University Park Recreation District

Consideration of Minutes of the Board of Supervisors' Workshop April 5, 2019

MINUTES OF MEETING

UNIVERSITY PARK RECREATION DISTRICT
SPECIAL BOARD OF SUPERVISORS MEETING
Friday, April 5, 2019 at 9:00 a.m.
University Park Country Club, Lakeside Room,
7671 The Park Blvd.,
University Park, Florida 34201

Board Members present at roll call:

Lisabeth Bertsch	Board Member
Steve Ludmerer	Board Member
Nancy Kopnisky	Board Member
Michael Smith	Board Member
Bob Wood	Board Member

Also, Present:

Carol Harris	PFM
Mark Barnebey	Blalock Walters Law Firm
Matthew LaPointe	Blalock Walters Law Firm
Mr. Nickerson	Country Club
Ms. Evans	Country Club

FIRST ORDER OF BUSINESS **Call to Order and Roll Call**

The meeting was called to order at 9:00 a.m. Those in attendance are outlined above.

SECOND ORDER OF BUSINESS **Board Comments**

There were no Board comments at this time.

THIRD ORDER OF BUSINESS **Review and Discussion of Board Liaison of Functional areas;**

a) Communications and PR
b) District management Coordination

c) **Finance and Capital Improvement**
d) **Legal & PSA**
e) **Other areas**
f) **Emails sent to all Board Members**
g) **Marketing/Survey**

The District had a lengthy discussion about communication and PR. One topic discussed was the status report. The website redesign which would cost $2,000.00. The Board discussed zoom and webex. The litigation was discussed including how to respond to the Plaintiff. The District has proposed a settlement and is waiting for a response.

The Board and staff discussed the County Club newsletter. The Country Club newsletter is independent and the Country Club staff determines the content. The Board cannot give them direction about that. Ms. Evans suggested placing a link on the County Club newsletter where residents could opt into the RD newsletter. Ms. Harris stated that she could send a link to the newsletter so it is easily accessible. Mr. Barnebey stated that the RD cannot control input to the Country Club website or newsletter.

Ms. ~~Bertsch~~ Kopnisky asked questions pertaining to the designation of an oversight director for UPCC LLC. Mr. Ludmerer responded that he is looking at a cooperation agreement between the organizations and the formation of service organization UPCC LLC owned by UPCAI and lead by a Board Management style to include personnel from the Country Club, the HOA and a member of the RD Board.

The Board discussed the various functional areas and suggested appointments to those roles. The suggestions are as follows;

1. Communications & PR- Ms. Bertsch
2. District Management Coordination- Mr. Wood
3. Finance and Capital Improvement- Mr. Ludmerer
   a) Long-term strategic Direction & Master Plan- Mr. Wood
4. Legal & PSA- Mr. Smith
5. HOA Liaison- Ms. Kopnisky

The Board will vote on this at the next Board of Supervisors' meeting. . The Board discussed if these should be formally assigned or maintained as an area of focus. Mr. Barnebey stated that his has no problem with having somebody with a primary responsibility. Discussion between the Board Members is where the issue comes into play. It is up to the Board if they want to formally appoint someone. The Chair can appoint people as well.

Mr. Barnebey requested discussing the UPCC acquisition related items now.

FOURTH ORDER OF BUSINESS

UPCC Acquisition Related Items

a) Status of Underwriter
b) Status of Mutual Co-op Agreement
c) Status of Due Diligence on P/S Agreement
d) Focus of Liquor License (UPCC LLC?) is this being pursued
e) Talked to association about the UPCC LLC doing liquor license vs the RD. Will they do that?
f) Preliminary designation of Oversight Director for UPCC LLC
g) Prospects for Bond Validation and long term loan
h) Timeline of future events. RD

Ms. Harris explained that the Underwriter has not changed. Mr. LaPointe discussed the status of the mutual co-op agreement. He was not able to discuss these items with the HOA President but he sent an email. He discussed the liquor license. Under the Purchase and sale agreement it says the UPCC LLC ownership will be transferred to the HOA. The UPCC LLC would be the entity that employs all the people who run the County Club and the UPRD would enter into a management contract with UPCC LLC. He said it is a good idea to have the liquor license held by UPCC LLC. That is his next discussion with the HOA.

There are questions regarding the legality of an HOA owning an LLC even though the goal is for the UPCC to never earn profit. The second legal implication is who should own the liquor license and why. He thinks that a separate legal entity that has no assets should hold the liquor license.

Mr. Whyte stated the HOA does not want the liquor license. They think it should be handled through the management Agreement between UPCC and UPRD. Mr. Whyte stated that the HOA is permitted to own the UPCC. Ms. Evans discussed the liquor license. It needs to be held by the entity that is actually serving the alcohol. She is concerned about the LLC owning the liquor license because the LLC would have to have insurance. The HOA cannot own the liquor license. She discussed the possibility of getting a package license. Mr. Ludmerer asked Mr. Barnebey to speak to HOA Counsel and Ms. Evans and come back at the April 12, 2019 meeting with a plan moving forward. Mr. Evans stated that the

District might need to name an individual. Ms. Evans is currently named on the liquor license and would continue to do so, if asked.
Mr. Smith asked for an update on the mutual co-op agreement. Mr. Whyte provided an update to the Board. Mr. Ludmerer stated that he is waiting for counsel input to meet again with John Mathis who is handling it from the HOA side. Mr. Whyte stated that there is one material issue that has not yet come which is the issue of water. The Water Use Agreement was discussed. The RD is getting rights to use the water that is owned by the HOA. Mr. Barnebey discussed the well locations and said that he will have an answer for that by April 12, 2019. The Board continued to discuss the Water Use Agreement.

Mr. Lapointe said in the purchase price the RD is buying the perpetual rights for water usage. Payment for water rights be residents in the HOA and by the Country Club goes away. He asked what the RD is buying because the water right contract will not continue to exist in its present form. Mr. Smith stated that after the meeting he will show Mr. Crouch where us the purchase agreement this is addressed. The purchase agreement does not say the RD is buying water rights. It says that the usage contract will be assigned for the RD to have access to that water. Mr. Barnebey stated that the District needs to have the discussion between the two entities. The only thing the sellers can sell to transfer is the agreement that they currently have. Mr. Whyte stated that the HOA is looking to engage specialize counsel for due diligence related to various water issues. Mr. Smith stated that the District has two issues, one is access to water on an ongoing basis and if it is sufficient to manage the Club and the cost. Mr. Whyte said there will only be nominal charges to the HOA and RD to maintain the viability of water rights for the long term. Mr. Smith volunteered to participate in anything needed from the Board related to water related issues.

Mr. Lapointe updated the Board on the status due diligence. There are no underground storage tanks and a number of the items he and Mr. Smith do not exist. An issue arose with whether the existing UPCC website was ADA compliant. There was a lawsuit against the Country Club and it is almost settled. The County Club agreed to upgrade the site and only item to be decided is compensation of the Plaintiff's Attorney's fees in that dispute. The UPRD is buying the UPCC website as part of the acquisition and they do not want to buy a website that is not compliant. Ms. Bertsch suggested that the County Club speak to VB Joshi at VGlobalTech regarding the website. She discussed the ADA compliance seal. Ms. Evans stated she was told that the County Club is not required to have that. Mr. Barnebey stated as the District gets closer to turnover that is an issue. Ms. Evans stated that they are not opposed to doing anything additional that may be required. Mr. Lapointe will follow up with the current owners.

Ms. Harris discussed the lawsuits and stated that the District manager was notified of this a year ago and converted all the District websites. She listed the many lawsuits against various companies and governmental agencies.

Mr. Ludmerer noted that per the Purchase and Sale agreement the due diligence period closes a week from Monday and the Board needs resolution of this issue and a better understanding of the personnel cost prior to closer of the period. He does not feel comfortable endorsing an RD budget without knowing the personnel cost. The Board discussed the overall personnel cost. Mr. LaPointe will ask the seller's counsel with the information in a way that does not expose the personnel to public records law.

FIFTH ORDER OF BUSINESS **Status and Review of Weekly Board Update/Status from District Manager and Legal Counsel**

Mr. Barnebey provided legal counsel update for the Board. The District provided a Settlement Agreement and they are waiting for a response from Mr. Garrett. The District received a public records request on Wednesday seeking all of Dr. Fishkind's files related to UPRD, Mr. Barnebey's files related to the UPRD, Mr. Eckert's files related to the UPRD. The District is requesting a deposit. There is a Shade Meeting scheduled for Tuesday morning.

Two elections complaints were filed by residents. He noted that the Board already discussed due diligence. Mr. Smith asked if the date was extended to respond to the courts requirement or request to have Manatee County joined in the suit. Mr. Barnebey responded that the date was extended to April 15, 2019. The District has a bond validation hearing on May 6, 2019. Mr. Wood asked the impact on the current suit on whether it proceeds on that date or not. Mr. Barnebey stated he would like to discuss that in the shade meeting. Mr. Wood asked Ms. Harris for input on the long term loan. She answered that there is no update on the long term loan but the short term loan may close next week.

Mr. Wood stated that the current status on the assessment needs to be added to the agenda for the April 12, 2019 meeting. Ms. Harris listed the various items that need to be added to the agenda on April 12, 2019 which are the $2,000 fee for amending the budget for the website enhancement and status of assessments including legal fees.

Ms. Bertsch asked for the exact figure for the monthly penalty. Ms. Harris replied that it is $47,000.00.

Mr. Wood appointed the following Board members as liaisons:
Ms. Bertsch- Communications & PR
Mr. Wood- District Management Coordination & Strategic Planning
Mr. Ludmerer- Finance & Capital Improvements
Mr. Smith- legal and PSA
Ms. Kopnisky- HOA Liaison with the exception of water.
Mr. Smith- Water Rights Agreement

Ms. Harris stated when residents do not receive an email response back they tend to blast it to the entire Board. It was decided Mr. Wood would be responding to those. She stated the Board calls Management asking what is going on and they cannot tell the Board Mr. Wood's response. Mr. Barnebey stated if Mr. Wood is putting anything in writing a copy should be provided to Ms. Harris, because it is a public record. Mr. Barnebey will talk to Ms. Harris about what she can divulge. Mr. Smith stated the Board received two of those emails in the last week. He stated he has sent an email to Dr. Fishkind assuming he would be responding to it. Mr. Wood will now be responding to the Board. If it sent to one of the Board Members they can respond and if it sent to all Board members Mr. Wood will respond. They can contact Ms. Harris about the correct response.

SIXTH ORDER OF BUSINESS

Continue Discussion of Improving Board Effectiveness

a) Frequency of scheduling of Board Workshops (biweekly)- Tuesday 10 days after Board Meeting and Tuesday week of Board Meeting 8:00 a.m.- Card Rood- can be canceled if not needed

b) Use of video conferencing for remote attendance for Workshops and Board Meetings

c) ZOOM Video conferencing capabilities for "minutes' and "video library"

d) Video equipment purchase for establishing a "Zoom Room" for all RD Meetings/Workshops

e) Purchase of Board Tablets for all agenda and content information instead of voluminous printed material i.e. binder for Board Meetings, Cost/Invoice binder etc.

The Board discussed the scheduling of the workshops. Workshops will occur 2 times per month until closing and may drop down to once per month after that. Ms. Harris stated workshops do not require a quorum. They will take place at 10:00 a.m. in the Card Room. An exception is being made for next week. Next week the workshop will be at 8:00 a.m. Ms. Harris stated that a workshop has been advertised for May 3, 2019 at 1:00 p.m. it is

one week before the Board Meeting. Mr. Mishlove confirmed the proposed budget will be discussed May 10, 2019. Ms. Harris will send calendar invites. Mr. Wood asked if it was necessary to have legal counsel and District manager at the workshop. Mr. Barnebey stated they must keep minutes and they need someone to keep minutes. He stated he does not have to be here all the time. Ms. Bertsch stated the board might need legal counsel for the next few meetings.

Mr. Ludmerer stated the District is on budget for routine expenses but over budget on one-time expenses because of the renegotiation of the Purchase and Sale Agreement and other startup costs. He previously requested District management for an update on the budget and was expecting it today to share at the Board Meeting on April 12, 2019. Ms. Harris stated District Management will always provide the Board with the statement of actuals, the statement of financial position and budget to actuals at a Board Meeting. Going forward they will be a standard part of every single Board Meeting. Mr. Ludmerer requested the financials to be made available by the workshop on the Tuesday prior to the Board Meeting. It typically is in the agenda packet that is issued the Friday before, on the week before the Board meeting. Ms. Harris asked Mr. Mishlove to send Mr. Ludmerer the financials that that she discussed with his yesterday.

Mr. Ludmerer discussed the litigation expenses.

Ms. Harris stated the phone number for District Management has changed. It is now 407-723-5900. This is the number into PFM and Board Members can reach both Dr. Fishkind and Ms. Harris at that number. If they call Dr. Fishkind on the other number he cannot transfer the call to Ms. Harris. All District calls should be made to the new phone number.

SEVENTH ORDER OF BUSINESS **Adjournment**

The workshop was adjourned.

Carol L Harris
Secretary / Assistant Secretary

Robert L. Wood
Chairman / Vice Chairman