

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 Tuesday, June 11, 2019 at 11:05 a.m. at the RiverTown Amenity Center, 156 Landing Street, St. Johns, Florida.

Present and constituting a quorum were:

Jason Sessions	Chairman
Mac McIntyre	Vice Chairman
Judy Long	Supervisor
Charles Oates	Supervisor

Also present were:

Jim Perry	District Manager
Jennifer Kilinski	District Counsel
Lauren Gentry	Hopping Green & Sams
Ryan Stillwell	District Engineer
Dan Fagan	Vesta
Eric Lowrie	Vesta
Jason Davidson	Vesta
Zach Davidson	Vesta
Marci Pollicino	Vesta
Robert Beladi	VerdeGo
Ernesto Torres	GMS

The following is a summary of the minutes and actions taken at the June 11, 2019 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 11:05 a.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS Discussion of Resident's Suspension of Amenity Privileges

Ms. Kilinski stated whenever there is a violation of policies that rises to the level in staff's estimation that then warrants a suspension of privileges, onsite staff consults with the district manager and me on whatever that incident or infraction has been. You have adopted rules and regulations that relate to how residents may conduct themselves at district facilities. Our rules provide that once we as staff determine we are going to send a letter suspending someone's privileges they then have the opportunity to submit documentation, have an opportunity to be heard by you as to the nature of the infraction and then request for reinstatement or reconsideration of the alleged incidents.

You have a copy of the letter that was sent on May 30th to the resident in question. Staff has received no request for any sort of additional determination, no documentation from the resident or other requests, although I understand he did meet with Jason Davidson and sort of apologized for the behavior of that day. What your role is as it relates to this letter today is you have three options. One option is we provided a 30-day suspension based on the nature of the infractions, 30 days would expire around the end of June so you could say I agree we are going to allow the suspension to continue until June 28th and he will be reinstated. You could also say based on what we saw and the evidence we saw we think that time served is sufficient so we are going to reinstate him effective today. He has served a 12 or 13-day suspension. You also have the flexibility based on the nature of the incident report and documentation to take action that would lengthen that time period. We put this all in the letter to him; he understands that any of the three options may happen today. The only reason this resident was suspended was the infractions listed in the letter. The person found smoking on property also gave false identification and ran away from staff when they were asked to provide an incident report.

Mr. Oates stated you say you spoke with Jason Davidson. Does Jason have an opinion as to what should be done?

Mr. Davidson stated my opinion is to stay with the 30-day suspension.

Mr. McIntyre stated the main infraction according to the letter was smoking a cigar and then it kind of listed providing false identifying information and other behaviors. Can someone fill me in on providing false identification and fleeing staff?

Mr. Davidson stated he gave false identification to staff as to who he was and it wasn't until when police came onsite that he gave his proper identification.

Mr. Sessions stated I have been doing this a long time and we have a community that is run very well, we have very little chatter from our residents concerning Vesta's management, certainly there is room for improvement and we talk about that all the time. We have a staff that is running the show; a young staff most of the time. We have rules; we also have to be adults and responsible for our actions. If a staff member approaches a resident who decides not to adhere to the rules and not provide proper identification, frankly lying, I think we need to support the staff and the actions they recommend and make sure there is an upper hand in what we are doing. Today we have 700 families that call RiverTown home. At 5,000 families it is going to be a bigger animal to wrestle and people are going to need to follow policy and it is a pretty simple policy. If you give the police false identification you go to jail. If you give false identification to somebody who is trying to do their job, there should be repercussions for it. I'm of the opinion that we stick with the 30 days, support the staff and this person has to accept the consequences of the 30 days and if there are additional instances in the future we will address it at that time.

Mr. Oates asked is there a more severe penalty for a second infraction?

Ms. Kilinski stated it could be. Our escalation policy provides for certain steps based on the nature of the infraction. If they have prior infractions that generally leads staff to conclude that the suspension should be something more significant.

Mr. McIntyre asked does that mean his access cards are deactivated for a period of time?

Ms. Kilinski stated that is correct.

Mr. McIntyre asked is staff able to identify this person if he uses someone else's card and makes his way in or is it just based on the swipe card alone?

Mr. Davidson stated yes we know what the individual looks like.

Mr. McIntyre stated based on the outline and the fact that the individual didn't show up to defend his actions or add any additional information I look at it as the same if you had a ticket and wanted to fight it you know you didn't do it and don't show up then it is what it is and I'm fine with the 30 days.

On MOTION by Mr. Sessions seconded by Mr. McIntyre with all in favor staff's recommendation of a 30-day suspension of amenity privileges was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the May 15, 2019 Meeting

On MOTION by Mr. Oates seconded by Mr. McIntyre with all in favor the minutes of the May 15, 2019 meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Acceptance of Audit Committee's Recommendation

Mr. Perry stated next is acceptance of the audit committee's recommendation of Berger Toombs being ranked no. 1 at 98 points, Carr Riggs no. 2 at 95 points and Grau & Associates no. 3 at 93 points.

On MOTION by Mr. McIntyre seconded by Mr. Oates with all in favor the audit committee's ranking as listed above was accepted.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2019-06 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing Date for Adoption

Mr. Perry stated we are looking to set the public hearing date for August 21, 2019 at 6:00 p.m. as part of your regular meeting. We have been working on the budget until the last minute today. There are quite a few changes in regards to this budget. In the revenue section the first line item we are looking at assessment increases of approximately 10% to all the landowners within the district. That number may go down some, but we still expect it to be close to that. We are proposing with this budget an increase in assessments, we will have to do mailed notice to each landowner in the district and we will have the public hearing scheduled for August. Also in the revenue section there is a cost share Rivers Edge and that is Rivers Edge II and those dollars have increased significantly from the prior year. We looked at both Rivers Edge I and Rivers Edge II and we combined all the costs of the districts other than administrative costs and allocated amounts based on the total amount of developed units in each district so there is more of an allocation than what we have done in the past. As a result of that Rivers Edge II will be funding more dollars to Rivers Edge than they did previously and you can see it is about \$400,000. In Rivers Edge II right now the owner of all those lands is Mattamy so they are fronting the bill.

Under the administrative section there are basically no changes in the costs there and that is typical from year to year. Under grounds maintenance there are significant costs and those center around the landscape maintenance and most of that is related to new areas coming online during this next year.

Mr. Sessions stated the landscape maintenance in Rivers Edge I is probably 90-95% built out in this budget so there shouldn't be a lot of additional costs moving forward, which is why Jim and I have spent a number of hours over the last couple of days working on this and is why we decided to go to a different cost share methodology to try to not bring all the additional costs just on Rivers Edge. The idea behind the budgeting of RiverTown will be that all common areas will be paid for as part of a common area cost. Because we have this bifurcation of three different CDDs there is going to be ebbing and flowing of those costs until everything is built out. The good news is we are about two parks short of completing Rivers Edge I total common areas within this budget. There will be escalating costs in the future, we can't control inflation but from additional improvements, this is very much a total budget now.

Mr. Perry stated the major increase is related to the landscape maintenance and irrigation; water use has gone up considerably. On page 2 you will see overall there have been some minor increases for the amenity center and various costs associated with running that. After that is a short narrative of the revenues and expenditures and on page 12 starts the debt service funds for the bonds. The last page is probably the most important page for the residents, the allocations in regard to the size lot you have and what the assessments were last year and what they are proposed for next year. The last column shows what the maximum increase. As an example for a 55-foot lot the increase is approximately 10% or \$113 per year.

Mr. Sessions stated the 10% is only applicable to your operations and maintenance portion of the CDD payment; the debt service payment stays the same.

Mr. Perry stated between now and the public hearing we are going to be refining this and will provide you with an updated one. At the August hearing we will update the actual numbers and projections. This will lock in the maximum amount it can go up, but we do expect some refinements to some of the cost items.

On MOTION by Mr. Sessions seconded by Ms. Long with all in favor Resolution 2019-06 approving the proposed budget and setting a public hearing for August 21, 2019 at 6:00 p.m. was approved.

SEVENTH ORDER OF BUSINESS Consideration of Parking Agreement

Ms. Kilinski stated Mattamy contacted me regarding a recent platted area that is in part of Tract O-1; it is an exhibit to the agreement. The tract was prematurely dedicated to the Rivers Edge CDD prior to Mattamy’s use of that, which I think is going to be for about the next year. To accomplish what they were looking for by way of using this for model home parking you will see a parking agreement in place that provides the usual kind of license requirements, what the right of use is, maintenance and repair obligations, if there is damage done who is responsible for that, providing insurance assurances to the district as well as the termination provision in the event something goes wrong. My understanding is that this is a short-term parking arrangement between the district and Mattamy.

On MOTION by Mr. Sessions seconded by Mr. McIntyre with all in favor the parking agreement between the district and Mattamy for Tract O-1 was approved.

EIGHTH ORDER OF BUSINESS Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. District Manager

Mr. Perry stated when you go through the budget if you have any questions just give me a call and I will walk you through them and provide background information.

D. General Manager

Mr. Jason Davidson gave an overview of the general manager’s report, copy of which was included in the agenda package.

NINTH ORDER OF BUSINESS

Supervisors' Requests and Audience Comments

Mr. Sessions asked do we need to have the July meeting?

Mr. Perry stated let's keep the July meeting on the schedule and we can cancel if we need to. We have to do mailed notices for the increase in O&M and if we have some adjustments between now and the July meeting we can reflect that in the letter that goes out. Instead of a 10% increase in O&M it could be 7% or 6% or 8%. I'm not promising anything but we would rather have notice go out with the most accurate information.

Ms. Kilinski stated the notices are not really user friendly, we try to make them as user friendly as possible but there is required language from the statute that has to be in them and I am consistently asked can't we make these more easily digestible and the answer is yes and no because we have to put statutory language in there that won't make sense to a lot of people but we try to add a provision for here is what it funds and here is the budget and that sort of thing. I can send those to you so you know what is going on as well in the event you get direct questions.

Ms. Sharp asked is there a line item in the budget that has the ongoing fund that is building the major improvements for instance the number of roads we are responsible for other than the county so if they have to be worked on?

Mr. Sessions stated that is the reserves.

Mr. Perry stated that was established last year and it was at a level of \$135,000 and this year it is ongoing each year for \$200,000. It will build up and pay for that over time.

TENTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet & Income Statement

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

B. Assessment Receipt Schedule

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

C. Approval of Check Register

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

June 11, 2019

Rivers Edge CDD

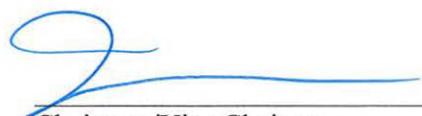
ELEVENTH ORDER OF BUSINESS

Next Scheduled Meeting – Wednesday, July 17, 2019 @ 11:00 a.m. at the RiverTown Amenity Center

Mr. Perry stated our next scheduled meeting is going to be July 17th and if it doesn't appear that we have anything for the agenda we will contact the board to make sure and take direction from there.

On MOTION by Mr. Sessions seconded by Ms. Long with all in favor the meeting adjourned at 11:40 a.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman