

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, July 18, 2017 at 2:00 p.m. at the Amelia Walk Amenity Center, 85287 Majestic Walk Circle, Fernandina Beach, FL 32034.

Present and constituting a quorum were:

Chris Kuhn	Supervisor (by phone)
Rose Bock	Supervisor
Greg Matovina	Supervisor
Mike Taylor	Supervisor

Also present were:

Daniel Laughlin	GMS
Dave deNagy	GMS
Dan McCranie	District Engineer (by phone)
Jason Walters	District Counsel (by phone)
Jennifer Erickson	Evergreen Lifestyles Management
Gregg Kurn	

**FIRST ORDER OF BUSINESS**                      **Roll Call**

Mr. Laughlin called the meeting to order at 2:00 p.m.

**SECOND ORDER OF BUSINESS**                      **Audience Comments**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**                      **Affidavit of Publication**

Mr. Laughlin stated this is located in your agenda package.

**FOURTH ORDER OF BUSINESS**                      **Consideration of Resolution 2017-05,  
Election of Officers**

Mr. deNagy stated we may want to hold off again. The board decided to table this item until the next meeting.

**FIFTH ORDER OF BUSINESS**

**Public Hearing to Adopt the Budget for  
Fiscal Year 2018**

On MOTION by Mr. Matovina, seconded by Ms. Bock with all in favor the Public Hearing is Open

**A. Consideration of Resolution 2017-06, Relating to Annual Appropriations and Adopting the Budget for FY 2018**

Mr. deNagy stated I would give the board and residents in attendance today an overview of our approved FY18 budget. You should have received a mailed notice in regarding to the FY18 budget. There is an increase proposed of just over \$270 for the next fiscal year. Some of the bigger components in the budget for FY18 include funding reserves for a couple of items. Reserves for roads in Phases 1 and 2 is budgeted for \$79,000, and \$70,000 of that is for Phase 1 that we are amortizing over five years, and Phase 2, which is for \$9,000 we are amortizing over 15 years. The other big item is Capital Reserve, which is primarily for the pool resurfacing that is going to be needed probably in FY19. That is \$100,000, so it will be \$50,000 each year for reserves to pay for the pool resurfacing. The other big item in our budget is landscape maintenance. That has a budget increase of a little over \$24,000. Most of that is related to additional landscaping in the Phase 2 portion of the District. A couple more larger increases in our budget for FY18 includes \$17,100 for our management company, which is Evergreen Management. We are looking at an increase for utilities of about \$9,000. We have additional trustee fees of about \$4,800. Regarding the debt service, the CDD assessments are made up of two components. One is O&M, and it can vary year to year. It can change based on contracts with service providers and additional needs for the District. What the board strives to do is try to get assessment levels where they can stay the same for a few years. Any time we increase our operating budget, there is a requirement for a mailed notice and published notice. The other part of your CDD assessment is the debt portion, which is the money that is paid back for all the infrastructure improvements by the developer originally. That debt service budget is fixed, and it is included in your FY18 budget on pages 9 and 13. There are amortization schedules for each of those bond issues. That is a snapshot of the FY18 budget. I would like to open it up to the board for their discussion first, and then we can open it up for resident questions regarding the FY18 budget.

Mr. Taylor asked regarding the landscaping budget, we do have proposals to substantiate that increase?

Mr. Laughlin responded yes.

Mr. deNagy stated we have a proposal from Martex for additional money, and we also have a proposal from Evergreen Management for the increase as well. The road maintenance reserves are estimates provided by our District Engineer.

Mr. Taylor asked was there a road reserve study done?

Mr. deNagy directed his question to Mr. McCranie and asked was there a reserve study done other than the work that you have done this year?

Mr. McCranie responded not that I know of.

Mr. Kuhn stated I don't know if there was an official reserve study, but I think you provided some Engineer's estimates of what we would expect by way of repairs and maintenance over the next several years. They were discussed in meetings, but there was not an official reserve study commissioned, considered, or adopted by the board. It was more Dan helping us look into the future as to what was coming or way.

Mr. Taylor asked would it make sense for the board to engage a reserve study just to validate that number? Maybe take it out of the budget for the time being or defer it until we get more information.

Mr. Kuhn stated I think that is a possibility. The number we have in there today is a real Engineer's estimate from you, correct Dan?

Mr. McCranie responded yes, based on the number of per unit prices for milling and per unit prices for repaving.

Mr. Kuhn stated if that is the direction you would like to proceed, Mike, we can do that. Dave, can you park a line item or is that something that stays out of the budget until the next fiscal year?

Mr. deNagy responded what I think we would need to do if we were going to have a reserve study is pull the number out, which is the \$74,000, and that would leave \$5,000 in case we have any maintenance needs. We would pull \$74,000 from the overall expenditures of \$628,918. I can crunch the numbers and see how that fleshes out to what the assessments would be without that number.

Mr. Matovina stated I kind of see it as a pay me now, pay me later issue. If you don't do \$270,000 this year it might be \$340,000 next year. The only thing we know about Dan's estimate is if it is wrong, it is not because Dan does bad estimates.

Mr. Kuhn stated what we had talked about almost a year ago now is whether or not there are any efficiencies that come with future construction phases knowing there will be wear and tear on the road as future phases get built. Perhaps there are some capital dollars that get invested into the roads that are really a byproduct of construction, not a byproduct of what I would call routine wear and tear. If that is a real thing and a consideration, maybe that would be a variable to consider in a new reserve study. What is the phasing of the community and by way of that, what things will get improved along the way just due to the course of neighborhood build out versus something that is just residential cars driving on the road.

Mr. McCranie stated with that thought with the next phase, the board has had a lot of discussion to make sure that for the next phase, the bulk of construction uses secondary entrances and does not use our Phase 1 roadways. I believe our Phase 1 roadways are going to need to be milled and resurfaced after they have had a lifespan of 15 to maybe 20 years of use. That is where that number came from is taking the entire area of all the roadways in Phase 1 and knowing how much I have to mill and how much I am going to come back and replace the same amount of asphalt. That was my very basic methodology for coming up with those numbers.

Mr. deNagy stated if you look at the balance sheet of June 30, we have \$115,000 in the bank that is available for this sort of thing, and I assume that needs to cover three months worth of operating expenses. So we are operating pretty thin, but at the same time, it may be the will of folks involved to put it off.

Mr. Kuhn stated the developer is ultimately responsible for costs beyond the operating budget. If there is a desire to study these again, then I suppose as long the developer is willing to take on road maintenance costs for which we don't have reserves, then that is an option I'd be willing to consider.

Mr. Walters stated in the past we have used what we call deficit funding agreement which provides for any cost over the budget amount for expenditures that occurred during that fiscal year that the developer will pay those.

Mr. Taylor stated so we can continue this until the August meeting until such time we get the developer funding agreement and more information on the road reserves, is that correct?

Mr. Walters responded that is correct. We will still have time, if we get to the August meeting, to certify the roll to the county. If we want to continue discussion from today and from the staff perspective drill down on those numbers and make sure we are as comfortable with them as possible, we can continue the hearing to our scheduled August meeting and come in with a revised assessment amount at that meeting. Just recall that we can always bring down the assessments from what we have noticed, but we cannot go over that amount.

Mr. deNagy stated so the suggestion is to continue our Public Hearing to our August meeting. We will not take any action on the resolutions. In the meantime we will work through the issues regarding the reserve study. Mr. deNagy opened the meeting up for comments from the audience members.

Ms. Evelyn Leopold, 85034 Cherry Cr. Drive inquired about a parcel of land to be sold in front of her, and wanted confirmation that that part of the road the CDD would not be responsible for in the future.

Mr. Matovina stated the CDD owns those roads and would be responsible, but there would be a cost sharing agreement between the new development and the old development based on the number of units relative to the total in each agreement.

Ms Julie Pagliagh, 85205 Cherry Creek Drive, stated in regards to the road structure, Phase 1 was destroyed from all the trucks coming in. There was nothing wrong with the roads that were existing prior to construction of Evergreen in Phase 1 and now Phase 2. When are they going to start using that road in the back for Phase 2 because these trucks are still coming through here?

Mr. Taylor responded I think for Phase 2 and future development, the builder out there will continue to use this road in the neighborhood coming in. In terms of the major improvements with future development where you do a lot of land clearing activity and a lot of dirt hauling, it is the Engineer's recommendation and we supported it to find an alternative haul road that will alleviate any road traffic on this paved road coming in. That is the future plan.

Ms. Pagliagh stated they come in like gangbusters. They come in fast. They have no regard for anything else, whether they block the traffic or anything.

Mr. Taylor asked are you speaking of the dump trucks or are you speaking of all the traffic?

Ms. Pagliagh responded all of the construction trucks, whether they are bringing sod, they have no regards for the community residents at all.

Mr. Taylor stated that is an issue we can take up and try to work with the local jurisdictions.

Ms. Pagliagh stated we have had many discussions about this and about the contractors. They stand in the middle of the road blocking traffic. You can't see past them, it is a hazard. You have all these worker trucks coming in, flying in the neighborhood, and destroying the roads. Why can't that road be utilized for all?

Mr. Taylor asked Mr. Matovina or Dan if they had history on the haul road. I now it has been used in the past. We don't have a secondary entrance into the community that has been approved per se by the County, is that correct?

Mr. deNagy responded I don't believe it has been, Dan can answer that question, but I don't know that that is really the question because when you are dealing with AJ Johns, you can instruct him to have his staff use the haul road, and most likely, because of the few number of subs and most of the deliveries in his own vehicles, he is going to monitor that. Unfortunately, when you are dealing with builders, and they got 50 different subs working on a house, I think the odds of that being followed with the builder is very slim. It is still not going to alleviate the question of construction trucks being in the road like the ones building the houses in Phase 1. They have to park somewhere, and they have to deliver materials. Unfortunately it is just part of being in a new community. We can certainly try it.

Mr. Taylor stated I think what you are asking for is just to direct all construction traffic down the haul road?

Ms. Pagliagh stated initially that road was a walking trail. Now it is nothing. You guys aren't using it for construction, and you are not using it for the community to use to walk either. The one road is not going to support all 749 homes eventually.

Mr. Taylor stated the Engineer can speak to that. It was approved by the County and the PED with the one single entrance. Having a second entrance would require steps that we are not interested in taking at this point.

Mr. McCranie stated officially we have our second entrance. It is right next to our front entrance, and it is the Spruce Run Drive to take you through and around to North Hampton. That is our official second entrance to the subdivision.

Mr. Taylor stated we can discuss traffic issues again with the builder. We have a direct contact there, and we will make an effort to do so. In terms of future commitments on large land clearing and large improvements with the future phases, it is our goal to take them down the haul road.

Ms. Pagliagh stated that road wasn't used before.

Mr. Matovina stated I don't think that road was approved for Phase 1 and asked Mr. McCranie if that road had been approved by the county for Phase 1.

Mr. McCranie stated during Phase 1 of construction we didn't need it because nobody lived here. During Phase 2 of construction, which was complete about six months ago, there were issues with getting it permitted through the county to be able to be used, and those issues would have caused more delays than the CDD board was comfortable with once we had already put a contractor in, so it was not used because of those issues. During the next process, we will make sure that we have the approval by the County to be able to use the access road in place prior to selecting the next contractor. That next contractor will be required to use that road for their large hauling items. It would not stop individuals driving passenger cars and just coming to work.

Mr. deNagy asked Mr. McCranie is that property was located on Amelia Walk property or is it a right-of-way?

Mr. McCranie responded that back little trail is CDD owned Amelia Walk property.

Mr. Taylor asked so getting a permit through Nassau County given the amount of time allocation is feasible, likely, or unlikely?

Mr. McCranie responded when we decide that we want to do the next phase, we would need approximately two to three months of permitting back and forth specifically to the driveway that would be required, the bonding required, and all the different little issues of access from Amelia Concourse to the property. Once we got onto our own property, then we control that. It is just the access onto Amelia Concourse Roadway that we permit.

Mr. Kuhn stated that I would think the effort to do that is going to need to make some semi-permanent improvement to that easement. You may want to have Dan prepare a

preliminary design and estimate. That haul road will not survive without crusher run or crushcrete, or some asphalt paving. Other considerations will be two-way traffic and just knowing also that it is an easement for multiple utilities. There are several considerations that I will pose to Mike and Dan. I think it is a great idea, and I think we should proceed in that route. If we are going to make that kind of investment, I would also suggest that the board study the community master plan to make sure that whatever you do and invest in that way is something that can be used for multiple future phases. We may need to make some adjustments so that we are not just kicking the proverbial can down the road to another phase.

Mr. McCranie stated things like water lines that are in the back area will have to be taken into account.

In response to a question from Ms. Jo Bacher, 85236 Cherry Creek Drive, Mr. deNagy stated what is in the budget is money set aside for Phase 1 resurfacing of the roadway and Phase 2 resurfacing of the roadway. It has nothing to do with the other entrance we are talking about.

Mr. Taylor stated there is a large increase in this proposed budget for FY18 because as a board we elected insert the road items on that reserve study. I am asking for a little bit further analysis and continuation until I get the developer and some funding agreements in place. Should we choose to reduce the budget, then there are going to be some overages and variances. The developer would share in any overages to the O&M budget. If this line item got deleted completely, then there would not be any cost sharing. We are not suggesting that.

An audience member asked about the landscape budget and stated the landscaping has not improved at all. We had downed trees from the storms last year; you never addressed it. You have beds that are atrocious. You have other areas that are supposed to have pine straw every year. What makes us believe with this new increased budget that we are going to get all these improvements? I think one time in seven years have those beds had new pine straw. They will come out and weed, and there are still weeds in it.

Mr. Taylor responded you have a concern that we need to address as a board. I will encourage staff that has secured those proposals and maybe articulate about the increase.

Ms. Erickson responded part of the increase is to make sure that gaps in the contract from the year prior where things weren't in the contract are being paid for. All beds will either be mulched or pine straw every year. Every palm grass will be timely cut. Ms. Erickson

mentioned several items that will be completed under this contract. If there are any issues, send me a picture, and they will come out.

The audience member brought up the issue of workers parking on the sidewalk and the resident's property. They park on the grass and sidewalk.

Ms. Erickson stated that should not happen again. When you see that, bring it to my attention, and I will go and have them move.

There were no more questions from the audience.

On MOTION by Mr. Matovina, seconded by Mr. Taylor with all in favor to continue the Public Hearing to August 15, 2017 at 2:00 p.m. was approved.

**SIXTH ORDER OF BUSINESS**

**Other Business**

Mr. deNagy stated I have some news from Chris Kuhn. I did receive his resignation from the board by email. He asks that we please accept his notice effective immediately to resign as supervisor, and he will follow up with a letter. He wanted to send his thanks to staff, the board, and myself. I think what we need is a motion to accept the resignation of Chris Kuhn.

On MOTION by Ms. Bock, seconded by Mr. Taylor with all in favor to accept the resignation of Chris Kuhn was approved.

Mr. Kuhn occupied Seat #2, which expires in 2018.

On MOTION by Mr. Taylor, seconded by Mr. Matovina with all in favor to nominate Gregg Kurn to fill Seat #2 expiring in 2018 was approved.

Mr. Laughlin administered the oath to Mr. Kurn.

Mr. Kurn will accept pay.

Mr. deNagy stated there will be three seats open in 2018 so there will be an opportunity for residents to sit on the board. All three seats will be filled by residents. In 2020, the remaining two seats will be open.

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Walters stated I don't have any action items for the board. There were no questions for Mr. Walters

**B. Engineer**

Mr. McCranie stated I don't have anything to report. I have not gotten a chance to work on the sidewalk issue, but I will have that for our next meeting.

**C. District Manager**

There was no report.

**D. Community Manager - Report**

The report is located in the agenda package under Section VII-D

Ms. Erickson stated we have had a few violations. Thanks to Envera, we were able to track down the people who had done was damage, and it has been dealt with. The mailbox kiosk will go in to Phase 2. Everything has been received in office, and we are up-to-date. Clubhouse inspections have been completed, and I will have a full report in August. Ms. Erickson briefly reviewed maintenance items listed in her report. She reports having good feedback from residents for the events that are scheduled.

**EIGHTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

There were no supervisor requests or audience comments.

**NINTH ORDER OF BUSINESS**

**Financial Reports**

**A. Balance Sheet & Income Statement**

**B. Approval of Check Register**

**C. Special Assessment Receipts Schedule**

Mr. Laughlin stated a copy of your financial statements is included in your agenda package as of June 30, 2017. The total of the check register is \$10,882.15

On MOTION by Mr. Matovina seconded by Ms. Bock with all in favor the check register in the amount of \$10,882.15 was approved.

Mr. Laughlin stated we are 100% collected.

**TENTH ORDER OF BUSINESS**

**Next Scheduled Meeting for August 15, 2017 at 2:00 p.m. at the Amelia Walk Amenity Center, 85287 Majestic Walk Circle, Fernandina Beach**

Mr. Laughlin stated the next scheduled meeting is August 15, 2017 at 2:00 p.m. at this location.

**ELEVENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Ms. Bock seconded by Mr. Taylor with all in favor the Meeting was Adjourned.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman