A. CALL TO ORDER

District Manager Jason Pierman called to order the Regular Board Meeting of January 28, 2013, of the Venetian Community Development District at 1:30 p.m. in the Venetian River Club located at 502 Veneto Boulevard, North Venice, Florida 34275.

B. PROOF OF PUBLICATION

Mr. Pierman presented proof of publication that notice of the Regular Board Meeting was published in the Sarasota Herald Tribune on September 19, 2012, as part of the District’s Fiscal Year 2012/2013 Regular Meeting Schedule, as legally required.

C. ESTABLISH A QUORUM

Mr. Pierman determined that the attendance of Chairman Tom Jones, Vice Chairman Jerry Jasper and Supervisors Jim Shea, Mike Craychee and Barry Snyder constituted a quorum and it was in order to proceed with the meeting.

Also present were: District Manager Jason Pierman of Special District Services, Inc.; General Counsel Andy Cohen of Hankin, Persson, McClenathan, Cohen & Darnell; District Engineer Rick Schappacher of Schappacher Engineering & Surveying; HOA Manager David Liston; and River Club WCI General Manager Josh Grant.

Also present were Pamela & Peter Allen; Howard Slair; and Dick Ritter.

D. ADDITIONS OR DELETIONS TO THE AGENDA

Mr. Jasper requested to remove item II, Acceptance of Tennis Committee Minutes. He also requested the addition of a discussion regarding the white paper on cost savings that he prepared. Mr. Cohen requested that a discussion regarding the non-residential agreement be added; Mr. Jones requested that a discussion regarding the front gate be added; Mr. Grant requested that a discussion regarding employee compensation and pool lifts be added; and Mr. Craychee requested that a discussion regarding the final Environtech invoices be added.

E. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

There were no comments from the public for items not on the agenda.

F. APPROVAL OF MINUTES

1. January 14, 2013, Regular Board Meeting
The minutes of the January 14, 2013, Regular Board Meeting were presented. Mr. Cohen noted that item #6 on Page 5 should state, “Mr. Cohen is working on the amendments.” Mr. Shea noted that item #8 on Page 5 should state, “…SDS can release the final funds to Water’s Painting and Power Washing.” With those changes, a motion was made by Mr. Snyder, seconded by Mr. Jones and unanimously passed to approve the minutes of the January 14, 2013, Regular Board Meeting, as amended.

2. January 14, 2013, Special Board Meeting

The minutes of the January 14, 2013, Special Board Meeting were presented. Mr. Snyder noted that item #4 of Page 8 should state, “…duties and assignments…” Mr. Jasper noted that item #2 on Page 8 should state, “Each ex-officio member introduced…” With those changes, a motion was made by Mr. Shea, seconded by Mr. Jasper and unanimously passed to approve the minutes of the January 14, 2013, Special Board Meeting, as amended.

G. OLD BUSINESS

1. Discussion Regarding Cash Flow Position Venetian CDD and River Club

Mr. Pierman presented the CDD year-to-date budget comparison and noted to the Board that they have almost expended their entire year’s legal line item. A discussion regarding the CDD/River Club allocation ensued. Mr. Cohen agreed to break out the two costs on his invoices going forward. Mr. Jasper suggested that the River Club budget fund the percentage of legal costs related to the River Club. The Board agreed that the River Club legal costs should be allocated and billed to the River Club. Mr. Pierman agreed to coordinate a system by which those costs would be billed to the River Club’s account.

Mr. Pierman then presented the bank account balances for the District, noting that the District cannot touch the trust accounts. The Board requested that the bank account balances be included, with the exception of the trust accounts, in the meeting book each month. Mr. Pierman agreed to include the bank statements in the meeting book for the second meeting of the month.

Mr. Ritter, a resident, questioned the amount budgeted for Supervisor payments. Mr. Pierman explained that the amount was included in the budget years ago to entice residents to join the Board, and unused balances had since been used as a contingency. Mr. Ritter suggested that the Supervisors be paid for their services. Following a brief discussion, the Board decided to continue not paying themselves.

2. Discussion Regarding HUD Statements - Collection of Full FY O&M Assessments

Mr. Cohen stated that he is working with SDS on confirming the amounts due in order to send the balances to the title company. Mr. Jasper expressed his concern that the numbers needed further review, noting that his questions to SDS had been responded to. Mr. Jasper further noted his desire for
SDS to take his list and bill WCI, since WCI had apparently not been sending SDS the inventory homes. Mr. Pierman suggested setting up a conference call to discuss any discrepancies.

3. Status Regarding Sales Tax Refund

Mr. Cohen noted that the refund was awaiting its third review with the County.

4. Non-Resident Agreement

Mr. Cohen stated that the Board would have to revise the rule to disallow partial year memberships. However, he noted that they could stick with the original Rule that states the first time a non-resident applies for membership, their fee is prorated; thereafter, the membership is only eligible for annual renewals. Mr. Snyder asked that because it says “may” prorate, do they have the option not to prorate? Mr. Cohen stated that that was correct. Mr. Snyder suggested setting a time frame after which a non-resident applicant would get a proration. For example, from October through March, they pay full price, and prorate after that. Mr. Grant stated that his membership software can easily calculate the proration on the number of days.

A motion was made by Mr. Jasper, seconded by Mr. Jones to prorate the first fiscal year only and then only allow annual renewals thereafter. The motion passed by a vote of 4-1, with Mr. Snyder dissenting.

A further discussion took place in which it was decided not to automatically bill non-resident members for annual renewals.

H. RIVER CLUB
1. Review December, 2012 Financials

Mr. Jasper distributed the River Club financials from WCI, noting that there was some confusion relating to what financial information WCI needed from SDS in order to complete the report. Mr. Jasper stated that he wants the sum of all new C/O’s from estoppels. Mr. Grant stated that he had only just received the report and had not had a chance to review each line item. However, he noted that the maintenance line item included a bill for $10,000 for their POS system, which was budgeted at closer to $4,000. He also noted that it appeared that FPL might have double-invoiced. Mr. Grant requested time to investigate these issues.

Mr. Pierman provided an update on the bank “shopping”, in which he stated that SunTrust had been contacted and SDS is awaiting word from them regarding their fees. He further noted that SunTrust had stated that the fees did not look that bad for the number of services on the accounts, compared to the balances being kept in the accounts. The Board noted that there were other banks in the area, such as Chase, Wells Fargo and Fifth Third, which might be willing to look at the accounts. Mr. Pierman explained that they needed to be qualified depositories, and agreed to pursue those banks.
Mr. Snyder further questioned some line items on the WCI report, and noted that it appeared that they were running a small surplus. Mr. Grant stated that they are going after bad debt, and will then hand it over to Mr. Cohen to collect. Mr. Jasper expressed his concern that there are still off-budget items being charged to the River Club. He suggested that they invite Mr. Ferry and Ms. Sheffield, along with Mr. McElligott from SDS, to a meeting to discuss the finances. Mr. Pierman agreed to coordinate.

2. Discussion Regarding Committee Procedures

Mr. Pierman noted that the information he had collected thus far indicated that the cost to establish individual email addresses for Committee Members would be prohibitive. However, he stated that he is awaiting word from another provider that may work. If “@vcdd.org” addresses cannot be established, Mr. Pierman offered to create individual Gmail addresses for each Committee Member.

Following a discussion, the Board agreed that the Committee Chair should create and send the agenda to SDS for distribution and to be posted online. It was noted that SDS’ responsibility would be limited to sending a meeting reminder email and distributing the agenda upon receipt. Mr. Pierman offered to send an email to Committee Members outlining procedures for agendas and minutes, along with a sample agenda and deadlines.

3. Discussion Regarding Rules Update – Signs, Registration Process, Communication

Mr. Grant stated that there was a need to include “walkers” in the pool rules. Mr. Cohen noted that such an addition would not necessitate a Public Hearing, and could be made as an administrative change. Mr. Pierman agreed to make the change and update the Rules online.

4. Status Regarding Completion Resolution

Mr. Cohen stated that the Completion Resolution was on hold until the gutter work had been completed. Mr. Craychee noted that there was a delay in paying roofing invoices, due to several factors, and that the roofer was trying to charge $180 in interest fees. He further noted that he is disputing the fees and requested the Board’s opinion on how to proceed. The Board agreed that he should continue to contest the fees.

I. NEW BUSINESS

1. Front Gate Issue

Mr. Jones stated that there was an issue reported regarding a vendor using the resident gate, and noted that vendors need to use the left side of the gate. Mr. Liston verified that no vendors have clickers, only stickers, and noted that there may have been some confusion with the wording. Mr. Jones
recommended deactivating all clickers and reactivating them individually to ensure only residents have them. He further suggested changing the color of vendor stickers each year.

Discussion ensued regarding WCI’s request to install speed bumps on Pesaro. Mr. Schappacher highlighted the potential issues regarding golf carts and the speed bump placement, and noted that he is awaiting a response from the fire marshal. Mr. Jones volunteered to meet with Mr. Barber to find out what issue WCI is trying to resolve by adding speed bumps. Mr. Liston agreed to devise a plan of action to reset clickers.

2. Pool Lifts

Mr. Grant stated that he had investigated the cost of pool lifts and found that one vendor was $4,400 and another was $3,400. Mr. Schappacher questioned whether either included permitting, to which Mr. Grant stated he would have to find out. Mr. Grant further stated that he would discuss pool lift procedures with other communities to see what their procedures are.

3. Compensation

Mr. Snyder stated that he was not sure the Board needed to be a part of the discussion regarding staff compensation. A lengthy discussion ensued regarding the Board’s role in determining increases. Mr. Pierman noted that the Board controls the budget, which sets parameters for increases. Mr. Snyder noted that he would like to establish goals and objectives for the club before the next budget. It was decided that Mr. Grant can make compensation changes as he sees fit, so long as it fits within the budget. Furthermore, if Mr. Grant needs to reallocate line items, he can bring the reallocation to the Board for approval. Mr. Jones reiterated that the Board wants to keep staff and make them feel appreciated.

Mr. Pierman suggested that the Board give a yes/no vote, as is in the contract, for the incentive that is budgeted for Mr. Grant and allow WCI to determine the amount awarded. Mr. Snyder suggested that if the Board is looking at rating, they should consider finances, communication, customer satisfaction and operational issues. A motion was made by Mr. Jasper, seconded by Mr. Jones, and unanimously passed to give a “thumbs up” for Mr. Grant and give WCI the okay to award the amount they decide within the budgeted amount.

4. White Paper on Cost Savings

Mr. Jasper distributed a “white paper” on cost savings for the community. A discussion ensued regarding the estimated savings on the community’s cable contract, should the District take control of it. Mr. Pierman and Mr. Cohen noted their belief that the District could not administer a bulk cable contract, but agreed to look into it further. Mr. Jasper further noted the potential cost savings by having the District take back control of the contracted items performed by the POA. His evaluation centered on tax savings that the District could realize. Mr. Pierman noted that in addition to the
potential tax savings, the typical cost savings were in the uncollected POA dues. He explained that in a community with a high delinquency rate, these types of actions can yield a large savings to the community. Mr. Jasper further suggested that the community combine management of the District and the POA, and offered to create a scope of responsibilities. Mr. Pierman offered to explore the potential cost savings, should the District cancel their maintenance agreement with the POA.

J. ENGINEERING

Mr. Schappacher stated that the Phase 6 plat is ready to be signed. He also stated that he has requested from FEMA an updated flood map for the River Club, showing that it is not in a flood zone.

K. ADMINISTRATIVE MATTERS

There were no Administrative Matters to come before the Board.

L. BOARD MEMBER COMMENTS

Mr. Snyder noted that the Fitness Committee is discussing access control.

M. ADJOURN

There being no further business to come before the Board, a motion was made by Mr. Jones, seconded by Mr. Jasper and unanimously passed to adjourn the Regular Board Meeting at 5:54 p.m. Upon being put to a vote, the motion carried unanimously.

[Signatures]

Secretary/Assistant Secretary

Chair/Vice-Chair