

Minutes of Meeting
Rivers Edge
Community Development District

The regular meeting of the Board of Supervisors of the Rivers Edge Community Development District was held Wednesday, August 22, 2018 at 11:00 a.m. at the Rivertown Amenity Center, 156 Landing Street, St. Johns, Florida.

Present and constituting a quorum were:

Jason Sessions	Chairman
Tara Jinks	Vice Chair
Judy Long	Supervisor
Charles Oates	Supervisor

Also present were:

Jim Perry	District Manager
Jennifer Kilinski	District Counsel
Ryan Stillwell	District Engineer by telephone
Dan Fagan	Vesta
Robert Beladi	Vesta
Jason Davidson	Vesta
Marcie Pollicino	Vesta
Louis Cowling	Mattamy
D. J. Smith	Mattamy
Ernesto Torres	GMS
Justin Rowan	MBS Capital Markets – by telephone
28 Residents	

The following is a summary of the discussions and actions taken at the August 22, 2018 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order at 11:00 a.m. and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

Mr. Waldrop stated they put in a gas line last Thursday and Friday the area collapsed.

Ms. Pabst stated I have seen a lot of people who got letters for the CDD and I did not receive a letter.

Mr. Sessions stated you may not be in the section of the CDD bonds that are being refinanced.

A resident stated the pond along Riverwalk and SR 13 has been sodded and mowed and it looks nice but that entrance is sort of a secret entrance to the woods and there is a lot of miscellaneous traffic in there, vans, cars, people and a lot of neighbors had their lawn run over.

Mr. Sessions stated we will address it. There are avenues for the residents to reach out and express your concerns about the community via email to GMS and to Robert to try to help keep the problems in check and I strongly encourage everybody do that as opposed to waiting for a CDD meeting so we can handle them more efficiently and keep track of how quickly they are getting done or not done.

Ms. Long stated also if you go on our neighborhood Facebook page Erin Williamson has a list of all the people to contact when you have a question about anything that has to do with RiverTown. You can look on that list and see who to contact.

Mr. Sessions stated I strongly suggest you go to sites that are part of the district to get contact information being that nobody from Mattamy or the district has access to that page. We can't ensure it is correct. We send out a monthly newsletter and one of the last pages it is always stated that these people handle X, Y and Z and it has their contact information.

THIRD ORDER OF BUSINESS

Affidavit of Publication

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

FOURTH ORDER OF BUSINESS

Public Hearing to Consider the Imposition of Special Assessments

Mr. Perry stated most of you might be here because of the proposed refinancing of the district's 2008A Bonds and the mailed notice that went to most of the residents had an increase in the amount of debt that is on each of the lots and reflective of that was a decrease in the annual assessments and that depends on the size of your lot. Those were preliminary numbers that went out and at this point in time there will not be an increase in the debt for each of the lots. Each of the lots will have a decrease in debt plus a decrease in the annual assessments. The decrease in

debt for each lot is going to range from \$51 to \$120 but the annual assessments that will be decreased will range from approximately \$178 to \$422 and that is on an annual basis. With this refinancing there is going to be a substantial savings for the residents over the next 20 years of those bonds.

On MOTION by Mr. Sessions seconded by Ms. Long with all in favor the public hearing was opened.

Ms. Kilinski stated just to take a step back for those folks who weren't here at the last meeting, what Jim just described is the district is undertaking a refinancing of its existing 2008A Bonds. There were bonds that were issued to fund a number of pieces of public infrastructure, which we will review a little bit, the engineer's report that was previously adopted by the district in 2008 and those bonds are secured by assessments on various properties within the district. The refinancing is not unlike if you refinance your home mortgage where you may refinance because you have a lower rate and that is exactly what the district is doing here. Now that it is ten years after that bond issuance we are permitted by the indenture, an agreement between the district and the bondholders that you enter into, that says after a set amount of time if the interest rates are favorable you can go through refinancing. We are doing that and there is also what Jim said, you got a notice for two reasons one is for the debt assessments associated with your property and the idea was because of cost of issuance and other impacts of the issuance your par amount of debt, which means the total amount if you were to pay it off tomorrow would increase so we had to notice you. The assessments you pay on an annual basis would decrease between \$178 and \$422 so unless you are paying it off you would see a yearly decrease of a significant number. Now that the numbers have gotten tighter, we have gotten closer to the actual refinance date, what Jim has said based on those numbers is that you will not see an increase in the par amount of debt so we really didn't need to notice you but we did that in an abundance of caution and we will go through that process today anyway. You will also see even more savings than we had noticed you. You also received a notice of operation and maintenance assessments, we are not dealing with the budget today, that budget hearing that you saw in your notice isn't until September 12th so this is just about the debt assessment associated with the bonds. We are going to go through an equalization resolution, which will set a maximum assessment lien. It doesn't change your numbers except for the numbers we just talked about. We will incorporate the

