

Minutes of Meeting
Rivers Edge, Rivers Edge II & Rivers Edge III
Community Development District

A special joint meeting of the Board of Supervisors of the Rivers Edge, Rivers Edge II and Rivers Edge III Community Development Districts was held Friday, July 15, 2022 at 10:00 a.m. at the RiverTown Amenity Center, 156 Landing Street, St. Johns, Florida.

Present and constituting a quorum were:

Rivers Edge

Mac McIntyre	Chairman by telephone
Erick Saks	Vice Chairman
Robert Cameron	Supervisor
Scott Maynard	Supervisor

Rivers Edge II

D. J. Smith	Vice Chairman
Chris Henderson	Supervisor
Jason Thomas	Supervisor
Amber King	Supervisor

Rivers Edge III

D. J. Smith	Vice Chairman
Chris Henderson	Supervisor
Jason Thomas	Supervisor
Amber King	Supervisor

Also present were:

Marilee Giles	District Manager
Jim Perry	District Manager
Jennifer Kilinski	District Counsel
Jason Davidson	Vesta/Amenity Services
Clint Waugh	Vesta/Amenity Services
Jonathan Perry	Vesta/Amenity Services
Eric Olsen	Vesta/Amenity Services
Dan Fagen	Vesta/Amenity Services
Ryan Stillwell	District Engineer by telephone
Bruno Perez	VerdeGo
Billy Genovese	VerdeGo
Trey Sterling	VerdeGo
Brandon Myers	Yellowstone Counsel
Cheyne Solesbee	Yellowstone

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Brad Poor

Yellowstone

The following is a summary of the discussions and actions taken at the July 15, 2022 special joint meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

Audience comments were made from Yellowstone regarding presence at the meeting and availability for answering bid protest questions.

THIRD ORDER OF BUSINESS

Consideration of Options for Filed Bid Protest – Files Against CDD 1, CDD 2 and CDD 3

A. Consideration of Options for Filed Bid Protest – Filed Against CDD1, CDD2 and CDD3

Ms. Kilinski stated to recap where we have been, as the boards are aware you did a joint bid procurement, largely because we have shared infrastructure and the hope was that we would get favorable pricing by bidding these projects together but in terms of award and decisions today we wanted you to meet together to be able to hear the feedback from each other's board but also understand you may go different directions. Each decision will need to be an individual one by each Board.

You may recall that we did an initial award to Yellowstone under the direction that all of the responsive bids you received back were over your budgeted number. One of the options we discussed at that initial meeting was the ability to reject all and go back out to bid should you want to do that. The hope was that each district could avoid spending all that time, resources and energy to do a re-bid knowing you have two things ahead of you, one, is actual bid award and two, and more importantly potentially for the boards is that you have your budget adoption meeting coming up, which also includes an assessment hearing. That assessment hearing by law has to be done before October 1st and more importantly for you it needs to be done before the assessment roll is due to the county so that you can take advantage of the tax collector collecting your assessments rather than GMS having to send 5,000 notices out and trying to track down 5,000 different units to pay their assessments, risking not receiving payment from each home and then we have to

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institute foreclosure proceedings on units that don't pay. You definitely want to be able to take advantage of the tax collector and that is why we have been pushing the timeline. Having said that, you were unsuccessful in reaching a budgeted number with that bidder, recognized at the last meeting that the impacts to the budget are close to \$300 per year per homeowner, a huge increase, and you came back had another 30-days to review bids and at the last meeting you talked a great deal about the different categories of the individual evaluation criteria and ended up each individually with an award to VerdeGo. Subsequent to that you got a bid protest from Yellowstone, you heard there are some participants here today, and what we want to talk about now is what your options are related to that protest.

I'm not intending to go through the merits of the protest, I did have an opportunity to speak with each of you before the board meeting, answered your questions about the merits in particular and regardless of the direction today, I do think it is important to make very clear on the record that some of the alleged facts contained in that protest are not supported by the actual processes the district undertakes. For example, you did notice your joint session, it was held in the sunshine, it was published pursuant to law. The chairman, Mac McIntyre, wasn't involved in any of the discussions with Yellowstone, that was a different board member, so there are some things that I want to be very clear these boards did not violate the sunshine law and those things we definitely want to clarify for the record.

My recommendation today because of all the things I described, particularly the timeline associated with needing a budget number so you can adopt a budget in September, which you will talk about at your regular meetings, with a recommendation on adoption of a resolution resetting the hearing to allow sufficient time to do mailed and published notice of the maximum assessment level before that hearing, is that from a time and energy perspective my recommendation would be that you reject all, which you are well within your rights to do, your rules of procedure have this specific provision in place, which would essentially stop the bid protest, they will get their bid protest bonds back for each of those districts where such bond was filed and you restart the process. We have on your agenda today consideration of those options, one, would be you could move forward, which would mean pursuant to your rules of procedure you would be appointing a hearing officer, it is a quasi-judicial proceeding, the hearing officer can be anyone from a chairman of one of the boards, it can be the district management company, it could myself. You would hear all the facts and then ultimately an order would be rendered and at that point the losing party could file a

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complaint thereafter if they don't agree with the outcome of that case. That will take some time, that will take some legal resources that with your budget hearing coming up I'm not sure that you have.

The second option would be to adopt a resolution rejecting all the bids. That resolution with those findings is set out within your agenda package. Again, one or all three of the boards could adopt that resolution. And third, which is less of an option but tangentially related to Option 2 would be to go ahead and approve the RFP package. We can get that advertised as soon as next week, it needs to be advertised for 30-days, and ideally if you choose that option, we would bring that back to you at your September board meeting in which case you could have the numbers to include within your budget and have your budget adoption meeting and your budget assessment meeting September 14th, the very last day statutorily you can do that and still utilize the tax collector for collection of your assessments.

Mr. Saks asked we basically do all that at the same time in September?

Ms. Kilinski stated you could have a special meeting. Right now, the way the RFP is set up is we have those due August 31st, you could have a special meeting four or five days after that to jointly review those again and then have a budget hearing 10-days later. That would be an option if you wanted to consider that.

Mr. Maynard asked for CDDs only one budget meeting adoption, one public hearing?

Ms. Kilinski stated because you are raising assessments, you have a public hearing on the budget and a public hearing on the assessments, but it is the same day.

Mr. Perry stated we will provide mailed notice to all landowners within the districts.

Ms. Kilinski stated the consideration at this joint meeting is we will need a motion on whether you want to move forward for each board, we need a motion on approving the resolution rejecting the bid for each board and we need approval of the resolution if the option no. 2 is selected on authorizing the issuance of the RFP. You may want to look at that RFP to the extent you do want to do that and make sure you are comfortable with what is contained therein. I will note that it is substantially similar to your last RFP you approved. The notable exceptions are that we have taken all the feedback we got, we issued five addendums during that process, and we incorporated it within the four corners of the RFP. We have also updated the evaluation criteria to reduce the references category from 10 to 5 points and increased the price category 5 points largely because we saw everything was over budget, so you may want to take that a little bit more into

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consideration. It is totally up to you if you want to talk about the evaluation criteria and consider an alternative but those are the notable differences from the last approval.

Mr. Maynard stated if we adopt option B and reject all bids, walk me through that timeline.

Ms. Kilinski stated if the Board's chose option B, we would send letters of rejection immediately after this meeting and then, to allow you all the most flexibility, staff went ahead and sent the advertisement to the newspaper to hold until we said to advertise it or don't advertise it because that is the longest lead time, which would mean that we could advertise that as soon as July 21st. The RFPs are substantially ready, the maps have been updated and reloaded, we have that ready to print so long as you wanted to go that direction. The procurement requirements for a bid that exceed \$1 million is 30-days so it has to be on the street 30-days. To allow ample time for responses, we recommended bids be due August 31st. We could make it due earlier, however.

Mr. Perry stated we would probably ask the board for consideration of a special meeting between the 31st and the 14th to give us time to adjust the budget and make sure we have the assessment roll ready to go on the 14th.

Ms. Kilinski stated we could shorten that timeline a little bit if you wanted to, to move it to the August 27th or 26th. It is a big bid, our hope is that we have similar bidders. You had a good response last time in terms of numbers, they have all seen the project, they know the expectations of the board is and they wouldn't need quite as much time to respond as last time.

B. Consideration of Moving Forward with Contesting Bid Protest

No votes were made on this item.

