

MINUTES OF MEETING
AMELIA CONCOURSE COMMUNITY DEVELOPMENT DISTRICT

The special meeting of the Board of Supervisors of the Amelia Concourse Community Development District was held Tuesday, October 23, 2018 at 11:00 a.m. at the Amelia Concourse Amenity Center, 85200 Amaryllis Court, Fernandina Beach, Florida 32034.

Present and constituting a quorum were:

James Marvin	Chairman
Nick Powell	Supervisor
Debbie Malloch	Supervisor
Scott Campbell	Supervisor (by phone)

Also present were:

Daniel Laughlin	District Manager
Jason Walters	District Counsel (by phone)
Dan McCranie	District Engineer
Dave deNagy	GMS (by phone)
Tony Shiver	First Coast CMS

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Audience Comments

Mr. Harvey Greenberg, 85128 Amaryllis Court, stated recognizing that there is going to be a change in the Board and that is effective November 20th is there a particular reason why there is election of officers on the agenda today?

Mr. Laughlin responded this is for David Jae who was in seat four which is a seat that expires in 2020. He resigned last week so we wanted to fill that seat.

Mr. Greenberg stated I understand that's appointing another person to take that place but it also says there is election of officers.

Mr. Laughlin stated we will probably wait until the next meeting to do the designation of officers. Even if we ended up doing it today we would do it again next month to add the new supervisors on.

Mr. Marvin stated he asked me about it earlier as a matter of protocol. Jason, can you hear all of this?

Mr. Walters responded I can. As Daniel said, we will probably end up tabling that because we will have to do it once the new supervisors are seated at the next meeting but generally by Statute once there is a change in composition to the Board you often times add officers. If for example you lose a Chairman, you need to have a Chairman. That is not the case here so we don't have to do that today.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation of David Jae

A copy of the resignation letter was included in the agenda package.

On MOTION by Mr. Marvin seconded by Mr. Powell with all in favor David Jae's resignation letter was accepted.

B. Consideration of Appointing a New Supervisor to Fill the Unexpired Term of Office (2020)

Mr. Laughlin stated Jordan Beall was put forward by Dream Finders.

Mr. Campbell stated I'd like to propose that Glen Marvin take that slot and then if Dream Finders wants their person to take Glen's slot that's doable.

Mr. Walters stated Glen won't be able to take that spot because he is currently serving in a different seat so it's not as simple as just appointing him to a different seat. He would have to resign from his current seat, which would cause a quorum issue for today. If there is a desire to keep Glen on the Board that could be done through the landowners' election next month.

Mr. Campbell stated just to clarify, at the landowners next month we could switch Glen to David's seat and this gentleman over to Glen's seat through the landowners' election?

Mr. Walters stated no, today you'll be appointing someone to fill David's seat. That will be the term that expires in 2020. There is a landowners election that occurs next month for a seat that will expire I believe in 2022 so that is the seat that Glen could be appointed to.

Mr. Campbell stated I've got a little bit of an issue with that in terms of Board makeup because until Dream Finders closes on this other phase I don't think we want to lose two seats for the bond holder.

Mr. Walters stated it's up to the Board. The Board is charged with filling vacancies on the Board.

Mr. Campbell stated can David's seat be tabled until the landowners' election?

Mr. Walters responded it can be.

Mr. Marvin stated it looks like we have a consensus here. How do we maneuver that?

Mr. Walters responded for today we won't do anything and will have that tabled. At the next meeting we will have the two new supervisors who were elected through the general election and we will have the remaining seat which is I believe Nick's seat and those two will appoint to fill the vacancy.

Mr. Marvin stated can I ask you to make sure that is correctly stated on the agenda for the next meeting?

Mr. Walters responded of course. Daniel, is the next meeting is the same date as the landowner election?

Mr. Laughlin responded correct, November 27th.

Mr. Walters stated that makes it easier. We will do it on the same day.

C. Oath of Office for Newly Appointed Supervisor

This item was tabled.

D. Consideration of Resolution 2019-01, Designating Officers

This item was tabled.

FOURTH ORDER OF BUSINESS

Consideration of Financing Matters

A. Resolution 2019-02, Declaring Special Assessments

Mr. Walters stated I think it behooves us to give a little bit of background and status as to where we are today as we head into these specific matters. As the Board knows, phase two construction is now complete so we have the one remaining phase to be constructed, which is phase three. As we did with phase two, we are moving into the financing and construction phase of the development. The purpose of today is to get the assessment process started. Obviously when we issue bonds we have to levy those assessments which will secure those bonds. Just for the Board's recollection, similar to phase two the new bonds that are issued for phase three will only affect the lands within phase three so it does not change any of the assessments for phase one or for phase two. These bonds will be secured solely by the lots that will be developed in phase three. You may recall from a couple of years ago this is the same process we used where this is the start of the process. We will have a public hearing, which you can see as set forth in

resolution 2019-03 is similar to what we did last time. You can see the methodology and engineer's report, which will be approved and attached with resolution 2019-02.

Mr. Marvin asked I have a question for Nick and our CDD engineer. Under the landscaping entry monument signage estimate there is an enormous amount of frontage on that parcel on the main road. It seems to me that if you want to have the community fencing columns that this is not nearly enough money. Is this something you've vetted and you're okay with it?

Mr. Powell stated this is Dan's cost estimate but to give you an idea, the cost for the fence on phase two was \$35,000-\$40,000 but we didn't do any landscaping because it's a natural buffer.

Mr. Marvin stated I guess what I'm saying is this enough money for what you want to do. It seems to me it calls for a continuation of the fencing, some landscaping and clean up and then a monument sign and some entry.

Mr. Powell stated Dan, correct me if I'm wrong but there's no call out for any sort of monument sign on that other entrance.

Mr. McCranie stated no.

Mr. Marvin stated I don't believe I could do the fence and the columns for \$45,000 out there but if you're comfortable with that, that's fine with me.

Mr. McCranie stated we are going to add \$120,000 for contingency within there too because we have that room. I don't have a specific plan.

Mr. Marvin asked isn't the plan to be consistent with what's already out there in terms of fencing and columns? It's a long way down through there so as long as this is enough money to cover what Dream Finders needs to spend then I don't need to raise any more issues.

Mr. McCranie responded yes. Our contingency line item will be able to handle that.

Mr. Campbell stated the cost for this exercise to this point for consultants, attorney's fees and what not, is the District bearing those costs or would Dream Finders be reimbursing the District for those costs at this point.

Mr. Walters responded you'll see a little further down the agenda, financing funding agreement, and the purpose of that agreement is just what you're speaking to which is, to the extent the District is incurring any costs, obviously if we were to get down through the financing and we issue the bonds, these costs are paid out of cost of issuance. However, until that time, we have that agreement for consideration by the Board today which provides for Dream Finders to

fully fund those costs and then once the bonds are issued they will be refunded out of cost of issuance.

Mr. Campbell stated none of this would be affected in terms of financing in the bond approval process absent of closing by Dream Finders of phase three, correct?

Mr. Walters responded that's correct. I will discuss that a little bit when we get to the funding agreement but we won't issue the bonds until after that closing occurs so there wouldn't be any financing that is closed until that occurs.

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor Resolution 2019-02 was approved.

B. Resolution 2019-03, Setting a Public Hearing Date

Mr. Walters stated this resolution is required by Statute and as you've seen before this is to set the public hearing where we would finally levy those assessments to secure the bonds. You can see the dates are blank but the date we are looking at is our November meeting, which I believe is November 27th so we would schedule that hearing to take place at our regular meeting on November 27th. We will do the advertising as required by Statute for both the mailed and published notice.

On MOTION by Mr. Marvin seconded by Ms. Malloch with all in favor Resolution 2018-03, setting the public hearing date for November 27, 2018 at 11:00 a.m. at the Amelia Concourse amenity center was approved.

C. Financing Funding Agreement

Mr. Walters stated as a prelude to the next two provisions, as we just discussed a little bit the proposed closing on phase three is to occur toward the end of November so Dream Finders will then close on the phase three property so the next two are somewhat related to that timeline. As we stated, they are not the current owner of that property so we wanted to make sure they were providing any funding that was required by the District to undertake these efforts we're doing so that is what the purpose of this agreement is. I received a few minor comments from Dream Finders' counsel, nothing of substance that would change the structure of the agreement but I think it's fairly straight forward in terms of how we go about providing these funds and

then when we get to a closing those funds would be repaid from the cost of issuance from the funds generated by the sale of those bonds.

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

D. Assignment Documents

Mr. Walters stated again this is somewhat related to the timing of the development we have going here. As some of the supervisors are probably familiar with there are three ways the District constructs its improvements. One is that we contract directly with a site developer/contractor to install the infrastructure. The second way is that they will be built by another entity and then the District acquires those improvements with funds raised by the sale of the bonds. The third option is what we're looking at here which is that the developer would start that process and handle all of the procurement process to get to a final contract with a contractor then we would assign that agreement over to the District so that the District would control the construction going forward. When we do that I put together this package of documents just to make sure that we're getting the correct documents that we need and that the process we need to follow is followed by the developer and that when we ultimately take assignment of that agreement we've got all of the correct sign-offs from all of the parties. It's somewhat of a composite document related to the assignment of that agreement. It's got some affidavits and contractual amendments that we always include in things like that. This will allow Dream Finders to work through the procurement process at their own cost, expense and efforts and once that is completed we can take an assignment of that agreement to complete the phase three infrastructure.

Mr. Marvin asked this is a document that requires execution so we need to move for approval?

Mr. Walters responded yes we are approving the form of those documents now but they won't be executed until the contractor has been selected and we're moving to that contract. Some of them will be signed by just Dream Finders and you are approving the form of those. Some of them will be signed by both and the contractor as well.

On MOTION by Mr. Marvin seconded by Mr. Powell with all in favor the form of the Assignment Documents were approved.

FIFTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Audience Comments / Supervisor's Requests

Supervisor's Requests

Mr. Marvin asked Dan, what is the hole in the road down there with a cone over it?

Mr. McCranie responded there are two, maybe three, areas in phase one and we have notified the County. The County has then sent letters to the holder of the maintenance bond. I got an email on October 19th from Nassau County copying Jackson Shaw.

Mr. Marvin stated I want to know what the hole is from.

Mr. McCranie stated we don't know the specific reason but there are no drainage issues or District owned facilities underneath the failures. It's not CDD property, it is about to be dedicated to Nassau County but there is an issue because they won't accept it until we have 75% build out of everything.

Mr. Marvin asked haven't they already accepted the water and sewer/

Mr. McCranie responded JEA has.

Mr. Marvin stated so they are earning revenue from it so if there is a failure in it now, the warranty period is way beyond expired so it's a JEA problem, right?

Mr. McCranie responded either JEA or an owner of the road problem.

Mr. Marvin asked how can it be anything but sanitary sewer?

Mr. McCranie responded it more than likely is unless it is a leak in an irrigation line or something like that.

Mr. Marvin asked how does this move toward resolution?

Mr. McCranie responded Nassau County is actively pulling the bond. They have just sent out a letter that says, "Pursuant to the terms of letter of credit Nassau County is demanding payment in the amount of \$154,000 from TD Bank who owns the standby letter of credit". Once Nassau County has that then it will be Nassau County's responsibility to maintain those roads and they will be paying for it and fixing it.

Mr. Powell asked they're pulling the entire bond?

Mr. McCranie responded they said regarding paving 12, "Repair pothole at Windflower Trail. Provide a repair method for the excessive cracking on Periwinkle, Bellflower and Lilac, and then provide a repair method for various locations throughout the phase for asphalt cracking" and then they want to replace some curb inlet aprons at structure S-32 and S-80. They say "we've notified Ron Welburn and Jackson Shaw on numerous occasions of the above stated effects and to this date the effects have not been addressed".

Mr. Marvin asked but there's not a CDD issue here?

Mr. McCranie responded it's not a CDD issue.

Mr. Powell asked you're saying once they pull the bond they are basically now fully committed to accepting the roads?

Mr. McCranie responded Nassau County is accepting phase one roads, yes. Dream Finders still has a maintenance bond on phase two and until we have 75% build out of everything it will stay in effect.

Mr. Marvin stated I have a couple other items. At the second entrance on the same road that has the hole in it, is there some reason we can't get these weeds cut down along the fence line?

Mr. Shiver responded I have a meeting tomorrow morning at 11:00 with Martex and a lot of their officers to discuss the maintenance of this property.

Mr. Marvin stated you can tell them a man with a weed eater can take care of it in about five minutes.

Mr. Shiver stated well yeah one time but they need to be maintaining it continuously so that's something we're going to be discussing.

Mr. Marvin stated I also want to talk about lake maintenance. I thought at our last meeting we agreed we were going to go ahead and mow the lake banks on the new lakes.

Mr. Shiver stated I've been in contact with Martex about that and they told me they have been maintaining phase two.

Mr. Marvin stated well then fire them because they're not mowing anything down there that I can see. Have they been mowing anything?

Mr. Powell responded not as much as they should. I'm not going to defend them because we're not contracted with them, I will just say we're seeing it with our landscapers across all of

our communities. Everyone is stretched then and it's not an excuse but I'm seeing problems with all of my communities.

Mr. Marvin stated I'm having a hard time with them trying to market and sell houses on the lake and get a premium and we can't even mow the lake banks so let's see if we can get it resolved by the next meeting. Also, Jason, I want to bring this issue up about getting in sync on all the neighborhoods with regards to lake bank maintenance. Apparently in phase one it's a covenant under the HOA for the CDD owned lakes, which I found unusual to start with, so we need to move toward being consistent throughout the community. I'd like to resolve this at the next meeting if we can do so.

Mr. Walters stated we can do that. We've had some discussions and we've looked over the documents. The main issue on some level is the HOA documents are different for phase one and phase two so it's creating some inconsistencies so we've got some ideas in terms of handling that but we've got to do it in a methodical and organized fashion but we will be able to get there. It's not uncommon to have those type of HOA covenants. The issue is really they are different for each phase. I think we can handle it from the CDD side. It's sometimes an act of congress to get HOA documents changed so it's probably easier for us to handle it from the CDDs side and just take care of it in an organized fashion.

Mr. Shiver asked does that mean I need to provide bids?

Mr. Marvin responded yes.

Audience Comments

Ms. Ellen Cator, 95193 Periwinkle Place, stated back to what you were just discussing with Jason about the CDD being able to do something about the banks being mowed, if it's written in the HOA covenants will the HOA not have to go through the process of changing those covenants for that to be adjusted for phase one?

Mr. Marvin responded I believe they will and that's what I asked him to investigate. I believe it will require at some level perhaps a modification to an HOA covenant, although, the CDD owns the lake tracts and it seems to me that through the CDD action we can obligate ourselves for that maintenance and ask other people not to be involved.

Ms. Cator asked without changing the HOA covenants?

Mr. Marvin responded yes ma'am.

Mr. Laughlin stated correct me if I'm wrong Jason but it will take a while to change the HOA covenants which is something we want to happen but in the meantime we will start taking care of it.

Ms. Cator stated right because we would need a quorum to change the HOA covenants.

Mr. Walters stated that's correct. At the end of the day there may be an HOA obligation but as Glen pointed out, we own those lake tracts. To the extent it's our property we can certainly take whatever maintenance obligations we wish, we just need to coordinate with all of the residents and make sure they understand going forward the District will be maintaining those so we don't have any overlap and confusion.

Ms. Cator stated I'm still a little unclear on how Jason is thinking he's going to get the residents that actually want to continue taking care of their own bank to not do it when it's written in the HOA covenants.

Mr. Marvin stated we know that's going to be an issue. First of all we hope the practicality of it will prevail but the CDD does own these things and they can allow or disallow activities within those areas as it deems appropriate.

Mr. Rick Fine, 85140 Amaryllis Court, stated I would certainly prefer to do my own bank than let anyone else do it. I've been doing it since I was told to do it for the last four years. I think most of us on this pond would feel the same way I do simply because we can't count on anybody other than ourselves to keep it as well cut as we do. I don't know about anyone else's pond but this one always looks good. You're going to run into a lot of problems if you're going to tell me I can't cut my own bank because I'm not going to be alone, there are going to be a lot of people that want to do their own. I may end up doing it anyway whether you tell me or not.

Mr. Powell stated as long as you're not cutting it too low you're probably not hurting it so I don't think that's a problem.

Mr. Greenberg stated if my memory serves me, at the last meeting there was a discussion to review and evaluate the Martex contract to determine what it is that they were supposed to be doing, what it is they had been doing and whether or not there has been a failure and there are credit coming to the CDD as a result of their failure to do so. Where are we with that?

Mr. Shiver stated we found out it wasn't in Martex's contract to maintain phase one lake banks.

Mr. Greenberg asked but was it in Martex's contract to maintain all common CDD areas that are not homeowner property?

Mr. Marvin responded yes.

Mr. Greenberg stated so there's been a failure there and that needs to be addressed because they have not been doing some work for a long period of time that homeowners have either had to do themselves or it hasn't been done and there should be multiple credits coming if they want to continue doing the job for this community.

Mr. Marvin stated I think he is complaining about the quality of the maintenance and I think your idea of getting credits is an outstanding idea but I doubt there is a chance we will get any.

Mr. Greenberg asked will the Board evaluate the performance of the contractor and possibly look to make a change? Take a look at the very end of Amaryllis and Windflower. There is an area maybe 30-feet wide that has never been mowed. There are homeowners here that have mowed areas behind the pool and behind the little pond on Periwinkle. We're paying for something and not getting it.

Mr. Laughlin stated Tony has to talk to them tomorrow. According to the agreement it is a 30-day termination if we are having problems.

Mr. Greenberg stated Tony if it will help, I will be more than glad to meet with you.

Mr. Shiver stated that would be great. The whole purpose for tomorrow's meeting is basically to put them on notice and show them what they haven't been doing and what needs to be done moving forward and give them that 30-day window to meet our requirements.

Mr. Greenberg asked may another one or two homeowners also meet to maybe help with things you may not be familiar with?

Mr. Shiver responded I don't have a problem with that.

Mr. Marvin stated the homeowners don't speak for the CDD, you do, Tony.

Mr. Shiver stated they are going to point out areas I may not know about.

Mr. Marvin stated how about we make it an item on next month's agenda.

Mr. Laughlin stated and if you want we can put together a scope of work and put out an RFP from there.

Mr. Marvin stated for those of you that are here, it's not unusual for us to change maintenance people. There are several major firms out there that provide these services and most

of the work is about at the same level unless you get to resort level which is much more expensive. Let us analyze this and we will bring it up at the next meeting and if we have to make a change we will start considering that.

Mr. Fine asked Glen you're going to be gone next meeting, aren't you?

Mr. Marvin responded I'll be here.

Mr. Fine asked isn't your seat going to be replaced next meeting?

Mr. Marvin responded yes but I'll be here.

SEVENTH ORDER OF BUSINESS

**Next Scheduled Meeting – November 27,
2018 at 11:00 a.m. at the Amelia Concourse
Amenity Center**

Mr. Laughlin stated our next meeting is November 27th at 11:00 here at the amenity center.

EIGHTH 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