VENETIAN COMMUNITY DEVELOPMENT DISTRICT
January 23, 2017 Minutes of Meeting

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

VENETIAN
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Venetian Community Development District was held on Monday, January 23, 2017 at 9:41 a.m. at the Venetian River Club, 502 Pesaro Drive, North Venice, Florida 34275.

Present and constituting a quorum were:

Jerry Jasper               Board Supervisor, Chairman
Harry Orenstein           Board Supervisor, Vice Chair
David Lusty               Board Supervisor, Assistant Secretary
Richard Bracco            Board Supervisor, Assistant Secretary
Susie Lentile             Board Supervisor, Assistant Secretary

Also present were:

Belinda Blandon           District Manager, Rizzetta & Company, Inc.
Scott Brizendine          Manager, District Financial Services, Rizzetta & Company, Inc.
Andy Cohen                District Counsel, Persson & Cohen, P.A.
Rick Schappacher          District Engineer, Schappacher Engineering
Karenen Richard           Field Manager, VCDD
Scott Kissell             General Manager, River Club
Kristina Rudez            EGIS Insurance and Risk Advisors
Brent Grimmel             EGIS Insurance and Risk Advisors
Audience

FIRST ORDER OF BUSINESS    Call to Order

Ms. Blandon called the meeting to order and conducted the roll call.

SECOND ORDER OF BUSINESS  Public Comment

Ms. Blandon opened the floor for public comment advising the Public Comment portion of the Agenda is where individuals may comment on matters for which the Board may be taking action or that otherwise may concern the District. She advised Public comment would be limited to three (3) minutes per individual.

Comments from the public were received.

THIRD ORDER OF BUSINESS  District Engineer Staff Report

Mr. Schappacher advised the steel plate at the crosswalk has been installed, at a cost of $482.00, and it is working properly.
Mr. Schappacher advised he is working with Mr. Kissell and Mr. Orenstein on the tennis shed replacement; he has followed up with the City Planner, and this shed was not part of the original Development Order. He further advised the look of the shed is up to the Building Department. Mr. Kissell advised he understood that the CDD is in agreement with the plans submitted. Mr. Schappacher confirmed. He advised he is looking into a metal shed, at a cost of approximately $3,200.00 for a 12 x 21 metal shed. Mr. Schappacher advised he is working with a vendor who can provide a stucco finish on the metal shed.

Mr. Schappacher advised he is working on easements for the irrigation agreements with WCI. All documents should be received today or tomorrow. Mr. Cohen advised the matter was included in the current agenda package and Mr. Schappacher’s office is working on the exhibits.

Mr. Lusty inquired regarding island ground cover replacement at the River Club. He asked if there is specific ground cover to use to maintain the line of sight. Mr. Schappacher recommended consulting with a landscape vendor. Ms. Richard provided options she is looking into for the ground cover while maintaining the line of sight.

Mr. Orenstein inquired regarding the walk path on Veneto that collects rain water. Ms. Richard advised she had proposals for the repairs but there are concerns with cutting the curb. Mr. Schappacher provided input regarding possible repairs. Ms. Lentile inquired as to whether or not she can bring sidewalk concerns to the attention of the District Engineer. Mr. Schappacher confirmed.

FOURTH ORDER OF BUSINESS Consideration of Audit Committee Recommendations

Ms. Blandon advised that the Audit Committee meeting was held prior to the onset of the Board of Supervisors meeting. She advised the Audit Committee recommended the due date for Audit Proposals be set for February 17, 2017, the Instructions and Evaluation Criteria to include price as revised on the record, and setting the next meeting of the Audit Committee for February 27, 2017 to be held at 9:30 a.m., at the Venetian River Club, 502 Veneto Boulevard, North Venice, Florida 34275

On a Motion by Mr. Orenstein, seconded by Ms. Lentile, with all in favor, the Board Approved the Recommendations of the Audit Committee, for the Venetian Community Development District.

FIFTH ORDER OF BUSINESS Consideration and Discussion Regarding the District Investment Funds and Options

Mr. Lusty advised of a conference call with Mr. Brizendine and US Bank concerning the investments of the District. Mr. Brizendine explained chapter 218 Florida Statutes regarding investment guidelines. He advised there are two options; adopting a formal written policy, or invest without a policy. Mr. Brizendine advised a resolution was adopted by the Board stating the Board would follow the non written policy of the State, as most Districts do. He spoke regarding procedures and processes available to the District. Mr. Orenstein inquired regarding guidelines and flexibility.

Mr. Lusty advised per the trust indenture, US Treasury Securities are specifically listed as an
approved investment. Mr. Brizendine confirmed. Mr. Lusty advised the reserve funds are covered by Florida Statute, and per statute the District is held to the prudent man rule. He provided an overview of the Investment Summary dated November 30, 2016. Mr. Lusty provided an overview of the funds invested, the amount of money made by US Bank, and the amount of interest gained by the District. He provided an overview of treasury bills and recommended the District consider investing in treasury bills. Mr. Lusty recommended Fidelity as the brokerage firm to purchase T-bills from since trades are free of charge. He advised of a $50.00 fee for placing an order is charged by US Bank. Mr. Bracco inquired regarding the frequency of the $50.00 fee. Mr. Lusty advised the fee is only on the initial purchase and no fee is charge when the T-bills mature. Mr. Lusty recommended up to eight trades per year. Mr. Cohen inquired regarding Mr. Lusty’s recommendation. Mr. Lusty advised either the Federal Settlement for Treasury Auction or outside broker/dealer through Fidelity. Mr. Lusty advised Fidelity needs a resolution from the Board advising of who can authorize transactions. He further advised US Bank did not see a down side to his recommendations. Discussion ensued.

Mr. Brizendine advised two Board members would have to be designated to work with District Management and provide direction. Mr. Cohen advised Fidelity would require a resolution. He suggested drafting a resolution and adding provisions. Mr. Cohen advised he can put together a resolution.

Mr. Bracco inquired regarding Mr. Lusty’s recommendation. Mr. Lusty advised his recommendation would be to utilize the flexibility of two accounts at Fidelity; one for reserves for the River Club and one for reserves for the bond indenture. Mr. Cohen advised a letter is needed signed by the person authorized by the District. Mr. Orenstein suggested allowing Mr. Lusty to do the background work necessary and come up with a motion that will meet the requirements and have that for the next meeting. Discussion ensued.

On a Motion by Mr. Bracco, seconded by Mr. Orenstein, with all in favor, the Board Removed Mr. Orenstein from the Incumbency Certificate, to be Replaced by Mr. Lusty, Mr. Jasper to remain on the Certificate, for the Venetian Community Development District.

Mr. Cohen discussed formation of the resolution.

On a Motion by Mr. Bracco, seconded by Ms. Lentile, with all in favor, the Board Authorized Staff to Prepare a Resolution as well as Related Documentation Necessary for Reinvestment of the Funds Related to Bonds as well as Reserve Accounts, with Mr. Jasper and Mr. Lusty being the Designating Board Representatives, for the Venetian Community Development District.

SIXTH ORDER OF BUSINESS

Consideration and Discussion Regarding Increasing the District’s General Liability and Automobile Limits

Ms. Blandon introduced Ms. Rudez and Mr. Grimmel of EGIS Insurance Advisors. Ms. Rudez addressed the Board and inquired regarding the concerns of the Board. Mr. Lusty inquired regarding the $1,000,000.00 general liability limits. He further inquired regarding liability for autos. Ms. Rudez explained the process for golf carts being covered under the general liability. Ms. Rudez advised if the vehicle or golf cart is not registered, auto insurance is not required. Mr. Lusty inquired regarding animal coverage. Ms. Rudez advised that situation would fall under general liability. She
provided an overview of the cost for the increase of coverage. Mr. Lusty asked if Ms. Rudez has a recommendation. Ms. Rudez advised the CDD’s she works with are not doing anything outside of the box, and they rely on the Sovereign Immunity. Discussion ensued. Mr. Bracco asked for an overview of Sovereign Immunity. Mr. Orenstein advised he would like the overview from Mr. Cohen. Mr. Cohen provided a brief overview of Sovereign Immunity. Discussion ensued regarding various instances of liability. Mr. Lusty discussed his business experience and insurance. Mr. Orenstein advised he is not sure it is worth the price to over insure. He further stated he does not agree to ask vendors to increase their limits. Discussion ensued. Mr. Jasper advised he cannot analyze risks and the CDD is different than a small business. He advised he has a difficulty going against the recommendation of the Risk Manager. Ms. Rudez advised she will go back and do some research and provide data to the Board.

This item was tabled.

SEVENTH ORDER OF BUSINESS Consideration and Discussion Regarding the Rotary Club Flag Installation Program

Ms. Richard advised Mr. Jack Kirshner approached her regarding the program. Mr. Kirshner advised he is a member of the Rotary Club and starting the flag program this Spring at a cost of approximately $35.00 per year per household, for the Rotary club to put in a 3 x 5 flag on an 8 foot pole. The proceeds will go to local Veterans in need. Mr. Kirshner advised an 18” x ½” PVC pipe in the ground with a red cap, the flags would be placed five times per year on the Saturday before the holiday and taken down the following Saturday. Discussion ensued. Mr. Bracco inquired regarding the flag being lit at night as well as inclement weather. Mr. Orenstein expressed concerns regarding the precedent that would be set with regard to requests to put up other flags that could be offensive. Discussion ensued. It was discussed that the flag program would be available to individual residents and would not be funded by the CDD.

