

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, August 13, 2015 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	Vice Chairman
David Jae	Supervisor
Scott Campbell	Supervisor (by phone)
Debbie Malloch	Supervisor

Also present were:

Dave deNagy	District Manager
Jason Walters	District Counsel (by phone)
Tony Shiver	First Coast CNS

**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**

**Affidavit of Publication**

Mr. deNagy stated included in your agenda package are copies of the affidavits of publication for the public hearing today.

**FOURTH ORDER OF BUSINESS**

**Organizational Matters**

- A. **Consideration of Appointment to Fill Unexpired Term of Office (11/2016)**
- B. **Oath of Office for Newly Elected Supervisor**
- C. **Consideration of Resolution 2015-03, Election of Officers**

This item was tabled.

**FIFTH ORDER OF BUSINESS**

**Approval of the Minutes of the June 10, 2015 Meeting**

Mr. deNagy stated included in your agenda package is a copy of the minutes of the June 10, 2015 meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor the Minutes of the June 10, 2015 Meeting were approved.

**SIXTH ORDER OF BUSINESS**

**Acceptance of Arbitrage Report dated June 30, 2015 for Series 2007 Bonds**

Mr. deNagy stated it is noted on page one that the results of the computations show that there is a negative rebate requirement of \$231,413. If we had a positive number then we would be required to send some money to the Internal Revenue Service.

On MOTION by Mr. Jay seconded by Mr. Marvin with all in favor the Arbitrage Report dated June 30, 2015 for Series 2007 Bonds was accepted.

**SEVENTH ORDER OF BUSINESS**

**Public Hearing to Adopt the Budget for Fiscal Year 2016**

**A. Consideration of Resolution 2015-06, Relating to Annual Appropriations and Adopting the Budget for Fiscal Year 2016**

Mr. deNagy stated we will consider two resolutions for adopting the budget for Fiscal Year 2016.

On MOTION by Ms. Malloch seconded by Mr. Marvin with all in favor the Public Hearing to Adopt the Budget for Fiscal Year 2016 was opened.

Mr. deNagy stated if you turn to page one, this is the General Fund Budget. This is the variable component of the CDD assessment each year. As you know, there are two components to the CDD assessment. The debt service fund is back on page eight. That is a fixed assessment from year to year based on the bond money that was borrowed by the Developer to put the infrastructure in. On page two it shows the assessment level is staying the same at \$550 per lot. Even though we do have a little higher collection fee from the property appraiser, you will notice that change down at the bottom, where we gross up the numbers. If you look at the bottom, you

will see the total expenditures of \$234,461 and the gross up total is \$17,648. You will see it is a little higher than last year.

Mr. Marvin asked so it increased a couple of thousand dollars?

Mr. deNagy responded correct.

Mr. Marvin stated I have lost track of our stormwater pipe repair issue. Where are we on that? Have we paid for it?

Mr. deNagy responded no.

Mr. Marvin asked is there money for that?

Mr. deNagy responded it depends on the cost. Our cash flow is showing that we have about \$90,000 in excess at the end of this fiscal year.

Mr. Marvin asked so one way or another, there is going to be sufficient funds to make that repair?

Mr. deNagy responded given the cost is less than \$90,000 then yes.

Mr. Marvin asked do we have any upcoming repairs to facilities here that you know of that are going to be quite higher?

Mr. Shiver responded at the end of the season we are going to paint the activity feature, which I believe is around \$5,000.

Mr. deNagy stated we have that in our capital reserve budget. The other thing I wanted to draw to your attention is we do have a capital reserve budget, as well as our SPE budget. The SPE budget is the bondholder funding of \$205,000. Our capital reserve budget, we are looking at funding about \$57,000.

Mr. Marvin asked the capital reserve budget for this budget is how much?

Mr. deNagy responded we have \$18,019 in our budget. We are showing a carry forward surplus of about \$15,000 this year for our capital reserve.

Mr. Marvin asked and this money is for what exactly?

Mr. deNagy responded capital reserve is for major expenditures, like the repaint of the spray feature.

Mr. Marvin asked so it would be for our capital expenditures?

Mr. deNagy responded sure. If we had to remarsite the pool then it would pay for that.

Mr. Marvin asked so at the end of the year we will have \$38,900, which is not a huge amount of money if you have anything like a remarsite?

Mr. deNagy responded right. I think we will have more than that, given what I have gotten from the accountant.

A resident asked is it going to make any difference on what we currently pay on our taxes now?

Mr. deNagy responded it will be the same.

On MOTION by Ms. Malloch seconded by Mr. Marvin with all in favor Resolution 2015-06 Relating to Annual Appropriations and Adopting the Budget for Fiscal Year 2016 was approved.

**B. Consideration of Resolution 2015-07, Imposing Special Assessments and Certifying an Assessment Roll**

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor Resolution 2015-07 Imposing Special Assessments and Certifying an Assessment Roll was approved.

On MOTION by Mr. Jae seconded by Mr. Marvin with all in favor the Public Hearing to Adopt the Budget for Fiscal Year 2016 was closed.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2015-08, Approving Form of Real Estate Sales Agreement**

Mr. Walters stated this resolution should look familiar to the board. You approved a similar resolution a few months ago. The contract for the sale of the other property from the SPE to Dreamfinders Homes. There is also a letter included in your package. There is a due diligence period. At the end of that due diligence period, they exercise their right to terminate that agreement and subsequent to that time, the parties kind of reengaged to see if they could come to terms that everyone would agree upon based upon their due diligence. That is now culminated and revised the purchase and sale agreement. You should have a copy of the clean and revised sale agreement, as well as a strike through version, which shows the changes. This is not the District saying that we are a party to that agreement. It is simply approving the terms of

that contract. Scott has been extensively involved in the discussions and can probably break down the terms better than I can.

Mr. Campbell stated the original contract contemplated Dreamfinders putting both phases two and three in the contract. This contract is essentially for phase three only, which is 172 lots. The terms of the deal are \$3,000 per lot of cash upfront and then a minimum total consideration on the backend when they sell the home of \$21,000 in total. Should they sell a home based on a matrix within the contract that leads to more than \$21,000 in total compensation then they would pay that difference at the time of the home closing. They will be putting up a nonrefundable deposit upon the execution of the contract of at least \$25,000. As soon as they approve the contract, they will submit a \$25,000 nonrefundable deposit. They will then close on a transaction 45 days after the execution of the contract. The other part of the deal is they have a right of first refusal on phase two and that right of first refusal is for two years from the time of the initial closing and then should the SPE field another offer for phase two then Dreamfinders would have 60 days to match that offer, otherwise their right of first refusal would expire and we would go with another builder.

Mr. Marvin stated given the fact that when they were under contract previously, they took it to the duration before they cancelled. Do they have additional due diligence periods in this contract?

Mr. Campbell responded I believe we gave them 30 days of due diligence and then closing 15 days thereafter. There is some time in there for title work.

Mr. Marvin stated I just thought maybe they got all of their due diligence done previously.

Mr. Campbell stated I don't disagree. They had sufficient time to do that but if they put their money up hard then they have 45 days to close then I don't think there is anything in the contract that would put the SPE or the District in an adverse position to allow them time to do the additional due diligence.

<p>On MOTION by Mr. Jae seconded by Mr. Marvin with all in favor Resolution 2015-08 Approving Form of Real Estate Sales Agreement was approved.</p>
---

**NINTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**TENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

There being none, the next item followed.

**B. Engineer**

There being none, the next item followed.

**C. Manager – Discussion of Meeting Dates for Fiscal Year 2016**

Mr. deNagy stated included in your agenda package is the proposed meeting schedule for Fiscal Year 2016. We would meet quarterly on November 12, 2015, February 11, 2016, May 12, 2016 and August 11, 2016.

On MOTION by Ms. Malloch seconded by Mr. Marvin with all in favor the Annual Meeting Schedule for Fiscal Year 2016 was approved.

**D. Operations Manager - Report**

Mr. Shiver stated the facility did take a lightning strike through the AT&T phone service. It damaged the television, the access system and the camera system. Everything has been replaced and repaired, except one camera, which is really not an urgent matter. I have ordered a replacement for it.

Mr. Marvin asked how much did it cost?

Mr. Shiver responded the television was about \$1,000. We are still waiting on the bill from Atlantic Companies for the access system. I would estimate it to be around \$3,000 for that.

Mr. deNagy stated we will file it with the insurance company. I don't think they will cover it because it was a lightning strike but we will try.

Mr. Shiver stated everything has been surged protected as much as it can be.

Mr. deNagy asked did we want to talk about the road repair?

Mr. Walters responded there is a meeting with representatives of Jackson Shaw and the County this afternoon to discuss a lot of the issues. Dave plans to attend the meeting on behalf of the District. I think we will know more coming out of that meeting and have some guidance. We will update the board on that.

Ms. Malloch asked what about the repairs?

Mr. deNagy responded I think at the last meeting Dan had mentioned that he has a County approved repairs schematic. I asked Dan about cost to repair but he never got any direction from the board about getting cost estimates to make the repairs. I don't know if it is premature to do that now before we have our meeting this afternoon but I think that is where we are with the repair job.

Mr. Marvin stated the repair needs to get done. The CDD is responsible for the drainage pipes and drainage. It is obviously a drainage failure. If Dan has a design for repair then please get us some prices. If we can get a price that is reasonable then the board will move to get it done. Debbie has this issue with this bond that is out there. Is that the meeting you are going to today and you are going to represent the District?

Mr. deNagy responded yes.

Mr. Marvin asked what do we think is going to come from that?

Mr. Walters responded I have been corresponding by email with one of the folks from Jackson Shaw. It seems as though the goal is to come out of there with an agreement amongst the parties, in terms of the timing and procedures for releasing the letter of credit. I think there may be some confusion amongst the County that Jackson Shaw has some interest or some control over phases two and three, which they do not. I imagine there will be some discussion about the outstanding repairs, which obviously, the CDD is working towards getting them resolved. There is that letter of credit issue. The District is kind of a third party to that. We are not involved in that. We haven't issued it. They are not our roads. The hope is that Jackson Shaw and the County will come to some amicable resolution and that get that behind them, so Jackson Shaw can move on and the County can be comfortable and the District can move forward with phases two and three.

Ms. Malloch stated currently, the agreement with the County states that the whole project has to be 75% complete before they release the maintenance bond. We are trying to get the verbiage changed to be 75% of phase one, which we have met. The CDD has been requested to

be there because the repairs have to be done as part of the step in order to get that released. The CDD is not involved with the maintenance bond, other than having to make the repairs.

Mr. Marvin stated I am a little concerned that the resolution of this will have some effect on the contract that we just approved this morning for Dreamfinders, unless there is another party that will step up and post guarantees. I think last time we met Jason had volunteered to sort this out through the County staff and it sounds like you have been on the fringed of that. I would encourage you to get this resolved on our behalf.

Mr. Walters stated I plan to be available by phone during the meeting times. There is some quirky language out there in the ordinance that we probably didn't envision the scenario like we have and it is unfortunate that everyone has been caught up in it. Hopefully, we can get this resolved.

Mr. Marvin stated my understanding historically on this matter is that the requirement for that bond being in place was in the zoning and since it was part of the zoning for this project, there could not be any relief granted for it because typically, the only way to change the zoning is to rezone. Do you know if it is in the zoning?

Mr. Walters responded I believe it is part of their land development ordinance. One of the proposals on the table is to amend and/or have a separate ordinance to deal with this issue.

Mr. Marvin stated it seems to me that unless they change the ordinance about this that someone is going to have to replace this letter of credit. Is that correct or will it just go away?

Mr. Walters responded my understanding is it will go away.

Mr. Marvin stated if they were doing the due diligence right now, then the existing bond would be standing for that guarantee and they would not know that there is pending efforts to remove that bond.

Mr. Campbell stated that could be the case. I had this conversation with them during the first round of negotiations that this issue was out there. They should be aware of it. Not to say that it won't come up of the additional 45 day period but let's see what progress Jackson Shaw makes with the County.



**ELEVENTH ORDER OF BUSINESS                      Financial Reports:**

**A.    Balance Sheet and Statement of Revenues & Expenditures for the Period Ending June 30, 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 \$39,772.03.

On MOTION by Ms. Malloch seconded by Mr. Jay with all in favor the Check Register was approved.

*Mr. Campbell left the meeting by phone.*

**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 when you talk about the repair, when you said it will just go away, did that mean that the repair will go away or that it will get fixed?

Mr. Marvin responded it will get fixed.

A resident asked what is the anticipated timeframe for phase three for Dreamfinders?

Mr. Marvin responded I can’t speak specifically but I would suggest that if they go under contract and they close as scheduled then that is probably three years worth until build out.

A resident asked then how long before they start building in there?

Mr. Marvin responded in probably 10 months.

A resident asked so will it still be Dreamfinders on our side?

Mr. Marvin responded maybe. They have an option on that.

**THIRTEENTH ORDER OF BUSINESS**

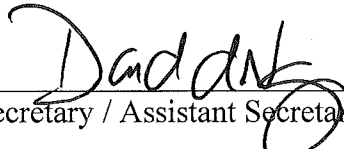
**Next Scheduled Meeting – November 12, 2015 at 9:30 a.m. at Amelia Concourse Amenity Center**

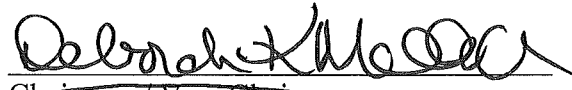
Mr. deNagy stated the next schedule meeting is November 12, 2015 at 9:30 a.m. at this location.

**FOURTEENTH ORDER OF BUSINESS**

**Adjournment**

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

  
Secretary / Assistant Secretary

  
Chairman / Vice Chairman  
ASST. SECY