

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, December 13, 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:

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| Chris Kuhn | Chairperson |
| Chris O'Bannon | Supervisor |
| Greg Matovina | Supervisor |
| Rose Bock | Supervisor |

Also present were:

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| Dave deNagy | District Manager |
| Jason Walters | District Counsel |
| Dan McCranie | District Engineer (by phone) |
| Jennifer Erickson | Evergreen Lifestyles Management |
| Daniel Laughlin | GMS |
| 1 Resident | |

FIRST ORDER OF BUSINESS

Roll Call

Mr. deNagy called the meeting to order at 2:05 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS Organizational Matters

A. Oath of Office for Newly Elected Supervisors

Mr. deNagy stated the newly elected supervisors are Chris O'Bannon, Rose Bock, and Greg Matovina. Mr. deNagy administered the Oath of Office to those supervisors and provided the appropriate paperwork for them to sign and file with the Supervisor of Elections.

B. Consideration of Resolution 2017-02 Canvassing and Certifying the Results of the Landowners' Election

Mr. deNagy stated Chris O'Bannon had 120 votes, Rock Bock had 120 votes, and Greg Matovina has 119 votes. Mr. O'Bannon and Ms. Bock will serve 4-year terms, and Mr. Matovina will serve a 2-year term.

On MOTION by Mr. Kuhn seconded by Ms. Bock with all in favor Resolution 2017-02 canvassing and certifying the results of the Landowners' Election was approved.

C. Consideration of Resolution 2017-03, Election of Officers,

Mr. deNagy stated we currently have Chris Kuhn as Chairman and Chris O'Bannon as Vice-Chairman. Greg Matovina, Rose Bock, and Chris Hill will serve as Assistant Secretaries. From the offices of GMS Jim Perry serves as Assistant Secretary and Treasurer, Dave deNagy serves as Assistant Treasurer and Secretary for the purposes of signing checks, etc.

On MOTION by Mr. Kuhn seconded by Mr. O'Bannon with all in favor Resolution 2017-3 electing the existing slate of officers with no changes was approved.

All Supervisors accepted pay.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the November 9, 2016 Meeting

Mr. deNagy stated the minutes are included in your agenda package.

Mr. Kuhn stated on page 4, last paragraph, it states \$17,000 when it should be 17,000 cubic yards.

On MOTION by Ms. Bock, seconded by Mr. O'Bannon with all in favor the Minutes of the November 9, 2016 meeting were approved as corrected.

FIFTH ORDER OF BUSINESS

Approval of the Minutes of the November 15, 2016 Landowners' Meeting

On MOTION by Mr. Kuhn, seconded by Ms. Bock with all in favor the Minutes of the November 15, 2016 Landowners' meeting were approved.

SIXTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Walters stated I have no action items for the board.

B. Engineer

Mr. McCranie stated there are three different proposals for the asphalt patching work. We did it once before and got only one bid, so we pushed firms to please give us bids, so we now have three. Low bidder is Holland Contractors at \$89,900. The second highest is \$120,000 +/-, and the third was \$132,000 +/- . I did look over all three different proposals to make sure they were bid like for like. Based on that, my recommendation is to go with the low bidder. I have met with the low bidder on site, and I have also done work with the low bidder over the last 15 years. They are a local company, and they have always done good work for projects that I have been involved with. I have been comfortable with the fact that they can do the work, and I know they have visited the site so they know exactly. I know they are planning on using Duvall Asphalt for the actual asphalt paving. They do quality work as well. Also, I put this in the proposal, we are estimating 1,900 square yards of patch area. That number may change by 10% - 15%, so that is why we are going to break it down to a unit price per square yard because it may get smaller or larger as we get in there. We did not survey the specific limits of pavement failure. I kind of walked it off and hand measured it, so when we get out there, I will be with them and marking the areas to repair. They will get paid per unit and not as a lump sum specific cost. So the \$89,900 won't be the end cost; it will be that give or take 10%. I want another 10% contingency on top of the \$89,900, which would cover us for potential overruns on that specific number.

Mr. deNagy stated at the last meeting, there was a motion and a second in favor of an asphalt contract not to exceed \$100,000 subject to chair approving.

Mr. McCranie stated I think the number will stay under that, and that is where we are on that item.

Mr. Kuhn stated I don't know how best to frame this up. I know the other open item is the liquated damage assessment to the site contractor who is also a proposer for the asphalt repair. We want the best price possible whether that comes from somebody bidding this work out right or if there is some negotiation with the site contractor that results in a net lower number from their proposer. I think we would want the latitude to accept the very lowest bid we can get.

Mr. Walters stated I think that is probably right. From the discussions with Dan, my recollection was the calculation that you came up with on liquated damages was approximately \$78,000.

Mr. McCranie responded correct.

