

The Crossings at Fleming Island CDD  
Board of Supervisors Meeting Minutes  
Thursday, May 31, 2018  
2217 Eagle Harbor Parkway  
Fleming Island, Florida

(Please note: This is not verbatim, a CD recording of the board meeting is available on file for review).

**Board Members Present**

John Tabor, Chairman  
Robb Rush, Vice Chairman  
Mike Bruno, Supervisor  
David Herold, Supervisor  
Zane Butler, Supervisor

**Staff Present**

Sam Garrison, District Counsel, Kopelousos, Bradley & Garrison  
Dave deNagy, District Manager, Governmental Management Services, LLC  
Steve Andersen, Operations Manager, Governmental Management Services, LLC  
Jim Proctor, Tree Amigos  
Robert Johnson, Tree Amigos  
M.G. Orender, Hampton Golf  
Paul Murrison, Hampton Golf  
Marshall Collins, Hampton Golf  
Dave deNagy, GMS  
Jim Perry, GMS

**I - Call to Order**

Chairman Tabor called the meeting to order at 6:00 p.m.

**II - Pledge of Allegiance**

Chairman Tabor led the pledge of allegiance.

**III - Roll Call**

District Manager deNagy called the roll.

**IV - Public Comment**

**V - Consideration of Contract with GMS for Services through September 30, 2018**

Mr. deNagy stated you have the fifth amendment to the agreement with GMS. There are a number of sections from the original agreement that are being moved over to the district manager's responsibilities and they are outlined in the amendment. There are also corresponding dollar changes that are noted in section 3 of the fifth amendment.

Vice Chairman Rush joined the meeting during this presentation.

Supervisor Bruno moved to approve the fifth amendment to the agreement with GMS through September 30, 2018 revising the fees and removing Mr. Andersen and other minor changes. Vice Chairman Rush seconded the motion. Motion passed 5 - 0

**VI - Consideration of Contract with Steve Andersen for District Management Services Starting June 1, 2018**

Mr. Garrison stated it was the will of the board as discussed at our last meeting to have Steve transition from an employee of GMS to be directly employed by this board in a new position of district manager. The GMS role is being described as part of the agreement that was adopted as more of a district administrator. There are duties currently handled by GMS some of which is more administrative type identified in the agreement that will remain the responsibility of GMS, certain management and operations issues will be under the control of the district manager along with any other duties assigned by this board. This is in the form of a contract and can be amended as the board sees fit.

Supervisor Herold stated in section 2 the salary is fine but can you describe how the 6% for the district manager for project manager varies from one to the other. What is the salary and what is based on a percentage?

Mr. Garrison stated the salary is just what it says and up until a few minutes ago when you approved the amendment to the GMS contract there was language in there that dealt with

project management fee in an amount not to exceed 10% of the total project cost now it is 6%. That principal has been transferred to the employment agreement in front of you. If you want to keep that provision in the agreement, the district manager may be awarded a project management fee not to exceed 6% of the total cost of the project as supplemental compensation in addition to the base salary. In situations where the board in its sole authority and discretion so it is a board decision it is not an entitlement, you may designate certain projects as eligible for a project management fee above and beyond the salary.

Supervisor Herold made an amendment to the agreement, which will be reflected in the final document.

Supervisor Herold moved to approve the contract with Steve Andersen for district management services to start June 1, 2018 as a district employee as amended. Supervisor Butler seconded the motion. Motion passed 5 - 0

Mr. deNagy stated I have an item related to this item that is not on the agenda. Resolution 2018-03 changing the slate of officers with Steve as district manager, I would ask that we add the title of secretary and clerk to the board and assistant treasurer and change myself to assistant secretary and assistant treasurer and everything else would stay the same.

Vice Chairman Rush moved to approve Resolution 2018-03 designating the slate of officers to include Steve Andersen as district manager, secretary and clerk to the board and assistant treasurer and change Mr. deNagy to assistant secretary and assistant treasurer. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**VII - Consideration of Resolution 2018-02 Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing Date for Adoption**

Mr. Andersen gave an overview of the changes to the general fund, swim and tennis.

Mr. deNagy gave an overview of the water and sewer fund and stated the goal is to make sure we achieve our debt service coverage of 115%.

Mr. Andersen reviewed the golf budget prepared by Hampton Golf.

Supervisor Herold moved to approve the Resolution 2018-02 approving the proposed fiscal year 2019 budget and setting the public hearing for August 23, 2018. Vice Chairman Rush seconded the motion. Motion passed 5 - 0

**VIII Consideration of Proposal from Hadden Engineering, Inc. for Preparation of the Public Facilities Report**

Mr. deNagy stated this is a proposal to prepare the public facilities report that is required under Chapter 189, Florida Statute. It is done every seven years and the proposal is \$3,500. To my knowledge that report has never been prepared for The Crossings.

Supervisor Butler moved to approve the proposal from Hadden Engineering to prepare the public facilities report in the amount of \$3,500. Supervisor Herold seconded the motion. Motion passed 5 - 0

**IX Consideration of Banning a Resident from Pool Privileges through September 4, 2018**

Mr. Andersen stated on April 27<sup>th</sup> we had a resident who brought two of her children to the pool, one is an autistic child and the lifeguard interacted with the daughter and the mother appeared to be intoxicated and would not help the lifeguards to control the child. The mother left the 7 year old in the pool and the police were called and entered the facility and took care of the child with the help of the lifeguards and staff. The father was called and showed up and took control of the child and the police left and have filed charges against the mother for child neglect. We have also heard from the father that this is not the first time and that she shouldn't have had control of the child anyway. She has had her amenity privileges to our swim facilities suspended until September 4<sup>th</sup>, which is the day after Labor Day, the end of swim season. That in no way affects the rest of the family, the father and children will be allowed to come back to the pool under the same conditions as everybody else.

Supervisor Herold moved to revoked swim facility privileges through September 4, 2018 for the resident only and not the rest of the family under the rules of the district. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**X. Discussion of Amenities Management**

Mr. Andersen stated I have alluded to this in prior meetings, one of the things that we have talked about is going out to an RFP for amenities management or bring the amenities management under the purview of the district. We have done a lot of work behind the scenes to see what the benefits are to do that and one benefit of doing that is efficiencies we are going to have, not just financially but reacting to the needs of our community and making sure we can do things quickly. Part of the amenities management includes maintenance of our facilities, rentals, parties and book club. It would be taking care of our website, newsletters, and take that under our control. I think there is a lot of benefit financially there will be some savings involved but we will get a bigger bang or the buck. The mechanics of this would be to go with a professional organization called PEO, which as we found out the current amenities manager uses a PEO, which is the same company I interviewed in the last couple weeks. The mechanics if you decide to do this would be quite simple to maneuver amenities management that is currently under Hampton, we could take the individuals that work for them and transfer them over to us. It would just involve where the money comes from and instead of us paying Hampton and paying them a fee to manage these people as well as pay them that money would come directly from us. That would be subject to change based on the recommendation of the board. They would become employees of the district and I would oversee them. I recommend that rather than going out with an RFP. We have four months to iron out all the issues that may come up.

I sent all of you the RFP for golf and restaurant and heard back from a few. Do you have any other changes in the RFP. We will construct the RFP so there is some incentive to perform well. A few other districts have just gone through this process and I think we can go out to them have them come in and see what the proposals are and may bring them in for an interview. We will reach out to national companies.

**XI - Management Team Reports****A. District Counsel****B. District Manager**

**C. Tree Amigos - Report**

A copy of the report was included as part of the agenda package.

**D. Hampton Golf - Report**

A copy of the report was included as part of the agenda package.

**E. District Operations Manager - Report**

A copy of the report was included as part of the agenda package.