C. Consideration of Resolution Rejecting All Bids Pursuant to District Rules of Procedure

On MOTION by Mr. Saks seconded by Mr. Cameron with all in favor Resolution 2022-09 rejecting all bids for Rivers Edge was approved.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor Resolution 2022-13 rejecting all bids for CDD II was approved.

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On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor Resolution 2022-13 rejecting all bids for CDD III was approved.

D. Consideration of Resolution Authorizing the Issuance of RFP for Landscape Maintenance Services

Mr. Saks asked what was the discussion about reducing the weight on references and increasing it elsewhere?

Ms. Kilinski stated we can update the RFP specifications, that resolution contemplates that but when it comes to the evaluation criteria that is something your boards will need to absolutely confirm you are comfortable with.

Mr. Saks stated I'm a little concerned. We had one bid that was significantly low but had very little experience. I don't want to be in a position where we are forced to take something because it is the lowest even though we don't believe they can do the job.

Ms. Kilinski stated the evaluation criteria still contain heavy weighting for points pertaining to machinery, experience, personnel, proximity to the site, responsiveness, those kinds of considerations. The references is the only one that is reduced and part of the thinking on that in talking with a couple board members is that it is easy to put references down that are going to give you good reviews. That doesn't negate your ability to do research and call projects that have those folks but just in terms of the references they provide, they are usually not negative ones.

Mr. Cameron stated it is a multi-year contract and there is an increase yearly, correct?

Ms. Kilinski stated it depends on what they bid.

Mr. Cameron asked do they explain why there is going to be an increase? There are new areas coming on all the time and if that is the increase that is fine. I would like some explanation of any increase.

Ms. Kilinski stated if everyone is okay with that I can add a paragraph where they can address that increase.

Mr. Smith stated I would like to issue a new RFP and would like to eliminate the alternate to provide a storage yard. We would like to remove that from the package.

Ms. Kilinski stated there is a reference on page 68 regarding the contractor being able to potentially have onsite storage staging space for equipment and materials. Is that the reference you are referring to?

Mr. Smith stated yes.

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Ms. Kilinski stated the one we saw that wasn't in an addendum but has been included too that I think the board had some consternation over is we have specified that if there are increases on those alternatives, the mulching and annuals that if it is going to increase year over year that it be specifically enumerated in the bid. It was unclear in some of the bids if there was an increase in those areas, so we included another portion on that piece as well.

On MOTION by Mr. Maynard seconded by Mr. Saks with all in favor Resolution 2022-10 authorizing the issuance of the RFP for landscape maintenance services for CDD 1 with the changes noted was approved.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor Resolution 2022-14 authorizing the issuance of the RFP for landscape maintenance services for CDD II with the changes noted was approved.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor Resolution 2022-14 authorizing the issuance of the RFP for landscape maintenance services for CDD II with the changes noted was approved.

FOURTH ORDER OF BUSINESS

Other Business

Mr. Saks stated I want to make sure we are getting a good apples to apples comparison with the budget from previous years to this one. We added things into this contract that previously we were paying piecemeal, and I want to make sure that when we are doing a comparison, we are including that. Obviously, the cost is going to be higher but is the difference basically paying for the extra mulch or something last year and it is closer than we think or is it truly way off.

Mr. Perry stated you have a base contract, which will be all the service areas currently in place then there is anticipated new areas coming online, which should be at the same rate for the various components of service.

Mr. Saks stated I'm not talking about the new areas coming online. I'm talking about the additional costs that we have asked them to include in this RFP.

Mr. Perry stated those are addendums to the current contract if they have been accepted by the district.

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Ms. Kilinski stated anything that was done piecemeal would be included in the actuals. Taking the actual and comparing that to the new contract number would give that to you.

Mr. Perry stated we look at the current budget and actuals to see if we are over or under and analyze the differences. There is a baseline they should be bidding on and the scope is pretty thorough.

On MOTION by Mr. Maynard seconded by Mr. Saks with all in favor the Rivers Edge meeting adjourned at 10:24 a.m.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor the Rivers Edge II meeting adjourned at 10:24 a.m.

On MOTION by Mr. Smith seconded by Mr. Thomas with all in favor Rivers Edge III meeting adjourned at 10:24 a.m.

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Secretary/Assistant Secretary

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Chairman/Vice Chairman