

The Crossings at Fleming Island CDD
Board of Supervisors Meeting Minutes
Thursday, April 27, 2017
Talons
2217 Eagle Harbor Parkway
Fleming Island, Florida

(Please note: This is not verbatim, a CD recording of the board meeting is available on file for review).

Board Members Present

John Tabor, Chairman
Robb Rush, Vice Chairman
Mike Bruno, Supervisor
David Herold, Supervisor

Staff Present

Sam Garrison, District Counsel, Kopelousos, Bradley & Garrison
Dave deNagy, District Manager, Government Management Services, LLC
Steve Andersen, Operations Manager, Governmental Management Services, LLC
Daniel Laughlin, GMS
Robert Johnson, Tree Amigos
Ryan Parr, Hampton Golf
Cynthia Wilhelm, Nabors Giblin & Nickerson by telephone

I - Call to Order

Chairman Tabor called the meeting to order at 6:00 p.m.

II - Pledge of Allegiance

Chairman Tabor led the pledge of allegiance.

III - Roll Call

District Manager deNagy called the roll.

IV - Public Comment

There being none, the next item followed.

V. Affidavit of Publication

A copy of the affidavit of publication of the public hearing was included in the agenda package.

VI. Public Hearing to Impose Special Assessments

B. Consideration of Delegation Resolution 2017-12

- 1. Bond Purchase Agreement**
- 2. Preliminary Official Statement**
- 3. Continuing Disclosure Agreement**
- 4. Supplemental Trust Indenture**
- 5. Collateral Assignment Agreement**

Ms. Wilhelm stated Resolution 2017-12 is the delegated award resolution, which delegates to the chairman of the board the authority to execute and deliver a bond purchase agreement to the underwriter, which is MBS Capital Markets and for the underwriter to purchase the bonds so long as the offer contained in the bond purchase agreement is within the parameters, which are attached as an appendix to the resolution. This approves the form of certain documents, which are necessary in order for the underwriter to market the bonds, including the bond purchase agreement, the supplemental trust indenture, the limited offering memorandum in preliminary form and continuing disclosure agreement. You are also being asked to ratify the master trust indenture, which was originally approved by the board in 1993 and to approve the form of the collateral assignment agreement. The bond purchase agreement is in standard form and contains all the provisions that need to be satisfied in order to close the bond issue. When the underwriter executes and delivers the agreements and the district chairman using the authority of this resolution executes and delivers the agreement it becomes a binding obligation on the both parties and imposes upon the underwriter the obligation to purchase all of the bonds on the day of closing as provided in the agreement.

Mr. Garrison stated the collateral assignment agreement, which is an exhibit to Resolution 2017-12 is a document that protects the rights of everybody involved in the event there is a problem with the development the district has certain rights associated with our role, which would give the opportunity to take over if it becomes a problem. It will be attached to the resolution as an exhibit upon adoption.

A. Consideration of Resolution 2017-11 Equalizing and Imposing Special Assessments

1. Supplemental Engineer's Report Dated February 20, 2017

2. Amended Preliminary Assessment Allocation Report for the Special Assessment Bonds, Series 2017

Mr. Garrison stated Resolution 2017-11 is the actual vehicle by which the district is able to adopt the supplemental engineer's report dated February 20, 2017 as well as the preliminary assessment allocation report for the bonds that lays out what the improvements are going to be for the 2017 project and how the special assessments will be allocated and imposed for those 51 lots that are in excess of the number originally anticipated as part of the 2014A3 Bonds. The board by adoption of this resolution is authorizing the financing of a portion of the costs associated with the 2017 Project and the remainder of those costs is borne by the developer.

At this time it would be appropriate to open the public hearing to consider Resolution 2017-11 and that will also include the exhibits contained in the resolution and also a separate motion to approve Resolution 2017-12 along with the exhibits.

Chairman Tabor opened the public hearing.

Supervisor Herold stated in the allocation report it talks about the \$870,000 special assessment bonds we are authorizing up to \$900,000. When will that dollar amount be finalized?

Mr. Garrison responded when pricing is locked in.

Mr. Andersen stated this is for 51 lots and does not apply to the whole district.

Mr. Garrison stated that is correct.

Mr. Andersen stated this will bring those 51 lots up to an equal assessment level with the 2014 Bond, that is all this does.

Mr. Garrison stated it will be identical with their neighbors.

There being no other public comment the public hearing was closed.

Vice Chairman Rush moved to approve Resolution 2017-11 along with the exhibits. Supervisor Bruno seconded the motion. Motion passed 4 – 0

Supervisor Herold moved to approve Resolution 2017-12 along with the exhibits. Vice Chairman Rush seconded the motion. Motion passed 4 – 0

Ms. Wilhelm left the telephone conference call at this time.

VII. Discussion of Draft FY 2018 Budget

Mr. Andersen gave an overview of the proposed budget, which would result in a \$13 to \$15 per month increase in O&M and capital for fiscal year 2018.

Staff will continue to update projections for the May meeting at which time the board will be asked to approve the proposed budget and set the public hearing.

VIII. Conveyance of Eagle Harbor at Fleming Island Joint Venture Conservation Easement

Mr. Andersen outlined the locations of the conservation easements being conveyed to the district.

Supervisor Herold moved to direct district staff and district counsel to proceed with transferring the four conservation easements from the Fleming Island Joint Venture to the district and the chairman was authorized to execute the final documents. Supervisor Bruno seconded the motion. Motion passed 4 – 0

IX Acceptance of the Draft Fiscal Year 2016 Audit

Mr. deNagy stated on page 2 the auditor’s opinion stated, in our opinion the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities, the business-type activities and each major fund of the district as of September 30, 2016 and the respective changes in financial position and where applicable cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. On page 35 is the auditor’s report on internal control over financial reporting and the last paragraph states that they did not identify any deficiencies in internal control over financial reporting they consider material weaknesses. On pages 37 through 41 are the

management comments and the only real comments they have is a carry over from prior years and has to do with our golf bonds. There were no substantive findings outside of that. We report that every year to the Joint Legislative Audit Committee as well. Other than that it is a clean audit.

Vice Chairman Rush moved to accept the draft fiscal year 2016 audit. Supervisor Herold seconded the motion. Motion passed 4 – 0

X - Management Team Reports

A. District Counsel

B. District Manager – Report on Number of Registered Voters 6,917

Mr. deNagy stated annually we are required to report the number of registered voters and in your agenda package is a letter from the supervisor of elections indicating that there were 6,917 registered voters residing within the district as of April 15, 2017.

C. Tree Amigos - Report

A copy of the report was included as part of the agenda package.

D. Hampton Golf - Report

A copy of the report was included as part of the agenda package.

E. District Operations Manager - Report

Mr. Andersen gave an overview of the operations manager report, copy of which was included in the agenda package then reported on continuing issues with trespassers on the golf course and non-registered golf carts and requested that the board establish in writing certain penalties for trespassers that could result in loss of amenity privileges.

XI - Financial Reports for March 30, 2017

A. Approval of Check Registers

Vice Chairman Rush moved to approve the October 2017 check register. Supervisor Bruno seconded the motion. Motion passed 4 - 0

XII. Authorizing Chairman/Designee to Cancel the May 11, 2017 Meeting if No New Business Arises Within 72 Hours of the Meeting

Supervisor Herold moved to authorize the Chairman or his designee to cancel the May 11, 2017 meeting if no new business arises within 72 hours of the meeting. Vice Chairman Rush seconded the motion. Motion passed 4 - 0

XIII - Minutes Approval

A. Approval of Minutes of the March 23, 2017 Meeting

Supervisor Herold moved to approve the minutes of the March 23, 2017 meeting. Supervisor Bruno seconded the motion. Motion passed 4 - 0

XIV - Supervisor's Requests

Supervisor Herold stated I have some concerns about requests from the HOA relative to the newsletter and emails.

Mr. Andersen stated we have six HOAs throughout the community and they have put certain things on our website and Hampton is getting inundated with requests by the HOAs to update their pages, not Hampton pages but HOA pages. The HOA doesn't pay us to do that so we are going to change and we have three options, they can pay us to do it, they can set up their own website or their own web page. I don't have enough information to lay out the options for the board and I will come to the board when I have more information and suggestions.

Vice Chairman Rush stated someone approached me yesterday about the utility pole.

Mr. Andersen stated that has been reported to AT&T.

XV - Adjournment

Hearing no objections the Chairman adjourned the meeting at 7:50 p.m.

April 27, 2017

The Crossings at Fleming Island CDD


Secretary/Assistant Secretary


Chairman/Vice Chairman