the meeting to order at 11:01 a.m. and stated for the record that all Supervisors are present representing a quorum.

B. Pledge of Allegiance

The Chairman led the Pledge of Allegiance.

C. First Time Meeting Attendees

The Board welcomed all those residents in attendance at a Village Community Development District No. 3 (VCDD) Meeting for the first time.

D. Audience Comments

Patricia Lopez, Village of Polo Ridge, advised the Board of her concern with the recent increase in Ferrell cats in her neighborhood. Ms. Lopez stated she is aware of a neighbor who was feeding the cats and communicated her concern with the neighbor and has subsequently contacted Community Watch, District Property Management (DPM) and Sumter County Animal Control who provided her with a trap. Ms. Lopez stated she believes she has exhausted all of her options and requested the Board provide some assistance in addressing the issue. Sam Wartinbee, DPM Director, stated the District can also has live traps residents can utilize to attempt to trap a cat; but advised the issue of Ferrell cats will continue if residents continue to feed the cats.

Supervisor Lazenby advised the District has attempted, on numerous occasions, to inform residents feeding Ferrell cats only increases the population but does not control the population.

Supervisor Dean requested Valerie Fuchs, District Counsel, advise the Board of the District's responsibility to address this issue. Ms. Fuchs stating the District does not have the jurisdiction to address the Ferrell cat issue other than providing live traps to residents to utilize.

Bill Latimer, Village of Polo Ridge, stated he is aware having signage in your yard is a deed restriction violation but believes not allowing For Sale signs in the yard could make it more difficult to sell homes and could be a safety hazard and would request District 3 choose not to enforce the deed restriction pertaining to signage.

Chairman Cook advised the Board would be addressing this issue further and stated a joint workshop has been scheduled for July 30th at Laurel Manor Recreation Center.

Sumter County Sheriff's Office

Lt. Wolfe of the Sumter county Sheriff's Office (SCSO) presented the Board with a listing of 322 citations issued to vehicle operators and seven (7) citations issued to golf cart operators during the time period of April 12, 2012 and July 8, 2012. Lt. Wolfe stated the SCSO has identified an increase in grandparents allowing children under the age of 14 to operate golf carts which has resulted in a couple of accidents and citations being issued. The SCSO has taken a proactive approach to addressing this

issue and has form a cooperative effort with the District Recreation Department and provide instructional information and material for Camp Villages classes. Lt. Wolfe stated the SCSO is attempting to inform residents that allowing a child under the age of 14 to operate a golf cart is a criminal act which they can be arrested for.

SECOND ORDER OF BUSINESS: **Approval of the Minutes of the Board Meeting held on June 8, 2012 and the Budget Workshop held on May 14, 2012**

<p>On MOTION by Gail Lazenby, seconded by Tilman Dean, with all in favor, the Board approved the Minutes of the Board Meeting held on June 8, 2012 and the Budget Workshop held on May 14, 2012.</p>

THIRD ORDER OF BUSINESS: **Financial Statements as of June 30, 2012**

David Miles, Finance Director, reviewed the cash analysis prepared on June 27, 2012 for the week ending May 4, 2012, that shows the District's investable balances as \$1,922,996 which were distributed among Citizens First Bank (CFB), State Board of Administration (SBA), the Florida Municipal Investment Trust (FMIVT) 0-2 and 1-3 year bond fund account and Florida Governmental Investment Trust (FLGIT) funds. The Budget to Actual Statements as of June 30, 2012, representing 75% of the year, were provided to the Board identifying the District has collected 100.12% of budgeted resources for the year and have expended 68.20% for the fiscal year. During the month of June, the District's expenditures exceeded revenues by \$46,631 but year-to-date the District has an increase in Change to Net Assets of \$377,595. Mr. Miles advised the Investment Advisory Committee (IAC) will hold it quarterly meeting on Thursday, June 26, 2012 at 9:00 a.m.

Vice Chairman Ray stated the budget to financial include a Footnote Q but was unable to find a corresponding definition. Mr. Miles advised a typographical error had occurred.

FOURTH ORDER OF BUSINESS: **District Property Management Reports**

A. Landscape Maintenance Update

Bill Thompson, DPM Supervisor, provided the Board with an update on the following items:

- The landscape contractor continues to address the weeds including spraying.
- Pine straw installation should be completed the week of July 16, 2012
- Annual change out will begin the week of July 16, 2012

B. Water Retention Maintenance Status Update

Mr. Wartinbee advised the Water Treatment Report was provided to the Board for review.

Supervisor Goetz requested a status update of depressions that have occurred within the District. Mr. Wartinbee stated there were two (2), side by side, depressions located in the north Summerhill basin which have been repaired; there are a total of eight (8) depressions located in the wetland areas on Tally-Ho Hole #9, including Higgins Pond which are in the process of being repaired; there is a depression in the Sunbury retention area that has not yet been repaired. Thus far, the District has only received an invoice in the amount of \$3,000 for the liner repair in the north Summerhill basin.

Supervisor Goetz requested confirmation as to whether this the first time a depression occurred in the north Summerhill basin and whether the liners are supposed to stop sinkholes from occurring. Mr. Wartinbee clarified this is not the first depression to occur in the basin and stated depending on the size of the depression, the liner would not be able to support the weight of the water, which is most likely occurred following Tropical Storm Debbie. Mr. Wartinbee advised he was not able to provide a cost estimate for the repairs at this time.

FIFTH ORDER OF BUSINESS: Case No. D3-02-12 VCDD No. 3 vs. Nereida Figueroa

A. Staff Overview and Recommendation

Diane Tucker, Administrative Operations Manager, advised Case No. D3-02-12, Village Center Community Development District vs. Nereida Figueroa, 3266 Williams road, unit 35, Lot 104 is in violation of the District's Rule to Bring About Deed Compliance and specifically the Rule that states, "It shall be the responsibility of the Owners to keep their Lots neat and clean and the grass cut, irrigated and edged at all times....." Staff provided the Board with background information in reference to the deed violation and stated the utilities are on draft and are current and there is no lis pendens according to the property records. The outstanding amount of the fine is \$250 and the actual cost of the maintenance is \$75. Ms. Tucker stated Staff's recommendation is to find the owner in violation of the District's Deed

Compliance Rule as cited by the Deed Compliance Staff; Owner is hereby fined \$250 to be paid within ten (10) days of Order; Owner shall be fined \$250 each time the property is maintained by the District; Staff will continue to monitor the maintenance of the property; if the fines reach a total of \$1,500, the case shall be turned over to District Counsel to seek all available legal remedies including seeking an injunction against the Owner and authorize the Chairman to execute the Order of Enforcement.

Chairman Cook inquired if the property is currently vacant. Ms. Tucker advised although the utilities are currently paid the property is vacant.

Valerie Fuchs, District Counsel, requested clarification that the notice to property owners had been forwarded to both addresses on file and the property had been posted. Ms. Tucker confirmed both letters sent were returned to the District.

Supervisor Lazenby inquired if any communication has been made with the property owners. Ms. Tucker stated Staff has not been successful in communicating with the property owners.

Vice Chairman Ray inquired if the District has the ability to obtain a mailing address from the account which the utilities are drafted from. Ms. Tucker stated she would inquire what additional information could be obtained from the Finance Department.

B. Open Public Hearing

Chairman Cook opened the Public Hearing at 11:36 a.m.

C. Close Public Hearing

Hearing no public input, Chairman Cook closed the Public Hearing at 11:36 a.m.

D. Board Determination

On MOTION by Gail Lazenby, seconded by Tilman Dean, with all in favor the Board found the Property Owner of 3266 Williams road, unit 35, Lot 104, in Violation of the District's Rule to Bring About Deed Compliance based on the evidence and testimony submitted in compliance with the District's Deed Compliance Rule as cited by Staff, Imposed a \$250 fine to be paid within ten (10) days of the Order; owner shall be fined \$250 each time the property is maintained by the District; directed Staff to continue monitoring the maintenance of the property; if the fines reach a total of \$1,500 the case shall be turned over to District Counsel to seek all legal remedies including seeking an injunction against the owner and authorized the Chairman to execute the Order of Enforcement

CONSENT AGENDA:

Chairman Cook advised the Board a motion to approve the consent agenda is a motion to all prove all recommended actions. All matters on the Consent Agenda are considered routine and no discussion will occur unless desired by a Board Member.

On MOTION by Tilman Dean, seconded by John Goetz, with all in favor, the Board approved the following items included on the Consent Agenda:
SIXTH ORDER OF BUSINESS: Adoption of Resolution 12-07 accepting the transfer of the Buena Vista Boulevard Multi-Modal Cart Path and Summerchase Cart Path improvements in the amount of \$1,864,548.08.
SEVENTH ORDER OF BUSINESS: Approval of Amendment Six to the Agreement with The Shepherd's Landscaping, LLC and authorized the Chairman to execute the Agreement.

EIGHTH ORDER OF BUSINESS: Adoption of Resolution 12-08 designating Akerman Senterfitt as Bond Counsel

Mr. Miles advised this and the two (2) following agenda items address the engagement of the professionals Staff is recommending the Board designate to assist with the refunding of the 1998 and 2002 bond issues. Mike Williams has previously served as Bond Counsel to other Village Community Development Districts and has substantial experience working with special districts during the bond issuance and refunding process.

On MOTION by John Goetz, seconded by Bill Ray, with all in favor, the Board adopted Resolution 12-08 designating Akerman Senterfitt as the District's Bond Counsel and provides for an effective date of July 13, 2012.

NINTH ORDER OF BUSINESS: Adoption of Resolution 12-09 authorizing US Bank to act as Trustee for refunding of District 3 Series 1998 and 2002 Special Assessment Bonds

Mr. Miles stated the District has previously utilized US Bank as the Trustee for all previous bond issuances of the Districts which comprise The Villages. Staff is recommending the Board re-engage US Bank for the newly refunded bond issuances and adopt Resolution 12-09.

On MOTION by Gail Lazenby, seconded by John Goetz, with all in favor, the Board adopted Resolution 12-09 authorizing US Bank to act as Trustee for the refunding of the District 3 Series 1998 and 2002 Special Assessment Bonds.

TENTH ORDER OF BUSINESS: Adoption of Resolution 12-10 designating Burton & Associates to serve as Financial Analyst to the District

Mr. Miles stated Staff is recommending the Board designate Burton & Associates to serve the District as Financial Analyst for the bond refunding issuances. Burton & Associates conducted the Special Assessment studies for both refundings completed within District 4 previously. Mr. Miles stated Staff previously did not believe it would be necessary to utilize a financial analyst to revise the special assessment but have since found it is necessary to complete. Staff is recommending that the Board engage Burton & Associates to serve as Financial Analyst.

On MOTION by Bill Ray, seconded by Tilman Dean, with all in favor, the Board adopted Resolution 12-10 designating Burton & Associates to serve as the District's Financial Analyst for financial feasibility and special assessment establishment and provide for an effective date of July 13, 2012.

Mr. Miles stated at the June 15, 2012 meeting Staff addressed with the Board how to share the accrued savings from the refunding of the bonds. At that time the Board provided a consensus that it would like to retain all savings realized for both refundings to be utilized to ensure future maintenance assessment increases may not be necessary. However, Florida Statute 170.09 provides that the District cannot exceed the interest rate paid to the bond holder by more than 1.00%, which is currently true with the existing two (2) bond issues. Should the District achieve the savings of 2.0% during the refunding of the bonds this would no longer be true and would not be possible for the District to maintain 100% of the savings accrued through the refunding and a portion of the savings must be shared with the residents who still have outstanding maintenance assessments to the District.

Chairman Cook inquired if the District has the ability to lower the assessments to the residents with outstanding bonds. Mr. Miles stated the District does have that ability which is the service Burton & Associates would provide through the analysis of the special assessments. Chairman Cook requested clarification that the residents would receive the savings through reduction of their maintenance assessments versus receiving a refund from the District. Mr. Miles advised the residents would receive a

reduction in interest charges. Ms. Fuchs stated following the bond refunding the District would issue new assessments utilizing the new interest rate which is how the cost savings would be shared with the residents.

Vice Chairman Ray inquired if the savings are based on the reduction of interest rate or does the reduction take into consideration the cost of issuance. Mike Williams, Akerman Senterfitt, thanked the Board for engaging Akerman Senterfitt as Bond Counsel and stated Florida Statute is very clearly in stating Special Districts cannot levy assessments of more than 1% against the revenue assessments. The District is achieving savings through the lower interest rates and through the ability to utilize funds on hand which will not increase the principal amount of the assessments and include the cost relating to refunding. Mr. Miles stated Staff and the Consultants believe the District will be able to obtain substantial savings in excess of 200 basis point through the refunding of the bonds. PFM is currently preparing the Request for Qualification (RFQ) so quotes can be received from banks to secure interest rates. Mr. Miles stated Staff anticipates providing additional information to the Board at the August or September Board Meetings which should provide a clear indication of the overall savings and the Board can then determine the portion of savings the District will retain versus the portion of savings to be passed on to those residents with outstanding maintenance assessments.

Supervisor Dean stated he would like any savings achieved from the bond refunding to be included as a line item under the fund balance analysis. Ms. Tutt stated the savings can be accumulated into a reserve fund but will take a period of years before the savings begin accumulating,

ELEVENTH ORDER OF BUSINESS: August Budget Workshop

Barbara Kays, Budget Director, stated Staff is inquiring if the Board would like to hold a budget workshop during the month of August. Typically, the District does not hold budget workshops during the month of August and no major changes have been made to the budget since the May budget workshop. Ms. Kays advised the cost allocation process does occur during the summer months for those line items such as management fees, deed compliance but advised Staff could provide the Board with an update during the regularly scheduled August 10, 2012 meeting. Following discussion there was consensus among the Board not to hold an additional budget workshop but did request a status update be provided to the Board during the August 10, 2012 meeting.

TWELFTH ORDER OF BUSINESS: Board Consideration: Participation in Deed Compliance Joint Workshop

Ms. Tutt stated Staff respectfully requests this issue not be addressed during today's meeting and requested the Committee approve participation in a joint workshop on Monday, July 30, 2012 at 9 a.m. with Districts 1, 2, 4, 5 and the Amenity Authority Committee (AAC) at the Laurel Manor Recreation Center at which time Staff will provide an overview of the actual events that have occurred to date and provide the ability for the Boards to hold open discussion. Ms. Tutt stated there has been a substantial amount of discussion pertaining to For Sale and For Rent signage and advised in addition to For Sale and For Rent signs a discussion will need to occur regarding other signage, e.g. construction signs, signage on vehicles and will provide an opportunity for open conversation and audience participation. Following the workshop this item will be placed on the August agenda for the Board to consider how to address signage in each individual District.

Supervisor Lazenby stated he appreciates the workshop will provide residents with the opportunity to make public comments.

On MOTION by Gail Lazenby, seconded by Bill Ray, with all in favor, the Board approved participation in a Joint Workshop of Village Community Development Districts No. 1-5 and the AAC as the representative of the Lady Lake/Lake County portion of The Villages to discuss signs within each District's geographic boundaries to be held Monday, July 30, 2012 9:00 a.m. Laurel Manor Recreation Center, 1985 Laurel Manor Drive, The Villages, Florida

Chairman Cook stated he believes it is important to provide clarification as to District 3's participation in the process to eliminate For Sale/For Rent signs, which he provided in the form of a Letter to the Editor of the Property Owners Association (POA) newsletter. Following a request for clarification from Staff was advised that as a result of receiving complaints from residents, Supervisor Goetz went to Staff requesting enforcement of the deed restriction against For Sale/For Rent signage could occur. Chairman Cook stated he recollects the Board addressing residents concerns about For Rent signage placed in yards 365 days per year. Chairman Cook stated he received a response from Ms. Tutt stating that Staff never stated "District 3 did this but rather stated a District 3 Supervisor

brought to our attention and we took it to the Developer” and stated he is of the belief that no member of the Board has communicated directly with the Developer or “pushed” any member of Staff to communicate with the Developer. Chairman Cook stated he has advised District Staff of his disappointment in the way this situation was handled and the lack of communication between Staff and the Board. Additionally, he is disappointed the Developer has now decided to no longer allow property owners to utilize a For Sale sign which has been allowed for over 20 years. The option to enforce the deed restriction pertaining to signage remains the choice of the numbered District Boards.

Supervisor Dean stated the information included in the POA newsletter caught him by surprise and would request items such as these be provided to the Board, via the District Manager.

Vice Chairman Ray stated he is surprised this issue has evolved in this manner, based on the original intent and believes the workshop will provide a constructive opportunity to review the issue and continue to support the residents of the District. Ms. Tutt stated prior to any of the Board Supervisors achieving the feeling of disappointment that those feelings be reserved until after the information is presented at the upcoming joint workshop.

THIRTEENTH ORDER OF BUSINESS: Old Business Status Update

Ms. Tutt advised the only item included on the Old Business Status update will be addressed under the Fourteenth Order of Business.

FOURTEENTH ORDER OF BUSINESS: ARC Representative

Ms. Tucker stated in April this Board accepting the resignation of John Tumpa, the District’s Architectural Review Committee (ARC) Representative, since then the District has not received an application to fill that position. At this time the vacancy has caused issues in obtaining quorums for the weekly meetings and Staff has requested assistance from District Counsel in an attempt to address filling the position. Ms. Fuchs has advised a possibility would be to amend and restate the Interlocal Agreement which would provide that when feasible a resident from District 3 shall be the representative; however, when not feasible advertisement for a representative outside of District 3 could be completed, as long as the individual was a resident of a District who was party to the agreement.

