

The Crossings at Fleming Island CDD  
Board of Supervisors Meeting Minutes  
Thursday, February 23, 2017  
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  
Zane Butler, 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  
Travis Norman, Hampton Golf  
Ryan Parr, Hampton Golf  
Daniel Laughlin, GMS

**I - Call to Order**

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

**II - Pledge of Allegiance**

**III - Roll Call**

District Manager deNagy called the roll.

**IV - Public Comment**

Mr. DiMaio-Leach stated this is about the deficit request. I don't see anything in the budget this year showing transfers out of the general fund or transfers into the golf fund for those 2017 deficits. Where does that money come from? It is very clear that golf is not the issue here it is the restaurant. Do we know what makes money, what loses money, what does the Sunday brunch cost, what are the bar costs?

Ms. Lisenby stated when this restaurant was refurbished and remodeled a lot of the ladies that play mahjong were trying to get the same things we used to have before remodeling. I don't want to hear from anybody this is a public restaurant and we can't do this because it is public. That is not right, it is our clubhouse.

**V. Consideration of Matters Related to Series 2017 Bonds**

**A. Resolutions 2017-08, 2017-09 and 2017-10**

Mr. Garrison stated we do regular calls with our professional staff as well as GMS, MBS and our law firm on a regular basis. Between our last meeting and now it was the consensus of our team that in an abundance of caution we should restructure our engineer's report and our assessment methodology not change anything substantively but to change the structure and the form of the reports to make it clear to the 2014 A-3 bondholders that nothing in the 2017 issue is going to preempt any of their existing rights as it relates to our obligations under the trust indenture. Essentially we are making it very clear that the lots to be assessed are going to be the last 51 of the series of lots that are being built as far as the 2014 A-3 area. It is exactly what we talked about before and we want to make sure it is 100% clear that the lots that are being developed all the 2014 A-3 bonds are going to be assessed in full before we deal with this last 51. Instead of trying to booster up that arm of the process that has already begun and do an amending resolution I wanted to just start over and it costs us 30 days in time.

Resolution 2017-08 is a resolution repealing the actions you took with 2017-05 and 2017-06. Resolution 2017-05 was the declaring resolution 2017-06 was the public hearing resolution. We are repealing those resolutions when you adopt 2017-08. Resolution 2017-09 is a revised resolution declaring special assessments that is identical in structure as 2017-05 except it explicitly references the second supplemental engineer's report and the amended assessment

methodology report so that it is 100% clear in all our language exactly what it is we are talking about. 2017-10 sets a new public hearing date for that updated information.

Vice Chairman Rush moved to approve Resolution 2017-08. Supervisor Herold seconded the motion. Motion passed 5 - 0

Supervisor Herold moved to approve Resolution 2017-09. Vice Chairman Rush seconded the motion. Motion passed 5 - 0

Vice Chairman Rush moved to approve Resolution 2017-10. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**B. Completion Agreement**

Mr. Garrison stated this is the completion agreement we referenced at our last meeting between the board and Dream Finders Homes. One of the reasons we have the updated engineer's report is to make it clear as part of the completion agreement exactly what Dream Finders' obligations are. The completion agreement makes clear that the board is under no obligation expressed or implied to encumber the 2014 A-3 Area with any more bond debt, it also makes clear that even though the 2014 A-3 Area is the 149 lots that are detailed in the second supplemental engineer's report only 51 lots are encumbered but Dream Finders as part of the completion agreement as a condition of us issuing these 2017 bonds has agreed that they have an express obligation to complete all the infrastructure for all 148 lots that are in the engineer's report. It ensures that the district is protected and that the infrastructure necessary to complete those developments will be completed and transferred as contemplated.

Supervisor Herold moved to approve the completion agreement with Dream Finders Homes. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**VI. Consideration of Funding Request from Hampton Golf**

Mr. Andersen stated I will start with some of the things that Alan talked about. We have a performance report in your packages and if you take out the capital expenditures for unforeseen expenses such as the cooler and the sinkhole that developed during Matthew we are only \$11,000 behind budget. We have been working with our insurance company because we have insurance that covers loss of business during Matthew. I'm still working on the numbers but that is about \$28,000 equally split between golf and Talons if we get the money back from insurance and take the capital expenditures out we are \$21,500 better at Talons and we are running \$5,000 behind in golf per the budget. Overall we are \$16,500 better in budget to date if we get the \$28,000 paid back to us from insurance.

In response to where the money comes from in the past we had an operating reserve in the general fund. I don't have the figures with me but I believe it was \$300,000+ to start last year and instead of using a bond or some other avenue we used the general fund to fund a lot of things such as buying the initial group of plates, napkins, a lot of things that went into the startup to get this place up and running. We expected all those expenditures, we budgeted for it, we used the unforeseen account, general fund, reserve fund, A-3 bond money, 2000 A-4 bond also and that went into redoing this place that we spent about \$990,000 plus the golf course, which was just under \$492,000.

Alan is right Hampton has to give us better numbers going forward we need better numbers to make sure we plan accordingly. The money is going to come from the general fund because when we set our budgets, budget is all cash flow, every year we budget \$2.8 million and we are usually well under budget and that excess money goes into the checking account and we have excess money and that is what we will use to fund any shortfall that this place incurs throughout the year because this is an amenity for the whole community. It is a public amenity also and it is an amenity for us because we have paid for this.

The funding request of \$109,660 is a fair number and I recommend you approve this as presented.

Supervisor Herold moved to approve the Hampton Golf funding request in the amount of \$109,550. Supervisor Bruno seconded the motion. Motion passed 5 - 0
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## VII - Management Team Reports

**A. District Counsel**

**B. District Manager**

Mr. deNagy stated as you will recall when we refunded the utility bonds there was an opportunity for us to utilize the cash from the utility fund for our general fund and we had a total of \$1,440,272 after the bonds were refunded; we have moved that money out of the utility fund into the unforeseen account. I wanted to ask the board to ratify that movement of money.

I also want to talk about the money sitting in the unforeseen account and how we utilize that. A couple things we need to consider would be the pond banks, stormwater outflow structures and our pools. We don't insure our pools but if you were to have a major event in one of our pools this would be a self-funding event that we might want to have some money for.

Chairman Tabor asked when we discussed the unforeseen account two or three years ago what was the recommended number?

Mr. Andersen stated we came up with \$1.35 million at least based on operating expenses. Our recommendation now is higher than \$3 million the reason is self funding certain aspects of the community.

Supervisor Herold moved to ratify staff's movement of \$1,440,272 from the utility fund into the unforeseen account. Supervisor Butler seconded the motion. Motion passed 5 - 0
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**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**

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

Vice Chairman Rush moved to amend Resolution 2017-10 changing the location of the public hearing to 2217 Eagle Harbor Parkway. Supervisor Butler seconded the motion. Motion passed 5 - 0

**VIII - Financial Reports for January 31, 2017**

**A. Approval of Check Registers**

Supervisor Herold moved to approve the January 31, 2017 check register. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**IX. Authorizing Chairman/Designee to Cancel the March 9, 2017 Meeting if No New Business Arises Within 72 Hours of the Meeting**

Supervisor Butler moved to authorize the Chairman or his designee to cancel the March 9, 2017 meeting if no new business arises within 72 hours of the meeting. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**X - Minutes Approval**

**A. Approval of Minutes of the January 26, 2017 Meeting**

Vice Chairman Rush moved to approve the minutes of the January 26, 2017 meeting. Supervisor Bruno seconded the motion. Motion passed 5 - 0

**XI - Supervisor's Requests**

Supervisor Herold stated thanks to Travis for taking the time to come over and we look forward to whatever recommendations Hampton has moving forward.

Vice Chairman Rush stated I received a comment about not having baby changing stations here.

Mr. Andersen stated we have them and we actually have one in the men's room also.

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Chairman Tabor stated Travis thanks for being here we appreciate your involvement in this as you know this is incredibly important to the community. Keep up the good work and the progress going.

Steve I will give you my monthly reminder about the challenges associated with the speeding at our intersection at the tennis courts. You have other issues out there with the school zone issue and the crossing at Timber Woods that you are working with the county.

**XII – Adjournment**

Hearing no objections the Chairman adjourned the meeting at 7:24 p.m.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman