

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, November 16, 2021 at 2:00 p.m. at the Amelia Walk Amenity Center, 85287 Majestic Walk Boulevard, Fernandina Beach, Florida.

Present and constituting a quorum were:

Gregg Kern	Chairman
Jeff Robinson	Vice Chairman
Henry "Red" Jentz	Supervisor
Mindi Gilpin	Supervisor
Bradley Thomas	Supervisor

Also present were:

Daniel Laughlin	District Manager
Jennifer Kilinski	District Counsel
Dan McCranie	District Engineer
Alex Boyer	Evergreen Lifestyles Management
Joe Cornelison	GreenPointe

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

**Approval of the Minutes of the October 19,
2021 Board of Supervisors Meeting**

There were no comments on the minutes.

On MOTION by Mr. Robinson seconded by Ms. Gilpin with all in favor the minutes of the October 19, 2021 meeting were approved.

FOURTH ORDER OF BUSINESS

CDD 101 Presentation

Ms. Kilinski stated what we talked about last month was the Board asked our office to put together a presentation and, whether you want to schedule a separate meeting or just post this

information and make it readily available to the residents, we wanted you all to have the presentation materials. We've had some input from a couple supervisors on what they thought may also be helpful, so we've tried to integrate that here too, but really trying to make it user-friendly to residents to understand what the HOA does, what does it mean and how does it operate; if I have an issue, who am I contacting and why; and what does a CDD do. It's not always clear and it can be somewhat amorphous, but it's really open to the Board of whether you want us to walk through this or if you want to schedule a separate meeting or simply post it for resident references.

Mr. Laughlin stated we plan to put it up on the website too so people can reference it.

Mr. Robinson stated I have just a couple of short comments. On enforce code compliance, you might want to elaborate on that because that might be confused with CC&R compliance. I'm assuming code compliance means with county laws.

Ms. Kilinski stated well the District can't enforce code compliance so we can't enforce CC&Rs.

Mr. Robinson stated so that's what you meant by code compliance was the CC&Rs?

Ms. Kilinski responded yes the District can't enforce CC&Rs. There's only one exception in Chapter 190 for enforcement of CC&Rs and this district, and most do not meet those requirements.

Mr. Robinson stated but we do have to approve certain CC&Rs if they affect common areas like the roads, like we did with the parking.

Ms. Kilinski stated the District doesn't approve CC&Rs, nor does it enforce them but sort of what we talked about here, if the District owns the roads, you can adopt your own policies as it relates to your roads, but since there are CC&Rs in place that provide for the way to enforce that, you would leave that up to the HOA typically.

Mr. Robinson stated because that is what was done. They developed it, ratified it and then we just approved it or agreed with it.

Ms. Kilinski stated the District doesn't have to be subject to it, but you can certainly rely on it.

Mr. Robinson stated okay. You might want to put CC&Rs in there to make it clearer. This was under the not allowed by Chapter 190 column.

Ms. Kilinski stated yes, and same thing with code compliance. We have people that call about trash and we don't have that sort of code compliance power. There are County regulations that you want to enforce like land use, zoning, and that sort of thing. The District cannot do that.

Mr. Robinson stated one other question. On the CDD versus HOA, the HOA is required to hold homeowner votes for certain decisions, such as what? Our HOA doesn't meet but once a year now, so what would be examples of things that would require a vote?

Ms. Kilinski responded there are statutory requirements. For example, if you're changing your CC&Rs there is a certain threshold of votes that are required to change existing CC&Rs, whereas a CDD is a unit of government, you're elected on the general election ballot just like the Governor or state representative is. If you were to issue bonds or make other decisions, you are the representative government, so you make those decisions and it doesn't require homeowner vote to get any decision made by this board, whereas there are statutory requirements for HOAs.

Mr. Kern stated and another example, I believe the appointment, or the election of another HOA board member would require a resident vote. We could ask HOA counsel on the details there.

Mr. Laughlin stated I'll have this posted on the website for future reference.

Mr. Robinson asked would it make sense to also have it posted on the HOA website?

Mr. Laughlin responded yes.

A resident stated because it's public record I could put it up on the neighborhood Facebook page.

Mr. Laughlin stated yes. We will have a separate link so it's easier to find, but this is in the agenda package, which is also posted online.

Ms. Kilinski stated I can make those changes that were just discussed on the record and send it separately to you all so if you want to use it or share it with homeowners, and we will have the final one posted on the website as well.

Mr. Kern stated I'd just like to ask Alex to relay that message to Brian so we can make sure we get it on the HOA website.

FIFTH ORDER OF BUSINESS**Discussion on Amenity and Operations Management Services**

Mr. Robinson stated this is something I requested at the last meeting and Jennifer put together a request for proposals. I've got a few questions and comments to add some things to it, but I'd like to hear from the other supervisors and staff if you have any questions about it.

Mr. Kern asked is there any substantial change to the scope of services, or is this essentially an RFP for the existing services?

Ms. Kilinski responded what we did without any specific direction on changes of scope from the Board is that it is generally the same as the last time you bid these services. We've added more specificity in our ongoing contract. We've been through a couple of recent experiences with amenity management litigation at another district that resulted in some changes to our contract structure, but in terms of what you would see at the amenities there is no change in here. It's obviously open to the board. I know you had a few discussions the last couple of meetings about what you may or may not want to see. There's a couple of ways to do this. We've talked about this from a high level. One, you can get another apples-to-apples comparison of qualified contractors to perform these services. Another thing we discussed is you saw under separate cover this HOA/CDD agreement whereby you enter into a cost-share or essentially an employment service agreement between those two entities as to staffing levels. We can talk about the pros and cons there. The third is obviously staying the course of what you have now. You can modify this scope if you want to spend some time with it and even if we get to January to provide some more recommendations. We just wanted you to see what we would be bidding so if there were changes to the scope you desire, we have that direction as staff. This is not one of those things that you're required to publicly bid. These are the kinds of services that you can bid informally, so we have a little flexibility in the way that we do that.

Mr. Robinson stated a couple of things that will come up later in the meeting is special events. Is that an HOA funded activity, or a CDD managed activity? In this proposal it's clear that it is the CDD. Currently it sits on the HOA website and calendar of events. Things happen like the pool party in August and now we're just seeing the receipts come in, so all of that expense is going to be on the 2022 budget.

Mr. Laughlin stated it will still get accrued to the previous year. There is an expense month that goes in the system.

Mr. Robinson stated but it's not clear to me if that is the HOA or the CDD. If the CDD is paying for it, we should have oversight and I think that's why Jennifer put that in this proposal and that is different than what the current CDD/Evergreen agreement is. It doesn't mention anything about events.

Mr. Kern stated so that would be an additional scope.

Mr. Robinson stated scope, yes, but why the CDD is paying for it versus the HOA.

Mr. Laughlin stated these events are on CDD property, so that's why the CDD does them instead of the HOA typically.

Mr. Kern stated not that it has to be.

Mr. Robinson stated I've been managing budgets for many years. If it's budgeted, it doesn't mean you have to spend it. Just because the staff sees it's budgeted so let's spend a couple of thousand dollars without any oversight or discussion from this managing entity or the HOA, that's just not good practice or good physical management.

Mr. Laughlin stated I will say typically, with other districts it's a specific vendor that does just the CDD and is not involved with the HOA at all. The Amenity Manager plans and holds the events outside of the board meetings.

Mr. Robinson stated it's good that it's the amenity center attendant. That makes it clear it's a CDD activity.

Ms. Kilinski stated that's one of the questions when you're looking at the RFP, if you're looking at the District running events you may be looking for a different job description; somebody that's not just a facility attendant, but also capable of performing that kind of function, so it may change the scope of that and you may need additional funds to provide more well-rounded professionals.

Mr. Kern stated in my experience in other communities, the events generally fall under more of a lifestyle coordinator, which is more traditionally provided by an HOA community management company.

Ms. Kilinski stated most of mine are district-run.

Mr. Laughlin stated some of them, like the smaller ones, the amenity manager also does events and some of the things within the cleaning and vendor stuff and I have some bigger districts where it's still the CDD, but they have a general manager, a field operations manager, and then they have a lifestyle manager, but it's still directly CDD contracted.

Ms. Kilinski stated there are some smaller facilities where the HOA and CDD both fund the joint positions to be able to get a higher quality person, so they're performing multiple functions, but you're sharing that budget load.

Mr. Kern stated in those scenarios, those communities also have HOAs, and they have a separate vendor managing the HOA?

Mr. Laughlin responded yes; they have their own management company. I really don't hear anything from them. The only time I do is if they get a fencing or pool installation request that goes into a District easement.

Mr. Robinson stated on the back page you can see a couple of snapshots of emails. It's just a pet peeve. So, when you have an email client with their phone and laptop and you send an email out there's a place in the email that says who it is coming from, i.e., Jeff Robinson or KE Law or whoever. Everything that goes out to our residents or from the CDD talking about the HOA budget and HOA related things, it's very confusing. There are very few things that the CDD would need to send out. Events would change that. So, whoever is sending out emails really needs to change that.

Mr. Kern stated these are coming from the HOA.

Mr. Robinson stated it's coming from Evergreen, but it's coming out as if it's the CDD. For example, the annual meeting update for the HOA came from the CDD.

Mr. Kern stated came with a subject line from the CDD or that title from the CDD.

Mr. Robinson stated yes so what happens is when you get an email it says from, and it says Amelia Walk CDD. Michael was here and changed it with stuff he was sending out. It's probably a default and is a simple thing to change, especially if we're providing the iPad or however he sends it out. It just adds to the confusion between what is the HOA and what is the CDD.

Mr. Kern stated so perhaps we want Evergreen's emails to be purely HOA and just remove references to the CDD.

Mr. Robinson stated unless they're sending something out specifically for the CDD, because right now they're the same management company for both.

Mr. Kern stated or I'd propose that any CDD updates come from the District Manager

Mr. Laughlin stated we don't have that capability. It's always onsite people. We don't know email addresses, who lives here or who is registered.

Mr. Kern stated so they would be sending separate emails. One for any CDD related items and one for any HOA related items.

Mr. Robinson stated correct. That's usually what happens.

Mr. Kern asked Mr. Boyer to work with Brian on the email issues.

Mr. Laughlin asked anything more from the Board on this matter?

Mr. Robinson stated if we're going to move forward with this.

Mr. Laughlin stated next steps is do you want to authorize us to issue the RFP or do we want to bring this back in January and go from there.

Mr. Jentz stated I think we need to wait until we get more clarity on responsibilities, right?

Mr. Laughlin responded it would be in the scope.

Mr. Robinson stated no one is objecting that the events would belong to the CDD. Everything else is pretty clear. CC&Rs and ARBs are HOA activities.

Mr. Thomas stated so we just talked about changing the responsibilities of the amenity coordinator.

Mr. Laughlin stated either we could push this until January to try to set up new systems, or we need authorization if you want us to send this scope out to get bids from companies.

Mr. Robinson stated we're probably not going to meet in December, we haven't for the past two years, so my suggestion would be there might be a few things we could add for clarity so we can discuss them now or take them offline, but they're minor like logbooks and more detail on the amenity center. One of the things I hear often is I spoke to so and so, why didn't that come up at a CDD or HOA meeting. I don't know if there's a logbook kept today but it certainly would be nice.

Mr. Thomas asked is that standard in other districts to have a logbook of complaints?

Mr. Laughlin responded typically whatever company you hire has their systems in place where they will handle it themselves, will reach out to me if they need approval for something, or will bring it to the Board for approval.

Mr. Robinson stated I think it would be a good idea to include that in this proposal and make it specific. At the HOA annual meeting the first 45 minutes of that meeting was listening to residents who had quite a few complaints.

Mr. Gilpin stated but I'm assuming there is an outlet setup somewhere for that.

Mr. Robinson stated I don't know, but there were a lot of complaints about this amenity center and we had just had a CDD meeting and absolutely nothing was brought up to the CDD as an issue. If people were actually talking and there was a logbook there would be a place to go back.

Mr. Laughlin stated I have some districts that have audience comment cards where they either get emailed to me or filled out and left at the amenity center and at the beginning of meetings we would read them and discuss them.

Mr. Robinson stated I just think there needs to be some sort of log tracking system for interactions with people.

Mr. Kern asked are those complaints being directed toward the facility attendant, the field operations manager or district manager?

Mr. Robinson responded I would think the facility attendant, because that is the person that is going to be here. It could anything. If it's clearly an HOA related thing, then the CDD would be pushing that over to whoever the individual is, or company is that is doing that management.

Mr. Laughlin stated I haven't gotten any emails.

Ms. Gilpin stated I know things are a little wonky right now because we lost the CAM. Wouldn't that be the person if there was a complain to the amenity center that would just direct that to whoever is sitting in that office at that time?

Mr. Laughlin responded usually it will go to them. Sometimes it will make its way up to me. Also, from residents attending board meetings and bringing it to the board's attention.

Mr. Kern stated to your point, that's generally why I in the past have always tended more towards making it a singular point of contact that is responsible for all those items to take away the uncertainty on who you go to for items. To me it seems easier if you know whether they work for the CDD as a facility attendant, or for the HOA as a compliance officer, it's one person that can get you the answers or can get the complaint to the right spot.

Ms. Gilpin stated and then that person can log any complaints. To me, that would make the most sense.

Mr. Kern stated if we have a different vendor for amenity attendant, field operations and janitorial services, then they're going to say they don't know anything about HOAs and it's an HOA issue, so you have to go talk to somebody else.

Mr. Robinson stated yes, but field operations and contract manager is under the CDD as well as janitorial services and they have been since October of 2017.

Mr. Kern stated currently these services are all provided under a direct contract between the CDD and Evergreen, and it also happens to be that Evergreen is the management company for the HOA. Again, the theory always being if you have any problems you can go to Evergreen. What I've been doing in a lot of my communities is transferring that responsibility entirely to the HOA and that's the other form of agreement that you see whereby the CDD is still responsible for the items and the funding of the operations, but it makes the HOA responsible for the management of it. The HOA then contracts those services with a single vendor, a management company, and ultimately the CDD has oversight through the agreement with the HOA, but again it makes everything live under one vendor instead of multiple.

Mr. Robinson stated I see that differently. I see that as just an extension of the confusion that we already have. One person claiming to be responsible for the HOA and the CDD. At the HOA meeting, I could've thrown gasoline on the fire in the first hour. As I said earlier, there was absolutely no mention of any issues that were being brought up at that meeting to the CDD meeting that happened two days prior, and it was the same company, Evergreen, that was responsible for the amenity center. Everybody was focused on the common areas. I kept silent until today, but no longer.

Ms. Connie Phillips, 85032 Williston Court, stated I'm just trying to clarify this messy stuff. It was pointed out that there were some bricks along the pool that were collapsing, and we were assured that was going to be fixed before this event happened and that was in July or August. I just walked out there before the meeting, and it's still not fixed. We brought that up at the HOA meeting and they heard it again and it's still not fixed. There were lots of those comments and that is the point. We're not getting an effective response whatever the communication is. Whether it's somebody trying to get a fence installed. That's just an example of who does what when, how do you follow up on it, who communicates it and who gets it done.

Mr. William Biello, 85290 Berryessa Way, stated I was at that meeting and I was one of the people that brought up a lot of complaints. I can tell you that these things should have been expected, but Michael who was the CAM and Danielle who was the CAM before were useless. Any sense that there was some type of organization is a fallacy. I made multiple complaints about my neighbors, I sent pictures of the cracking pool and the cracking deck. The facilities are

in bad shape. It came up in that meeting that basically they weren't doing their jobs. That person that we were supposed to go to for complaints was absent. You could come here, and it was closed. They were not returning calls or emails, so I gave her pictures of the pools and she said she would forward them. This was months ago, and it's still not fixed. There are ant hills in the bricks, it's not been pressure washed, and the canopies are dirty and rusting. I was on a board at my last development, and I can't understand how this has happened. I'm not necessarily blaming anybody, but I was really taken aback by the condition of the facilities when I moved here. Whatever the arrangement is, is not working. We used a property management company and the CAM worked hard on the board with us when we had meetings. I don't know what is going on, but it's not working, and it apparently hasn't worked for a while because I moved in February and this is the way it looked, not pressure washed and broken equipment in the gym. We're selling our community as this high community, but it's really not. The sidewalks are in bad shape and there's a lot of liability out there. They haven't even done an inspection of the community. You had how many people here at that meeting, like 50, complaining and there were issues that he hadn't even heard about. This is a big issue. Now, whether they're not getting the information to you guys so you can act on it, I don't know, but we have to come to an arrangement where there's better communication. If there's real confusion on the separation of duties or responsibilities between the CDD and HOA as brought up earlier, we know the HOA maintains the roads.

Mr. Laughlin stated the CDD does.

Mr. Biello stated I'm sorry, the CDD maintains and owns the roads, but the HOA is the one that facilitates and enforces the covenants on those said roads. Most people don't even understand that. You're going to get complaints for them and they're going to get complaints for you, the problem is the complaints that they're getting are for you guys, but you're never going to hear them. They're the ones that are onsite and they're not here. This is what we have. He basically suffered for an hour, and he was just there visiting pretty much. There were some HOA issues and there are things they have to deal with, they're not even enforcing the covenants, which is a real issue. The HOA is doing you a disservice because they're not enforcing the covenants, which is causing a liability, but it's also not giving you the tools you need.

Mr. Robinson stated I appreciate those comments. Something I was going to say earlier, this goes to the field operations and contract managers to perform regular inspections. Define regular. Is that weekly, twice a month, once a month or once a year?

Mr. Biello stated we did monthly inspections and on call. If there was a health and safety violation, that was an emergency thing because it's a liability to the HOA or CDD and it's a danger to the residents. If it was a health or safety issue, which I've reported several that have never been dealt with, that would be something you would initiate. You're making your own list of stuff. You don't necessarily need us to send you a depository for issues when you're making your own list and you see this thing has gone on for two months and it's scheduled to get worked on or you're getting bids on it. If that's happening, you can tell residents you're in the process of getting bids on it and it's being scheduled. None of that is happening.

Ms. Joyce Ellison, 85165 Fall River Parkway, stated I agree with my neighbor. So far, my experience is that the homeowner's association is not taking care of things, even when you ask them to. I didn't even get my physical notice of the HOA annual meeting until after the meeting had already taken place. I did get an email two hours before the meeting and at that point it was too late. Evergreen advertises 24/7 customer service. If you call that number, it said the wait to speak with somebody was 45 minutes so I don't think that is customer service. I'll reserve my comments because I want to talk about the pond whenever you say I can.

Mr. Kern stated I had a couple more thoughts I wanted to close the loop on. I think it's clear between the HOA annual meeting and these meetings that we've identified issues with the current vendors providing either the services to the CDD, and/or to the HOA. That is a clear issue. I know the HOA is aware of it and that is also an issue for the CDD and for us to address. I want to be intentional about not making a knee jerk reaction for services not being provided. We already have these services contracted. We have an issue with them being provided, so I don't want to over complicate things in a way just to try and address those services being provided. I do still think that we potentially are going to convolute this more than it has to be, when all we really need to do is address the issue that the services aren't being provided. The other thing I wanted to circle back on is we mentioned events were now being added to the services. Are they already in the budget?

Mr. Robinson responded yes, they're in the CDD budget.

Mr. Laughlin stated if we were to do this as a separate entity, they would be budgeted as the CDD and they would contract it and they would manage the events.

Mr. Robinson stated presently the person doing it is Lynzi Chambers. Did she leave?

Mr. Kern responded yes.

Mr. Robinson stated that aside, that is always viewed as an HOA activity and unless there's an agreement between the HOA and the CDD that says we plan events that the CDD pays for, I want that part of the CDD management oversight if we're paying for it. If we're not paying for it, let's take it out of our budget and let the HOA who has close to \$100,000 in their reserve budget just earning interest.

Mr. Kern stated so we would need to add that.

Mr. Robinson stated that is already in this RFP. It's item G under amenity facility attendant.

Mr. Kern asked and we want to keep that in the CDD's budgets?

Mr. Robinson responded it's already in the budget.

Ms. Gilpin asked we do not get invoices? I feel like we do.

Mr. Robinson responded after the fact.

Ms. Gilpin asked you want to be asked first before they schedule them?

Mr. Robinson responded yes; we spend \$1,000.

Mr. Laughlin stated it's part of this responsibility to plan staff and promote events. All the other districts that have a separate amenity manager do not come to the board for events. They're given a budget and it's within their scope to choose what is done and plan it and after the fact when we have board meetings and it gets to that amenity manager's report, they will report on how the event went.

Mr. Robinson stated it would be nice to find \$1,000 for a musician that could have been done less expensively.

Ms. Gilpin stated right, but if we had budgeted the money given to them, say \$10,000 a year for activities, and then is what we consider activities and then reconcile those activities.

Mr. Robinson stated again, budgeted doesn't mean you have to spend it.

Ms. Gilpin stated you're right, but if it's the person's job to do these programs and then you're made when they don't do their job you can't be made when they do their job. If we said, we're okay with this \$10,000 a year for Oktoberfest, Christmas lights, etc. I don't need them to

come every month to ask permission to get a new strand of Christmas lights. I'm trusting the person we hired to make those decisions.

Mr. Robinson stated for a major event were' going to spend thousands of dollars.

Mr. Laughlin stated typically a budget line like events is usually used since it is for the whole year. Things like repairs and replacements, we aim for a number, and we hope it's lower than that.

Mr. Robinson stated this proposal, RFP, says it belongs under the amenity facility attendant. That is different than the current CDD contract with Evergreen.

Ms. Kilinski stated it is different and that was my note if you saw my redline to what was transmitted. My understanding is that the CDD has been budgeting it and it has been run by the HOA. It's the same form or function though and what Daniel is saying is at the end of the day it's a lot of what you described. Most of the time, what we do is you're going to set the budget, say \$10,000 worth of events, we're going to hire the right person that understands what lifestyle programming looks like and here's your maximum budget, plan the best events you can for that cost. There are a few districts that will adopt a slate of events at the beginning of the budget year and I'm talking like the Villages. They will adopt 150 events at the beginning of the fiscal year, they want to have a little more take on what those events are going to look like. You can do it either way, the only challenge, especially with getting people on board is if they need to change it, they're having to wait for board meetings potentially to get that change. It usually doesn't work super well.

Ms. Gilpin stated I just think if we get somebody who was hired properly and has the right skills to do this, that's what we're contracting them to do is offering them this much money and if they go crazy with it, we lower the budget. I just feel it's micromanaging.

Mr. Kern stated I could certainly foresee that it could bog things down if you need to get full approval every time.

Mr. Laughlin stated there are two responsibilities of staff. You have some districts like the Villages where they probably have four- or five-hour long meetings four times a month. That's partly the staff's job to handle things like that, and if the board is not satisfied with it then they change the vendor tell them not to do any more events.

Mr. Kern stated at the end of all of this, this is simply a request for proposals. It doesn't commit the district to anything. We have allocated a budget for FY22. If we solicit proposals and

get something back, at least we would maybe have a better understanding of where we're at. You might find that there's not a lot of interest, or you might find that the pricing is well outside of our budget, so I don't know that I'd be fully opposed to it. I still don't fully agree with the separation and creating multiple points of contact. I think that's going to get more confusing. I think we should focus more on the issues currently at hand and that is the management of the current vendor providing these services.

Ms. Gilpin stated yes, that's obviously our problem.

Mr. Kern stated if soliciting these services is a way to fix that, that is an option.

Mr. Robinson stated it certainly is. This contract that was done in October or November of 2017 was an eye opener. I remember reading it, but over a two-year period I had forgotten about it, but it was the actual contract with the proposal from Evergreen of the things they were going to do; janitorial services, field operations, amenity attendant and ad hoc maintenance at an hourly rate. Then I joined the CDD and started seeing bills for \$1,000 or \$1,500 for a sanitation company doing janitorial services, word for word exactly what was in the proposal, something that Evergreen was supposed to be doing. Not every month, but again it could just be the way the billing gets done so even though it's been a little over three years, it's worthwhile. Jennifer, I like the fact that you put together a three-year price. Right now, we're over three years on the current contract so it's worthwhile doing it just as an update. What I recommend is a contract that the CDD has with a vendor, whether it's Evergreen or someone else that Supervisors see because again, I was surprised to find out that janitorial services were part of the Evergreen contract.

Mr. Kern stated generally they'll change a trash bag every once in a while, but full-blown cleaning is provided by a janitorial service.

Mr. Robinson stated it's very clear what is in the contract with Evergreen and it's the same language that is in this proposal.

Mr. Kern stated Jennifer, on the form of agreement between the CDD and HOA, does that provide for oversight by the CDD of the HOA providing those services.

Ms. Kilinski responded you can draft it either way. The one I just pulled together quickly is staffing share. So, something for the Board to consider. We have done that at other districts, particularly where it's smaller facilities that aren't highly programmed. If you're going to staff a person, and you think about somebody being full-time 40 hours a week, Daniel and I could give you sample contracts of what the going rate for some of those services are. So, one of the

advantages maybe if the HOA is willing to share a CAM position, you may be able to get a more highly qualified person while you're splitting the costs of somebody providing multiple services. I don't know what the situation has been currently here and the ability to get somebody staffed here, but when I looked at the contract amount for 40 hours a week for just district services at \$35,000, the likelihood of getting somebody to have a lifestyle coordinator and be able to do everything else is pretty low, especially with the market we're in here.

Mr. Robinson stated it's over \$50,000 for that and the facilities and operations.

Ms. Kilinski stated yes, but they weren't the same people, and usually not the same skill set either. You want somebody who knows facilities versus lifestyle programming and those personalities are usually a little different.

Mr. Robinson stated right now, the contract at the \$4,200 a month is \$50,400.

Mr. Laughlin stated Wynnfield Lakes is about this size and I think they're about \$140,000 for a full-time operations and a full-time amenity manager.

Mr. Kern stated so just to clarify, the services are still being provided to the CDD, so if they're not being performed, it sounds like we want some more autonomy and the management and the oversight of these vendors. We would still have the ability to do that with the CDD/HOA agreement.

Ms. Kilinski responded yes, there's so many different ways you could structure this. If you go out for an RFP and you either don't like what you have and you're getting pricing back that is astronomical, there are frequently friction between HOA and CDD and from an outsiders perspective it's always hard to understand that because you're paying out of the same pocket, so it makes a lot of sense for those amenities to work together for the betterment of the community and the residents. So, if there's an opportunity for synergy between those two organizations where there's not the finger pointing and you realize you're reporting to this board, you're all residents paying into both entities, then there is a lot more opportunity for cost efficiencies, as well as staffing efficiencies. So, if there's an opportunity to do that whether the CDD is the oversight or the HOA is the oversight, it usually doesn't matter, it's a matter of who has more of an onsite presence and who has the bigger budget in order to oversee the facilities.

Mr. Kern stated I'll add that you can also then in theory negotiate the fee structures. Say the \$50,000 that the CDD is paying in theory you would be paying that to the HOA to provide those services, however you could negotiate a different amount, a lower amount, you could

negotiate the events and with the HOA directly to say if the HOA has a little bit of flexibility in its budget and maybe the CDD doesn't, why don't you guys handle holiday decorations and lights under your budget and relieve the CDD of that. There is the ability to utilize and maximize efficiencies across both budgets. I've done that at a lot of my communities. To Jeff's point of there is cash in the HOA fund, that's true. I recently shifted all of my holiday decorations to an HOA holiday lifestyle budget item, because they generally operate with a little more cash. Even though they're small budgets, they don't have a lot of expenses and the same is true for this community. We have heavy expenses and need reserves for the future so to keep those things in the CDD is going to be just further burdening the CDD with those costs. Most of these management companies and the HOA are the ones who provide lifestyles and amenity attendants. I'd be shocked if a company responds to this and doesn't already also provide HOA management. So, there's certainly efficiencies in having them all provided by one vendor. That is where my interest would lay today.

Mr. Laughlin stated to close this up, we could go in the direction of authorizing the RFP to see our options, or we could provide some sort of notice to Evergreen until the January meeting for improvements.

Mr. Kern asked what notice provisions do we have?

Ms. Kilinski responded you could do a lot of different things. This seems to be pretty prevalent in this moment in time because of the labor shortages. You can issue a deficiency notice, similar to what we do in a landscape contract. We say here are the 10 things that we're seeing that you're not performing; we're going to give you 60 days to right the ship or we're going to go out for RFP. It's a very typical procedure in a contract setting to do that. I would want to give them some goals from you all. It doesn't have to be today. You could give them to Daniel or I and we could compile them and send a deficiency letter. That is one scenario that gives you some time and focus until January. With Board input, we could work on the RFP scope and try to figure out how the Board wants to structure some of the funding potentially and exactly what you want that job description to look like onsite and then come back in January, see how they're performing, and either give them final notice or we've got termination for cause immediately and a 60-day termination in our amenity management contracts to the extent there is not cause. The other option is we could go ahead and go out for RFP, and you can still give them a deficiency notice and you can start getting proposals back in January and see how they're

doing. You don't have to accept a proposal. In our experience, getting proposals this time of year tend to be more challenging. Your price is probably going to be a little higher and you may not get as many responses so if you're on the fence, I'd be inclined to wait until January to start sending it out.

Mr. Kern asked what action would we need to take to pursue the CDD/HOA agreement that was presented?

Ms. Kilinski responded a couple things. One is, you could approve it. We need to talk to the HOA about their willingness to engage in that. The second would be that the entire consideration of the RFP is that you authorize staff to start working with the HOA on what their idea may be for staffing and maybe you bring back a joint presentation, even having a joint meeting where you talk about what the common goals of the organizations are as it relates to the operations of the amenities, and then you could maybe set forth your final RFP parameters based on that discussion.

Ms. Gilpin stated I think that's smart.

Mr. Robinson stated I'd like to see the RFP go out now. Sometimes when you get feedback from vendors you can adjust. If we're not going to have a meeting in December it is going to be February or March before any action is taken. As far as the other HOA/CDD agreement, I think it's something we table. Evergreen can respond to it. It's been over three years so they should be responding to this anyway.

Mr. Kern stated I for one think you could potentially forward with the deficiency notices and allow for correction, formalize that notice and put them on a true notice; not just I emailed you and you never got back to me. Maybe, in advance of sending the RFP. I still think we should consider the CDD/HOA agreement and at least enter into the negotiations to understand what they'd be willing to participate in. To me, it makes good sense to have a meeting together. Why keep everybody separate and keep the confusion of who is who. Let's try and coordinate more.

Ms. Gilpin stated they may be having the same conversations that we're having.

Mr. Robinson stated Gregg, what you just suggested assumes that the property management company is always the same, which tends to be the exception from what I'm hearing about most other communities and that's because the HOA executive team can decide if they want to keep the existing property management company or get a new one and any agreement that we consider would have to have that ability. Because of what I saw at the HOA

meeting, I'm very concerned. I don't like giving away any responsibility to an organization that walked into the room and hadn't even seen the HOA budget. They had poor oversight.

A resident stated and gave us the wrong budget.

Mr. Kern stated that gets back to identifying issues with the vendor. We're continuing to go in a direction of isolating us even more from each other whereas we could just work together.

Ms. Gilpin stated work together to deal with the company we're having an issue with. If we don't work together, we're just sitting here talking about the HOA and I'm sure the HOA is discussing us.

Mr. Robinson stated there's nothing wrong with getting competitive bids though.

Mr. Kern stated if we went out with this RFP and awarded it to a different vendor, the HOA could follow suit and say I'll piggyback on your vendor and then we're right back in the same position without the coordination.

Mr. Jentz stated what Jennifer said I think is important to realize that this is a bad time to go out for bid, number one. I think something has to be done on the other hand. I've heard from people that are very dissatisfied. We're not meeting next month anyway. Typically, what do we give for an RFP like this, 30 days?

Ms. Kilinski responded there's no set requirement for this one, but I usually give two meetings, about 45 days.

Mr. Jentz stated you have a pre-bid meeting; you bring people in and talk to them; you give them two weeks to bring you a proposal and let you discuss it. We're talking 30 days from when we send the RFP out to when we can pull the trigger.

Ms. Gilpin asked has anything formally been given to the people that we're paying or is just people who complain?

Mr. Laughlin responded that's the purpose of the demand letter that we discussed.

Mr. Jentz stated I think if we're going to postpone this thing, we need to come up with a list of things that need to be improved and that would be in the deficiency letter. That would need to be improved between now and January. We can't have people in the community call in to voice their concern and not hearing back for two weeks. It ought to be very clear who the point of contact is that they call. This has been all over the place. We have to nail that down. Whoever is charge of the amenity attendant needs to figure that out.

A resident stated can you imagine the liability if somebody hurt themselves on the bricks and there was an email chain and the CDD is relying on someone else. That could be a heavy liability for us.

Mr. Jentz stated right. What I'm saying is, it should be an expectation that from the time a resident voices a concern, that within one business day there is an email back saying I got it, I heard it, we don't have an answer for you yet, but within the next two or three business days we can get back to you. If it changes, you have to get back to that resident saying it's going to be five or six days, it's not going to be as fast as we thought. That has to be a baseline understanding to make this place work better.

Mr. Laughlin asked so give them until the January meeting and see where we stand there?

Mr. Thomas responded I think that would be fair to do.

Mr. Jentz stated I think we need to review what happens between now and January. We need to ask the community to document things. When you try to call somebody and they don't call you back, you need to write that down. Send the District Manager an email and say this didn't get done, I didn't hear back for four days, or I never heard back. When I read on Facebook that somebody has been waiting for an ARB for three months, that's just wrong. People have lives to run here and that's not the level of service they expect. To the point of liability, when there is a problem that needs to be addressed, it has to be addressed. We can't let it drag on. I would be willing to say send the letter of deficiencies, but there has to be some clear metrics in there of what has to be done and we will know in January if they improved or not.

Mr. Kern stated we would need to provide the deficiencies for the letter to the District Manager's office. As a board, we can make a goal to provide that by a certain date so we have a list of deficiencies that we can note today and the actions we expect for remedying those and we can monitor that, but we should set a goal to provide that to you so we can get that notice out and that notice is issued within two weeks so we can evaluate in January if they've made any improvements.

Ms. Gilpin stated I would assume the letter that would list the standards that we expect.

Mr. Laughlin stated you can send any problems to me, and we would include that in the deficiency letter.

Mr. Kern asked do we need any sort of motion for this?

Ms. Kilinski responded no; I think we have board direction from a deficiency letter standpoint. I can send you all the letter before it goes out to make sure there's nothing missing and then you all have a copy of the RFP, so if there are questions, comments or concerns also send those to Daniel's attention and we can compile those so come January you all prepared with the standards that were given to them, how they've performed, what have they met and not met and you can be ready to discuss the RFP so you're not wasting more time considering that as well. If you've got questions about the HOA, the third part of the question would be direction on whether you want staff to notice a joint meeting between the HOA and CDD for January to the extent we can get that done so you can have all of these conversations together and maybe try to limit the rest of the agenda to basically this discussion because I can imagine this being fairly lengthy.

Mr. Robinson asked when you say HOA, do you mean property management or the executive directors.

Ms. Kilinski responded whoever is making the decisions for the HOA, so the board.

Mr. Robinson stated so it would be Gregg and Mike and the other person. There's only three members. Are they GreenPointe CEOs?

Mr. Kern responded I believe so. Do we have a desire for the joint meeting immediately, or do we want to authorize staff to engage with discussions with the HOA to understand what they would be agreeable to? I can pretty well speak to that, but if we formalize it I think we can make progress on what a joint agreement would look like so we can better understand that moving forward. Do we need a joint meeting for that?

Ms. Kilinski responded no. I don't know the setup, but the only question would be if you're waiting until February or March to get back to the HOA or are you going to come prepared to be able to make representation on behalf of the HOA. I don't want to put you in that awkward position.

Mr. Kern stated I guess what it would mean is being thoughtful and coming up with something to propose to the board and I don't know if that's the January meeting, but certainly by January I can have that well thought out as to looking at both budgets and then maybe there's a workshop somewhere along the line to have input from everybody. At the end of the day, the costs are the costs, and every resident pays one bucket and the other bucket.

Mr. Thomas stated I think everybody meeting is a good route, because we're trying to find a solution, so I think involving everybody should be how we do it.

Mr. Kern stated so to recap, we're going to work with staff to get the deficiency notice out. It should be items specific to the agreements between the CDD and Evergreen, the scope of services in those agreements. We can get that out in between meetings.

Mr. Laughlin we could set Friday as the deadline to get the deficiencies to me, unless it's too soon. We could do it next week, but I figure it's going to be busy with Thanksgiving.

Mr. Kern stated then, to close the loop on the CDD/HOA agreement, is there anything you need to authorize staff in between meetings to work on behalf of the District?

Ms. Kilinski responded I don't think so. It sounds like everybody is in agreement about what the direction is, so unless anybody has any trepidation about that engagement or those discussions, be prepared to discuss that in January.

SIXTH ORDER OF BUSINESS

Discussion on Lake Maintenance

Mr. Laughlin stated this is something Supervisor Robinson asked to discuss.

Mr. Robinson stated a neighbor sent me a bunch of pictures. It's labeled as pond number 11. There is a map from the master plan of all of the ponds and I just want to point out that when we get to the next item, the lake management agreement, to expand it to cover all 16 lakes, or is it 17? Because there is a lake here that is showing up as Amelia Walk. It's on Spruce Run, which is one of the roads we maintain and there is a pothole on that road, which is a separate item, but there is a lake over there that is labeled as pond number one. Whatever this map says, it should have this as part of the agreement so we can have a consistent conversation, because this is pond number 11 behind my house, and it looks pretty bad. In March it got worse and it's just not getting better in October, so I don't know what the new lake management company is doing. I haven't seen them in boats anymore and they used to be in boats.

Mr. Kern asked is it grass clippings?

Mr. Robinson responded no, that's algae and that's supposed to be cleaned. We get a report and it's pretty cryptic. It says, we've been to all 11 ponds or whatever. I get more detail when Nader's Raiders comes to my house and sprays. We really should get reports. I would like the property management company and staff to talk to the lake management company, which is Solitude. This is a company that has bought a different number of lake management companies

in the past year, so it's similar to what is happening with trash sanitation. A big company buying out a lot of smaller companies so we could have an issue. They're really not providing service. We went from \$900 a month to over \$2,300 a month as we expanded to all of the lakes; one lake in phase three that was never under maintenance, and the other lakes in phases four and five. I'm sure about the lake over on Village because they refer this as lake number one and fountain number one, and the fountain doesn't work now, but I would like staff to have a discussion with them because whatever they're doing to the lakes, it's showing zero progress. I know one resident at the recommendation of Evergreen, Michael at the time, spoke to the owner/President of the company doing the service and I'll just say it wasn't a pleasant conversation from the homeowner's standpoint. One comment, and if this is true, we really need to look at a different lake management company. If it's windy, they don't spray the lakes. It's almost always windy around here.

Mr. Laughlin stated lakes are a hot topic in most districts, especially during the summer. They're only allowed to put so many chemicals so it could be something like that where they can't spray, but I'd have to look into that.

Mr. Robinson stated I'm just not seeing any improvement, so many what they're spraying isn't doing any good.

Mr. Laughlin stated I've had districts where for months it was like that because the algae bloom was greater than what the treatment was.

Mr. Robinson stated the algae bloom was the same in March as it is in October.

Mr. Laughlin stated looking at other companies is definitely an option.

Mr. Kern stated this is just a discussion on lake maintenance. There is a clear issue that is being identified. Evergreen as field operations would be the one to directly follow up with them.

Mr. Robinson stated right, and they were contacted, and it was suggested a resident call the lake maintenance company directly and it resulted in a pretty awkward conversation.

Mr. Laughlin stated district staff should be the one to make that call. They're contracted by the district.

Mr. Robinson stated Evergreen told them to call them directly. That's the problem we're having. It's another deficiency.

Mr. Laughlin asked as of now, do we just want to make sure Evergreen stays on top of them and see how it goes?

Mr. Robinson stated I'd like a specific report as to what is going on with the pond, because it's not the only pond that looks like this. These ponds seem to be okay in the front, but as you go farther back.

Mr. Laughlin asked the residents in attendance if they see lake maintenance staff.

A resident responded I've seen a boat. There's a lot of trash blowing and they're not regularly cleaning the lake. The other day I spoke to someone who told me that they couldn't spray the lake because there was too much trash in the lake. There was trash in the lake, but it didn't look that bad, so I don't know what's happening, but it is pretty bad. It fosters mosquitos.

Mr. Kern stated we stocked them at one point. I don't know if that makes any difference.

Mr. Laughlin stated typically it helps with the algae.

Mr. Kern stated these were mosquito fish particularly.

Mr. Laughlin stated typically you have to restock because they die or get eaten.

Mr. Kern stated staff will get with the provider and put them on an action plan.

Mr. Robinson stated there is a contract that we're going to talk about next. Part of the services is trash pickup and a number of other things they do. I've seen trash all of the time. They're coming once a month, but if they're not spraying because it's too windy, that's an interesting comment that they can't spray because of the trash, because they're supposed to pick up the trash.

Ms. Joyce Ellison stated there are five of us homeowners from Fall River, the Lennar section as you go from Majestic Walk to River Birch. We all have houses on the lake and I brought this up at the last meeting and I believe Daniel said people come twice a month and I said I've only seen them once. I've been here now four and a half months. The pond has gotten worse. I don't know what the number of our pond is.

Mr. Robinson stated number 14.

Ms. Ellison stated I'm home a lot and like I said, only once have I seen them. The problem is not just trash and there is plenty of trash and it's not just at our end towards River Birch, I also see trash when I walk the dog at the part of the pond where Majestic Walk intersects with Fall River. I've seen the same trash now for weeks and weeks. I realize it's a construction site and when they're done with these houses, the trash situation should get better, however, it's not just trash. There's been sand runoff from the house that's in the process of being built next to me and everywhere you look there are sand berms in that pond, and it looks awful. There's also

vegetation that is growing out through the water so looking at that pond is no longer a pretty sight, and I don't have confidence that anybody is going to do anything about that. I have lots of pictures I took of the pond that I'm happy to show to anybody, or I invite anybody to walk into my backyard and take a look at what is going on back there. I can guarantee you I can get more people who are on the pond to complain about it. When I bought my house, I thought how lovely, I look out on the pond. I don't want to look out on a trash mound.

Mr. Laughlin stated we will get with the vendors. I don't know if it's quite to the point of a deficiency yet or if it's just staying on top of them.

Ms. Kilinski stated we could give them a preliminary deficiency.

Mr. Robinson stated I have one comment that is pertinent to what you just said. During the report that we get from the management company, Evergreen, it says Solitude responded to homeowner's concerns about the condition of pond behind her home and cleanup was completed. Was it?

Ms. Ellison responded no. I guarantee there is nobody coming around.

Ms. Cindy, Fall River Parkway, stated the debris that is in that lake has been in that lake for a long time and I know this because I go out every other week and I rake all of the garbage that is in there and I put it in a bag in the trash. The plastics are breaking down into our environment, so it had to have been in there for a long time. So, nobody has been back there. In my backyard I've been looking at the exact same things since the day I moved in.

Mr. Laughlin stated we will work with Jennifer and Jeff and get another deficiency letter together and again we will reassess in January.

Mr. Robinson stated just for the public's knowledge, a lot of the lakes were under maintenance in Phase 4 and 5 until I want to say March of this year. It's because in Phase 5 there were no residents there. Phase 4 is a different story, but we added that and before that it was just 10 of the 11 lakes that were being maintained. At least under contract now they will be maintaining those.

Ms. Cindy stated on the opposite side of the lake, it looks like somebody sprayed maybe weed killer and then the rain washed it down onto the berms so the whole berm is just burnt. Our side is okay, but we don't look at our side, we look at their side.

Mr. Laughlin stated I'm going to email the accountant and tell her to hold payments on the lake maintenance company for the time being until we get this resolved and we can reassess in January.

Ms. Ellison asked what does Solitude's contract entail other than pick up trash?

Mr. Laughlin responded the trash is the least part of their contract. They're mainly there to spray chemicals in the lake to maintain the algae levels. They have a clause in there where it says they will pick up trash which includes cups and plastic bags, but they won't do anything that's harmful.

Ms. Ellison asked what about all these sand berms?

Mr. Laughlin responded that would be something I would think the builder would have to address.

Ms. Ellison asked do we need to contact Lennar about that?

Mr. Laughlin responded that's a staff item.

Ms. Ellison asked what about all the vegetation that is sticking out all over the water?

Mr. Laughlin responded that would be the lake maintenance company. We will send a deficiency letter and we're going to hold payments until January.

SEVENTH ORDER OF BUSINESS

Consideration of Addendum to Lake and Fountain Maintenance Agreement with Lake and Wetland Management, Inc. to Add Additional Lakes

Mr. Robinson stated the only thing I would add to the addendum is specifics as to what the lake management companies do. I saw in one of the reports, or maybe it was a proposal that this is what we do, sort of like what we did with the amenity center; put bullets with their responsibilities because I was pleased to see that trash pickup was one of them. They're not doing it, but I was at least pleased to see it was done.

Ms. Kilinski stated yes, we will attach their proposal and the pond map to the final version.

Mr. Kern asked is there an addendum presented or is it just discussion of an addendum?

Mr. Robinson responded there is an addendum in the package.

Mr. Laughlin stated it's just to add the new ponds.

Mr. Robinson stated at a prior meeting we agreed to a proposal Lake and Wetland before they were bought out by Solitude to expand all of the lights and changing the prior vendor but we never updated the formal CDD agreement, so this is more of a housekeeping cleanup.

On MOTION by Mr. Kern seconded by Mr. Robinson with all in favor the addendum to the lake and fountain maintenance agreement with Lake & Wetland Management, Inc. to add additional lakes was approved.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

There being nothing to report, the next item followed.

B. District Engineer

Mr. McCranie stated last month you authorized the stormwater needs report. My understanding is it needs to be done by May of next year. I've started it and I expect it in January. It will be very helpful to review the lake maintenance reports once we start getting them because that's going to be part of the whole process.

Mr. Laughlin stated I'll send them to you.

Mr. McCranie stated for the pothole that was brought up, I'll make sure there's no underlying cause of it, but then I'll recommend that we get it patched just like we did the others.

Mr. Laughlin stated we approved a not to exceed amount of \$1,000 to fix potholes at the last meeting or the meeting before that.

Mr. McCranie stated I verified the one at the roundabout did not have any type of utilities underneath it. After this meeting I'll verify there's no utilities or stormwater or some specific reasoning that is the cause. If there's something leaking, then just filling the pothole doesn't fix it but if there's no utilities or anything then we can just patch it.

A resident asked what's the status on this main road that is going in before the roundabout where the sand is coming up through the road and it's beginning to pucker in a way as you drive down there. You can see where it's breaking down and it's gotten worse in the three months that I've lived here.

A resident stated it looks like there's a water source in two locations. You can see the iron stains coming from underneath it, so it looks like there's a water source somehow bleeding up and causing a problem with the roadway.

A resident stated you can see where the main traffic goes there are tire lines. It's going to be so bad you're going to have to totally replace it here quick if you don't do something.

Mr. Laughlin stated we've had multiple discussions in the past about the roads. We are getting to the end of their life.

Mr. McCranie stated yes, a typical road will have a 17-to-20-year lifespan and we're getting very close if not at the 17 years. This is our only roadway that we have coming in and out so during the past 12 to 15 years it's had a lot of construction traffic coming back and forth, not only construction of the subdivisions back there, but then we went to an alternative route, and it also has a bunch of back and forth with just homebuilding construction, concrete trucks and things like that which are heavier than just your normal passenger vehicle. Seven to nine years ago we did some patching because we did have before Amelia Concourse Phase 3 was constructed there was a huge wetland back behind to the east of this property. That wetland kind of seeped water and created a higher water table which created some issues also for the lime rock underneath the road. That has been alleviated. We also added ditching over the last seven to nine years. The water staining that you see is mainly caused by roof drains that discharge to an underground system that pops back up above ground, then flows over the sidewalk, flows over driveways and into the road. We have come up with different concepts there, like the roadway drainage itself. We have budgeted maintenance for milling and resurfacing of the Phase 1 roadways in your long-term plans so we're watching the main roadways. I believe in the next two to three years we're going to try to get as much life as we can out of them before we mill and resurface them.

A resident asked so we're not planning to resurface them in the near future?

Ms. Gilpin responded we talked about I think looking at it in a year or two.

Mr. McCranie stated yes, we held off this year and pushed it to next year to see if it will last and patch in certain areas.

Mr. Robinson stated every budget year we've tried to tuck away \$100,000. We may have to increase that next year because the estimated cost by our engineer if we did all of Phase 1

could be in the neighborhood of \$400,000 to \$500,000. We're trying to avoid having to do a special assessment on top of our normal annual O&M assessments.

A resident asked have we been accruing for it? Obviously, we know they have a life expectancy.

Mr. Robinson responded it just got started in the last year or so.

A resident asked so the CDD did not accrue for these roads? Isn't that what the CDD does is they know the needs of the community.

Mr. Laughlin responded as of two years ago we started saving \$100,000 a year because we were within the five to six years so we could raise the \$400,000 or whatever that would be needed. We have had to use some of that money for other repairs. It's part of the budget process in which there's a public notice for the meeting to discuss the budget before it's approved.

A resident stated it's our only road in and out for everybody.

Mr. Laughlin stated there's also the discussion of whether the benefit of saving that money over the years or having a special assessment, where it would be a small amount amongst all of the residents that are living here, as opposed to having residents that are never going to live on these new roads spending thousands of dollars over the years.

Mr. Jentz asked so the road is not going to fail, right?

Mr. McCranie responded no, there's no immediate failure. Small failures will start occurring. We will start having little potholes that we patch. The recommendation is to continue to patch until we really need to fix the whole thing.

Mr. Jentz asked and the longer we postpone that, the better it will be from the construction traffic being reduced?

Mr. McCranie responded yes. The longer we can make these roads last, then the more homes that get built and the less major traffic comes on these roads once they're repaved.

Mr. Robinson stated so right now we're estimating construction of the homes in Phase 4 and 5 probably will be near 100% in two to three years. Is that fair?

Mr. Kern responded yes, of course market conditions play into that.

A resident asked so we're waiting two or three years?

Mr. Robinson responded based on the engineer's recommendation that we've got another two to three years of useful life on the roads. We can always opt not to do all of Phase 1 and just do Majestic Walk.

A resident stated the one section there is the worst.

Mr. Robinson stated right, so that's why I said we could also look at that, but just so everyone knows, when we decide to do it, it will be six months before it gets done because that is how long it takes so it's a planning process. So, it's not something that we're going to say let's do it and expect construction to start next week because it will take at least six months because of all the permitting and approvals.

A resident asked and we haven't started that?

Mr. Robinson responded not yet.

Mr. Laughlin stated we're not to the point where it needs to be done yet.

Mr. John Huston, Fall River Parkway, asked what is the carryover from prior approvals? I looked at the budget and I didn't see any of that in the FY22 because we just started. Maybe I could go back and read the minutes. Where could one find the history of the accruals and the carryovers for the reserves? One of the main reasons I'm here is I'm really worried about assessments. It seems like there are a number of roads into the back section that are not paved and that are not being utilized except for some four-wheelers. Has the CDD looked at the expense of building that road versus having all of this construction traffic on the main road in and out? Because once we get Phase 5 built, that is going to be a large density of homes and it's going to get a lot worse once that gets built. It's my understanding that the community is one house short of requiring a separate egress and entrance.

Mr. Laughlin stated we haven't looked at that in the past. I know there are plans that are approved by the County and that is how construction goes.

Mr. Robinson asked are you referring to what we call the haul road or service road?

Mr. Huston responded I can see the road from my house. Some construction traffic had gone back through there.

Mr. Robinson stated it comes out on Amelia Concourse. That road currently is locked and there is a lockbox on it that the fire department has access to. We've discussed it as a potential evacuation route in an emergency, but there is a right of way to the property in the Lennar section where you can access the road, but it's basically a dirt road that has culverts on it that connect the wetlands, which cannot be touched. We can touch the road, but there was never any discussion of paving that road. There is a document on the CDD website that has the capital

reserve information. There is money that is pulled out of the reserves to hold us over for the next three months, correct?

Mr. Laughlin responded no, that's the O&M. We usually have enough O&M money to cover those three months.

Mr. Huston asked are we going to discuss the financials?

Mr. Laughlin responded they are on the agenda but there's not really an extensive discussion about them. These meetings are run like city council meetings. They are elected officials and there is only one public comment section at the end of the meeting. The Board can choose to open up sections of the agenda for discussion.

Ms. Sherry, Fall River Parkway, asked has it been considered that we get one trash company and maybe incorporate that into the HOA fee so that we can have a reduced trash fee? Now we only have one trash company instead of two.

Mr. Laughlin responded that is not a CDD issue.

C. District Manager

There being nothing to report, the next item followed.

D. Community Manager – Monthly Report

Mr. Boyer stated I've taken several notes to pass onto Brian. I'm happy to answer any questions or forward any information, but I'm here just to assist in this meeting while Brian is out of town. You will hopefully be getting a new community manager. I believe that new community manager should be starting in the next couple of weeks and you should be getting that information. I am going to put Daniel on my correspondence to Brian so the Board is aware it was relayed correctly.

Mr. Robinson stated I know we talked about this at the last meeting and it goes back several meetings, but if you could talk to Brian about pressure washing in the pool area. I know he has a proposal, but what does that proposal cover?

Mr. Laughlin stated I think we got the proposal to just do the pavers and then we wanted to have her look at adding the awnings.

Mr. Robinson stated and there's still no update on the awnings that appear to be loose, right? That was three or four meetings ago. I don't want that to turn into a safety issue.

NINTH ORDER OF BUSINESS**Supervisors' Requests and Audience Comments****Supervisor Requests**

Mr. Robinson stated I've been having correspondence with Daniel and Brian about when the HOA budgets got posted, they weren't posted from May until September, otherwise I would have brought this up at the HOA meeting. When it got posted I saw \$34,675 charge under landscaping contracts. The HOA has no reason to be spending that kind of money on community common area. That is a CDD thing. So, Brian said that was an accounting error and those bills should have come to the CDD, so when they do come in I want to make sure they're for the monthly maintenance, not something else that we were unaware of. It would have been Trim All.

Mr. Laughlin asked so you want to see what those invoices are?

Mr. Robinson responded right. Do we normally spend \$9,000 or \$10,000 a month with Trim All?

Mr. Laughlin probably, at least.

Mr. Robinson stated I haven't seen any invoices. This month we have \$125 for cutting a tree down.

Mr. Laughlin stated it's \$130,000, so the monthly invoices should be around there.

Mr. Thomas stated we had made some complaints about that back area, so that's why we've asked. I think they charged us for work that wasn't done in previous months. We got billed for something that they should have come back and done for free because they didn't do in the months before.

Audience Comments

Mr. John Huston, 85114 Fall River Parkway, stated related to the budget, I've seen in a quick calculation a 17% increase from last year to this year and that's obviously absurd.

Mr. Laughlin stated there was a public hearing for that budget meeting in which notices were sent out informing everyone of the meeting. There are two reasons why the increase was so large and why it will not be like that all the time. That is the first time the budget included all five phases, all landscape areas and ponds. Also, the other big part is up until this year the developer had been funding the district. So, they had X amount set and the developer would cover any difference. Now that the community is almost built out and the developer is about to be gone, it's now 100% resident funded.

Mr. Huston asked how is the build out done? There's like 300 houses.

Mr. Laughlin responded the CDD isn't involved with home building, they're just involved with platting and clearing of the lots. Once those lots are sold to the home builders, that's where the CDD is done.

Mr. Robinson stated common areas, sometimes strips of grass in buffers between our homes.

Mr. Laughlin stated this always comes up because people say we have more homes, there should be more money, but from day one there are 749 lots assessed, whether it be by acre or by lot. Somebody is always paying that money.

Mr. Huston asked so who is paying for it for the empty lots then?

Mr. Laughlin responded whoever owns the lots. Home builders most likely.

Mr. Huston stated if someone has been paying on those lots all the time then why all the sudden now is there an increase?

Mr. Laughlin responded it's the same money, but we had more phases and landscaping costs. The landscaping contract went up about \$30,000 because there was an entire phase that wasn't being maintained and is now. Same with the lakes. Say you had \$1 million in expenditures and there was only \$500,000 being assessed to residents, the developer would cover that other portion, which is no longer being done.

Mr. Huston asked is there not a reserve for that transition?

Ms. Kilinski stated what Daniel is saying, think about your whole budget. If you had a \$1 million budget, the assessments that the district actually allocates is only funding \$500,000 of it. The developer was paying \$500,000 directly, so there wouldn't have been a reserve. In fact, you were actually assessed less before, otherwise the assessments would have been that much higher to get a reserve. Now the developer is not deficit funding that, which is why your assessments went up.

Mr. Huston asked so we don't anticipate a 17% increase on the O&M costs?

Mr. Laughlin responded no. That's the most I've ever had.

Mr. Huston stated the next comment I have is relative to the preserve areas. I live on the other side of the street, so I wanted to ask who owns that?

Mr. Laughlin responded the district and it's also permitted. St. Johns Water Management District sets parameters we have to follow. For instance, we can't clear it. It has to be left

untouched. There are instances where a tree may be dead on a lot line, or if it's identified ahead of time, it's possible that tree could be dropped and left in the preserve, but we are not allowed to do anything in there.

Mr. Kern stated they're placed under conservation easements that have certain terms and conditions.

Mr. Huston stated after the last big storm, there was a lot of people complaining about their yards flooding because of the wetlands or whatever. What would a homeowner do if they had an issue?

Mr. Laughlin stated there is a drainage plan and design for the completed community, so there shouldn't be any issues with that. There were beavers in North Hampton at one point that caused issues, but that's the only issue I've ever heard of. We also get storms that are just greater than the capacity and it's still within the parameters, but there will be flooding.

Mr. Kern stated you can notify the district and we will notify our engineer and they would go evaluate and make sure there's not a clog, backup or beaver dam.

Mr. Huston asked so there's been an assessment done?

Mr. McCranie responded we had concerns with that haul road because it didn't have a stormwater system and it created some problems with standing water behind those lots.

Mr. Huston stated that's the reason I'm asking.

Mr. Laughlin stated I think I know where you live now. I've been in contact with some residents over there. I think those were lot grading and roof drainage issues.

Mr. McCranie stated I'd have to see because what happened is 90% of it was on the homebuilder, but we created a system that also handled the stormwater for that trail road so the concern came to the board, the board came to me, I reviewed it, came back with a concept that I believed would fix it, we constructed it and I believe it fixed it for that specific area.

Mr. Jentz stated that was back in this area right over here, so it hasn't addressed your area yet.

Mr. McCranie stated no, it had nothing to do with the other side of the wetland in Phase 4 and 5.

Mr. Jentz stated so we have a precedent for doing that.

Mr. Huston stated so this is the place to start the process. That's why I'm asking.

Mr. Laughlin stated I'll give you my card so you can email me or call me and send me pictures and I can work with staff outside of meetings. Anything that needs board approval I have to bring to the board.

Mr. Huston stated I had one other question related to the bond payments, is that what the CDD is responsible for?

Mr. Laughlin responded yes, that's your debt service portion of your assessment.

Mr. Huston stated it looks like some of the older bonds have reserves still. Is there any plans for dispositioning those?

Mr. Laughlin responded there are processes for that. I'm working with one district where it says that any leftover money has to pay back any outstanding bonds. We can look at the 2012 bonds that have a little bit of money left.

Mr. Robinson stated it's small, it's like \$900.

Ms. Kilinski stated you're talking about the debt service reserve account, which is different.

Mr. Laughlin stated there are two semi-annual interest payments. When you pay your assessment, it's partly O&M and partly debt service. The O&M goes into the general fund account, which is essentially a checking account. The debt service payment sits in the account and once the interest payment comes due, that is what is used to make that payment to the bondholders.

Mr. Tim Wright, 85456 Fallen Leaf Drive, stated just a question on the preserve. We're seeing a lot of trash buildup in the preserve, primarily due to construction in the area. Not just trash, but construction material. Now, they're staging materials in the common area. I'm wondering when that's going to be cleaned up.

Mr. Laughlin stated they shouldn't be doing anything in the preserve so I'll give you my card if you could email me if you have pictures and I will get with the engineer.

Mr. Robinson stated there shouldn't be anything done in the common area.

A resident stated it's a storm drain they're temporarily using as a concrete dump if you're walking towards the mailboxes.

Mr. Laughlin stated I'll give you my card too if you could please reach out to me. I'll work with Dan and Brian.

A resident stated the building is almost done so at what point does the CDD spruce up the common area, like the grass? Right now, it's just dirt and maybe some weeds that have grown through. There's a lot of common area and preserve area that looks a little trashy. The black cloth the put up is all buried underneath dirt. Is that going to be picked up at some point?

Mr. Kern responded typically as home building wraps up, we come in and make those improvements because if you don't wait they just tear them up the whole time. I think Joe has actually been working on a lot of landscaping going in and removal of the silt fence to clean up those areas, but when homebuilding is wrapping up is the timeline.

The resident stated some neighbors brought up the area around the mailbox possibly being landscaped a little bit like the other streets are. Is there a standard?

Mr. Kern stated all of the street signage and the mailbox program is generally standardized. The mailbox is determined by the U.S. Post Office.

The resident stated not the mailbox, the area around the mailbox, and a streetlight was being talked about. It's very dark so there's no way you could walk down there and get your mail.

Mr. Kern stated I don't know if the streetlights are in there yet. FPL supplies all of the streetlights and they generally wait until there are homes being built and eventually, they will come in. If there's not a light at the mailboxes, it's something this board could look at coordinating with FPL or install their own private light.

Mr. Robinson stated I've talked with several residents that have talked about Fallen Leaf and Fall River. It's pretty dark there at night. I just wanted to point out on the landscaping, we talked about this two or three months back where Joe had put together a proposal. I'm sure it's somewhere on the website, but there are all sorts of areas that have been done, and there are other areas that plan to be done, but only when the construction is done. Example, there's a little buffer between Richmond American Homes and Lennar homes. It's like a 10 or 15-foot easement strip. That is going to remain sand until those homes are built, otherwise it'll just be destroyed by the builders.

Mr. Kern stated this board can always look to do more.

Ms. Connie Phillips stated just to come off the community manager's report, when we did the HOA meeting there were a number of issues that were outlined, and it might be helpful to look at the HOA minutes to see what those items were to include in the things that were to be raised.

Mr. Laughlin stated that's a good idea.

Mr. William Biello stated we talked about the management company. I think you guys had talked about some issues amongst the board like emails and stuff like that and you also talked about taking responsibility of the management company and possibly having an entity that bridges both the HOA somehow.

Mr. Laughlin stated that's what we have currently.

Mr. Biello stated right, and that's not working, but you don't contract them. The HOA handles that contract, correct?

Mr. Laughlin responded no, we have a contract between the CDD and Evergreen.

Mr. Biello stated but maybe using them as a repository, whoever you get once you get the problems fixed to help disseminate who the information goes to because there is a lot of confusion.

Mr. Robinson stated that was the point of my discussion.

Mr. Biello stated if there is a light damaged on a lot that is being worked on, we call FPL, correct?

Mr. Laughlin responded yes, there should be a number on the pole, and you can report it.

Mr. Kern stated you send that to Daniel; he can get it to Joe or I and we can help facilitate that.

Mr. Biello stated I know there's a lot of things that affect you that the HOA does and one of the things is a big issue for me and that's the dumpsters in the road. I know that's an HOA issue. My wife backed into one yesterday that was parked in the road right in front of our driveway. I think it's a liability. They're also damaging the roads when dump them onto the roads. They're also cracking the curbed gutter along the roads. If you look where a lot of the old concrete dumps are, all the curbing is destroyed, and the builders never replaced it.

Mr. McCranie it's too late for us to review it. The County needs to review it.

Mr. Biello stated the one on Berryessa is really bad. The other questions I had, is there anything we can do about mosquitos? I've never lived anywhere that doesn't have mosquito control that is near the water, but our county doesn't, only on the island. Is there anything we can do, or are we doing within our lake controls?

Mr. Laughlin responded we have in the past. I believe it's been in the past year we had fish put in for that reason.

Mr. Biello stated they're pretty bad. Which segues me into fishing on CDD property. People fishing on the lake on CDD property that don't live on the lake, including people that don't live in the community. I know this is one of those issues where the HOA makes certain guidelines.

Mr. Laughlin stated this is a CDD item and we actually just finished a discussion on this issue at the last meeting. We have a map now that shows areas in which fishing is allowed, which is basically anywhere that is not behind someone's home.

Mr. Biello stated I'm just wondering if that is going to be verbalized anywhere.

Mr. Laughlin stated there should be a map and policy.

Mr. Biello stated someone could be standing right behind my house, the Sheriff comes and says I can't do anything because it's CDD property. He says if it was posted I could tell him to get out of here, or if you show me something that says it.

Mr. Laughlin stated we have something to show.

Mr. Biello stated there's nothing posted in the community.

Ms. Kilinski stated we do have a posted policy that is on the website with the exact areas where fishing is authorized, but we did talk about at the last meeting how it's not uncommon for Sheriff's offices to say that, so one thing you may want to consider at the entrance to those ponds, especially those that are frequently trespassed is putting signage. Like you said, when the Sheriff comes out, he looks at that and it's unauthorized, I see a person, I can trespass them.

Mr. Biello stated the other thing I want to say is the trash coming from the builder sites is a big issue. I've tried going to the builder, it's a non-issue. I've tried going to the HOA. I have been in a community where there is construction that had a developer and they would never allow the job site to look the way the job sites look here. Don't let them tell you it's from people in the community putting their trash in dumpsters, because that is not true. This is trash that is on the job sites. I've been taking pictures for months and nobody does anything about it. It's totally

undisciplined and it's not caring for the residents at all. The other thing I want to make clear is I'm very against us raising our CDD fees here. It's not against you guys planning, but strategic planning is very important, especially for this road and I'm very concerned about the road because it's our only way in and out and I think that some thought does need to be put into another egress out of the community and we should start planning for that because it's a problem.

Mr. Laughlin stated that has come up a lot and that is not something is going to happen. This is what was approved. These are all part of the plans that were submitted to the County and it was what was completed. There is no plan to add another entrance. There are two exits out of here and then the emergency haul road.

Mr. Biello asked there's two?

Mr. Laughlin responded Spruce Run that goes into North Hampton.

Mr. Biello stated there's no exit in the back.

Mr. Laughlin stated no and there's not going to be. It's never been part of the plan.

Mr. Biello stated I'm asking that we start to look into something.

Mr. Laughlin stated that would be up to the Board.

Ms. Gilpin stated we could look into it, but fees will go up.

Mr. Laughlin stated we would probably have to issue special assessments to do that.

Mr. Biello stated if that's the case you have to maintain your entrance roads at a very high level. I'm concerned about the main road in here because it's in pretty bad shape. I understand waiting to get the use out of the roads if you can.

Mr. Laughlin stated we're having it inspected by the engineer.

Mr. Biello stated there's also quality of life issues in a community of our stature and there are expectations.

Mr. Huston stated on the earlier topic of the management company, it's my understanding that the management company is the CDD's single belly button to make sure all the contracts that the CDD is responsible for get executed.

Mr. Laughlin stated the contract itself, no, but the work that they're doing, yes. They should be watching the vendors and make sure they're doing what they're supposed to do.

Mr. Huston stated so there was a comment about terminating for cause earlier and about this deficiencies letter. Do we have any limitations with our contracts as to timing for terminations for cause? If we go through a whole process of waiting two months and then say they're not doing a good job, let's go issue RFPs, that's four months and by the time we get under contract that's five or six months.

Mr. Laughlin stated terminating with cause is instant. The 60 or 30-day cancellation is with no cause.

Mr. Robinson stated but we'd have to have a replacement.

Mr. Huston stated agreed. You have to issue an RFP and have an option, or else you're stuck.

Mr. Robinson stated I have a question for Jennifer. The HOA sent out something about somebody that does fitness training, which is great, but the contract that we did for yoga and the water aerobics, was that with Elite Amenities?

Mr. Laughlin responded I believe so.

Mr. Robinson stated I just want to make sure we're covered for liabilities.

Ms. Kilinski yes, we should have a license agreement in place and residents acknowledge waivers/assumption in the amenity policies.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Financial Reports

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

Mr. Laughlin stated the check register totals \$30,967.64.

Mr. Robinson asked for pool maintenance, is there a reason why we're going all the way back to June? Have we just not paid those bills?

Mr. Laughlin responded it probably just came in late. It happens.

On MOTION by Ms. Gilpin seconded by Mr. Robinson with all in favor the check register was approved.

TWELFTH ORDER OF BUSINESS

**Next Scheduled Meeting – December 21, 2021
at 2:00 p.m. at the Amelia Walk Amenity
Center**

On MOTION by Mr. Robinson seconded by Ms. Gilpin with all in favor the December 21, 2021 meeting was canceled.

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Kern seconded by Mr. Jentz with all in favor the meeting was adjourned.

Secretary/Assistant Secretary

Chairman/Vice Chairman