Vice Chairman Ray stated he would concur that finding a replacement representative is necessary.

Supervisor Lazenby inquired if the District could send a letter to the former representative and inquire if he would be interested in participating on an interim basis until a permanent replacement could be identified. Supervisor Lazenby stated an ARC representative makes a large commitment to the Committee and on occasion items brought before the ARC can be contentious.

Chairman Cook stated he had a conversation with Mr. Tumpa who stated his reason for resigning from the ARC was more ideological based but stated the Board could make the attempt.

Supervisor Lazenby stated while the option to have a non-District 3 resident representing the District on the ARC is viable he would prefer having a resident from District 3 as the District's ARC representative.

Vice Chairman Ray concurred with Supervisor Lazenby but stated if the District continues to have an issue finding a representative other alternatives would need to be considered.

Supervisor Dean stated he would not recommend sending the letter to Mr. Tumpa because he had resigned from the position and would adhere to his wishes and would concur utilizing other alternatives to fill the position.

Cliff Weiner, Chairman of the ARC, stated there was no friction among the ARC Members and Mr. Tumpa resigned his position for personal reasons. Mr. Weiner advised the current vacancy is placing a tremendous burden on the remainder of the ARC, the residents, contractors and Staff who have continually had to adjust schedules to obtain a quorum to hold the meetings. Mr. Weiner suggested contacting individuals who submitted their application for other District Boards as they have previously shown an interest in participation on the committee.

Vice Chairman Ray concurred with Mr. Weiner's suggestion to review previous applications and contact those individuals.

Ms. Tutt inquired if the Board would allow Staff to review all alternatives concurrently so as to not delay the process any longer.

FIFTEENTH ORDER OF BUSINESS: Staff Reports

A. Amenity Authority Committee Update

John Wilcox, District 3 Amenity Authority Committee (AAC) Representative provided the Board with an update on the following items addressed at the July 11, 2012 meeting:

- The AAC will be provided a status update on the gate camera pilot program at the July 18, 2012 budget workshop.
- The rains have filled Paradise Lake.
- The installation of the additional handicap spaces at Savannah Center will begin shortly.
- Staff will be conducting a review of the asphalt along the multi-modal path install behind Freedom Pointe which has cracked.
- The engineers presented the Paradise Park Master Plan to the AAC which included improvements which would greatly improve its functionality and use. The AAC will be reviewing cost estimates and plan implementation.
- Video links of golf cart operators breaking gates have been added to the www.districtgov.org website. The Committee is hopeful that once residents are aware the cameras are catching these types of incidents that the number of broken gates will decrease greatly.
- The Committee is reviewing costs associated with painting of parcel boxes at the postal facilities north of CR 466.
- The consensus of the Committee was to maintain the amenity deferral rate at \$155.
- The Villages Woodshop requested the Committee consider funding improvements to the parking area.

SIXTEENTH ORDER OF BUSINESS: District Counsel Reports

There were no District Counsel reports.

SEVENTEENTH ORDER OF BUSINESS Supervisor Comments

Supervisor Goetz apologized to the Board for any embarrassment his actions pursuing the enforcement of For Sale/For Rent signs may have caused the District. Supervisor Goetz stated in reviewing pages 9 and 10 from the July 2011 meeting it appeared there was a general consensus of the Board to pursue the wording within the deed restrictions to address the concerns residents had brought before the Board about For Rent signs. Based on the concerns of residents Supervisor Goetz stated he

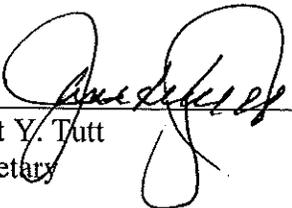
continued to interact with Staff to address the issues, which he believes is a responsibility of an elected representative. Supervisor Goetz stated he cannot be in attendance at the joint workshop but will provide Staff with a letter to be read at the workshop.

Chairman Cook stated he felt no apology from Supervisor Goetz was necessary.

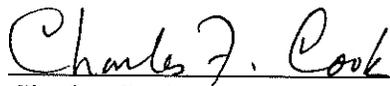
EIGHTEENTH ORDER OF BUSINESS: Adjourn

The meeting was adjourned at 12:37 p.m.

On MOTION by Gail Lazenby, seconded by Bill Ray, with all in favor, the Board adjourned the meeting.



Janet Y. Tutt
Secretary



Charles Cook
Chairman