

**SUN 'N LAKE OF SEBRING IMPROVEMENT DISTRICT
BOARD OF SUPERVISORS
REGULAR MEETING
Friday, December 11, 2020
MINUTES**

The Regular meeting of the Board of Supervisors of the Sun 'n Lake of Sebring Improvement District was held Friday, December 11, 2020, at the Community Center, 3500 Edgewater Drive, Sebring, FL 33872.

The meeting was called to order at 9:00 a.m. by President Hotelling.

SUPERVISORS PRESENT

Mr. Neal Hotelling, President
Mr. Michael Gilpin, Vice President
Mr. Ray Brooks
Mr. Joe Branson
Mr. Craig Herrick

The General Manager, Tanya Cannady; Board Secretary, Chrissy Hardman; Omar DeJesus, Finance Director; Ariel Fells, Community Services Director; Mike Hurley, Facilities & Security Director; Drew Jones, Polston Engineering and District Attorney, David Schumacher were present; there were approximately 22 people in attendance.

1. Call to order-9:00 a.m.
2. Pledge of Allegiance
3. Announcements:
 - a. A special meeting of the Board of Supervisors is scheduled for Friday, December 11, 2020 at 1:00 p.m. and Monday, December 14, 2020 at 9:00 a.m. at the Community Center, 3500 Edgewater Drive, Sebring, FL 33872.
 - b. The next regular meeting is scheduled for Friday, January 8, 2021 at 9:00 a.m. at the Community Center, 3500 Edgewater Drive, Sebring, FL 33872.
 - c. Please silence or turn off your cell phones.

4. Consent Agenda

Minutes of the Board of Supervisors Regular meeting held Friday, November 13, 2020; Treasurer’s Report and Golf Financials September 30, 2020.

Supervisor Branson moved to approve; Supervisor Gilpin provided the second.

With no board or public comment, the motion was put to board vote.

Roll Call: Supervisor Gilpin- Y; Supervisor Brooks- Y; Supervisor Branson- Y; Supervisor Herrick- Y; President Hotelling- Y

With a vote of 5-0, the motion to approve the Consent Agenda passes.

5. Action Agenda

- a. Discussion: Roads and Drainage project update for Fiscal year 2020-2021, Drew Jones-Polston Engineering.

Mr. Jones confirmed large-scale drainage and road projects will take place throughout Sun ‘n Lake, “we have a budget of approximately \$350,000 to do road improvements and paving” which will include areas not addressed during the 2020-2021 fiscal year. Zones requiring the most work include Cortez and Balboa Boulevard, the work will focus on the “southern side of Balboa to Granada Boulevard,” including a section of Florida Avenue which has deteriorated. More road work will occur on Alcantara Avenue, Spumoni Street, Boabadilla Avenue, Nida Street, Tagus Street and Soprano Street to address the micro-paving that has now gone past its life expectancy of 10-years. “Intersection repairs,” will take place in the Preserve to include overlaying the entire section and road patching. San Lorenzo Drive requires repairs because of ongoing construction traffic and garbage trucks tearing up the “inside radius” of the road. If more funding is still available, we may add additional projects. George Loyd has also requested thermal plastic striping for some roads, which could piggy-back off county contracts.

Supervisor Brooks asked if \$350,000 will be enough funding to perform the projects on Mr. Jones' recommendation list for the next 5 years to which he replied, "Looking at the roads that we have coming up in the next few years, there would probably be only a few of them that I would say would be... in bad shape that we need to address... in the next couple years our roads are going to be in decent shape... a lot of this is preventative maintenance." Mr. Jones admitted there is cracking but structurally the roads are sound, clarifying how his statement excludes roads without homes or utilities, located in the back of the District. He forewarned, there may need to be a budget increase if construction prices grow because of inflation. Supervisor Gilpin referenced the "center streets", specifically San Ignacio Drive- and asked if it will be a while before these roads are repaired to which Mr. Jones affirmed, elaborating, "... we're just going to focus on some of the intersections, we're not going to pave the roads until they get settled down a bit." Some areas will be widened and repaired as needed, such as Woods-and-Irons. Supervisor Herrick asked if he had considered expanding cul-de-sacs; specifically, Pebble Beach Drive, to which Mr. Jones explained, the issue is that the District does not have property to increase their size. The county owns two lots between Pebble Beach and San Bruno Drive; if the District could purchase them, then the goal would be to "loop it into San Bruno." Supervisor Herrick inquired as to the reasoning the cul-de-sac was never completed, to which Mr. Jones speculated it was because of permitting, funding and wetlands. Supervisor Gilpin believed the "wetland issue" had been resolved to which Mr. Jones agreed and confirmed they informed developers of project costs to run the road, but they declined to move forward. Ms. Cannady concurred, adding it was 3 or 4 years ago when the District was approached about constructing the road. President Hotelling noted (throughout the District) it seems the "stop-line" is painted too far from the intersection which in his opinion, reduces visibility around curves.

He asked if there is a law that stipulates “how far back” the line must be to which Mr. Jones answered it is a “general engineering practice... it’s 25 to 35 feet back from the actual intersection, the crossroad.” He agreed they could move it forward if it is a “problem area” to which President Hotelling said we should consider it. Hearing no further questions, Mr. Jones continued his presentation with drainage, stating the upcoming year’s budget is \$200,000. This funding will also cover the expense to continue projects from the previous year, including cleaning rear lot ditches in Unit 4. Additionally, Tarrega Street drainage projects will be reconsidered based on the number of complaints received when it rains. It submerges resident front lots 6 to 9 inches of water and the road floods. To keep costs as low as possible, one option (previously proposed) was to install sock-piping on each side of the road. The goal for this upcoming year will be to install sock-pipe down the north side of Tarrega Street to drain out the area and run water to the pond near Frontage Road. He reviewed how the original proposal called for cutting into driveways to install piping or installing a larger pipe on the back of the lots. The next area, Unit 11, will address road damage caused by two sinking culverts. The state of the road has gotten to where it needs to be repaved. His plan is to repave only the damaged areas; for this to be successful, repairs will need to be made to the pipes crossing the road to avoid “cutting it open” when paving must be done completely. Another project will include Unit 13 ditch maintenance on Manor Drive because of standing water in driveways. The idea is to clean out ditches to make the water move through it instead of sitting in the driveways. Tagus Street will also require repairs because of the rainy season. Storm-water pools at the “inside corner” causing runoff over the road. To remedy this problem, they will install a culvert to run the water through the drain from the corner. In the same area, the intersections at Alcantara Avenue- Neda street and Boabadilla Avenue- Neda Street, the road needs paving because potholes have formed because of a rusted and rotted out culvert.

This culvert repair will need to take place before road paving to avoid additional expenses later. Mr. Jones referenced Unit 16 and confirmed the back-lot trench is a main drainage ditch set between Mexican Hat Drive and Sun 'n Lake Boulevard. It has heavy vegetation and overgrowth; at one point, work took place further downstream on Cortez Boulevard, but additional maintenance is necessary to allow crews to perform further maintenance without a need of a contractor. Pebble Beach Drive (west side) has standing water issues that ditch cleaning may ease. The intention is to start with ditch cleaning to determine if that will be sufficient; however, if a culvert ends up being required, then the board will be informed (first). He concluded his presentation with Unit 18, another area included in last year's project list that was postponed because of funding and the pandemic. Potholes have formed in this area, which is a "main boulevard," the cause of the deterioration is two steel culverts that have rotted out on the bottom. The project will replace them with concrete culverts; additionally, the inlets will be replaced with a fume because they are a hazard. Supervisor Herrick asked if the "south-end of Pebble Beach Drive (west)" near the duplexes will be addressed (drainage wise) to which Mr. Jones confirmed. President Hotelling noted these projects cost \$60,000 over total budget (\$200,000), then asked if he knew where funding for the difference will come from to which Ms. Cannady answered, "not immediately, we could pull that from reserves if we need to." Supervisor Brooks referenced Tarrega Street and asked if residents will be responsible for a portion of the cost to which Mr. Hurley responded it depends on which option, they choose. We could run a sock pipe from the front under the driveways. It would require cutting into the driveway and residents will incur some cost, which he estimated somewhere between \$1,000 and \$1,200 (per home). Notices would have to be sent to each homeowner.

Mr. Hurley confirmed they had performed this project on Edgewater Drive, and it was successful to which Supervisor Brooks acknowledged his understanding, clarifying his question concerned when notice would be sent to the homeowners. Mr. Hurley confirmed notice will go out as soon as the operation identifies the direction of the project to which Supervisor Brooks noted resident involvement will decrease the cost of this endeavor. He asked for a timeline to which Mr. Hurley confirmed he would present more information by the January 8th meeting. Ms. Cannady added management will need to get cost estimates prior to which Supervisor Brooks pointed out how Tarrega Street is not the only problem area, there is Boston Street and others which will need to be addressed. President Hotelling asked who will make a final decision to which Mr. Jones responded, "some of that's going to be determined on whether or not the residents would be willing to pay a portion of it." Should they not want to move forward, then the special assessment process must be pursued which will push the project out of the current fiscal year's budget. This is the main reason management is considering sock-piping along the back of the houses. The option requires more piping but less cutting into the driveway. Sock pipe is an affordable option (not including labor) to which President Hotelling reviewed how management will send letters to homeowners, depending on their response, the District will inform the board of which direction will be pursued. Supervisor Herrick asked how many homeowners are affected to which Mr. Jones answered 21-homes. He affirmed the idea is not to do it all at once to avoid spending all the drainage budget. Supervisor Gilpin stated he was on the board during the initial discussion and recounted how the District would not pay for the entire project because it is a design problem (by the developer). Ms. Cannady added the "full-proof" plan is to install culverts but is also the most expensive option. Hearing no further board comment, President Hotelling called for public comment.

Mark Caramanna- Introduced himself as a resident of Myrtle Beach Drive and referenced ongoing construction traffic. He asked why the responsible company is not held accountable for this road damage to which Mr. Hurley answered, “we’ve met with the contractors and talked to them about their subcontractors, they have fixed some damage.” Mr. Hurley confirmed security is involved and agreed they can install a temporary speed bump (with the General Manager’s approval). Mr. Caramanna reiterated his concern for road damage to which Mr. DeJesus explained upon last inspection, the District will charge the contractor to repair the damage for Sun ‘n Lake to sign the release. Funds received are used to repair the road once construction has concluded.

Bill Norcross- Agreed the Maronda Homes area is terrible for flooding, especially after heavy rains. He recalled homeowners were told it would cost \$2,000 to move the water by going under the driveway. At that time, they refused to pay.

Debbie Buckingham- Confirmed she is a Tarrega Street resident, expressing her gratitude for the board’s consideration. She recounted how residents were told their portion of the project cost would be \$10,000 (each). She believed and felt the current proposal is a better mitigation strategy. Ms. Buckingham confirmed they have resorted to buying a sump pump which has operated steadily, causing higher electric bills. She declared her willingness to pay what is necessary to get the problem fixed.

President Hotelling agreed it is important to have this discussion, calling the District’s proposal a “good effort” to address drainage to which Supervisor Herrick concurred.

b. Discussion: Ponce de Leon Boulevard speed limit change.

President Hotelling confirmed he requested this topic be placed on the agenda because he was “caught off-guard” when he saw they had decreased the speed limit on Ponce de Leon Boulevard to 25 miles per hour. When he reached out to Ms. Cannady, she informed him it was an operational decision and felt it should have come from the board. He was of the opinion, 30 miles per hour in that area is reasonable to which Mr. Hurley recounted the speed bump petition from the November 13th meeting. He felt changing the speed limit would be an appropriate method to address the problem to which President Hotelling agreed with changing the speed limit near the church and the school; however, signs are not present until after the school. There is also nothing showing the change between Nadena Drive and Sun ‘n Lake Boulevard, to which Mr. Hurley stated they informed the board of the speed limit decrease on Ponce de Leon Boulevard during a previous meeting. President Hotelling asserted people are unaware of the change because of the location of the signs, then asked his constituents if speed limit changes should come before the board. Mr. Hurley reiterated his statements, concerning informing the board at a meeting to which Supervisor Brooks asked what one? He answered when the petition came before the board to which he noted it took place months ago. Mr. Hurley stated moving forward, speed limit changes will come before the board to which Supervisor Brooks said the letter he received (on the subject) lacked enough detail for him to know where this change occurred. He agreed with President Hotelling because speed bump locations involve the board. Supervisor Brooks said the intention is in the right place; however, the board needs to be involved. Mr. Hurley asserted he decided and felt it was for the safety of the residents. President Hotelling asked if the speed sign’s results had been reviewed (since they originally placed it) to which Mr. Hurley answered that had not occurred yet.

Supervisor Brooks felt he needed more information to make an informed decision to which Supervisor Herrick agreed the board should be the one to decide, adding he disagreed with 25 miles per hour. Supervisor Gilpin concurred, to which Mr. Hurley reiterated how he had decided, then asked if the board prefers the speed limit be 25 miles per hour (at least until after the school). Supervisor Brooks requested his recommendation be submitted to the board (in writing) so he can decide to which Supervisor Branson pointed out without enforcement, it will not matter. He believed Mr. Hurley may have inadvertently increased the potential for speeding. Hearing no further board comment, President Hotelling called for public comment.

Robert Edlow- Introduced himself as the petitioner from Ponce de Leon Boulevard and asked what the speed limit is for Granada Boulevard to which Supervisor Branson confirmed 30 miles per hour. Mr. Edlow noted there are 2 (or 3) speed bumps in that area to which President Hotelling replied there are 2 speed tables on Ponce de Leon Boulevard. Mr. Edlow asked what the advantage is to retain a 30 miles per hour speed limit to which President Hotelling answered, "... it is a main boulevard that leads to residential areas." Mr. Edlow disagreed, asserting it is a residential area. President Hotelling recounted the traffic analysis presentation and recommendations to allow the road to determine speed limit.

He asked his constituents their opinions on how to proceed to which Supervisor Brooks affirmed, "I prefer to leave them as they are until they send me something." Supervisor Herrick agreed to which President Hotelling instructed the operation to bring back a report by the January 8th meeting. Supervisor Gilpin reverted to Mr. Edlow's address, affirming he had witnessed it to which Mr. Jones agreed it is however, "the distance between the two is not conducive to speeding" based on the data.

He recommended not placing a speed bump in that area to which Supervisor Gilpin asked that they analyze the traffic (periodically).

c. Discussion: Operational survey action plan updates.

Ms. Cannady took the floor announcing there have been operational updates since the presentation in August. She preferred to answer questions from the board to which Supervisor Brooks referenced the Community Center landscaping. He was aware they had implemented a maintenance plan (in July); however, funds were also allocated in the new budget. Supervisor Brooks requested an update to which Ms. Fells answered, "Tanya and I have been talking about the landscaping around the community center... I believe this is referencing within the pool, I know Mike's guys did some really serious work on the landscaping in the pool back in July, and I think that's what's referenced on here." We allocated money for landscaping of which a portion will go to the Community Center, to which Supervisor Brooks asked if there are still plans to address irrigation. Mr. Hurley confirmed, estimating they will have it done by August, to which he read the action plan called for "pressure washing the pool deck and prepare surface for sealing later in the year." Supervisor Brooks requested an explanation for "later in the year" to which Ms. Fells elaborated they must apply the sealant during the dry season. As she explained, they do a "deep pressure wash on the deck" which works as a sealant and must be done when there is no rain. President Hotelling asked how the operation will know when to move forward to which Mr. Hurley answered they do this work in July. Ms. Fells countered the work will have to take place during the winter. She proposed January or February to which President Hotelling asserted the importance of having a maintenance schedule. Ms. Fells noted the weather is cooler, so the pool will probably already be closed. Supervisor Brooks requested a copy of the "flyer with play times" to which Ms. Fells agreed it is available.

President Hotelling noted a statement on the report concerning the tennis courts, "(they) are not well maintained, there are lights that are busted out not being replaced, the court paint is faded and needs to be re-painted, the windbreaker needs to be fixed and the court needs to be cleaned." He said the note from the operation is that they have replaced the lights to which Ms. Fells elaborated we also replaced the windscreens. Tennis courts were repainted in 2019, and the Racquet ball courts were done in 2020. She confirmed the Maintenance department replaced broken lights, and Mr. Jones inspected the courts for resurfacing issues. Based on his inspection, the courts do not need to be redone immediately. President Hotelling affirmed that information should have been included in the "improvement plan" to which Ms. Fells agreed to make revisions. Supervisor Brooks asked if Mr. Jones had an estimate for when resurfacing will be necessary to which he answered, "a lot of the damage was on the perimeter... and the small pitting that they saw, I guess we used an asphalt surface and it's the aggregate... a lot of that is going to depend on if it starts buckling or... causing trip hazards... I don't know how... long that surface is going to last for." He confirmed the "perimeter cracking" is primarily at the tennis courts, but "pitting" is occurring in the pickleball area. It should be an area inspected annually and suggested looking into the original documentation to find out if there is a warranty. Supervisor Brooks noted the courts were resurfaced twice, to which President Hotelling asked that Ms. Cannady research this work and build a maintenance schedule for the courts (based on that information) to which she agreed. Supervisor Gilpin agreed it is important to have a plan, recounting the work involved with the Clubhouse entrance. Supervisor Brooks reverted to the kitchen and referenced page 2 of Mr. LaMere's report. It stated the operation did not purchase additional heated plates to which Mr. LaMere explained at the time of the original report, the operation recommended additional heat and retractable lamps; however, after installation of the heat lamps it was determined to be "sufficient."

Supervisor Brooks said Mr. LaMere mentioned “different types of china” but he was unclear what the plan is calling for to which he answered, currently the operation is “maintaining our inventory of china.” At some point, it will need to be replaced, an expense he estimated at close to \$25,000. Supervisor Brooks asked if the current china came from the Clubhouse opening (10 years ago) to which Mr. LaMere admitted he could not confirm. He reassured the board it is not an immediate need but should be included in long-term budget planning. President Hotelling asked if his reason for including it is the operation could not replace china (as it breaks) to which Mr. LaMere agreed they are using a “less expensive option than the originals,” they do not match. President Hotelling proposed it is less cost effective to purchase non-matching china as replacements if it means the operation must replace the entire inventory. Mr. LaMere’s concern is based on the worn condition to which President Hotelling replied, “if you are replacing the china as it breaks, then you’re going to have this cycle of old china and new china... so you may not have to do a complete re-purchase, unless you’re trying to change the overall décor.” Supervisor Brooks felt they should include it in the budget for next year, then reverted to staff. He asked if servers offer specials when they approach tables to which Mr. LaMere answered they include specials in menus (left on the table). He agreed staff should be knowledgeable with product and reassured them the occurrence of servers not knowing the special has decreased. Supervisor Herrick referenced bar training, to which Mr. LaMere affirmed he has been addressing the over-pouring. He attributed it to a stock-pour issue, the operation may need to adjust its portion expectation concerning “stock pour.” Supervisor Herrick felt the drinks are strong to which Supervisor Brooks referenced a page entitled “Jessica/Kelly” which mentioned encouraging residents to join the e-mail list via the Sun ‘n Lake website, verbally and through social media. He asked how that task is measured, to which Mr. LaMere agreed he would have to follow up.

Ms. Fells confirmed there is information on the newsletter about signing up for e-blasts, and they mention it to anyone attending events. Often people come to the District office to inquire and we also find it in the new resource guide, occasional Facebook posts, and the marketing website. Supervisor Herrick referenced the “timeliness of the newsletter” and reiterated his concern that delays make the operation look “unprofessional.” Ms. Cannady confirmed they already made this change to which Ms. Fells elaborated; the next edition will only include information for January. Supervisor Brooks reverted to Thanksgiving F&B sales, asserting \$7,000 was earned in revenue. He asked how revenues did compared to the prior year to which Mr. LaMere confirmed 240 dine-in meals and 120 takeout meals were served in 2020 compared to 460 meals in 2019, totaling (roughly) \$10,000 in revenue. The menu size this year was decreased because of the pandemic and sanitation practices. This meant they also reduced the price; overall, there was 25% less in attendance with a 30% decrease in revenue. Supervisor Brooks reverted to “Breakfast with Santa,” confirming he was told there are 23 reservations (as of December 3rd). He asked for an update to which Mr. LaMere agreed he will follow up with him. There is plenty of space to honor social distancing practices, it’s not an event that earns a lot of revenue; however, it’s designed to attract a younger demographic. Supervisor Brooks asked him about New Year’s Eve, to which he confirmed he has been marketing the event. There are a few reservations, but typically this event does not fill until at least 2-weeks out. This year the balloon drop, and dancing will be eliminated because of the pandemic. Now, there will be dinner with champagne, and the price has not changed. He is endeavoring to find a safer way to raffle off items to which Supervisor Herrick voiced his displeasure at the meal like prior years (specifically, a filet with golden potatoes). He felt a different cut of steak and a baked potato should be offered to which Mr. LaMere answered the filet is (typically) the preferred cut for patrons.

It will not hurt the operation if the steak does not sell because it is a menu item. Supervisor Brooks reverted to the golf course, and Mr. LaMere's update concerning the bunkers. He was left with the impression that they need a lot of money to fix these problems, then asked if that will be a requested item over the budget sessions to which Mr. LaMere concurred. With that said, Mr. McMinn's comments on the report confirmed he will continue to maintain these areas by focusing on the worst bunkers. President Hotelling asserted his belief that this capital expense is unnecessary because they can be maintained cyclically. Supervisor Herrick asked if they have planned for the aqua tees to which Mr. LaMere answered the project is planned for summer 2021. Mr. McMinn will meet with representatives from the membership (involved in the project) in January. Supervisor Brooks requested survey comments be taken seriously and urged the operation to move forward on requests. He also asked for the community be made aware of the District's endeavors to address their concerns. Hearing no further board comment, President Hotelling called for public comment.

Bill Norcross- Said he heard from people who attended the Thanksgiving event that it turned out very nice, then asked presenters for the special meeting be asked their opinion concerning working with the Citrus Golf Trail to which Mr. LaMere stated, "we are the Citrus Golf Trail... me and Andy are... the two... that head up the Citrus Golf Trail, we work alongside the TDC and some of the other courses."

Mark Caramanna- Complimented management for their work with Thanksgiving and expressed enjoyment when speaking with staff from the pro-shop.

- d. Discussion: General Manager Job description, goals, and objectives update.

Ms. Cannady announced the first item to discuss would be the job description, "... oversees the preparation and administration of the annual budget approved by the Board of Supervisors, annual audit, financial reporting and capital projects with the Finance Director... the second change... is an addition to responsible for communications to residents, golf members and other recreation members." She asked if there were questions to which Supervisor Brooks inquired when the Strategic Plan was established. Based on his research, in 2018 they approved it through the Consent Agenda. He felt there was not enough discussion during its adoption, to which Ms. Cannady explained the deliberative process occurred over several meetings with Global Golf in 2018. Supervisor Brooks felt it was a "dead issue" which reemerged after 2-years. He was curious why it is a part of the District's plan to which President Hotelling asserted it came up for discussion, and the board agreed they could use it as a guide. Supervisor Gilpin recounted his involvement and stated from his understanding, the board was not in agreement with the plan. Supervisor Herrick remarked it was his first time reviewing the document to which Supervisor Gilpin affirmed he is against most of the proposed Global Golf recommendations. President Hotelling recalled reviewing a copy of the Strategic plan when he became a board member to which Supervisor Brooks asserted, we should reexamine it. Ms. Cannady agreed, elaborating there have been changes to the original Strategic Plan. She announced she would finish reviewing the General manager's job description before proceeding to the Strategic Action Plan. Her next objective is to "perform a review of the current evaluation process and compare to other local government special districts... since I would like to include multiple governments in my analysis, a determination on the next best course of action and recommendations will be discussed, and I have planned that for-

February 2021.” Supervisor Herrick requested that in relation to her February update, he would also like to see “job descriptions for your direct reports.” Ms. Cannady continued with securing PGA/outside events, stating her recommendation is to move this objective to the Strategic Action plan. Mr. LaMere agreed, adding he has looked into it and met with Symetra Tour representatives to see about bringing an event to Sun ‘n Lake. To do so, it will need a sponsorship of over \$100,000. He also spoke with the Regional Marketing Director for AdventHealth who confirmed they cannot provide a sponsorship. Ms. Cannady stated they have taken this objective out of her responsibilities and placed it into the Strategic Action Plan because it is a “group effort.” She reverted to “providing and maintaining the utility systems for the health, safety and welfare for the District’s residential and commercial property owners,” adding her objectives have now been revised to show Phase 1’s estimated completion date is February 2021. Phase 1 determines available funding for upcoming projects, along with the documentation for “funding applications.” Initial quotes estimated it will cost \$80,000, an expense she did not believe is the best option for the District (right now). Phase 2 will be “project prioritization, cost analysis and preliminary estimates,” to which Supervisor Brooks asked for a clarification of what this objective will accomplish. Ms. Cannady explained how its completion will mean the adoption of a utility Master plan that will address serious infrastructure issues such as replacing 2 miles of asbestos water lines. It is her belief that available grant funding can reduce the overall cost for these projects. To apply, there must be a Master plan in place to which President Hotelling added, “it is a long-term Master plan.” Ms. Cannady confirmed her goal is to complete some larger utility projects to which Supervisor Brooks asked if she expects its completion by May (2021), including cost estimates to which she affirmed.

Supervisor Herrick asserted he is still “struggling” to understand what she presented because in his opinion, these objectives should explain what she will accomplish in the upcoming year. It should be measurable; however, what she provided is (instead) goals to which Ms. Cannady acknowledged her recommendations are broad in scope. Supervisor Brooks felt it should be a combination of tasks and objectives; furthermore, her job description should include more budget focused objectives. Supervisor Herrick agreed tasks like a 10% reduction in the budget can be considered an achievable objective. What she presented is more a list of tasks that will help her achieve overall objectives. Supervisor Brooks stated they do not inform the board on the District’s annual performance to which Ms. Cannady countered the monthly financials provide this information and Mr. DeJesus will present a “year-end” update during his staff report. She announced the next objective is to, “provid(e) adequate and convenient open space recreation facilities.” Ms. Cannady confirmed S&ME cost estimates have been received and will be given to Guardian, the agency responsible for grant funding research. In return, they will present this to the board in January. Supervisor Brooks reverted to Supervisor Herrick’s previous point, and ask that she, “... come up with five statistical objectives on things that you... think we can improve upon, and to what extent we can improve upon them, that you will take responsibility.” Supervisor Herrick agreed, describing her document as tasks that will support her statistical goals. Ms. Cannady affirmed her understanding, and concluded her presentation with, “develop a plan to sell District owned property... then promote development through marketing and comprehensive planning.” She confirmed Ms. Fells has updated the Sun ‘n Lake Marketing plan overview, and there is little available District owned property to sell. The next aspect of this conversation involves County owned lots. She met with Commissioner Kirouac, who toured the District; during which they discussed this issue.

He confirmed for the time being, Mr. Kirouac will meet with his staff to determine what they can do. Supervisor Gilpin asked when the next County sale will occur to which Mr. DeJesus answered they have not advertised it. He estimated the next one will be in January, to which Supervisor Brooks asked if her job description will come back to the board (then), Ms. Cannady confirmed.

e. Discussion: Strategic Action Plan 2020-2021

Ms. Cannady began the discussion, confirming "... in November 2018 the board adopted 26 items that Global Golf had recommended as an initiative action." We then assigned tasks to staff; they provided a summary in pages 1 through 4 of her report. From page 5 on, the document serves as a "working document" which will be brought to the board regularly to keep them apprised of the organization's progress concerning these objectives. She also provided a listing of completed projects to which Supervisor Herrick disagreed with item #15. In his opinion, the District does not have a Marketing plan, and they have taken no action to apply funds to increase marketing efforts. Ms. Cannady explained Global Golf proposed increasing the marketing budget and hiring a third-party marketing firm. They did this when the board hired World Design Marketing (WDM) to which President Hotelling elaborated, it did not go well, and the District moved on without WDM. He disagreed with not adopting a "strategy for improving our marketing" to which she confirmed Ms. Fells had established a marketing strategy. Supervisor Herrick inquired when that would be available, to which she agreed to send it to the board by the January 8th meeting. Ms. Cannady explained ongoing initiatives and "unapproved" initiatives, "Global Golf said why doesn't the Club think about hosting a pay what you think it's worth day" of which was not pursued. Supervisor Brooks proposed reviewing the Strategic Action Plan item-by-item to determine if we should keep objectives to which she agreed.

Supervisor Gilpin stated the meeting needed to move forward because of the special meeting. He did not disagree with reviewing the Strategic Action plan (as a whole) to which Ms. Cannady said she would bring back the document. Supervisor Brooks asserted the document should remove the Global Golf name to which Ms. Cannady agreed. President Hotelling proposed scheduling a workshop after the January meeting to discuss this. Supervisor Brooks referenced item #10, “consider selling non-peak tee times to third-party providers to attract non-local golfers... that’s complete and we do that with Golf Now,” then asked how much the expense is to which Mr. LaMere answered it is not a set fee because they are paid commission. He reassured the board (at this time) there is little traffic coming from Golf Now to which President Hotelling clarified that non-peak times are not actually being sold, it has made available through their site. He voiced his disagreement with selling non-peak times to a third-party altogether, to which Supervisor Brooks agreed he felt it was a waste of money. Supervisor Gilpin referenced the amount of Action agenda discussions and recommended not including as much because of time (in the future). Supervisor Herrick asked how much we pay Guardian for their services to which Ms. Cannady confirmed it is up to \$6,000, based on an hourly rate. He noted it was mentioned in the Highland’s News-Sun, someone moved from the city of Sebring to the County’s grant department, then asked if the District has considered working with the County to research grants to which Ms. Cannady replied, “I didn’t get the response that I wanted last summer... when she took on the position.” She agreed to work with the county on this project, moving forward.

6. Add-on Items

7. Petitions and Communications (1)

a. Mr. and Mrs. Drury Correspondence-

Mr. DeJesus took the floor to which an audience member interjected. The audience member affirmed he had provided a petition to Mr. Hurley for speed bumps on Sunrise Drive (south) to which President Hotelling asserted it must be reviewed by staff before coming to the board. This conversation would focus on petitions that have been reviewed by staff to which Mr. DeJesus continued, "... they're doing a remodel on their home... the reason it has come to the board level is... they're proposing an additional driveway to be a round-about... it does exceed the 30% requirement on the permit... based on the calculation we've done, the current proposal is about 39%." There are several homes under construction who also have the double driveway (on Pebble Beach Drive) and the request is consistent with other homes/new development in the area. President Hotelling referenced the policy, asserting variance requests have been increasing. He proposed presenting the request during public comment at the annual Landowner's meeting to allow the public to speak on the request. He was not inclined to approve the variance request because it goes against the policy to which Mr. DeJesus explained how the policy is one of the older implemented procedures. The calculation is based on the "front-edge of the home" which creates an issue because the garage (in relation to the front door) is not included in that calculation. Management feels we should modify it to account for that. Their request would not be a problem because it is aesthetically appealing to which Ms. Cannady noted if the board were to decide to amend the policy, then it will need to be brought before the County. Mr. DeJesus recommended moving forward with a revision because it will decrease the frequency of variance requests. Additionally, the operation does not want to discourage development to which Supervisor Gilpin agreed they should grant an approval and the board should consider the policy amendment.

He reiterated his preference to see the policy's calculation changed to which President Hotelling requested a clarification for how they intend to revise it. Mr. DeJesus replied, "I think we need to reword it where it includes all the way up to the front of the home, the front door, the bedroom... all that extra front yard... I think it needs to be expanded to the entire front yard." Mr. Schumacher agreed to create a revision by amending the definition of front yard, "If we include the right of way and... the north end of the house, if we take that corner, we get all that additional green, we're already at 30%." Supervisor Herrick moved to approve the variance request; Supervisor Brooks provided the second.

With no board or public comment, the motion to approve the variance request was put to board vote.

Roll Call: Supervisor Brooks- Y; Supervisor Branson- Y; Supervisor Herrick- Y; Supervisor Gilpin- Y; President Hotelling- N

With a vote of 4-1, the motion to approve the variance request passes.

8. Staff Reports:

a. Mike LaMere, Golf Report

Mr. LaMere began his report with Maintenance, confirming overseed has been placed on both courses, including the driving range. With the increase in cart traffic, over 5,000 linear feet of rope has been erected to direct golf cart traffic in hopes of limiting wear-and-tear on the course. The weather has been colder, which is a contributing factor for the turf's slower healing rate. They scheduled white tee markers to be repainted, which should be completed by the end of the week (December 18th). Supervisor Brooks asked if he posted signs to inform golfers to stay on the fairway to which Mr. LaMere said that is not the case. He will send the information out in the next newsletter, along with e-blasts.

Supervisor Herrick proposed using the same company who made Supervisor Branson's election signs, to which Mr. LaMere agreed he could do that. In his opinion, they would be an "eye-sore" to which Supervisor Brooks voiced his disagreement in relying on e-blasts and newsletters. Mr. LaMere continued his report confirming there is "disease pressure" caused by Pythium Blight on the greens. The current turf conditions are related to the recent cold and damp weather. Mr. LaMere reassured the board they have put preventative and curative applications into place. He reverted to memberships, confirming 34 of the 50% off enrollments have expired. So far, 18 have renewed and year-to-date there have been 24 new members to enroll under this category. There has been \$862,000 earned in membership revenue, compared to the prior year's \$1 million. Currently, the operation is (approximately) \$140,000 to \$150,000 under budget expectations to which President Hotelling assumed it is pandemic related. Mr. LaMere agreed, reassuring the board he is actively enrolling members (each day). He remains optimistic that they will still be able to hit budget (\$1,040,000). With that said, he has accounted for a loss of "about \$950,000 to \$960,000 from here to the rest of the year, that's what's going into my long-term forecast, as far as trying to figure out what we need to do the rest of the year to try to still make our budget." Supervisor Brooks asked how many of the enrollments were International members to which Mr. LaMere estimated 6 (or 7) to which Supervisor Brooks requested updated information after December 15th. Mr. LaMere continued his report stating private Christmas parties are scheduled at the Club, along with 3 smaller weddings for December. He reverted to golf, confirming in November the scheduled Demo Day event earned over \$22,000 in sales. They scheduled the cart fleet to arrive on December 13th and December 14th. Supervisor Branson asked their color to which Mr. LaMere confirmed "electric blue." He reverted to the Citrus Golf Trail and the "Fan trip," an event which hosts writers from all over the country.

They played Pine Crest, River Greens and Turtle Run, of which President Hotelling met with the group. They held a press conference at Pine Crest during which Andy Kesling announced the Citrus Golf Trail wants to hold a tournament in December 2021, “a multi-day, multi-facility event.” This event will bring golfers from around the country and the goal is to make in an annual event benefiting the local Boys and Girls Club. He confirmed he is performing a “facility audit” to ensure all Indigo policies and procedures are being followed. Mr. LaMere announced they have nominated him to chair the Sebring Chamber of Commerce board for 2021, then asked if the board received information concerning the Twilight Golf membership. Supervisor Brooks recommended waiting for rate discussions during budget sessions. Supervisor Gilpin expressed his approval of hosting a tournament under the Citrus Golf Trail, including Mr. Kesling and Mr. LaMere’s involvement.

b. Ariel Fells, Community Services Report

Ms. Fells announced the “Santa Paws” fundraising event took place December 10th of which 50 dogs took part, and we made a \$361 donation to the Sebring Angels. The 3rd annual “Christmas Lights Challenge” has 24 homes signed up to take part, which is 6 more than last year. A map is available to those who want to look at the lights and judging will take place on December 17th. Winners of the competition will receive gift cards. She concluded her report announcing the annual Sun ‘n Lake yard sale will take place on January 16th. Information is available in the newsletter and will also be sent to the community via e-blast.

c. Omar DeJesus, Finance Report

Mr. DeJesus took the floor and confirmed year-end financials were approved in the Consent Agenda. The audit has officially concluded, and he expects it will be an “unmodified opinion” for the 5th consecutive year.

The operation collected \$70,000 more in assessment revenue compared to November 2019. A majority of collected amounts came from new construction and county lot sales. There is also 25-pending bond settlements for the “Phase V bond.” We estimate each settlement will earn \$3,000 to \$4,500 in additional District assessments (per property). In relation to the September financials, collections were \$1,000 off from last year’s performance. The General fund earned \$19,000 in net income and it balanced the budget. This figure includes the \$700,000 transfer from the Utility to the General fund and half of the kitchen remodel budget (\$420,000). The Utility fund operated at a positive \$166,000 of which \$130,000 was carried over for the completion of the grinder project. Supervisor Herrick asked how many permits they applied for in 2020 to which Mr. DeJesus confirmed (approximately) 85 despite the pandemic and holidays. Supervisor Gilpin asked if homeowners who purchase in the District pay a pro-rated assessment to which Mr. DeJesus explained the process of which is handled during the closing. This process does not involve the District to which Supervisor Herrick asked in the past 3-years, where did assessments come from? Mr. DeJesus answered, “... the last two years have been right at \$3.2 million because of the vacant lot decrease that we performed 2-years ago... this year it was only \$1,000... right at \$3.2 million; before that, we were performing right around \$3.4 million, so we went down about \$150,000.” We have implemented new collection processes which have not been an issue. This method will make sure people are paying their assessment in full, to which Supervisor Gilpin agreed we expected it. Mr. DeJesus said the Utility fund showed a \$400,000 revenue increase, which was attributed to new construction and rate increases. Supervisor Herrick asked for an update on Mr. Hornick and the “due diligence” period to which Ms. Cannady answered it set her to meet with him the week of December 14th. She agreed to update the board as soon as more information is available.

Mr. DeJesus referenced capital expenses which were placed on hold by the board, then asked if they want to continue holding to which Supervisor Branson proposed waiting until after January 1st. Mr. DeJesus explained how his question is prompted by the RFP process of which most of the purchases must undergo. Supervisor Branson asserted equipment is what he is most concerned about, to which Mr. DeJesus replied the operation can work on getting them ready for the “pipeline” considering manufacturing and delivery schedules. Supervisor Herrick asked if they would repair the bulkhead during season, to which Mr. DeJesus answered that will more than likely not be the case. Supervisor Brooks asked about October and November financials, to which Mr. DeJesus reassured him we will make them available for January. Supervisor Brooks referenced the subsidy, then asked if budget could be presented without it to reflect accurate losses to which Mr. DeJesus replied, “typically it’s the bottom net loss number, so if Indigo presented the \$180,000... it’s (that amount) in subsidy.” Supervisor Brooks acknowledged his understanding for why that is done for bookkeeping; however, he wants to present a realistic picture for what the actual losses are. Supervisor Herrick thought that was already provided in Mr. DeJesus’ recent spreadsheet to which Supervisor Brooks requested moving forward, this be the format for the financials, “I don’t think I need to see the subsidies that the District’s got to give them.” Mr. DeJesus confirmed he can take it out of the financials. Supervisor Brooks asked if they could include the lease arrangements in the operating budget to which Mr. DeJesus answered, “... the only thing preventing that from occurring is the current contract and the board altering that contract.” The contract needs to be amended to exclude operating leases, which includes equipment and the golf carts. Ms. Cannady noted that by amending the contract, Indigo will also have to agree for it to be valid, then confirmed she will bring it to the board.

9. General Counsel Report:

Mr. Schumacher announced they expected the Avanti matter to be a filed suit by the end of November; however, that did not occur. He confirmed the complaint has now been filed and a case number should be assigned by the end of the day. Mr. Schumacher reverted to the Castro litigation of which a response has been filed and opposing counsel has requested an extension. There is no expectation for there to be movement until January. Most of the foreclosures have concluded; based on discussions with the bondholders, there will be a group of foreclosures they want to start. He confirmed, "after reviewing the agreement that we have with the bondholders, the District is responsible for paying for those foreclosures, the good news is that we get our money back first... if they get sold all of our expenses (is) covered before remitting any money to the bondholders... if the property comes back to us, we have the right to hold on to that property, and/or sell that property... and then we take all of our expenses out before we remit." Nothing has been turned into him yet, but it is "forthcoming" to which President Hotelling asked if the District is obligated to pay for the expense? Mr. Schumacher confirmed based on the executed agreement and the wording "sole expense." He concluded his report with clarification concerning the first amendment for the bond of which he agreed to forward an email from the bondholder's counsel. Mr. Schumacher asked if there are any questions that they direct it to him to be sent to the bond holder's counsel. Basically, "the bond that is attached to the trust amendment is a form, it does have some errors that are going to be corrected but there are going to be a significant number of blanks that remain as a form... when that form is completed, it will be printed on special bond paper... some kind of watermark... and then, that completed document will be brought to the board for final signature." The amendment serves to approve the "basic form;" once completed, they will bring it back before the board for final approval.

10. General Manager's Report:

Ms. Cannady confirmed there are no assessment appeals for 2020, which means they will not form a committee. She announced the County deeded six lots to the District, 5 on Matanzas Drive and 1 on San Ignacio Drive. We will use the lots for drainage; since, they will never be developed and cannot be resold. She concluded her report reverting to her meeting with Scott Kirouac, stating a discussion occurred regarding the gas tax and resurfacing grants. President Hotelling referenced the drainage lots and asked if there is tax liability to which she answered the District has requested a variance because we cannot develop the land.

11. Unfinished Business

12. New Business

13. Committee Reports

14. Public Comment

Bill Norcross- Congratulated Mr. LaMere for his appointment (as Chair) on the Chamber and complimented staff for their efforts to remark the golf course and improve the greens. He referenced the asphalt path, saying he hoped to see repairs soon. Mr. Norcross reverted to overseeding for the driving range to which Supervisor Brooks interjected confirming they have completed this work.

15. Discussion to/from Board

Supervisor Gilpin announced he visited 3 facilities: Brown's Ocala course, Troon's Fort Myers course, and KemperSport's Estero course. During his visit, he spoke with each General Manager concerning keeping current employees and their business practices. Each director reassured him they would try to keep all staff (should they wish to stay). He also spoke with them about ownership of which 2 companies have "ownership on the property." The Troon facility is a "bundled company" that operates off a set fee.

Supervisor Gilpin noted the general feeling of each facility was that they preferred working with 1 or 2 owners. He suggested the board keep this in mind for the special meeting. He reviewed the history of the Brown facility, the pitfalls concerning the F&B operation, which eventually turned around with help from the community (pre-COVID). The Troon and KemperSport's facilities were under construction; furthermore, the Estero location is managed by the General Manager who is a resident there. In conversation, the Director confirmed how the Golf pro and she work together. She sets the budget and informs the management company of what they must work with. Troon's facility is very similar, and their General Manager confirmed they work with the management company. Staff (including the head pros) were working, and he did not see assistant's; however, he surmised it is because of the strict budget they must adhere to. He witnessed a lot of women preparing to tee off, rangers and starters. Supervisor Gilpin confirmed he saw no gators driving around and toured two of the location's Maintenance facilities. Each location seemed smaller than the District. President Hotelling asked if he visited 18-hole courses to which Supervisor Gilpin answered the Brown course was 36-holes. The price for golf was \$42 per round, which staff confirmed is lower than what they prefer; but competition is fierce. He reassured his constituents he did not meet any of the speakers of the special meetings. Supervisor Brooks took the floor and announced they informed him one of the rejected companies from the RFP reached out and requested another chance. He is inclined to speak with them because they took the time to reach out, then asked his constituents their opinion. Supervisor Gilpin said he will speak with them, to which President Hotelling voiced his preference to continue as originally decided. Supervisor Branson agreed to which Supervisor Gilpin said he can go with the majority. Supervisor Brooks affirmed he would prefer to speak with this agency, to which Supervisor Herrick concurred. President Hotelling voiced his frustration that a decision was made, but it is now being reconsidered (before two scheduled meetings) to which Supervisor Herrick reverted to his original decision.

Mr. Schumacher reviewed the procedure, "... if there was a vote taken, that it was going to be 4... then it has to be (changed by) the winning party... and it doesn't sound like that's happened." Ms. Cannady explained she decided to give the board the information, then asserted it should be discussed during "Board to Board." Mr. Schumacher reiterated how to overturn the original vote; it would mean another poll must be initiated by one of the original Supervisors who voted in favor. They must move to reconsider and in his opinion, that has not occurred. President Hotelling requested an update concerning the new sound system to which Mr. DeJesus replied a purchase order has been entered into the system, it is being ordered by the vendor. He requested a timeline to which Ms. Cannady said it is pending. Hearing no further board or public comment, the meeting was adjourned.

The meeting was adjourned at 12:31 p.m.