Mr. Walters stated there was some discussion among staff. AJ Johns submitted an initial proposal that was well in excess of the proposal they had. I think it was \$200,000. They have substantially revised that. The question is, given these two factors, the amount of liquated damaged and the revised numbers we see from other proposers, the thought was to authorize the chair to keep working with AJ Johns to see if that number would continue to come down with the liquated damages issues and where we can land to square up both of those numbers. For example if we were to say if you will do all of the reconstruction of the asphalt work in the areas noted, we will waive the liquated damages. Obviously that comes up to the amount of \$78,000. Whether they are willing to do that, we don't know.

Mr. Kuhn stated I have reached out to them and have not heard back. We had a staff call on Friday after which I reached out to their project manager. Dan had a separate call with the project manager, and I think they know this is coming.

Mr. McCranie stated yes, and \$78,000 number was in an email describing how I calculated the days after substantial completion was required versus the day I certified substantial completion. So they have that calculation, and I have not heard an official response from anyone at AJ Johns to that \$78,000 number.

Mr. Kuhn stated I am not sure what action, if any, is needed. We now have proposals in hand we can move on. We just want to better understand our contract position with AJ Johns before we select.

Mr. Walters stated the other moving part was if we are going to go to a third party vendor to do the kind of repair and reconstruction work, I think we want to be at final with AJ Johns first.

Mr. McCranie responded I would agree with that so that we are pointing fingers where we have fixed it and then there is more construction going on or something to that effect. It would be nice to have one group completely out if we are going with the second group. No matter what, whoever does it, whether it is AJ or Holland, AJ does not have any of this equipment out there anymore to do this kind of work. There is a cost to it one way or the other. My gut tells me that AJ would like to be done and gone and let's start negotiating what the final liquated damages number is going to be. Our retainage on this project is a little over \$120,000, so we have that, and we have control of that even once I approve this last requisition that I am going through the process right now.

Mr. Walters asked what is your estimate on the timeframe for final completion, punch list, and everything they have done.

Mr. McCranie responded as far as the actual work, it is probably done. We have a walk-thru coming up this week, and then at that point there is usually just paperwork. Now that the plat got approved last night, once it actually gets recorded, we can set a final with JEA. I don't anticipate any actual work having to be done, but just paperwork over the next 30 to 45 days.

Mr. Matovina asked Mr. McCranie do you know the amount of liquated damages has risen to John Kirkland's level in the organization?

Mr. McCranie responded I don't know. I am pretty sure I copied him on that, but I am pretty sure that I have gone all the way to John as well when I sent the email out. Elliott is our main guy that we have been dealing with as far as the day-to-day operations and not Chad.

Mr. Matovina stated I want to know who in the organization knows what our position is.

Mr. Kuhn stated John was on vacation for about a week and a half, and I think Elliott may have been bombarded with a number of situations like this all at one time.

Mr. McCranie stated I only sent it to Elliott. I have not sent it up higher. I would assume Elliott would, but I can certainly do that if you would like. You give me direction as to what the board would like to do as far as liquated damages.

Mr. Kuhn stated when I catch up with Elliott, I can make sure that Chad and John are on the phone where we can follow it up with email correspondence that documents the call and it places them on the distribution list.

Mr. Walters stated I think Chris, if you are comfortable, obviously we have authorization to move forward with one of these. If the board is comfortable with staff and the chair working through any contract adjustments with AJ Johns, we can do that and bring back the result of those negotiations and discussion at the next meeting.

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| On MOTION by Mr. Matovina, seconded by Mr. Kuhn with all in favor to allow Chair and Staff to negotiate with AJ Johns or execute the contract with Holland Contractors NTE \$100,000 was approved. |
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Mr. McCranie stated I still have not gotten to create different sketches and design drawings for some other drainage improvements that we have been talking about over the last couple of months, specifically out on that trail road, to alleviate some potential flooding back there and standing water that has been back there. There have been so many things with the construction and the platting and everything else that I have been spread thin. Hopefully by next week I will have something for the board to look at and some pricing. I have not forgotten about it.

Ms. Bock stated to Mr. McCranie we have a resident that contacted me. At the end of Majestic Walk along where the freestanding water was, he stated there are bulldozers back there. Do you have work in progress now?

Mr. McCranie responded no.

Ms. Bock stated I got an email just a few minutes before the meeting started, so I haven't had a chance to see what they are doing. He said they were back bulldozing.

Mr. McCranie stated to my knowledge, I don't think anything is being done back there right now.

Mr. Kuhn stated I don't know which lot it is specifically, but I do know that AV Homes did buy some lots that were not cleared. So, it could be they are doing lot clearing on some of the lots.