Mr. Lusty made a motion, which was seconded by Mr. Jasper, to Accept the Proposal of the Rotary Club with the Understanding that Approval can be Revoked at any Time, and Damage Caused is the Responsibility of the Rotary Club or Property Owner and also the Responsibility of the Rotary Club or Property Owner to Maintain, at no Cost to the CDD.

Discussion ensued regarding a release of liability.

On a Motion by Mr. Lusty, seconded by Mr. Jasper, with four in favor and Mr. Lusty opposed, the Board Accepted the Proposal of the Rotary Club with the Understanding that Approval can be Revoked at any Time, and Damage Caused is the Responsibility of the Rotary Club or Property Owner and also the Responsibility of the Rotary Club or Property Owner to Maintain, at no Cost to the CDD, for the Venetian Community Development District.

Mr. Cohen advised he will prepare the release and forward to Ms. Richard.

EIGHTH ORDER OF BUSINESS Consideration of Proposals for Trimming of Brazilian Peppers

Ms. Richard provided an overview of the proposals received from Brightview ($1,650.00), Sunrise ($6,200.00), and TriCounty ($1,190.00) for trimming of the Brazilian Peppers at pond 17A. Questions were asked regarding the proposals and why Sunrise was so
high. Discussion ensued.

On a Motion by Mr. Bracco, seconded by Mr. Jasper, with all in favor, the Board approved the Proposal from Tri-County, in the amount of $1,190.00 for removal of the Brazilian Peppers at Pond 17A, for the Venetian Community Development District.

Discussion ensued.

NINTH ORDER OF BUSINESS Consideration of Irrigation Agreement between VCDD and WCI

Mr. Cohen advised this is an item that was previously discussed. He provided an update regarding the agreement and an overview of pending items. Mr. Cohen advised Kimley Horn is providing the figures; he further advised of the layouts and stated time of the essence. Mr. Cohen advised exhibits are being worked on as well as the figures from Kimley Horn. Mr. Jasper advised the Agreement is in draft form and advised there is no location to store the Districts irrigation water; it has been stored in the Golf Course pond which is not owned by the CDD. Mr. Jasper advised the acquisition of WCI by Lennar is expected to go through on February 10th, and currently WCI is in favor of the agreement. Discussion ensued.

On a Motion by Mr. Lusty, seconded by Mr. Bracco, with all in favor, the Board approved the Irrigation Agreement, and further Authorized the Chairman to Execute the Agreement and Related Documents, subject to final Staff Approval, for the Venetian Community Development District.

The Board took a recess at 11:42 a.m., the meeting was reconvened at 11:54 a.m., all those present prior to the recess were still in attendance.

TENTH ORDER OF BUSINESS Discussion Regarding VCDD Email Accounts

Mr. Lusty explained the purpose of this item being placed on the agenda. He advised that each time a Board or Committee member changes, the e-mail addresses are switched to the new user and all old e-mails remain in the account. Mr. Lusty advised of concerns regarding the new Board Member or Committee Member being the responsible custodian of the records. Discussion ensued regarding archiving of e-mails. Ms. Blandon provided an overview of the history of the e-mail accounts. Mr. Jasper suggested archiving the e-mails at each seat change. Discussion ensued. Mr. Cohen advised his concerns are retention and accessibility. Further discussion ensued. The Board directed Staff to provide a proposal for archiving of the e-mails each time there is a change in user for the account and to have Staff available for the next meeting to discuss the process and pricing for the archiving.

ELEVENTH ORDER OF BUSINESS Consideration of the Minutes of the Facilities Committee Meeting held on December 5, 2016

Ms. Blandon presented the Minutes of the Facilities Committee meeting held on December 5, 2016 for acceptance. Mr. Jasper noted an error at the bottom of the page: bullet point #2, should be Committee Members, not VCDD Supervisors. The Board directed Staff to send the minutes back
to the Committee for correction and resubmittal.

**TWELFTH ORDER OF BUSINESS**  
Consideration of the Operations and Maintenance Expenditures for the Months of November and December 2016

Ms. Blandon presented the operations and maintenance expenditures for the period of November 1-30, 2016 which total $242,990.91 and the period of December 1-31, 2016 which total $58,232.78. Discussion ensued regarding various items of expenditure.

On a Motion by Ms. Lentile, seconded by Mr. Orenstein, with all in favor, the Board Approved the Operations and Maintenance Expenditures for the period of November 1-30, 2016 which total $242,990.91, and the period of December 1-31, 2016 which total $58,232.78, for the Venetian Community Development District.

**THIRTEENTH ORDER OF BUSINESS**  
Review of November 2016 Financials

Mr. Kissell provided an overview of the River Club financials for November and December 2016. He responded to questions regarding fitness fees and programs. Mr. Kissell was asked to provide allocation of personnel and fees in one report. Discussion ensued regarding tip income and restaurant events. Mr. Kissell advised renewal of the liquor liability is still pending as renewal is due in March.

Ms. Blandon provided an overview of the revised CDD financials for November 2016. Discussion ensued regarding various items.

**FOURTEENTH ORDER OF BUSINESS**  
Staff Reports

A. District Counsel  
Mr. Cohen provided updates regarding various meeting advertisements.

B. Field Manager  
Ms. Richard provided an overview of the Field Manager Report contained in the agenda package.

Discussion ensued regarding the congestion and safety issue on Veneto Boulevard caused by school bus stop. Mr. Lusty suggested “no parking” signs. Further discussion ensued. Mr. Orenstein advised he will write up something to be placed in parcels regarding parking on Veneto Boulevard.

C. River Club  
Mr. Sandomenico advised of information regarding the Silver Sneakers program. Discussion ensued.

Mr. Sandomenico advised of fitness class and Fitness on Demand class participation. Discussion ensued regarding the length of fitness class time.

Ms. Lentile advised of resident complaints regarding the video yoga classes being too difficult. Discussion ensued regarding skipping exercises that are too difficult.
Mr. Kissell provided an overview of the Survey Question he prepared. Mr. Orenstein advised of his concerns and provided feedback regarding tennis. Discussion ensued.

On a Motion by Mr. Orenstein, seconded by Mr. Lusty, with all in favor, the Board Approved the following Survey Question Related to Fitness Classes: The CDD Board of Supervisors recently approved a fee of $4.00 per class for owners participating in indoor fitness classes held in our Aerobics Room. Prior to approving the fee the classes were offered at no charge. In 2016 the cost for instructors to hold indoor fitness classes at no charge was approximately $45,000 annually. The annual cost to each household included in your annual assessment was approximately $40.00. The $4.00 fee approved by the Board was adopted to cover the cost of instructors teaching these classes. Should indoor fitness classes be offered to all residents at no additional charge for participation, and be subsidized through the operational budget funded by annual assessments collected in your tax bill? Yes _____ No _____

Mr. Kissell provided an update regarding the kitchen air conditioner and the pool.

Mr. Kissell advised of an issue regarding inappropriate or offensive comments made by a River Club member to an employee. He recommended suspension of the members use. Mr. Cohen confirmed the provision of the River Club rules, general rules – section 6, and advised the person may appeal the decision. Discussion ensued. The Board directed Mr. Kissell to send a letter to the member advising of the suspension of the member for 45 days.

D. District Manager

Ms. Blandon advised the next meeting of the Board of Supervisors is scheduled for Monday, February 13, 2017 at 9:30 am.

Ms. Blandon discussed Committee meetings and advertisements. She further advised that discussion regarding committee charters should be held at an upcoming meeting. Mr. Lusty advised the Committee Chairperson should report to the Board on activities of the Committee. Mr. Lusty advised that if the Committee member who is having concerns with the committee emails continues to have concerns, he will advise him to not use the account, and not use his personal account.

FIFTEENTH ORDER OF BUSINESS Supervisors Requests and Comments

Ms. Blandon opened the floor to Supervisor requests and comments.

Mr. Jasper advised he is working with golf course personnel, City Utilities Department, and City Council on the phosphorus and algae problem within the wetlands. The problem is within a lake that is owned by the golf course and is an irrigation lake. Discussion ensued. Mr. Jasper advised of the “See, Click, Fix” feature on the City’s website.

Mr. Jasper advised Mr. Rich Cautero, City Councilman, Ed Lavallee, City Manager, and Chief Mattmuller, City of Venice Police Chief were planning to attend the traffic workshop, but due to conflicts they may not be able to attend. He advised the purpose of the workshop is to determine if outside law enforcement is wanted. Discussion ensued.
Hearing no further Supervisor requests or comments, Ms. Blandon asked for a motion to adjourn the meeting.

SIXTEENTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Bracco, seconded by Mr. Lusty, with all in favor, the Board adjourned the meeting at 2:54 p.m., for the Venetian Community Development District.

[Signatures]

Secretary / Assistant Secretary

Chairman / Vice Chairman