**XII - Financial Reports for April 30, 2018**

**A. Approval of Check Registers**

Supervisor Herold moved to approve the April 30, 2018 check register. Supervisor Butler seconded the motion. Motion passed 5 - 0

**XIII - Approval of the Minutes of the April 26, 2018 Meeting**

Supervisor Bruno moved to approve the minutes of the April 26, 2018 meeting as amended. Vice Chairman Rush seconded the motion. Motion passed 5 - 0

**XIV Acceptance of the Minutes of the April 26, 2018 Audit Committee Meeting**

Supervisor Butler moved to approve the minutes of the April 26, 2018 audit committee meeting. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**XV - Supervisor's Requests**

Supervisor Herold stated in working with Sam and Dave I took the opportunity to go back and read our rules and it became very clear that as we proceed in moving forward I recommend we go back and look at those. Some are pretty antiquated and need to be updated

along with all our policies and procedures. I will work with the district manager and district counsel to do that.

With Steve coming on board and the budget we have coming out I would like him to report his hours to us on a quarterly basis of how he is spending his time. Also I would like him to develop goals so he can have a performance review after a year and we can determine if his compensation is correct.

Chairman Tabor asked Sam do we want to consider any kind of compensation committee or anything like that for the purpose of doing a review and that sort of thing or can that be done?

Mr. Garrison stated my suggestion would be that once you begin your next fiscal year let Steve be in the position for a little bit, nothing is going to change in the next three to four months, however, I think it is important whatever you decide to do that you make clear as a board to Steve who is your only direct report and will be the only direct report what specifically your expectations are for the position, not in terms of a job description, the job description is laid out in the Florida Statute, and includes a provision that includes any other such duties as the board deems to be appropriate. His job within the bounds of the law and within the bounds of the district his job is to take care of you and make sure the district runs to the standard you expect. I have seen in other public organizations we represent sometimes we get into trouble when you have five board members with five different opinions about what a position requires in terms of interfacing with the board individually, corporately, how that is measured, how it is analyzed and that is really not fair to someone who serves in your employ if it is not spelled out. I don't mean in terms of a performance review there are any number of ways you can do it but you want to make sure that Steve has a clear understanding as it is spelled out in terms of what his expectations are. Think through that a little bit and make sure there are clear expectations and it doesn't have to be in the form of a resolution but at the end of the day you want to have something that the board as a whole, even if it is an up or down vote reflected in the minutes so it is clear to Steve and this board and a future board going forward what the boundaries are. I'm happy to work through that with you individually and with Steve on that but establishing that on the front end is very important to help the dynamic that already exists on this board.

Chairman Tabor stated I agree with Sam's comment that this is all new starting tomorrow and there is a lot of what you are doing that will change and there is a lot that is not going to change because we are only formalizing things you were doing already. I don't think it is a bad

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idea going into the new year saying, here is an outline of priorities, here is what I'm working on it sort of represents that standard by which we are going to say is it working or is it not. I don't know that I'm in favor of having Steve keep time, I'm not clear that gives us a benefit. I don't think that is what you meant. I think what you meant is, is his effort directed in the right places. I think we are going to get a feel for that as time goes on because our relationship with Steve is such that he can say I'm spending way too much time on clogged toilets at the swim park. That is a problem and we are going to want to know that. Not the timecard thing but if he is spending 70 hours a week we do need to know that. It is something that can be worked on towards the beginning of October, here is an executive summary on what your goals and objectives are, run it by us so we can give come feedback and make sure we are all going in the same direction.

Mr. Herold stated something to start the conversation.

Vice Chairman Rush stated identify where he is spending his time and splitting the budget to those percentages would give a more accurate idea where the budgets are but also if he finds he is spending a lot of time with the employees at swim then that may identify a problem we need to look into.

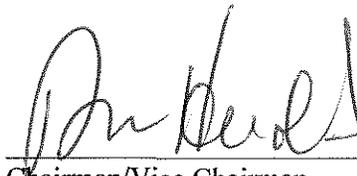
Mr. Andersen stated that is where the conversation started and we will find that out in the next few months.

**XVI – Adjournment**

Hearing no objection, the Chairman adjourned the meeting at 7:48 p.m.



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Secretary/Assistant Secretary



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Chairman/Vice Chairman