engineer's report that was previously approved with the improvements that have already been financed, it doesn't make any new improvements, and then we will adopt a supplemental assessment methodology that will articulate what the refinancing numbers actually look like. I wanted to make sure everybody understood that part in terms of the public hearing then we will go through the delegation resolution that will set the terms and delegation of the 2018 Bonds that are being used to refinance the 2008 Bonds.

Mr. Perry stated this is the time if any member of the public would like to address the board on this refinancing matter.

Mr. Hart stated we moved here in 2013 and the bond payment at that time was based on the 2008 Bond so the 2018 Bonds will take care of that.

Mr. Perry stated the 2008 bonds were issued for 30 years so we are basically refinancing those bonds for the remaining 20-year time period; we are not increasing the length of the bonds. Because there is a lower interest rate you will receive a reduction in your annual assessment.

Mr. Hart stated in the letter it stated if we wanted to pay off our portion of the 2008 Bonds we could. Are we still able to pay off when it is done?

Mr. Perry stated you do have the opportunity to pay it off after this refinancing takes place if you want to. I would ask that you check with your tax accountant for the benefits and non-benefits of that.

Mr. Sessions stated if you are going to pay that off be sure to get a payoff letter from the CDD to know the exact amount before you send a payment in.

A resident stated I am at a disadvantage because I didn't get the letter. I don't understand, are we saying there is an increase on the total amount due?

Mr. Perry stated no.

Ms. Kilinski stated that is what the letter provided. The letter provided that there would be a slight increase but we always start with the most conservative numbers considering what we think the worse case scenario on rates and numbers and that sort of thing will be so that we can set that maximum amount that we have noticed because we can't go back or we have to re-notice everybody. What we are saying now that the numbers based on the latest provided is that the outstanding amount is actually going down so it will actually decrease by a couple hundred dollars depending on where you are. There should not be an increase in your outstanding par amount and there will certainly not be an increase in the amount you will pay annually.

A resident stated so there will not be an increase in the total amount.

Mr. Perry stated correct.

A resident stated I sent an email to your office in the last few months asking for my payoff, why wouldn't they say we are going to send a letter?

Mr. Sessions stated this was only brought up at the last meeting.

A resident stated I sent an email day before yesterday asking for my payoff and she didn't say there was a letter coming out. You should have gotten it.

Mr. Perry stated it depends on where you live. Do you know what size lot you have?

A resident stated I have a pretty good size lot and I have been here four years.

Mr. Perry stated if you know what size lot we can talk about the details after the meeting.

A. Consideration of Resolution 2018-14 Equalizing and Imposing Special Assessments

Ms. Kilinski stated the resolution just sets forth the findings that we just discussed, it references the bonds that were originally issued, it makes certain findings about the board sitting as an equalization board to levy the master assessment lien with the refunding bonds in the amount of \$6,245,000, which is section 2 that has to be filled in. It authorizes the project, which was previously authorized and it has a copy of the engineer's report that was previously approved by the board in November 2007. Section 7 provides for payment of the special assessments, we will record a notice in the public records of this maximum assessment lien.

Mr. Rowan stated just to confirm that I heard correctly, the par amount in that resolution is going to coincide with what was notice, correct?

Ms. Kilinski stated that is right, it is the notice amount.

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor Resolution 2018-14 was approved.

B. Consideration of Delegation Resolution 2018-15

1. Supplemental Trust Indenture
2. Escrow Deposit Agreement
3. Preliminary Official Statement
4. Bond Purchase Agreement

5. Continuing Disclosure Agreement

Ms. Kilinski stated your next resolution is your delegation resolution. You saw a similar resolution previously when we issued the 2018 Bonds. This delegation resolution has several attachments. This resolution delegates authority to the chairman or in his absence other members of the board to take certain actions to actually issue the bonds that we were just discussing. It makes findings regarding the debt service savings, the timing for the refunding and the redemption of the bonds, the nature and security of the bonds, it provides that the proposal from MBS for the purchase of the bonds within the parameters set forth within Table 1 in the back. The parameters you would be approving at the back of the resolution provides that the principal amount of bonds isn't going to exceed \$6,460,000, the minimum annual debt service reduction will be 10%, the maximum maturity date will be the 20 years that are remaining on the bonds, May 1, 2038, maximum underwriters discount of 1 ½% and then you see the redemption provisions that are set forth in the parameters. So long as those parameters are met, it authorizes staff to do what is necessary to effectuate the issuance of the bonds with the anticipation that we would have your supplemental assessment resolution at the September 12th meeting and a pre-closing that day. The goal was to finalize this refinancing prior to next fiscal year so that the residents' reduction in debt service savings would be reflected on the tax roll for this next year. There are several documents that are incorporated within this resolution. You will see there is ratification of the master indenture that was previously provided to the district as well as the fifth supplemental indenture. There is a description of the bonds, a preliminary official statement and continuing disclosure agreement, and it authorizes an escrow agreement be entered into by the district that would essentially would remit the 2018 proceeds and pay off the 2008 bonds. It approves prior actions of your staff to effectuate the terms of these resolutions and providing the numbers to you that you are reviewing today.

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor Resolution 2018-15 was approved.

Mr. Perry stated in regard to your lot that is a 60-foot lot and that is on the lien list, the debt will go down approximately \$82 and your annual assessment will go down approximately \$235. We will check on the letter, but you were on that list.

On MOTION by Mr. Sessions seconded by Mr. Oates with all in favor the public hearing was closed.

FIFTH ORDER OF BUSINESS

Discussion of Fiscal Year 2019 Budget

Mr. Perry stated the budget adoption hearing will take place on September 12th. Originally, we had planned on having it this month but with the refinancing we moved it so that the refinancing would close before the 12th and that savings will be reflected in your property tax bill this next year. That is why we moved some of the meeting dates.

In regard to the budget we are still refining it. We don't have any material changes from the last time we discussed other than we will incorporate the landscaping agreement that was awarded at the last meeting. We will discuss it more at the next meeting and that is a night meeting at 6:00 p.m.

SIXTH ORDER OF BUSINESS

Consideration of a District Policy Regarding Guest Passes

This item deferred.

SEVENTH ORDER OF BUSINESS

Consideration of Proposals

A. Pickle Ball Court

Mr. Perry stated these items came out of the last couple of meetings and staff has received a couple proposals, the first area is in regard to the pickle ball courts.

Mr. Davidson stated I priced this two ways, to reconvert the tennis court at a cost of around \$57,000. To take the field behind it and build one new was around \$23,000 for one court, but that does not include lighting, benches, shade or water fountains.

Mr. Sessions stated the proposal on the clay courts is to eliminate one of the clay courts and build two pickle ball courts. A single pickle ball court is \$23,000 without the other necessities we would need and doubling that would be closer to \$50,000 by the time you have the bench and shade structure and things of that nature. At this time we do not have money in place to spend \$50,000 to build pickle ball courts. This is something we plan on doing at some point in the future, I'm not sure when but I appreciate you getting the proposals.

B. Tennis Facility Management

Mr. Perry stated there were two proposals in regard to tennis facility management.

Mr. Davidson outlined the two proposals, copy of which were included in the agenda package.

Mr. Miller of 904 Tennis reviewed the background of his company, his clients and the staffing and rates to be charged to the residents for lessons and clinics.

Mr. Fagan stated their fees are very competitive and they have been very well received in other CDDs and they have adjusted and grown with the other communities.

Mr. Sessions stated as we grow and at some point, do you do any pickle ball?

Mr. Miller stated we have one person on staff that is pickle ball certified. I know that is coming because it is a fast growing sport and I have been training to be able to facilitate that as well.

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor the proposal from 904 Tennis for tennis facility management was approved.

EIGHTH ORDER OF BUSINESS

Consideration of Agreement with VerdeGo for Landscape Maintenance Services

Mr. Perry stated this item was approved at your last meeting and this is an update in regard to the VerdeGo contract. Louis Cowling has been in communication with them and they have finalized all the costs so that agreement should be signed and in place shortly. There is no action needed by the board.

Mr. Perry left the meeting at this time.

NINTH ORDER OF BUSINESS

Approval of the Minutes of the July 18, 2018 Meeting

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor the minutes of the July 18, 2018 meeting were approved as presented.

TENTH ORDER OF BUSINESS

Consideration of Canceling the September 19, 2018 Meeting

Mr. Torres stated next is consideration of canceling the September 19th meeting. We talked about that to set the budget hearing.

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor the September 19, 2018 meeting was canceled.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager – Discussion of Fiscal Year 2019 Meeting Schedule

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor the board will hold their meetings for fiscal year 2019 on the third Wednesday of the month with the exception of November 14, 2019.

D. Amenity Manager - Report

Mr. Davidson gave an overview of the amenity management report, copy of which was included in the agenda package.

E. Field Services - Report

Mr. Beladi gave an overview of the field manager’s report, copy of which was included in the agenda package.

TWELFTH ORDER OF BUSINESS

Supervisors’ Requests and Audience Comments

A resident stated there have been a lot of accidents at the roundabouts. Who pays for that damage?

Mr. Sessions stated I was having this discussion with Jim and Jennifer before the meeting because there was a severe accident there again this weekend. My concern was that we weren’t

receiving payments, but I have been told that 80% of the time we receive money from the insurance carriers for the damage that occurs in the roundabouts.

A resident stated so we should call the police.

Mr. Sessions stated yes, not just at the roundabout but in the community. Remember St. Johns County owns most of the roads in the community and the police are the ones who patrol the roads and enforce things of that nature.

A resident stated I know the swim team uses the pool and it is heated but what do we need to heat at least the lap pool?

Mr. Sessions stated I want to say I have heard a comment about \$8,000 a month to heat the pool and I could be way off. The swim team does turn on the heater a little bit and they pay for it. I think they are cutting the cold and not heating the pool to the level that you and I would consider comfy.

A resident asked is there a plan to have solar power ones?

Mr. Sessions responded there hasn't been.

A resident stated a lot of lap pools around will have them.

Mr. Sessions stated it is a super expensive endeavor. It would be a challenge to justify it.

A resident stated what is the difference between the CDD roads and St. Johns?

Mr. Sessions stated the ones that St. Joe built originally within the community were platted to RiverTown HOA and the county will no longer accept those. Roads that have been built since St. Joe owned the community have all been platted to St. Johns County. Our goal is to plat the rest of the roads to St. Johns County. Some roads are built to different standards than St. Johns County will accept, like the alleys, St. Johns County will never accept alleys, those will always be maintained by the CDD.

A resident asked how does that affect on street parking for guests.

Mr. Sessions responded per St. Johns County standards parking is allowed on the streets, it is not encouraged. We are required to build minimum drive space and minimum stacking space within the driveways. Common sense needs to be used in not parking on both sides of the street because it stops traffic from flowing through. If it becomes a safety hazard then you need to call 911 to make sure the street is clear so there is access.

THIRTEENTH ORDER OF BUSINESS Financial Reports

A. Tri-Party Funding Request No. 63 and 64

On MOTION by Mr. Sessions seconded by Ms. Jinks with all in favor tri-party funding request no. 63 in the amount of \$71,013.15 and no. 64 in the amount of \$54,898.95 were approved.

B. Balance Sheet & Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

C. Assessment Receipt Schedule

A copy of the assessment receipt schedule was included in the agenda package.

D. Approval of Check Register

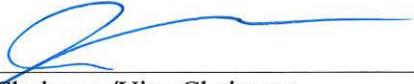
On MOTION by Mr. Sessions seconded by Ms. Long with all in favor the check register was approved.

FOURTEENTH ORDER OF BUSINESS **Next Scheduled Meeting – Wednesday, September 12, 2018 @ 6:00 p.m. at the Rivertown Amenity Center**

Mr. Torres stated the next meeting will be September 12, 2018 at 6:00 p.m. in the same location.

On MOTION by Mr. Sessions seconded by Ms. Long with all in favor the meeting adjourned at 12:00 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman