

MINUTES OF MEETING
AMELIA CONCOURSE COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Amelia Concourse Community Development District was held Thursday, February 11, 2016 at 9:30 a.m. at the Amelia Concourse Amenity Center, 85200 Amaryllis Court, Fernandina Beach, Florida 32034.

Present and constituting a quorum were:

James Marvin	Chairman
Scott Campbell	Supervisor (by phone)
Debbie Malloch	Supervisor
Jan Doan	Supervisor

Also present were:

Dave deNagy	District Manager
Jason Walters	District Counsel
Tony Shiver	First Coast CNS
Rhonda Mossing	MBS Capital Markets, LLC (by phone)

FIRST ORDER OF BUSINESS

Roll Call

Mr. deNagy called the meeting to order at 9:30 a.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the October 26, 2015 Special Meeting

Mr. deNagy stated included in your agenda package is a copy of the minutes of the October 26, 2015 special meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Marvin seconded by Mr. Doan with all in favor the Minutes of the October 26, 2015 Special Meeting were approved.

FOURTH ORDER OF BUSINESS **Matters Related to Series 2016 Bonds****A. Consideration of Resolution 2016-02, Declaring Special Assessments****1. Approval of the Engineer's Report****2. Approval of the Assessment Methodology**

Mr. Walters stated as you recall, there was a foreclosure on the undeveloped lands, which we are now calling them phases two and three. Then, the District created a special purpose entity, which took title to those lands. They have owned them and paid their portion of the O&M assessments. They have marketed the land to try and sell it to eventually get it developed. At the last few meetings, we have brought a few purchase and sale agreements to the board for the board to approve because we have a tri-party agreement between the District, that landowner and the trustee. That transaction has now closed, so phase two has now been purchased by Dreamfinder Homes. They have an option to purchase phase three, as well. The hope is that phase two is purchased, developed and then eventually sold and then phase three would be closed on, as well. The board may also recall a few meetings ago when we came to the board with a modified assessment methodology. We broke the assessment areas into three separate areas. Phase one is the developed area, where the homes are built. Phase two is the next portion is the next phase to be developed and then phase three. The purpose of that is to allow for the creation of separate assessment areas because the debt assessments on the undeveloped land was extinguished with the foreclosure, so there is no debt assessments currently on those lands. We made it clear in that assessment methodology that those are wholly distinct assessment areas. The reason I highlight that is whatever financing is done for phase two, those assessments will only effect phase two. It will have zero effect on phase one. There will be changing of the assessments here. In fact, it will have no effect on phase three. That won't occur until there is a subsequent financing for phase three down the road. The revised methodology provides for a distinct assessment area related to the land that was purchased and for the construction of the public infrastructure. The assessment process that we start today is not committing us to anything. This is the first step. There will be a public hearing in the future. We will send out notice to the newspaper. We will mail a notice and then we will have a public hearing to discuss this further. Getting the lands, which are struggling into a fully built out and secured position helps with O&M assessments down the road. I think it is a positive step for the District. We will also be looking at the RFP for that construction work. We are a public entity, so when we bid out projects, we have to go through the public bidding process and this is kind of the kick off

point for that, as well. Starting this process is not going to commit us to anything. We will get several proposals in and they will be evaluated. Assuming we get a favorable one, then we can consider that down the road but for today's purposes, this is going to be the start of that process, as well.

Mr. Marvin stated your Nassau County permits expire in July. Are we going to be ready to go?

Mr. Walters responded the engineer is working feverishly with that. Obviously, the landowner is going to be working feverishly at that. My understanding is that those are all in the process are good to go.

A resident asked what does the permits expiring in July mean? What impact would that have if the engineer wasn't ready?

Mr. Marvin responded they would just have to resubmit the engineering plans and get them reapproved.

Mr. deNagy stated you have a copy of Resolution 2016-02 Declaring Special Assessments. When you approve the resolution, you will be approving the engineer's report, as well as the assessment methodology. You should have received an updated methodology that was emailed to you. The engineer's report goes over all of the estimated project costs related to phase two and what is going to happen with phase two. We take the construction costs into account when we come up with assessments for phase two.

Mr. Marvin stated I am disappointed that the engineer is not here. Is there any contingency built into these numbers?

Mr. Walters responded there is usually a little bit of contingency factored in. As part of the financing package, a standard document in that is a completion agreement that will be signed by the landowner, which requires the landowner to fund and/or complete any improvements that are not funded.

Mr. Marvin asked with regard to the obligations of the CDD, I am assuming the landowner posts bonds or warranty bonds or performance bonds that are required?

Mr. Walters responded we do. Some of those bonds are posted by the contractor for the work they have done. The landowner would be responsible to the County.

Mr. Marvin asked so on the plat then the landowner and the CDD would join in together on the plat?

Mr. Walters responded that is often times how it is done. Generally, the reason the CDD is going to be signing the plat is for acceptance of certain parcels, easements and stormwater ponds.

Mr. Marvin asked did we switch our pipe to all concrete pipe?

Mr. Walters responded I do not know.

Mr. Marvin asked is the CDD going to be obligated for any wetland creation or monitoring or maintenance that you know of?

Mr. Walters responded I don't believe there is any.

Mr. deNagy stated next we will discuss the assessment methodology. There is an executive summary. You will note that phase two contains approximately 73 undeveloped acres and there are plans for 53 single family homes. The Developer is going to borrow \$2,735,000. The interest rate on that money is 5.25%. The maturity date of the bond will be May 1, 2047. This effects only the homes in phase two. This does not effect phase one or phase three. This take into account all of the construction costs that are in the engineer's report, as well as our cost of issuance and interest and reserve fund requirements for the bonds. It would be a gross annual assessment of \$1,287.73. It is \$81 higher than what phase one is paying right now.

A resident asked because the original two phases were foreclosed on, will those homeowners be paying into this amenity center and into the pool and the facilities?

Mr. Walters responded an easier way to think of it is the building overall includes everything in the District. It includes these roadways, the roadways in phase two, the roadways in phase three, the stormwater, this amenity center, etc. It is all part of the project, so they will be paying for all of the operation and maintenance for all of the infrastructure just like everyone else. There will be one budget to maintain everything.

A resident asked so phase one essentially paid for this?

Mr. Walters responded the bonds that were issued were levied on all of the property but the original landowner was foreclosed, so they lost their property and that was the security for that series of debt. The construction of this is already paid for. It is not like a specific loan just for this building. It is a series of improvements throughout the entire District.

A resident stated when we moved in here we were already some years to pay off the bond. How many years will the new phase have to pay back the bond for?

Mr. Walters responded the new phase will start a new 30 year payment series once we issue the bonds.

Mr. deNagy stated phase one bonds payoff is 2037 and the payoff for phase two is 2047.

Mr. Walters stated this is our first step in the assessment process. All of these numbers will also be refined as we get towards closing, so you will see final versions of all of these documents again. We will have a public hearing. The main focus of Resolution 2016-02 is to approve these documents as we have them today. It describes the project. It gives the total cost. You will see a blank in number four and that is because the number in the methodology will sometimes be refined.

On MOTION by Mr. Marvin seconded by Mr. Doan with all in favor Resolution 2016-02 Declaring Special Assessments was approved.

B. Consideration of Funding Agreement

Mr. Walters stated the funding agreement relates to all of this but it also ties into the next item we are going to deal with, which is the start of the construction process or the proposal process. Obviously, the landowner would like to start that process as soon as possible. We will start the proposal process, so once we have the funding in place then we can award the contract to start that work. Obviously, there are costs involved with that. There will be a site visit with the contractors to make sure they understand the process and what is going to be involved in the project. I asked the landowner to approve and execute a funding agreement. This obligates the landowner to pay all of those costs. The landowner has agreed to this agreement, which provides that they will advance fund all of those costs and pay all of our bills until we get to the funding stage.

Mr. Marvin asked are they reimbursed or do they just pay?

Mr. Walters responded it is reimbursed out of the construction proceeds. To the extent that we do issue the bonds then they will be reimbursed out of those funds only and not out of the Districts funds.

On MOTION by Ms. Malloch seconded by Mr. Marvin with all in favor the Funding Agreement was approved.

C. Consideration of Resolution 2016-03, Setting a Public Hearing for Imposing Special Assessments

Mr. deNagy stated this is setting a public hearing for imposing the assessments.

Mr. Walters stated what we have to do is to publish notice in the newspaper and send a mailed notice to the effected landowners.

Mr. Marvin asked will this be a special meeting?

Mr. deNagy responded yes because our next regularly scheduled meeting is not until May 12th.

On MOTION by Mr. Doan seconded by Mr. Marvin with all in favor Resolution 2016-03 Setting a Public Hearing for Imposing Special Assessments for March 23, 2016 at 9:30 a.m. at the Amelia Concourse Amenity Center, 85200 Amaryllis Court, Fernandina Beach, Florida 32034.

FIFTH ORDER OF BUSINESS

Matters Related to Phase II Construction

A. Ratification of RFP

Mr. deNagy stated the RFP will be published tomorrow. The project manual will be available on February 15th. There is a mandatory pre-proposal conference here on February 17th at 11:00 a.m. The proposals are due no later than 4:30 p.m. on March 8th.

Mr. Walters stated they will have all of the documents starting this coming Monday. They will then have the site visit and then time to go through the proposals.

Mr. Marvin asked is the County going to accept the streets?

Mr. Walters responded that is the plan.

Mr. Marvin asked and the CDD is going to be responsible for the storm drainage, correct?

Mr. Walters responded correct.

Mr. Marvin asked so the contractor's warranty will go to the County and the CDD?

Mr. Walters responded when the County accepts the roads; they do so under certain conditions. They generally require a bond over those roads for a certain period of time. My assumption is when we get to that stage and we are done and we are ready to turn them over that the County is going to require all of the documentation they normally require and a bond to be placed over those roads. I know there are discussions in terms to the ordinances related to the roads in this County, so it is a little bit fluid.

Mr. Marvin stated if the CDD is going to have the storm drains after the construction is complete then it should also have a warranty from the contractor.

Mr. Walters responded we will always have our standard warranties. The work that is done in the contract documents provides for warranty of that work.

On MOTION by Mr. Doan seconded by Mr. Marvin with all in favor the RFP for Matters Related to Phase II Construction was ratified.

B. Ratification of Evaluation Criteria

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor the Evaluation Criteria Related to Phase II Construction were ratified.

C. Selection of Review Committee

Mr. Walters stated often times we appoint a committee to evaluate proposals because having the entire board do it can be entirely cumbersome. The review committee will review all of the proposals. They will rank them according to the criteria that were just approved and they will come back to the board with a recommendation. It is not binding on the board. The board is free to choose whichever proposer they wish based on their own evaluation but it provides for a committee specially provided for to review these proposals and then come back to the board with a recommendation. We will have to publish notice of the committee meetings.

On MOTION by Ms. Malloch seconded by Mr. Doan with all in favor the Review Committee Consisting of Mr. Jan Doan, Mr. Glen Marvin & Mr. Batey McGraw was approved.

SIXTH ORDER OF BUSINESS

Ratification of Engagement Letter with Berger, Toombs, Elam, Gaines & Frank for the Fiscal Year 2015 Audit

Mr. deNagy stated a copy of the engagement letter with Berger, Toombs, Elam, Gaines & Frank is included in your agenda package. I signed this back in November to get the audit started. It will be completed in March.

On MOTION by Mr. Marvin seconded by Mr. Doan with all in favor the Engagement Letter with Berger, Toombs, Elam, Gaines & Frank for the Fiscal Year 2015 Audit was ratified.

SEVENTH ORDER OF BUSINESS Ratification of Riverside Management Services, Inc. Proposal for Pressure Washing

Mr. deNagy stated Riverside Management Services came out and did the pressure washing. There were a number of items that they pressure washed. I had spoken to the Chairman about getting this work done in the interim.

Mr. Shiver stated there are some issues with some of the columns along the perimeter fence that I had a contractor to come out and give us a proposal for budgeting reasons. The Styrofoam caps and the bases are starting to degrade. The pressure from some of the pressure washing was starting to cut into the Styrofoam.

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor the Proposal from Riverside Management Services, Inc. for Pressure Washing was ratified.

EIGHTH ORDER OF BUSINESS Appointment of Audit Committee

Mr. deNagy stated this is the final year for the audit from Berger, Toombs, so we need to appoint an audit committee. We will have an audit committee meeting prior to the next regular meeting and bring a scope of services, so we can get the RFP out.

On MOTION by Ms. Malloch seconded by Mr. Marvin with all in favor the Entire Board of Supervisors to Serve as the Audit Committee was approved.

NINTH ORDER OF BUSINESS Other Business

Mr. Marvin stated I would like an update on the repair of the storm drainage.

Mr. deNagy stated I will get the engineer to send an update to all of the board members.

Mr. Walters stated my understanding is that the contract has been executed and they are reviewing all of the details. It is AJ Johns.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Walters stated I am handing out the latest and greatest Capital Conversations. We are midway through the session in Tallahassee. We are monitoring all of the bills that may or may not affect District business. There are a few bills that we are watching closely. One of them is the website bill. We are hoping that we either get exempted from it or that it goes away somehow. A lot of the other bills relate to the early life of District issues.

B. Engineer

Mr. Doan stated I would like copies of everything that goes out, as far as the construction process for phase two.

C. Manager

There being none, the next item followed.

D. Operations Manager - Report

Mr. Shiver stated the 7.5 horsepower central fusal pump, which is the main pump for the swimming pool has been over amping the motor starter. We had that motor pulled and it looks like they are going to have to replace the bearings in the pump. This is the first time we have ever had an issue with this pump. It runs 24/7, so it has gotten its life. The activity pool has been drained. The contractor started working on repainting that and prepping it. A lot of the pieces that could be removed have been removed offsite, so they can spray it with a chemical resistant epoxy paint. We will be replacing the filter grids on all of the swimming pools within the next month. This is just normal maintenance. There are about 50 of them in total. We will be replacing the pool lift cover. We have found someone who can make these covers. They use Sumbrella material and it is a lot cheaper than we can purchase them for. On December 1st we had a mobile welder come out and repair a broken monkey bar on the playground. According to him, he said at some point it had been broken in the past and the welding job that was done on it was poor. Riverside Management Services did pressure wash the facility and the exterior fence and columns along the perimeter fence. They did not do the cul-de-sac areas. We came back and did the cul-de-sac areas just to avoid having them to come back out. When I was inspecting

the columns, I noticed that the majority of all of the columns have been damaged at the bases from landscapers. The columns are foam with stucco over it. The weed eaters have eaten through the bases. The columns are in pretty bad shape. The capitals are starting to degrade. I had a contractor come out. He is going to be giving the District a proposal to repair them.

Mr. Marvin asked in your opinion would you repair them just like they were originally built?

Mr. Shiver responded I probably would but I would do a thicker stucco coat. I am not really sure they used traditional stucco. At the front entry monument there is some stucco work that needs done. I also had the contractor bid on that. He is also going to include a price for repainting the front entrance monuments.

Mr. Marvin stated maybe we could phase some of the improvements, so maybe we could do some this year and some the following year.

Mr. Shiver stated I would do the front entrance monuments first. On Thanksgiving weekend sometime between the Wednesday before Thanksgiving and the following Monday, someone did break into this room and steal a television. The sheriff's department was notified. We gave them the event log of the people that used their cards over that five day span.

Mr. Marvin asked what is the value of the t.v.?

Mr. Shiver responded about \$500.

Mr. Marvin asked and that is below our insurance deductible?

Mr. deNagy responded yes.

Mr. Marvin stated the sheriff's department feels like it probably wasn't someone who had access to this room. They think they pulled the disconnect on the outside of the building to kill the power, which weakened the magnetic lock, so they were able to force entry in. The reason they believe that is because there is a huge lapse in the video camera system.

Mr. Marvin asked did that t.v. get any use?

Mr. Shiver responded very little. If the board decides to replace it I would like to mount the t.v. on the wall with a locking mount. The disconnect has been locked and it can't be pulled now. The key has been given to the fire department.

Mr. Marvin asked would you want to put another t.v. in with a locking mount?

Mr. Doan responded I would.

Mr. Marvin stated okay.

Mr. Shiver stated all of the District equipment, like the refrigerator, microwaves, televisions will be chipped with a microchip, so in case it is ever removed from the facility again and ends up at a pawn shop then there is no doubt that it belongs to us and we can get it back.

ELEVENTH ORDER OF BUSINESS Financial Reports:

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending December 31, 2015

Mr. deNagy stated included in your agenda package is the balance sheet and income statement.

B. Treasury Report

Mr. deNagy stated included in your agenda package is the treasury report.

C. Approval of Check Register

Mr. deNagy stated included in your agenda package is a copy of the check register, which totals \$43,808.20.

On MOTION by Mr. Marvin seconded by Mr. Doan with all in favor the Check Register was approved.

D. Assessment Receipt Schedule

Mr. deNagy stated included in your agenda package is the assessment receipt schedule.

TWELFTH ORDER OF BUSINESS Audience Comments/Supervisor's Requests

A resident asked is the fence you are putting in going to include the holes in the vinyl fence pieces?

Mr. Shiver responded when we were pressure washing the cul-de-sac we realized there were a lot of holes in the vinyl and from what I am told it was from kids shooting bb guns at the fence. That is going to be something that we will have in the number for budgeting.

A resident asked is there going to be additional security, so we can try to prevent crimes from happening going forward?

Mr. Shiver asked would you like me to present the board with some upgraded camera options? We only have three at the facility and right now, one points at the front gate, one points at the pool filter area and one points off.

Mr. Marvin asked would cameras solve your problem?

A resident responded I just think it would hold whoever is doing it accountable.

Mr. Marvin stated get us a proposal and give us a recommendation. I would like Dave to participate in that since he is familiar with other CDDs.

Mr. deNagy asked will you have a proposal by the March 23rd meeting?

Mr. Shiver responded yes.

A resident stated the AT&T towers are still leaning over.

Mr. Shiver stated I will contact AT&T.

A resident stated the HOA had a request to trim the hedges around the JEA lift station. The kitchen has one of these fixtures in it where a light could be placed but there is no light. Whenever the kitchen is rented at night, the kitchen is very dark.

Mr. Shiver stated we can do that.

A resident stated we had a request for new swings in the playground area.

Ms. Malloch stated I don't know that there is room for swings.

Mr. Walters stated it has to be ADA compliant, so there has to be different spacing requirements, so sometimes that inhibits that, as well.

A resident asked if it is possible then could the homeowners pay for it themselves?

Mr. deNagy responded I have seen communities have their HOA contribute to it.

A resident stated I think there is some interest in helping with the cost.

THIRTEENTH ORDER OF BUSINESS

**Next Scheduled Meeting – May 12, 2016 at
9:30 a.m. at Amelia Concourse Amenity
Center**

Mr. deNagy stated the next schedule meeting is May 12, 2016 at 9:30 a.m. at this location.

FOURTEENTH ORDER OF BUSINESS Adjournment

On MOTION by Mr. Doan seconded by Mr. Marvin with all in favor the Meeting was adjourned.


Secretary / Assistant Secretary


Chairman / Vice Chairman