C. Manager

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

D. Community Manager - Report

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

Ms. Erickson stated I have not had any violation issues for the CDD. In an effort for resident satisfaction, I am going to send out a survey to the community to find out what they want to see. We got the entryway redone, and it looks great. The residents have given some really good feedback, so thank you for supporting us in getting that cleaned up. I have gotten all the new grass in, and that work is being done. We do have some maintenance projects that are desperately in need of some attention. There was some monument damage due to the hurricane. I have had it inspected by two builders, and they are rotted. There is water damage with standing water inside of it. I am working on getting some estimates. AV Homes wants us to expedite this. The street signs are in production, and they will be replaced by mid-January. There is a proposal in there for Crystal Clean, but we are going to table that for right now. We are going to stay with the lights we do have currently. The trees that were knocked down by the hurricane were evaluated by Martex. They said it would not be smart to put more elm trees there. They are shallow-rooted trees, and they won't grow healthy. They do want replace them, and want to get your feedback on whether there are certain trees that you want replaced in their stead. Right now we have five standing elms and bunch of vacancies.

Mr. Kuhn stated I don't have a recommendation today, but I can look it up and get back with you on some suggestions.

Ms. Erickson stated we have the upcoming winter event, and Santa is coming for that. I am getting feedback from the community, and people are happy we are giving them the updates and letting them know what is going on with the construction. We do have some residents that have voiced a concern and want us to re-evaluate adding playground equipment for swings and possible ADA swings for some children and grandchildren in the neighborhood. We visited that last year, but the cost was going to be about \$4,800, so we tabled it.

Mr. Kuhn stated I think we need to get arms around the improvements that we have. In the last year I think we spent \$30,000 or more in miscellaneous equipment to keep the buildings and pools up and running. I am happy to put that on the Capital Improvement list. I think we need to prioritize keeping the improvements we have up and running before we expand. If we are unable to expand or do something like that with our operating budget, we can consider at our next bond issuance a minor improvement or expansion of the playground. Keep that on our to-do list.

EIGHTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

There were no supervisor requests

Mr. Jerry Kudlatz, 85175 Majestic Walk, stated I have lived here 3 years. The reason we came down here for was grandchildren. We were just at the playground this morning with my grandchild, and there were no swings. Every other community in this neighborhood has swings in their playgrounds. Why it was constructed that way is beyond me, and basically what I am hearing from you is we don't have the money. I know there are a lot of families in here without children, and Jen gave a number of \$4,800, but I have no idea what that entails. But simply to get some swings put up here, I can't see that that should be something of a problem. I understand all the other amenities have to be kept up and the pool and all that stuff, but that is a concern of ours. Also, on the road repairs, I heard that there was a \$100,000 max. What happens if that goes over \$100,000?

Mr. Walters stated he said they will walk through so they have survey amount. If you add 10%, you are \$95,000. If it goes up, we will come back to the board for approval.

Mr. McCranie stated I have been out there, and I was somewhat conservative when I was laying it out and coming up with these quantities, so my anticipation is it is a pretty good number, but it wasn't an exact number, so that is why I am doing it as a unit price instead of a lump sum.

Mr. Walters stated when we authorize a not-to-exceed, it cannot exceed that amount. If it goes to \$110,000, it will come back to this board.

Mr. Kudlatz asked what is the timeframe.

Mr. McCranie responded first we have to figure out when they are going to start. More than likely they will start within 45 days from now. With that amount of work, it is probably a 2-week process. It could take 3 weeks but certainly less than one month from once they come in, get it all done, and then get it striped and cleaned up. Once we tell the contractor to begin, it should be a 30-day period or less.

Mr. deNagy stated so roughly the end of February or the early part of March.

Mr. Kuhn stated as far as the swing set, I am not saying no to the swing set, but every time we come here, there is another \$5,000 or \$10,000 that shows up on our list of things to repair. There is \$6,000 on there for pool lights, which seems outrageous to me, but I don't know much about pools or pool lights. I am saying let's put it on a list, look at the list comprehensively and prioritize and make sure we are being smart about where we are putting money. We work hard as a board and a staff to not increase the assessments to the homeowners. The only increase that occurred last year was because we have not been reserving funds, and so the \$25 increase from last year wasn't changing the operating budget. We have held the operating budget constant for several years now. It was to start building the reserve.

NINTH 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 November 30, 2016. The total of the check register is \$28,926.64.

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| On MOTION by Ms. Bock seconded by Mr. Matovina with all in favor the check register in the amount of \$28,926.64 was approved. |
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TENTH ORDER OF BUSINESS

Next Scheduled Meeting for January 17, 2017 at 2:00 p.m. at the Amelia Walk Amenity Center, 85287 Majestic Walk Circle, Fernandina Beach

Mr. deNagy stated the next scheduled meeting is January 17, 2017 at 2:00 p.m. for the regular meeting at this location.

ELEVENTH ORDER OF BUSINESS

Adjournment

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


Secretary/Assistant Secretary


Chairman/Vice Chairman