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 special meeting of the Board of Supervisors of the Venetian Community Development District was held on Wednesday, May 29, 2019 at 12:00 p.m. at the Venetian River Club, 502 Veneto Boulevard, North Venice, Florida 34275.

Present and constituting a quorum were:

Richard Bracco  
Board Supervisor, Chairman
Susie Lentile  
Board Supervisor, Vice Chairman
David Lusty  
Board Supervisor, Assistant Secretary
Richard McCafferty  
Board Supervisor, Assistant Secretary
Steve Kleinglass  
Board Supervisor, Assistant Secretary

Also present were:

Belinda Blandon  
District Manager, Rizzetta & Company, Inc.
Andy Cohen  
District Counsel, Persson, Cohen & Mooney, P.A.
Rick Schappacher  
District Engineer, Schappacher Engineering
Denise Payton  
Club Manager, River Club
(joined meeting in progress at 1:17 p.m.)
Keith Livermore  
Field Manager, Venetian CDD
Steven Swartz  
Florida Reserve Study
Paul Gallizzi  
Florida Reserve Study
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 to audience comments.

Mr. Chorba spoke regarding security access at the front gate; he advised that the computerized program should be able to text or email residents when guests or vendors arrive.

Ms. Gericke inquired regarding the status of the landscape bids. Mr. Bracco advised that the process has begun. Ms. Blandon advised that the RFP will be presented to the Board for review and consideration. Mr. Bracco advised that there is a process. Ms. Blandon provided an overview of the process. Ms. Gericke suggested that the CDD not pay for flowers. She further inquired regarding the status of research of leasing the roving patrol
vehicle. Mr. McCafferty spoke regarding the research conducted and advised that the Board did not see any advantages to purchasing or leasing a vehicle. Mr. Lusty advised that he would like to conduct more research before shelving the discussion.

THIRD ORDER OF BUSINESS

Discussion and Consideration of Proposal from KCC Estimating & Construction Services, Inc. for Tiki Renovations

Mr. Lusty advised that he requested that this item be placed on the agenda for consideration by the Board as it was proposed by the Facilities Advisory Committee in order to hire a contractor to outline the Tiki Bar renovation. Mr. Lusty advised that he and Mr. Cohen had concerns related to the proposal. Mr. Cohen spoke regarding the issues with the contract as presented and advised that additional expenses would be incurred should the District require the typical insurance requirements. Mr. Kleinglass suggested working with Noller design to get ideas and they have offered to come to the next CDD meeting at no charge. Mr. Lusty advised that he thinks consulting with Noller is a great idea. Mr. Lusty advised of his concerns with the proposal presented. Mr. Kleinglass spoke regarding Noller. Mr. Dabne spoke regarding having an independent cost estimator providing a cost estimate and advised that he is having difficulties finding a vendor to take on the project. Ms. Lentile inquired regarding the hold harmless provision. Mr. Cohen reviewed the hold harmless provision of the agreement as presented and advised that typically the District would have a hold harmless provision in the contract from the vendor to the CDD, not the reverse. Mr. Bracco recommended talking with Noller. Mr. McCafferty recommended not making a decision until after the Board speaks with Noller and the Committee has a chance to meet. Mr. Lusty advised that figures may not be received in time for the budget process although some of the funds are available in the reserve fund. He further advised that the money may be available in the bank to cover the expenses associated with the Tiki renovation.

FOURTH ORDER OF BUSINESS

Review of Reserve Studies

Ms. Blandon advised that the reserve studies have been updated and have been circulated for discussion.

Mr. Swartz provided an overview of the process to date associated with preparation of the reserve studies as well as the site visit conducted to create the studies. He reviewed the current funding status of both the River Club and CDD reserve accounts; the River Club at 45% and the CDD at 61%. Mr. Kleinglass inquired regarding the status of funding. Mr. Gallizzi spoke regarding the reserve just beginning a few years ago. Ms. Blandon advised that prior to the reserve studies being conducted in 2016/2017 there was a $50,000.00 allocation but that allocation was not based on a reserve study. Mr. Swartz advised that in three years, 2021/2022, the funding should be well funded at 73%. Discussion ensued regarding how the reserves are funded versus how items are phased and paid for from the reserves. Mr. Lusty clarified that the 8% increase was only related to reserves and not a total assessment increase; he further advised that 45% funding for the River Club is not adequate. Ms. Blandon advised that large items for the 2019/2020 budget to come from reserves are the irrigation pumps at an estimated cost of $279,000.00 and the pond bank erosion maintenance at an estimated cost of $190,000.00. She advised that the mailbox refurbishment cost is estimated at $146,395.00. Ms. Blandon advised the current CDD
reserve balance is $749,101.00 which will increase by $70,000.00 for repayment from the River Club as well as the increase from the 2019/2020 assessment and the three will total over $1,000,000.00. Mr. Gallizzi spoke regarding how the reserve item for the Tiki Bar was calculated. Mr. Lusty spoke regarding utilizing funds from the operating account in order to fund the Tiki renovation. Ms. Blandon advised that the operating account currently has $926,000.00 but 5 months of expenses need to be taken from that. She advised that funding from the assessments are not received until late November to mid December so the District will need those funds to cover the operating costs; she advised that the CDD general fund will need to fund the River Club as the projections are showing that the River Club will be approximately $43,000.00 short in addition to their two months of expenses. Ms. Blandon advised the excess funds will not be available until after assessment funds are received from the tax collector. Mr. Bracco recommended prioritizing the projects that the Board is looking at. Ms. Blandon advised that the reserve study does not include the amount paid for the River Club renovation. Mr. Gallizzi reviewed how a reserve study is put together. Ms. Blandon reviewed the items that should be adjusted: irrigation pumps at $279,000.00, pond bank maintenance at $190,000.00, and mailbox refurbishment at $146,395.00. Discussion ensued regarding River Club items contained within the reports. Mr. Lusty reviewed items that concern him related to the CDD Study. Mr. Cohen advised that the Board should reach a consensus on each item as the item is discussed. Mr. Kleinglass spoke regarding having a realistic reserve study completed by the professionals engaged to do the studies. Mr. Bracco inquired regarding any extreme difficulties conducting repairs based on the studies previously completed. Ms. Blandon confirmed that no extreme difficulties were encountered. She advised that the ultimate goal is to have a reserve goal for the budget keeping in mind that assessments will be affected by increases made to reserve line items. Ms. Blandon asked how the Board would like to move forward. Mr. Bracco advised that he feels confident moving forward with the studies as presented; he advised he does not see a need to increase things though he does see a need to prioritize projects. Mr. Lusty advised he does not feel comfortable with the studies as presented. Mr. McCafferty advised that he would like to see some reconciliation of the Study with Ms. Payton; he advised that he does not want numbers inserted on a whim but to understand where Ms. Payton’s numbers come from along with re-reviewing the suggestions provided by the Board to insert appropriate numbers to ensure the District is better than fairly funded. Mr. McCafferty recommended going through the large items identified by Mr. Lusty. Mr. Lusty recommended inserting the numbers he recommended and seeing where the final totals come out. Mr. Gallizzi advised that the sidewalks will be increased to five percent. After discussion, the pond banks will be increased to $195,000.00 next year and $180,000.00 the following year, and then bringing it down after that point. Regarding the roads, Mr. Lusty recommended increasing the allocation due to the fluid spills as well as increasing the paving allocation for the River Club parking lot. Mr. Schappacher suggested reducing the remaining life of residential roadways by fifty percent due to the fluid spills. Mr. Gallizzi confirmed that he will reduce the remaining life of residential streets by fifty percent. Mr. Lusty advised that the allowance for mailboxes should be increased to $150,000.00.

Ms. Payton joined the meeting in progress at 1:17 p.m.
Ms. Payton advised that her staff has reviewed the study and made recommendations as to replacement of kitchen items. Mr. Gallizzi advised that the annual allowance for kitchen items is $20,000.00 and he inquired as to the amount that has spent annually in the last couple of years. Ms. Payton reviewed the large ticket items replaced recently. Mr. Gallizzi recommended bumping the allowance up to $35,000.00, Ms. Payton concurred. Mr. Lusty advised that he does not believe the roof will last until 2034; he advised that repairs have been made recently and the general thought is that it has a much less life left. Mr. Lusty recommended reducing the remaining life of the River Club roof with replacement being scheduled for 2024. Discussion ensued. Mr. Gallizzi advised he will reduce the life of the roof to 2024. Mr. Lusty recommended reducing the expected remaining life of the kitchen equipment. Mr. Gallizzi confirmed. Discussion ensued regarding reducing the remaining life of the locker rooms to five years. Mr. Lusty recommended reducing the remaining life of dining room furniture. Mr. Gallizzi advised that he will update the dining room furniture to have a 10 year life with eight years remaining. Mr. Lusty recommended making the life of the paint inside the River Club five years. Ms. Blandon advised the cost for painting was approximately $55,000.00 to include the locker room. Mr. Lusty recommended raising the cost of the Tiki Bar renovation to $300,000.00. Mr. Lusty advised that the River Club parking lot will probably need to be milled and resurfaced within the next three years. Mr. Gallizzi confirmed the pool pump life will be reduced from 4 years to 3 years. Discussion ensued regarding the frequency of sealcoating the parking lot. Mr. Gallizzi will update the report to reflect sealcoating every two years. Mr. Kleinglass inquired regarding ADA requirements for the River Club, he recommended adding an item into the reserve study for updates to the River Club for ADA requirements. Discussion ensued. Mr. Gallizzi advised that the ADA updates would be more of a capital improvement rather than a reserve item. Mr. Gallizzi advised that updates to the report will be made and provided to Ms. Blandon.

The Board took a recess at 1:56 p.m. and was back on the record at 2:07 p.m.

FIFTH ORDER OF BUSINESS  Review of Fiscal Year 2019/2020 Proposed Budget

Ms. Blandon reviewed the proposed budget for fiscal year 2019/2020 highlighting the line items experiencing an increase. Ms. Blandon asked for input from the Board related to the landscape maintenance line item as the contract is being put out to bid. The Board recommended increasing the landscape maintenance line item by $30,000.00. Discussion ensued regarding responsibility of mailbox repair, replacement, and the current mailbox project. Ms. Blandon advised that she reduced the Non-Recurring Expenses line item; Mr. Lusty recommended not reducing this line item. Mr. Lusty advised that there is not a line item for Pickleball and inquired as to inserting a capital improvement line for Pickleball. He recommended installing lights at the pickleball courts. Discussion ensued. Ms. Blandon advised that insertion of a line item for Pickleball Courts and a line item for the Dog Park would result in an increase to the O&M of $227.36 per home, for a total increase of $305.96 or 7.7%. Mr. Lusty discussed funding the pickleball courts and dog park through carry over and unencumbered funds. Ms. Blandon advised that the total at year end is $268,000.00 which does not take into consideration funds needed for the first two months of the new fiscal year and projecting that the River Club may have a negative balance of $43,000.00. Discussion ensued. Ms. Blandon asked for clarification regarding including the $250,000.00 for the Pickleball Courts and Dog Park in the general fund budget. The Board confirmed that
they do not want the $250,000.00 for the Pickleball Courts and Dog Park included in the 2019/2020 general fund budget. Discussion ensued. Ms. Blandon confirmed that she removed the $250,000.00 for Pickleball Courts and Dog Park from the general fund budget. She advised that the general fund budget currently is $1,522,043.00 for a total increase of $44,067.00 which equates to approximately 4%. Ms. Blandon advised that the general fund reserve fund has been increased by $32,445.00 based on assumptions from the revised draft, subject to review by the Board.

Ms. Payton distributed a revised enterprise fund which highlights the items changed since the agenda was prepared. She responded to questions from the Board regarding various line items. Mr. Lusty recommended keeping the Non-recurring expenses line item at its current value.

Ms. Blandon advised that the overall increase is currently at $115.58 per household, which is roughly 2.9%. She advised the majority of the increase amount is due to reserves.

SIXTH ORDER OF BUSINESS Consideration of Proposals Received for Lake Bank Maintenance

Mr. Schappacher advised that he has reached out to four vendors to do the stripping, stop bars, and cross walks; the low bid was at $2,872.22 and he has asked that vendor to put Venetian on the schedule and he is planning to start the week of June 11th. He will be doing 1,000 feet of crosswalk and 182 feet of stop bars. Mr. Schappacher reviewed the map of the locations to be repainted.

Mr. Schappacher advised that he has been reviewing numbers related to lake bank remediation and phasing of the work. Discussion ensued regarding phasing of the lake bank remediation in order to undertake a specific amount of work per year. Ms. Blandon asked if the work needs to be conducted right now or after rainy season. Mr. Schappacher advised that the best time to do the work is now.

On a Motion by Mr. Kleinglass, seconded by Mr. Lusty, with all in favor, the Board Approved the Lake Bank Remediation Project, Contingent Upon Review by Counsel and Confirmation of Insurance, for the Venetian Community Development District.

Mr. Schappacher advised that he has reviewed the parking lot repairs, and the plan is for the vendor to come back in about sixty days to reseal the area in order to make it blend better. Mr. Lusty recommended revisiting installation of the concrete if blending of the area does not remediate the concerns. Mr. Schappacher will email the vendor with the Board’s concerns and the pictures taken by Ms. Payton.

Mr. Schappacher advised that he met with the POA to look at the damaged board walk; he advised that he will be working with POA on that matter.

SEVENTH ORDER OF BUSINESS Supervisors Requests and Comments

Ms. Blandon opened the floor to Supervisor requests and comments.
Mr. Cohen advised that he has spoken with Club Essentials regarding the River Club website; they are not willing to guarantee the ADA accessibility of the website. He advised that the DOJ has not issued guidelines and so vendors are currently using the WCAG and Club Essentials is not willing to indemnify the District based on the low amount of the contract. Club Essentials has agreed to other contract negotiations. Discussion ensued. Mr. Cohen advised that Club Essentials is willing to allow the District to bring in a separate vendor to assist with ADA work on the website.

Mr. Bracco made a motion, which was seconded by Mr. McCafferty to move forward with the Club Essentials ADA Contract, subject to review by Counsel.

This item was opened to public comments.

Mr. Lusty recommended tabling this vote to the next meeting in order to get input from the District’s insurer.

Mr. Bracco rescinded his motion.

Mr. Lusty advised that the meeting dates for the hurricane preparedness meetings will be added to the Newsletter.

Mr. Bracco advised that he followed up with Mr. Cattanach at the golf course and they have agreed to be good neighbors and they are in the process of cleaning up the maintenance yard. Mr. Bracco advised that pond 22 has also been worked on. Mr. Kleinglass inquired regarding the stop signs on Veneto.

Mr. McCafferty inquired regarding moving the radar speed sign inside the guard gate. Mr. Livermore advised he will contact the POA to inquire as to where they would like it moved to.

Mr. Kleinglass inquired regarding moving to an electronic agenda. Ms. Blandon advised that she will bring tablets to the next meeting for the Board to try them.

Ms. Payton offered $3.00 employee meals to the onsite Rizzetta team members. The Board agreed and thanked Ms. Payton.

**EIGHTH ORDER OF BUSINESS**

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<th>Adjournment</th>
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<td>On a Motion by Mr. McCafferty, seconded by Mr. Lusty, with all in favor, the Board adjourned the meeting at 3:57 p.m., for the Venetian Community Development District.</td>
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[Signatures]

Secretary / Assistant Secretary

Chairman / Vice Chairman