

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 Wednesday, November 9, 2016 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	Chairperson
Chris O'Bannon	Supervisor
Greg Matovina	Supervisor

Also present were:

Dave deNagy	District Manager
Jason Walters	District Counsel
Dan McCranie	District Engineer
Wesley Hunt	Evergreen Lifestyles Management
Jennifer Erickson	Evergreen Lifestyles Management
Daniel Laughlin	GMS
1 Resident	

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Audience Comments

There were no audience comments

THIRD ORDER OF BUSINESS

Approval of the Minutes of the October 18, 2016 Meeting

On MOTION by Mr. Kuhn, seconded by Mr. O'Bannon with all in favor the Minutes of the October 18, 2016 meeting were approved.
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FOURTH ORDER OF BUSINESS

Consideration of Requisition Nos. 22-26

Mr. deNagy stated I have handed out copies of requisitions 22 to 26 to all of you, and the sum is \$304,336.65. Unless there are questions, I would look for a motion ratifying Requisitions 22-26.

Mr. Matovina stated on the AIA document for A.J. Johns on page 2, you have workers paid through period 10/31/16 of \$171,438.34. That is Requisition 22. Then you go over to page 1, the current payment due is \$262,695.15. By my math, that should be \$171,438.34 times 90 percent.

Mr. McCranie stated I double-checked it also. I have double-checked it in the contract. After they have 50% substantially completed, they can bring down their retainage from 10 percent down to 5 percent, so they have requested that, and we have approved that. I double-checked all of their math, and I came out exactly to where we will have a 5 percent retainage on everything they have done.

On MOTION by Mr. Kuhn, seconded by Mr. O'Bannon with all in favor to ratify Capital Requisitions 22-26 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 have no action items for the board.

B. Engineer

Mr. McCranie stated at the last meeting we were given different jobs to do. I think we have tried to keep the public informed with some of the things going on, but I will explain what has happened since the last meeting. There were issues with roadways being torn up and trying to figure out the cause of the roadway failure. We have visited the site, checked every single pond, every single outfall structures, and the location where the outfall structures enter into the wetland to find out if there are any blockage or drainage issues in the system itself. We found very minor items. The positive news was the outfall itself, the wetland and the final outfall to all of these structures is clean and good and provides a positive byway. There is no backed-up water downstream that was blocking our system. We found the orifice pipes seem to be partially blocked, and we have requested that they get cleaned out. More than likely it is little carp barriers that were put in that are causing something to block it up. We went into the

roadway section and checked the inlet themselves, and the water levels are where we expect them to be based on the ponds. We don't see any blockage from the inlet system to our pond system. Further upstream when you go to the back end at the back entrance area, what was happening is there was a foot or foot and a half of standing water back into the wetland on off-site lands that then came against the berm that was built when a lot of these homes were built. I have to believe that all that standing water at a higher elevation than the lots and than our roadway caused all of this water to seep through and raise the water table on the lots themselves. You can see they have had compaction issues and things like that trying to build those houses. You can see water seeping through it. Then you can also see water going over the sidewalk and over our curbing. You see the lime rock itself being pumped through the asphalt. There was an indication of that in our review as far back as June or July when we did our yearly report. We talked about that in our yearly report. We are seeing some of this happen. The addition of all the construction, all the different traffic, and everything else only made the problem worse. Now you are pumping. When you lose that lime rock base, then the asphalt above it crumbles. We believe the underlying cause of all of that was the standing water bringing water in and raising the water table in and around these areas and causing the pavement failure. So we did that temporary patch immediately after that first meeting. We had AJ Johns do that. While not perfect right now, it is holding up. I think there is an area or two that needs a little bit more work, but as far as the temporary patch, it is doing well in those different locations. We then directed a contractor to do some dirt grading and create a swale system back in the back grove to be able to prevent all that standing water and allow it to get into our drainage system and to the wetland that it wants to get to. I have looked at that work. They did a really nice job. I don't think it has been seeded and mulched yet, but that is the next step. I think it is going to slowly dry out that area. I think that is going to help our first two major roadway areas as far as standing water causing all of that. We went out for bid for permanent patches in seven or so locations. We sent that out to bid to approximately seven firms. We asked them all to get back to me with pricing by noon today. I got two emails back saying they weren't interested in bidding. I got one big back today, and it is at least twice, maybe two-and-a-half times higher than my engineering estimate. I believe they either overthought or overdid it. That pricing was from AJ Johns. I discussed it with them, and now they are withdrawing that because I think they realized they added too much stuff in there. Maybe

through discussion maybe we go back and get it done at a better price. I think it should be no more than \$100,000. I really think it should be somewhere closer to \$80,000 for a permanent patch. The permanent patch is anticipated to be good for 6 to 7 years. That is what we are going for because then the ultimate roads in that period of time will be about ready for milling and resurfacing of the whole Phase 1 roadway system. Tying that in to the contract with AJ Johns right now, they were supposed to have substantial completion of their construction by September 15. Right now they anticipate their real substantial completion date to be November 18. They should be moving all of their heavy equipment and not going back and forth on the roadways. I don't anticipate any dirt moving offsite anymore from their ponds. They are just digging the ponds now and stockpiling at three different locations onsite. They need to finish that work. They need to then sod the ponds and seed and mulch the lots themselves. Then they can write me a letter and say they are substantially complete. I will either approve or not approve based on review. At that point then, the substantial complete date will be set. I believe there is an opportunity to negotiate and approach AJ Johns to maybe do this patchwork instead of us going after them for liquidated damages. That would be something I would want to talk with Chris just to find out if that is the direction we would like to go. Otherwise we will re-bid and try to find someone else to do it. I sent an email to AJ Johns pushing them to give me their request for rain delay days and any other delay days, and once I get those back, then I can do a final date of when the official contractual completion date will be and what their real completion date will be, and then we can be able to calculate the days.

Mr. Kuhn stated when you said patch, what does that mean?

Mr. McCranie stated it is a reconstruction in those little patch areas, so it is a permanent patch.

Mr. Kuhn stated to my understanding the contractor is done exporting material?

Mr. McCranie responded yes.

Mr. Kuhn stated the District and staff have brokered with AJ Johns to leave this dirt onsite in the amount of \$17,000 to keep that onsite so it doesn't have to be hauled off. I appreciate you and the others working on that to reduce their hauling time. I think we do need to understand that contractually where we are with them on the completion date. My suggestion would be we still go back to some of the bigger ones, they needed more time to

price the work. Jason, I don't know if we can authorize that work with a contractor subject to some dollar amount so we don't have to wait for another meeting to proceed with that.

Mr. Walters responded I think we can. I would like to set it up so not to upset Leonard on that because otherwise it is a blank check. I would make it subject to funds available. We have had those discussions. I would think there are some contingency funds in the Phase 2 financing that could be used, and I think that is appropriate. We will have to make sure those funds are there.

Mr. McCranie stated with the engineering estimate being plus or minus \$80,000, having a \$20,000 contingency, so it brings it up to \$96,000 or if you wanted to even it up to \$100,000, somewhere between \$96,000 and \$100,000 I think would be an appropriate limit that will give me some room. I think we should come in somewhere close to \$80,000, but it is hard to estimate these being small little jobs in a lot of different locations.

Mr. Walters stated included in that is the concept that, at least with AJ Johns we need to have that discussion regarding liquidating damages so to the extent we can bring that contract under the up set limit, let's call it \$100,000, I think all of that is weighed in.

Mr. deNagy stated this would all be subject to the chair approving?

Mr. Kuhn stated yes.

Mr. Matovina asked have you considered with all the asphalt and lime rock that has opened up putting an underdrain in that section, I don't know how long it is or if there is anywhere to tie it to.

Mr. McCranie responded we have but right now the way the whole pond system and everything else is constructed, the normal water level is a foot and a half below grade, and during a storm it will rise up and get to six inches below grade. If we put in an underdrain, I think we do the opposite of what we want. We would surcharge the system back, and underdrain would end up bringing water into the lime rock instead of taking the water out. We certainly didn't have a problem for the first five years or so. I think it is all with further construction of the berm and the holding of the water uphill. I really believe that is the cause. I think we can add underdrain into the Spruce Run system because we do have standing wetlands on either side that we would want to drain out.

On MOTION by Mr. Kuhn, seconded by Mr. Matovina with all in favor for an asphalt contract NTE \$100,000 subject to Chair approving and funds being available was approved.

C. Manager

Mr. deNagy stated I don't have anything at this time.

D. Community Manager - Report

Ms. Erickson stated thank you for everything you are doing for the Phase 2 updates. I have gotten a lot of positive feedback from everybody. The biggest maintenance things other than the obvious would be the Envera system. We have it up and going. We are doing the technical side so by Monday or Tuesday we will be live and active. We have cut the expense for the Nassau County Sheriff to make way for Envera. We are still working on all the mulching and re-sodding the front entrance. It will be done by the 15th of December. Because of the hurricane we have tree loss down the Boulevard. We lost six elm trees. I do have a price of \$4,301.40 to replace the six elm trees. My concern is the trees that are still there are very shallow rooted and are disclosed. We could possibly lose them over the next year or two. My concern is I would have to come back again and say I need another \$4,300 to replace the other six that are left. I don't know what your thoughts may be on that.

Mr. Kuhn stated to me that is an aesthetic issue. We have got some real operational things that we need to deal with in the community. We can talk about any additional landscaping or tree replacement we need to do, but right now I would like to focus our energy on the other community concerns.

Ms. Erickson responded absolutely. The only other financial thing that I want to bring to your attention is to let you know our pool pump is going to need to be replaced.

SEVENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

There were no supervisor requests

Audience member expressed concern and questioned why we pay a contractor that hasn't finished the job. She also stated that behind her property is still a lot of standing water. I want everyone to see this, and this is just from yesterday, and we haven't had any rain in quite a while.

Mr. McCranie stated we have not done any work back there yet. That is our Phase 2, and we have not done any work back there yet. As far as the 5%, contractually, after they have 50% build-out, AJ Johns is able to request the reduction of their retainage from 10% down to 5%, and there is no way for me as the Engineer of Record to say no because they have contractually done everything we have asked them to do. That still allows us to have \$100,000 in retainage plus an additional \$100,000 of the work that they needed to do and haven't been paid for. We as a District still control over \$200,000 of that. That made me comfortable with anything that they may need to do, any kind of liquidated damages, any other items that we have got to negotiate or deal with them, I feel we are protected. Regarding drainage behind the lot, we are aware of that issue. That is going to be our next push in the next month. I am going to be coming before the board with our non-emergency items. Last meeting we had emergency items that had to immediately get done before this meeting. Now we are working on other items we know are there. We as a CDD do not control what happens on individual lots. That would be something that you would have to deal with the actual homebuilder to make sure they don't shed water onto your land.

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 October 31, 2016. The total of the check register is \$176,187.46.

On MOTION by Mr. Matovina seconded by Mr. O'Bannon with all in favor the check register in the amount of \$176,187.46 was approved.

NINTH ORDER OF BUSINESS

Next Scheduled Meetings for November 15, 2016, at 2:00 p.m. (Landowners Election Only) and December 20, 2016 at the Amelia Walk Amenity Center, 85287 Majestic Walk Circle, Fernandina Beach

Mr. deNagy stated the next scheduled meetings are November 15, 2016 at 2:00 p.m. for Landowner's Election and December 20, 2016 for regular meeting at this location.

TENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Matovina seconded by Mr. Kuhn with all in favor the Meeting was Adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman