

The Crossings at Fleming Island CDD
Board of Supervisors Meeting Minutes
Thursday, December 15, 2016
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
David Herold, Supervisor
Mike Bruno, Supervisor

Staff Present

Sam Garrison, District Counsel, Kopelousos, Bradley & Garrison
Dave deNagy, District Manager, Government Management Services, LLC
Daniel Laughlin, Assistant District Manager, Governmental Management Services, LLC
Steve Andersen, Operations Manager, Governmental Management Services, LLC
Jim Proctor, Tree Amigos
Ryan Parr, Hampton Golf
Rhonda Mossing, MBS Capital Markets, LLC
Thierry Boveri, PRMG

I - Call to Order

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

II - Pledge of Allegiance

III - Roll Call

District Manager deNagy called the roll.

Chairman Herold stated I would like to skip down to item 5D, which is a resolution recognizing Mary Michael's service.

D. Consideration of Resolution Recognizing Mary Michael's Service

Chairman Herold stated we have Resolution 2017-03 before us, a resolution of appreciation on behalf of the Crossings at Fleming Island Community Development District in honor of Mary Michael's service on the Board of Supervisors. I would like a motion and second on the resolution then present it to Mary along with a plaque.

Vice Chairman Tabor moved to approve Resolution 2017-03. Supervisor Rush seconded the motion. Motion passed 3 - 0

Chairman Herold presented the resolution to Ms. Michaels.

Ms. Michaels stated I enjoyed my time here with everybody I will miss you.

IV - Public Comment

V. Organizational Matters

A. Oath of Office for Newly Elected Supervisors

District Manager deNagy being a notary public of the State of Florida administered the oath of office to Mr. Rush and Mr. Bruno.

B. General Information for Supervisors

District Manager deNagy gave an overview of the sunshine law.

Supervisor Rush accepted compensation.

Supervisor Bruno accepted compensation.

C. Consideration of Resolution 2017-02 Election of Officers

Chairman Herold nominated John Tabor for chairman Supervisor Rush seconded the nomination and there being no further nominations John Tabor was elected chairman.

Vice Chairman Tabor nominated Mr. Rush as vice chairman and Chairman Herold seconded the nomination and there being no further nominations Mr. Rush was elected vice chairman.

Vice Chairman Tabor moved to approve Resolution 2017-02 reflecting the following: John Tabor chairman, Rob Rush vice chairman, David Herold, Zane Butler and Mike Bruno assistant secretaries, Dave deNagy assistant treasurer, secretary, and clerk to the board, Jim Perry treasurer and assistant secretary, Patti Powers assistant treasurer, Jim Oliver assistant secretary and Rich Hans assistant secretary. Chairman Herold seconded the motion. Motion passed 4 -0

District Manager deNagy stated I have documents for the bond closing for the utility bonds and I would like to recess the meeting to allow John time to sign those documents and then we can reconvene the meeting.

The board took a short recess after which the meeting was reconvened.

D. Consideration of Resolution Recognizing Mary Michael's Service

This item taken earlier in the meeting.

VI. Update from MBS Capital on Marketing of Refunding Bonds

Ms. Mossing stated at the last meeting Kevin Mulshine was here and updated you on the market and everything that transpired after the election and the board authorized some changes to the parameters that they gave us for the pricing of the bonds. The major change was that we reduced the requirement for at least 10% savings down to 7% savings and after that we went out into the market and we successfully priced the bonds with 7.25% savings, which is about \$137,000 a year over the remaining life of the bonds that is in excess of \$3 million. Not only was the coupon refunded for a lower interest rate but we also did a refunding of the indenture, a lot of provisions changed in the indenture that makes it a lot more workable for the board going forward with cash flows and things like that. It turned out to be a very good refunding for the board.

Chairman Tabor stated we were able to lower the amount of our debt service and we are also lowering the amount of reserves that we are required to carry and free up some funds.

Ms. Mossing stated that freed up all the surplus funds for the board to use for anything they want whereas, before it was tied up in the utility system.

Chairman Tabor stated it gives us the ability to potentially lower our existing rates.

Ms. Mossing stated it also lowered the annual coverage requirement that used to be 15% each year you had to generate that and that is how you generated all the surplus funds that you had building up and now it is a one time 15% that you deposit into a rate stabilization fund, which is going to allow you to lower rates and that is something that Thierry is going go over with you on the rate study report that he prepared.

Item VII taken later in the meeting.

VIII - Management Team Reports

A. District Counsel

B. District Manager

C. Tree Amigos

Mr. Proctor gave an overview of his report, which was included as part of the agenda package.

D. Hampton Golf Monthly Report

Mr. Parr gave an overview of his report.

E. District Operations Manager

Mr. Andersen gave an overview of his report, which was included as part of the agenda package.

VII. Consideration of the PRMG Utility Report and Recommendations

Mr. Boveri stated the purpose of the rate study is to analyze the sufficiency of revenues to determine if we can effectively lower rates associated with the refinancing.

Mr. Boveri presented his rate analysis and findings that resulted in a possible rate decrease to be considered at a future public hearing.

Supervisor Herold moved to accept the PRMG utility report in substantial form. Vice Chairman Rush seconded the motion. Motion passed 4 – 0

Supervisor Herold moved to set a public hearing on January 26, 2017 to consider revising the debt capacity charge and administrative charge, reducing the debt capacity charge by \$5.05. Supervisor Bruno seconded the motion. Motion passed 4 – 0

IX. - Financial Reports for November 2016

A. Approval of Check Registers

Vice Chairman Rush moved to approve the November 2016 check register. Supervisor Herold seconded the motion. Motion passed 4 - 0

X. Authorizing Chairman/Designee to Cancel the January 12, 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 January 12, 2017 meeting if no new business arises within 72 hours of the meeting. Vice Chairman Rush seconded the motion. Motion passed 4 - 0

XI - Minutes Approval

A. Approval of Minutes of the November 3, 2016 Meeting

Vice Chairman Rush moved to approve the minutes of the November 3, 2016 meeting. Supervisor Herold seconded the motion. Motion passed 4 - 0

B. Approval of Minutes of the November 17, 2016 Meeting

Supervisor Herold moved to approve the minutes of the November 17, 2016 meeting. Vice Chairman Rush seconded the motion. Motion passed 4 - 0

XII. - Supervisor's Requests

Mr. DiMaio-Leach asked did this board decide not to support the community sidewalk sales in the future?

Mr. deNagy stated Hampton Golf will not be involved in that any longer.

Mr. DiMaio-Leach stated the reason I'm asking is I have had some comments from people that the homeowners association wants no part of it and you are removing a community service. We had said at some time in the past when Hampton Golf came in that we would not be removing any of the services. I wanted to make you aware of it.

XIII. - Adjournment

Hearing no objections the Chairman adjourned the meeting.


Secretary/Assistant Secretary


Chairman/Vice Chairman