

MINUTES OF MEETING
AMELIA WALK COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Amelia Walk Community Development District was held Tuesday, April 19, 2016 at 2:30 p.m. at the Amelia Walk Amenity Center, 85287 Majestic Walk Circle, Fernandina Beach, FL 32034.

Present and constituting a quorum were:

Chris Kuhn	Chairperson
Chris O'Bannon	Vice Chairman
Rose Bock	Assistant Secretary

Also present were:

Dave deNagy	District Manager
Jason Walters	District Counsel (by phone)
Dan McCranie	District Engineer
Wesley Hunt	Evergreen Lifestyles Management
Jennifer Erickson	Evergreen Lifestyles Management

FIRST ORDER OF BUSINESS

Roll Call

Mr. deNagy called the meeting to order at 2:35 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There were no audience members in attendance.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the February 16, 2016 Meeting

On MOTION by Mr. Kuhn, seconded by Mr. O'Bannon with all in favor the Minutes of the February 16, 2016 meeting were approved.

FOURTH ORDER OF BUSINESS

Acceptance of the Fiscal Year 2015 Audit Report

Mr. deNagy stated this is a clean audit. On Page 2 is the opinion of our auditor, McDirmit Davis that states, "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Amelia Walk Community Development District as of September 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America." On Page 25, this is the auditor's report on internal controls. "... we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses." On Pages 27 and 28 are the management comments. There are no comments here, and there are no prior audit findings, which is important. In that section it states corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Another thing of interest is on page 24 we have subsequent events. There are a couple of things about the debt service payment on the B bonds and the new A2 bonds that we are doing right now.

On MOTION by Ms. Bock seconded by Mr. Kuhn with all in favor to accept the FY15 audit was approved.

FIFTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Walters stated I don't have any action items for the board.

B. Engineer

Mr. McCranie stated construction is moving along. We are not going to be using the temporary access. We are going to be coming through the road system. We have asked AJ Johns to be as careful as possible on the roadways and to go slowly. I am about to approve the

first draw. What is the procedure? Once I review it and accept it and sign off on the AIA document, I assume I am creating then a requisition?

Mr. deNagy responded correct.

Mr. McCranie stated I then send it to you and Chris for your approval and then it gets approved, and then ya'll put it in for payment?

Mr. deNagy responded we can do it one of two ways. If it is between meetings, you can send it to Chris and me. Chris will approve it, and we can ratify it at the next meeting if that is okay with the board members. Otherwise we would have to bring the requisition to the board meeting for board approval. He asked Mr. Walters if there was any other option.

Mr. Walters responded no, that is generally it. If we are going to have requisitions approved between meetings, I can bring a resolution to the next meeting delegating that authority.

Mr. McCranie stated that would be good. Sometimes I don't know the specific date they are going to get it to me and the specific date I will get the paperwork done and get it to everybody else. I would hate to miss it by a couple of days like now. I will have it ready in 3 or 4 days and then for them to have to wait a full month. This one isn't a lot of money, but as they progress, it would be nice for the board to have that authority as long as it is not a change order. It is all within budget with what we have already approved. If there are any change orders, I assume we would go through the process and bring it to the board.

Mr. Kuhn stated I think that is fine. I think if we are going to do it between meetings, you can transmit that and if it is consistent with the schedule and contract amounts.

Mr. McCranie stated I will give you an Excel spreadsheet showing the totals we expect for each line item they have and draw #1 and tell you what percentage they have done.

C. Manager

Mr. deNagy stated our next meeting is May 17, and it will be our budget approval meeting. One thing I would like the board to think about is our capital reserve. Right now we only have about \$6,200 between road maintenance and Capital Reserves in our budget. I know we did the reserve study, and I don't have those numbers in front of me, but that might be something we want to add to our budget, particularly road maintenance with heavy trucks going through. That could impact our budget if we are inclined to want to increase our Capital

Reserves budget. I will get a draft budget together and out to the board prior to the next meeting.

D. Community Manager - Report

Mr. Hunt stated if we are not using that easement, we are going to put double gates there and chain them using one of the gates that we had originally placed in the back. They are just sitting in the middle of nowhere now because there is nothing there anymore. We are going to take one of those gates and re-use it to close that off completely.

Mr. Hunt asked Mr. Walters if he received the information regarding the company, ICG, that was going to look at all our utility bills.

Mr. Walters responded I did receive the information. I didn't know what board action you were looking for.

Mr. Hunt responded it was more for you in the sense that I wanted you to review the contract. The way it is going to work is that company is going to provide us with a report that is going to tell us to either take action because there is money outstanding for the District that they need to reimburse us for or it is not worth it. Once they provide us with that report, then I will bring it to the board, and the board can decide whether they want to sign the contract and proceed. Basically the way it would work would be a 60/40 split in the community's favor, so any money they recover, it is 60% to the CDD and 40% pays them. There are no obligations and no strings attached until the report is given to us and the board approves. I wanted you to look at it so you were familiar with it.

In response to an inaudible question, Mr. deNagy stated this is a specialized service.

Mr. Hunt stated they will find money that is owed to us. Sometimes if companies won't cut a check to us, they will credit the account, so we will have a large credit maybe on the account, or they also lower the cost of your contracts with them. If they get your contracts lowered, it is a service they provide as kind of a gift for doing the work. They don't charge anything for that. Any money they recover, they take that percentage.

Mr. deNagy stated it is no out-of-pocket for the District.

Mr. Hunt asked about the back side of the pond on Champlain, where we have done all that construction, that back side of that pond was left natural for a long time. We are probably not ready yet to have that cleared, but I wasn't sure if that was something we wanted to think about in the coming months. It would be a cost to the District to remove all those tall grasses

along that pond. My final question is I have a resident who wants to have a graduation event on May 22. They want to hire a reggae band to come play out here. That band doesn't have insurance. They play at a number of bars around here. The resident also wants to have alcohol at the party, but they want to provide the alcohol themselves. They don't want to have it catered. Now we have explained them that we would prefer the band has insurance, and a host liability license for liquor would be required. Are you okay with a resident providing alcohol with a host liquor license under their name and are you concerned about the band not having insurance? It is for a high school graduation. The parents are hosting it. It is not the teenagers that are coming to me and want to host it.

Mr. Kuhn asked Jason, should we be concerned?

Mr. Walters stated several districts have allowed individuals to bring their own alcohol or to have a bartender at certain functions. We always require that they purchase host liquor liability insurance, which is a separate policy specifically for that event. With respect to the band, the band doesn't necessarily do all that much. Generally what you are looking for is activity-based stuff like a petting zoo or a bounce house or those types of things. You want to make sure they are insured. At the end of the day, if the totality of all this is making the board or Wes uncomfortable, I don't think there is anything wrong with either requesting further information to place limitations or just saying we are not comfortable with it.

Mr. Hunt stated as far as the band goes, we have had a number of communities where we had the band, and they were mom and pop bands or small bands, and they don't have insurance. Sometimes we will get them to sign a waiver instead. Another thing is they are not renting the social room. They kind of want to do it at the pool, which I explained to them that you can't rent the pool. It can be a hard time controlling it. If it is in this room or on the patio, you kind of them contained, but when it goes out to the pool and spills out, then you have residents that come that aren't part of the party. We would staff it as we always do. It is much harder to contain in that situation.

Mr. Kuhn asked if they are willing to get the host license.

Ms. Erickson responded she wanted to know what she had to do in order to do that. She didn't want to have to pay a caterer.

Mr. Kuhn stated I think we definitely want to require that. Let's just deal with the alcohol first. We want them to get the host liability license. Regarding setting parameters on attendees, is that something you do by way of an agreement?

Mr. Walters responded for example, if you have a community with six different room, you are going to have a maximum capacity for each one. That needs to be communicated to the person who is thinking about renting it. If 300 people show up, and they are in the parking lot and the outside area and pool and everything else, we just can't accommodate that. They have to find somewhere that can accommodate 300 people. I think we need to look at the space that is going to be rented, what could reasonably be accommodated in there, and just relay that to the people who want to rent it.

Ms. Bock asked what is the drinking age?

Ms. Erickson responded 21

Ms. Bock asked who is going to drink at this party?

Mr. Hunt responded only grown-ups. The parents are celebrating.

Mr. Walters stated that should be communicated. That is a valid question. Since it is a high school graduation party, please understand if you give one of those children a drink, you will be thrown out. We are not here to accommodate your under-age drinking party. It needs to be communicated. Sure, if you want to have a nice small party for your child who is graduating, and the adults want to have a glass or two of wine, that's fine. Understand what is not going to be tolerated is drinking by minors or anything like that.

Mr. Kuhn stated on the band, I would typically say no, but it does concern me that it is not really a private event in as much as it is on the pool deck, and you can't tell the other 100 homeowners here that they can't come. I feel concerned about the lack of control of the guest list.

Mr. Walters stated I don't believe we rent the pool deck or the pool facility, we rent the room. The question is can we accommodate what they are looking for. If it is two guys playing bongos and singing, you can do that inside. If it is a 10-piece band with amplifiers, I don't think that works inside, so I don't think their party would work. We don't rent the pool deck, so you can't have the pool deck, and you can't have their function there. To me that is the simple answer.

Mr. deNagy asked are they planning on having it rain or shine? It would make a difference.

Ms. Erickson responded that question was handled.

Ms. Bock asked she specifically didn't want to rent the room, right?

Ms. Erickson responded this room really can't handle a band, a bar, and 50 people.

Mr. Hunt stated they want to put it on underneath the Pavilion.

Ms. Erickson stated it is an acoustic band, so they would need a minimal amount of hookups.

Mr. Hunt stated my request to the board would be that we go back to the homeowner with further questions, and then if someone makes a motion, maybe Chris and I can have a discussion on it.

Mr. Kuhn stated I like Jason's approach. The pool deck isn't for rent, and if you are trying to reserve a space, then this is the space that is available to reserve. If you are doing bands and alcohol and guests, and they don't all fit in the room, then I'm sorry, you need to find a different place.

Mr. O'Bannon stated my son is graduating too, and we are going through this process where we are going to throw parties, and the whole question of alcohol. I got to believe that they are planning on children drinking. It is a reggae band at a pool with even 25 kids. There will be underage drinking here. It is going to happen.

Mr. Kuhn stated I would tell them here is what we can accommodate. If it doesn't work for your program, then I'm sorry. If they come back and can pass that test, maybe Dave and Jason and I can work out some kind of agreement or requirements that would include insurances and alcohol licensing subject to the five of us getting comfortable. I don't see it happening based on what I know today. I don't think anybody here is comfortable. If they want to come back with some revisions, we can talk about that.

Mr. Hunt stated the final thing is the pool paver proposals. The pavers on the left side of the pool are sunken over the past couple of years. We are requested they be leveled and re-sanded and also bolting down the lifeguard chairs to the pavers so the kids can't move them over to the pool and use them as a diving board. We had three companies propose. Two of the companies just bid on the paver work, and Crystal Clean, which is our current pool company, bid on the paver work plus bolting down. They are a little bit higher, but that little bit of extra

cost includes the cost of bolting down the chairs. The lower bidder is MSM, and Jennifer was not pleased with the service that she received in just trying to get a proposal. Crystal Clean has done nice work, and they are here all the time because they are our pool company, so our recommendation would be Crystal Clean to do all the work.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor to have Crystal Clean Pools complete the pool paver repairs and secure the lifeguard chairs to the pool deck in the amount of \$1,430 was approved.

SEVENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

There were no supervisor requests.
There were no audience members present.

EIGHTH ORDER OF BUSINESS Financial Reports

- A. Balance Sheet & Income Statement**
- B. Approval of Check Register**
- C. Special Assessment Receipts Schedule**

Mr. deNagy stated a copy of your financial statements is included in your agenda package as of March 31, 2016. The total of the check register is \$38,377.74.

On MOTION by Mr. Kuhn seconded by Mr. O'Bannon with all in favor the check register as of March 31, 2016 in the amount of \$38,377.74 was approved.

NINTH ORDER OF BUSINESS Next Scheduled Meeting for May 17, 2016, at 2:30 p.m. at the Amelia Walk Amenity Center, 85287 Majestic Walk Circle, Fernandina Beach

Mr. deNagy stated the next scheduled meeting is May 17, 2016 at 2:30 p.m. at this location.

TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Kuhn seconded by Mr. O'Bannon. with all in favor the Meeting was Adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman