

MINUTES OF MEETING
AMELIA CONCOURSE COMMUNITY DEVELOPMENT DISTRICT

A special meeting of the Board of Supervisors of the Amelia Concourse Community Development District was held Monday, October 26, 2015 at 11:00 a.m. at the Amelia Concourse Amenity Center, 85200 Amaryllis Court, Fernandina Beach, Florida 32034.

Present and constituting a quorum were:

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|----------------|-----------------------|
| James Marvin | Chairman |
| David Jae | Vice Chairman |
| Scott Campbell | Supervisor (by phone) |
| Debbie Malloch | Supervisor |
| Jan Doan | Supervisor |

Also present were:

| | |
|---------------|-----------------------------|
| Dave deNagy | District Manager |
| Jason Walters | District Counsel (by phone) |
| Dan McCranie | District Engineer |
| Tony Shiver | First Coast CNS |
| Ron Welborn | Jackson Shaw |

FIRST ORDER OF BUSINESS

Roll Call

Mr. deNagy called the meeting to order at 11:00 a.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Consideration of Appointment to Fill Unexpired Term of Office (11/2016)

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor to Appoint Mr. Jan Doan to Fill the Unexpired Term of Office of 11/2016 was approved.

B. Oath of Office for Newly Elected Supervisor

Mr. deNagy administered an oath of office to Mr. Jan Doan.

Mr. deNagy asked would you like to accept or waive compensation as a board supervisor?

Mr. Doan responded I accept.

Mr. deNagy stated I am giving you an I-9 and W4 to complete. Also, I have a Form 1, which you will need to complete and file with the supervisor of elections in the County in which you reside within 30 days of today’s meeting.

Mr. Marvin stated most of us here have some involvement in this community but Jan does not. He has agreed to sit on the board as a favor to me. I would like for him to get compensation for mileage if he chooses to turn it in.

Mr. deNagy stated there is compensation available. I will get him an expense report.

C. Consideration of Resolution 2016-01, Election of Officers

On MOTION by Ms. Malloch seconded by Mr. Doan with all in favor to Appoint Mr. Marvin as Chairman of the Amelia Concourse Community Development District was approved.

On MOTION by Mr. Matovina seconded by Ms. Malloch with all in favor to Appoint Mr. Jae as Vice Chairman of the Amelia Concourse Community Development District was approved.

On MOTION by Mr. Marvin seconded by Mr. Doan with all in favor to Appoint Mr. Doan, Ms. Malloch & Mr. Campbell as Assistant Secretaries of the Amelia Concourse Community Development District was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the August 13, 2015 Meeting

Mr. deNagy stated included in your agenda package is a copy of the minutes of the August 13, 2015 meeting. Are there any additions, corrections or deletions?

On MOTION by Mr. Jae seconded by Mr. Marvin with all in favor the Minutes of the August 13, 2015 Meeting were approved.

FIFTH ORDER OF BUSINESS

Consideration of Proposals for Road Repair

Mr. deNagy stated this goes back to the work that is required by Nassau County.

Mr. McCranie stated we had a walk through by the County Inspectors for them to show us what is deficient in phase one roadway construction. We took all of those line items and I broke out what I considered to be CDD items, which is basically all of the drainage stuff. Then I put together a bid package. We sent that bid packages to nine different firms, who were Walding Contractors, AJ Johns, Holland, RJ, Earthworks, Petticoat Schmidt, Jax Utilities Management, Watson Civil and Rich Hasque. I got one proposal back. I followed up two different times on all of the emails and most everyone came back and said they were too busy right now and some didn't respond. We have this proposal for roughly \$90,000. That does not include a new issue that is very similar to one of the issues that we have already gotten a repair method on from Nassau County. I estimate based on how expensive the other stuff is that this is another \$30,000 or \$35,000 fix if the County requires us to do it the same way. 90% of this work has to be done and should be done pretty soon because we have leaks in the storm structures. Those leaks are then causing the limerock to fail and get into there and then it is causing the roadway to fail. If we don't fix the leaks then we are going to have more of these more expensive fixes.

Mr. Marvin asked how do we know that we have more leaks than the two that we can see?

Mr. McCranie responded because during the walk through we found 19 of them that you could see leaking.

Mr. Marvin stated I stopped and looked at them this morning and most of them are surcharged with light water. I don't know how you could see any leaks down in there.

Mr. McCranie stated but you can water coming in and staining. Sometimes when we were walking you could see the water table was a little lower and you could see active drips in all of these.

Mr. Marvin stated refresh my memory about the pipe issue.

Mr. McCranie stated these are fiberglass reinforced concrete pipes.

Mr. Marvin asked so they have to bond to the concrete inlets and it is just not working all that good?

Mr. McCranie responded from what I can tell it is like the muddying up around the pipe as it comes in is failing. I don't know the reason why but it is leaking at that joint, where the pipe comes into the structure itself.

Mr. Marvin asked so there is a \$25,000/\$30,000 catch all in there to basically pump down the lakes and re-grout all of the pipes from the inside?

Mr. McCranie responded they did a break down of each thing. One is to repair all of the leaking storm drain structures. The 19 that were identified by the County are in our base bid. I also assumed that as we are going through here that there may be a couple more, so I have a specific price per inlet for them to do any extra work. Then de-silting all of the storm drain structures is more a maintenance item and we are may or may not do that if we are starting to get really tight on money. Sidewalk construction is \$2,000 because there are two areas that weren't built. The repair the washout and leak behind S87 is where the soil behind the inlet is failing and one of the property owners has put in a cone there. Then replacing the pipe between S162 and 163 is the area back on periwinkle, where we have gone back and forth with the County. That is the most expensive at \$40,000. It includes a lot of the dewatering and immobilization. Now I think we will have two but I don't think we need mobilization for this or dewatering because it is all the same structure, so I think the second one will not cost \$40,000.

Mr. Marvin asked so in the two major areas it is dewater, dig them all up, replace the entire pipe between the storm drain and the concrete?

Mr. McCranie responded yes.

Mr. Marvin asked and rebuild the road back over it?

Mr. McCranie responded exactly.

Mr. Marvin asked so if we undertake all of this work and get it all done, what do we get at the end of the day?

Mr. McCranie responded a better drainage system but I think that is all you get. I don't think you get County approval. That is something that we have all tried to get our heads wrapped around.

Mr. Marvin asked so we could spend this money and not get County approval?

Mr. McCranie responded you will get County approval on the things that are fixed but they are not going to start maintaining it or they are not going to start doing anything else.

Mr. Marvin asked are they going to take the roads?

Mr. McCranie responded I think the better question is are they going to release the maintenance bond and I don't think so. They own the roads. They quote on quote maintain the

roads; however, they have a maintenance bond that Jackson Shaw has out over phase one that they are not willing to release.

Mr. Marvin asked so if we spend this money and make these repairs, wouldn't we expect to get something for it from the County or not?

Mr. Walters responded the County has intertwined a lot of issues here that I don't necessarily think should be intertwined. Obviously, the District owns and maintains the storm water facilities and that is our obligation to maintain those and make sure they function properly and make sure they comply with all of the permits. Obviously, where our storm water facilities are impacting the road, they have the sensitivity that your storm water facilities are having an impact on our facilities and we need you to maintain these or make certain repairs. In terms of what we get, I think the goal here overall is that the County has created the punch list that will relate to both the maintenance bond over phase one of the roadways and also to the fact that they are acknowledging things are in working order and in compliance and subsequent development is not going to be held up. It is our storm water facility and to the extent some of these issues don't impact the roadway, I don't think they should be tied to the bond at all but the County has kind of done that in some respects. I would think at the very least, a release of the bond and a sign off of phase one, would be appropriate but whether they are willing to do that I don't know. The District keeps getting dragged into the issue where they are holding up other third parties on their obligations.

Mr. Marvin asked if we spend this money and we do it all like the County asks, is there then some clock that starts on the County taking the roads?

Mr. Walters responded they have taken the roads. They own the roads. The question is if something breaks, does the County come out and fix it on their own dime or are they still holding a maintenance bond and pulling the funds from that. The question is who pays for the repairs. If we finish this punch list and Jackson Shaw finishes this punch list then the issue should be put to bed. The bond should be released and the County should say from this point forward we are maintaining this road.

Mr. Marvin asked so from the CDD perspective, what you are advising is by virtue of the conditions that surround this community and the roads and the drainage, the CDD already has the obligation to make the repairs whether they want to or not?

Mr. Walters responded that is correct and we have never denied the fact that we are the owners and operates of the storm water facility. I think we have stated that all along. The question is really why these issues are all being intermingled.

Mr. Marvin stated we have a Jackson Shaw rep here that would like to speak.

Mr. Ron Welborn stated I echoed exactly what was just stated. If we all decide to eliminate this punch list then the County should accept the roads and then going forward the County should maintain those roads. I am here to echo what was just stated that I believe this is the time to come together and make a statement to the County and say we are all here. We are going to spend money and therefore, once that happens the County should take over the roads in terms of maintenance.

Mr. Marvin stated it sounds like we are talking about \$90,000 plus another \$135,000 and then 10% contingency on top of that. What kind of money do we have available?

Mr. deNagy responded we have just over \$109,000 but of that \$109,000, we are looking at almost \$35,000, which has been earmarked for capital reserves.

Mr. Doan asked why would the maintenance of the storm water not be taken out of the construction account?

Mr. deNagy responded we don't have any construction funds.

Mr. Doan asked where is the St. Johns River Water Management District's permit, as far as these repairs?

Mr. McCranie responded they are not involved whatsoever. They are all good.

Mr. Marvin asked so it was all permitted but they don't have to do anything for the repairs?

Mr. McCranie responded no. Right now, the St. Johns River Water Management District is not having a concern. We don't have any discharge concerns or other things like that. This is all an internal system and they don't really care that much. They just want to make sure that water gets to the pond system.

Mr. Marvin asked how do we make up the deficit funds?

Mr. deNagy responded Debbie pointed out that we are do have \$174,000 in capital project money. I didn't think we had any money left but we do.

Mr. Campbell stated from my perspective, we would utilize what would be needed out of that fund before we would go in any other direction.

Mr. McCranie stated all of these items that are part of this list are CDD responsibilities. There was a different list that the County gave us and I took out the things that I did not feel were CDD ownership related.

Mr. Marvin asked if they weren't CDD then who were they?

Mr. McCranie responded Jackson Shaw.

Mr. Marvin asked has Jackson Shaw agreed to do those?

Mr. Welborn responded yes.

Mr. Campbell asked can you clarify the \$35,000? Is that just the contingency estimate for additional potential storm drain leaks?

Mr. Marvin responded no. It is another failure that has showed up since they had their inspection. It sounds like we are at the forefront of going ahead and spending this money to make these repairs in hopes that they assist Jackson Shaw in getting their bond released, as well as repairing our drainage that we are obligated for.

Mr. deNagy stated the board could approve a not to exceed amount with giving the Chair authorization to sign off on whatever the final number is.

Mr. Walters stated one thing I would suggest is we do have those capital funds and to the extent that we can utilize those then I think we ought to, so that we don't have an impact on the residents. In conjunction with the approval, I think we should direct staff, including myself and the engineer, to approach the County in concert with Jackson Shaw and say we are going to take care of all of these items and negotiate the maintenance bond and any further obligations we see in phase one.

On MOTION by Mr. Marvin seconded by Mr. Doan with all in favor Authorize District Engineer to spend a not to exceed amount of \$145,000 to make Road Repairs & Additional Repairs & Allow Staff to Meet with County to Support the Release of the Maintenance Bond was approved.

Mr. McCranie asked if the County doesn't play ball then do we still move forward and do these improvements?

Mr. Marvin responded I don't think we are going to draw the line with the County. We are just going to say that we are doing what we are supposed to do and once it is done then we hope we can get some favorable consideration.

Mr. McCranie stated I will work with Jason on the final contract.

SIXTH ORDER OF BUSINESS

Consideration of Revised Purchase and Sale Agreement for Undeveloped Lands

Mr. Walters stated this is an agreement that you have seen a couple of times now. There are no real significant changes in terms of the language in the agreement. It is one of those situations, where we have engaged and they backed off a couple of times with a perspective purchaser. The tri-party agreement between the trustee, the District and the SPE requires board approval of this contract. We just want to make sure that the board is still comfortable with this arrangement. This is similar in form to the agreement you have seen in the past. The perspective purchaser has reengaged and wants to move forward.

Mr. Campbell stated we are still working with Dreamfinders. We have gone back and forth with them several times. The terms remain the same. They were originally looking to purchase phase three, which I believe consisted of 172 lots. Last week, they made the decision that they would like to switch that and purchase phase two. I believe they have acquired a couple of lots near the amenity center that they plan to utilize for model homes. They felt that they could utilize the main entry and the amenity center as the marketing tool, which would allow them to move into phase two a little bit easier than phase three. The contract terms is essentially a \$3,000 per lot upfront initial purchase price and then they have contractually guaranteed \$21,000 in total, so there is a true up at the home closing of a minimum of \$18,000 additional consideration, which combined with the \$3,000 per lot upfront would guarantee a minimum purchase of \$21,000 per lot. There is a true up component. I believe that is on page three of the purchase agreement, so there is the potential for additional consideration upon a home closing. All of the other terms remain consistent. They would close the transaction 45 days after the contract is effective. There is really one final minor point that we are going back and forth on. I would hope to get that resolved in the next day or two and then get them under contract, such that, we could potentially close this deal in mid December.

Ms. Malloch asked which two lots did they buy?

Mr. Campbell responded I don't know. They just made mention that they purchased two lots at the amenity center.

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor the Revised Purchase and Sale Agreement for Undeveloped Lands was approved.

SEVENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

EIGHTH 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

There being none, the next item followed.

D. Operations Manager - Report

Mr. Shiver stated we have been performing a lot of maintenance on the facility. Previously, the board approved to take down the activity feature and had it repainted. We will be pressure washing the facility in the next couple of weeks.

NINTH ORDER OF BUSINESS Financial Reports:

A. Balance Sheet and Statement of Revenues & Expenditures for the Period Ending September 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 \$68,634.66

On MOTION by Mr. Marvin seconded by Ms. Malloch 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.

TENTH ORDER OF BUSINESS

Audience Comments/Supervisor’s Requests

A resident stated someone came out last week and bushwhacked the trees next to our home. I thought that property was part of the agricultural zone property. I wasn’t sure that was appropriate and I want to know if it was legal that those trees were removed. I have been asking the HOA and the CDD about doing the easement, which has usually been done twice a year in the past. That still isn’t done. It is a mess.

Mr. Shiver stated Martex did bush hog the lot. I guess maybe Dave contacted them and had that done.

Mr. Marvin asked was it a vacant lot?

Mr. Shiver responded yes. In the process of that they probably took down 15 to 20 little pine saplings on the lot. They did not mow the easement. They left it rough. From what I understand they were coming out today to take a look at that.

Mr. deNagy stated it is my understanding that they did what they were supposed to do. They did a similar cut the year before.

Ms. Malloch stated they are the last lot in phase one. In the past we have always mowed along the right-of-way.

Mr. Marvin stated make sure that gets mowed.

A resident stated the entryway from here outside was supposed to be repaired at the base. It looks like garbage. We have asked to get that fixed for the last year.

Mr. Shiver stated I will take care of that.

A resident asked do we have any lights on the entryway other than the light here?

Ms. Malloch responded there used to be ground-mounted lights.

Mr. Shiver stated I will take a look at it. If there is lighting there then I will make sure it is working.

A resident asked is the exterior fence going to be pressure washed?

Mr. Shiver asked do you mean the exterior fence on Amelia Concourse?

A resident responded correct.

Mr. Shiver stated that is not part of it. We got a bid for that and it was \$2,500.

A resident stated it looks horrible and it is one of the most frequent resident complaints that the HOA receives.

Mr. Shiver stated I will get more bids.

Mr. Marvin stated I think this is something we need to leave up to you and staff to do whatever is appropriate to respond to the ladies concern.

A resident stated in the past the landscaping in the front has been mulched. It is really bare and just has dirt right now.

Mr. deNagy stated we will follow up with the landscape contractor.

A resident stated in the past we have had assistance through Jackson Shaw and the landscape contractor with hanging the holiday decorations. There are two large wreaths that go on those towers. Is that something we can ask our current landscape contractor to assist with?

Mr. Shiver responded I don't see why not.

A resident asked will phases two and three be required to come into our HOA or will they have their own HOA?

Mr. Marvin responded they will come into your HOA.

ELEVENTH ORDER OF BUSINESS

**Next Scheduled Meeting – February 11, 2016
at 11:00 a.m. at Amelia Concourse Amenity
Center**

Mr. deNagy stated the next schedule meeting is February 11, 2016 at 11:00 a.m. at this location.

TWELFTH 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