

Minutes of Meeting
Rivers Edge
Community Development District

The special meeting of the Board of Supervisors of the Rivers Edge Community Development District was held Friday, July 15, 2022 at 10:28 a.m. at the RiverTown Amenity Center, 156 Landing Street, St. Johns, Florida.

Present and constituting a quorum were:

Erick Saks	Vice Chairman
Frederick Baron	Supervisor by telephone
Robert Cameron	Supervisor
Scott Maynard	Supervisor

Also present were:

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

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

FIRST ORDER OF BUSINESS

Roll Call

Ms. Giles called the meeting to order at 11:28 and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

A resident stated I would like consideration of a tennis league.

Mr. Miller stated I can answer any questions the board has when it comes to the discussion. Our lady's program is growing nicely and a lot of them know other tennis ladies from St. Johns

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County and brought feedback to us that residents would like to venture into an entry level of a league.

Mr. Cameron asked are our existing tennis courts set up in the right direction for sun, etc.?

Mr. Miller stated it is not my league, but we have been approved to be in the league, they are just working on some constraints. They may change the format, it used to be four courts and we don't have four courts, but they are looking at ways to stagger some start times and use our three courts and still participate in the league.

A resident stated I attended a previous meeting to request a fund-raising event to raise funds to run the New York Marathon for the Sandy Hook Promise.

THIRD ORDER OF BUSINESS

Approval of the Consent Agenda

A. Minutes of the June 1, 2022 Joint Special Meeting and June 15, 2022 Board of Supervisors and Audit Committee Meetings

On MOTION by Mr. Maynard seconded by Mr. Baron with all in favor the minutes of the June 1, joint special meeting, June 15, 2022 board of supervisors meeting and audit committee meeting were approved as presented.

B. Balance Sheet & Income Statement

C. Assessment Receipt Schedule

D. Approval of Check Register

Mr. Baron stated I'm okay with converting a light from regular to LED, but not paying for an initial light over \$4,000 for a wiring effort that was a failure to install correctly. I would like to dispute it with Mattamy. Other than that, I'm okay with the check register.

Mr. Davidson stated the invoice I found that pertains to what is in question was the total amount of \$1,530.

Mr. Baron stated we will take it offline. I sent an email to Marilee the actual page number but when I add the numbers it is just over \$4,000.

Ms. Giles stated I will meet with Jason after the meeting to make sure we are tracking if that is on this check register. There are a couple KAD invoices on this check register and we will make sure that is correct.

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On MOTION by Mr. Baron seconded by Mr. Saks with all in favor the check register was approved.

FOURTH ORDER OF BUSINESS

**Consideration of Resolution 2022-08
Resetting the Public Hearing for the Purpose
of Adopting the Fiscal Year 2023 Budget**

Ms. Giles stated the purpose of this resolution is to reset that public hearing date from the noticed date of August 17th to September 14th.

On MOTION by Mr. Cameron seconded by Mr. Saks with all in favor Resolution 2022-08 was approved.

FIFTH ORDER OF BUSINESS

**Acceptance of the Fiscal Year 2021 Audit
Report**

Ms. Giles stated next is acceptance of the fiscal year 2021 audit. There were no current year or prior year findings, or recommendations and it is a clean audit.

On MOTION by Mr. Maynard seconded by Mr. Cameron with all in favor the fiscal year 2021 audit report was accepted.

SIXTH ORDER OF BUSINESS

**Consideration of Third Amendment to
Agreement with Vesta for Amenity
Management and Field Operations Services**

Ms. Kilinski stated you have discussed a little bit of this at the last two meetings. Supervisor Baron worked with Vesta to review some of the proposed price increases on the amenity management contract and enlarge the scope. We told you at the last meeting we would bring that back in written form based on direction from the board and this is an amendment to the contract. You will see the current rates, the proposed 2023 rates as well as a little bit additional scope on the janitorial services that is now specified within the contract addendums.

On MOTION by Mr. Maynard seconded by Mr. Cameron with all in favor the third amendment to the agreement with Vesta for amenity management and field operations services was approved.

SEVENTH ORDER OF BUSINESS

**Consideration of Grant of Easement to St.
Johns County for Repairs Under the Kendall
Crossing Bridge**

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Mr. Stillwell stated this bridge is maintained by the county and the DOT performs inspections every year for the county. They are requesting an easement on CDD owned property to get access to the bridge. They have observed erosion around the foundation and my recommendation is to allow the easement so they can get down there and make that correction.

Mr. Saks moved to approve the grant of easement and Mr. Cameron seconded the motion.

Mr. Cameron asked is there enough room in this easement for them to do the repairs?

Mr. Stillwell stated they did not specify width or anything and that is something we are going to have to work with them. Their easement request is over the tract that the CDD owns, but Jason and I talked earlier this week about making sure we coordinate with them when they are coming to not let them destroy any landscaping.

Ms. Kilinski stated we talked about doing an addendum to this easement that contemplates restoration requirements upon completion. In a community down the road St. Johns installed a traffic intersection improvement without approval by the district. They were pretty good to work with when they had made that mistake and I would like to have that language in there about that specificity.

Mr. Saks moved to amend the motion to include an addendum to the easement to include restoration requirements upon completion and Mr. Cameron seconded the amendment and on voice vote with all in favor the motion passed.

EIGHTH ORDER OF BUSINESS

Consideration of Proposals (Cost Share)

A. Paint Projects

On MOTION by Mr. Saks seconded by Mr. Cameron with all in favor the proposal from Investment Painting to pressure wash and paint in the amount of \$4,850 was approved.

B. Palm Tree Lights

This item tabled.

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NINTH ORDER OF BUSINESS**Consideration of 5K Reindeer Run**

Mr. Davidson stated a resident is requesting to host their annual 5K reindeer run to run the same route as they have in previous years. That will be held December 10, 2022. They are requesting utilization of the location as marked on the enclosed map from 6 a.m. to 12:30 p.m. They would like access to the soccer fields, for the long area between the clubhouse has already been booked.

On MOTION by Mr. Saks seconded by Mr. Cameron with all in favor the request for the 5K Reindeer Run was approved.

TENTH ORDER OF BUSINESS**Consideration of Bartram Trail Swim Team Pool Usage**

Mr. Davidson stated the Bartram Trail swim team request would be the same as the seasons before that runs from August 1 through November 4th and they will host four home meets.

On MOTION by Mr. Maynard seconded by Mr. Cameron with all in favor the request of the Bartram Trail swim team for the 2022 season was approved.

ELEVENTH ORDER OF BUSINESS**Consideration of Tennis League**

Mr. Davidson stated a few residents requested the startup of a tennis league in RiverTown. 904 Tennis would partner with us to organize the league that would consist of RiverTown residents only and would play other teams from country clubs and CDDs throughout Duval, Clay and St. Johns County.

Mr. Baron asked is this a cost to the CDD to use the tennis courts? Because this is a for profit organization that is now using community assets. When that happens it is different than the fund run where it is not for profit and there should be a cost charged to an organization when they are using CDD assets for profit.

Mr. Davidson stated I would compare this specific request to our swim team.

Mr. Baron stated I think we ought to relook at this in the future for implementing a structure for next year at the start of our budget because assets that are utilized by a company for profit should be paying a fee back to the CDD.

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Ms. Kilinski stated right now the license agreement provides for a remittance of 10% of all revenues generated by the license. We can revisit that but currently is what the license provides.

Mr. Davidson stated this is separate.

Mr. Miller stated if it were a 904 Tennis League and the ladies were paying in, I would remit 10% but this is our ladies who are playing in a league. It is First Coast Tennis isn't for profit, it is a state charter of ladies and they play in the league.

Mr. Maynard stated this is just residents in the neighborhood putting together a league.

Mr. Baron stated we put \$50,000 into the tennis courts, \$250 into the net, we put a lot of money into the lighting and it cost the CDD an exorbitant amount just to keep the efforts going. When you have wear and tear on this by an organization coming in that is not paying a fee I think that is unfair and I think it should be charged at 10% and it should be collected. That is my opinion as a businessman and supervisor on this CDD board.

Mr. Saks asked is it typical on this type of thing to take the 10%?

Mr. Miller stated yes, this is standard throughout the state. The league would just tell us you are not in the league.

Mr. Saks stated you are saying other communities are charging?

Mr. Miller stated the other communities are not charging First Coast, they wouldn't do business with them. Every community what we are doing is standard and that is what a league is, the league makes money off the courts, the residents in the communities enjoy playing in a league. It adds value to the community, there are 20 people who have moved into the neighborhood this summer that I know about that moved here for the tennis program and the adult league play.

Mr. Maynard stated in tennis leagues I have played in, I've never paid, it is almost shared amenities.

Mr. Saks asked is the soccer league a good parallel? Do we charge them?

Mr. Davidson stated we don't have a soccer league.

Mr. Saks stated I'm with you Fred but also like the idea that we have invested in the courts I would like to see them used more often.

On MOTION by Mr. Maynard seconded by Mr. Saks with all in favor the request to form a tennis league was approved.

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Ms. Kilinski stated we do have that license agreement in place and now it is just charge for clinics and that sort of thing that is conducted on the tennis courts. We will expand this to include the league play. You can always pilot it if there are issues about maintenance and address it next season.

TWELFTH ORDER OF BUSINESS Consideration of Fund-Raising Event

Mr. Waugh stated I worked with Natalie since our last meeting and put together some ideas for fund-raising efforts through the district and are looking for what direction you would like us to move in.

Ms. Edmondson stated I really just wanted to make sure that when I went to Clint that I stated that first I want to figure out a way to fit into the club and not be a distraction, but any or all of these ideas are ideas we talked about so I would be happy with any or all of them.

Mr. Saks asked do we need to approve a specific fund raiser or can we just approve fund raising by this organization and you figure this out? I would rather you figure out what makes sense.

Mr. Cameron stated put it in the schedule in the normal way. You are planning normal events, don't stop a normal event to hold this, but fit it in.

Mr. Baron stated the only one I had an issue with was the 50/50 or work as a waiter; I don't want the community to have that liability.

Mr. Saks stated the River Club isn't under our purview anyway, that's why I would rather staff make those decisions.

On MOTION by Mr. Saks seconded by Mr. Maynard with all in favor the request to hold a fund-raising event for the Sandy Hook Promise Foundation was approved.

THIRTEENTH ORDER OF BUSINESS Staff Reports

A. District Counsel

There being none, the next item followed.

B. District Engineer

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Mr. Stillwell stated last month we approved in concept the stormwater needs analysis, that report was finalized with the chairs of all three districts and submitted to St. Johns County ahead of the June 30th deadline. We received word back that it was accepted and approved by the county.

One item for the board to be aware of that we are watching, there are some areas of asphalt specifically on the entrance road coming right at the River House at the stop sign, we are seeing some heaving of the asphalt. We don't think we need to do anything right now but we are going to keep an eye on that.

Mr. Maynard asked do you think it is construction type vehicles causing that issue?

Mr. Stillwell responded it could be a combination of that and the age. That roadway could be as far back 2006, it could be a combination of multiple things.

Mr. Maynard stated especially as the interior construction gets completed with the phases that are currently under construction if Mattamy might have the potential to look at construction entrance at WaterSong and Arbors 3 take a lot of that heavier construction traffic off the main roads. We can address that with the other two CDDs and Mattamy potentially to see if that is an option.

Mr. Saks stated I'm getting resident complaints about what is going on in the Gardens, the construction in there and how it is tearing up those roads. We will still have trucks driving through people's yards. There has to be a way for our CDD to address that with the developer. I don't know what means we have to do that.

Ms. Kilinski stated we can certainly let them know there are these issues. I don't know if there are alternative entrances options, but the districts aren't doing that work so it is definitely the developer.

Mr. Stillwell stated I think they are moving west of Rivers Edge CDD, once the next roundabout is built, I don't think you will have a lot of traffic coming in the main entrance, everything will be coming in off Longleaf.

Mr. Saks asked is there anything we can issue to the developers in the community? We constantly see them cutting corners and destroying people's yards.

Ms. Kilinski stated I think we can send something formal or informal and work with Ryan on whatever alternatives there may be from an entrance perspective and report back at the next meeting.

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C. District Manager

Ms. Giles stated I recommend we cancel the July 20th meeting for next week.

On MOTION by Mr. Saks seconded by Mr. Cameron with all in favor the July 20, 2022 meeting as canceled.

Ms. Giles stated just as a reminder because we changed the public hearing date, we changed the August meeting time from 6 to our regular meeting time at 11:00 a.m.

D. General Manager - Report**1. Report**

Mr. Cameron stated with the new construction on Longleaf Pine, how are we going to make sure that the sprinklers are not damaged and if it is damaged it is repaired by people other than us.

Mr. Davidson stated if there is damage to irrigation and we are able to identify specifically who caused that then we would reach out to the individual and hold them liable for that repair.

Mr. Cameron asked are we patrolling that area to make sure that we know?

Mr. Davidson stated we patrol all areas. As they are reported we collect them and the community is very good about aiding us in that and we are very thankful. VerdeGo has been giving us irrigation reports, it was monthly and now it is weekly irrigation reports.

Mr. Cameron stated I have already spoken to you about maybe getting the neighborhood to help us with the grass situation, where they blow the grass out of their yard into the curb and across the street if there is a park or whatever, which then washes into the storm system, that gets into the ponds. Maybe we can send a blast email to remind residents not to do that.

Mr. Davidson stated we can address that on CDD grounds with VerdeGo. Specifically, what you are referring to is an HOA concern and I will work closely with the HOA to send out a reminder.

2. Inventory

A copy of the inventory was included in the agenda package.

3. Landscape Update**a. VerdeGo Performance Report**

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A copy of the VerdeGo performance report was included in the agenda package.

b. Landscape Deficiency & Observation Report

A copy of the landscape deficiency and observation report was included in the agenda package.

c. Consideration of Issuing Letter of Deficiency

Ms. Kilinski stated because of the proximity to your meeting we wanted to have this discussion with the board about next steps. Jason and I had a call last week to go over some other report and what he is seeing live and all of the options and opportunities that Vesta has undergone in meeting with VerdeGo to try to bring them up to your contractual requirements for sufficiency's. Jason expressed a continuing attempt to do that week after week without having a whole lot of success, not to say they are completely failing but certainly not coming up to par with our contractual requirements. One of the options you have under the contract, which would require a formal letter being issued on deficiency would be to withhold the June payment. It is in your check register for this month in the event you want to move forward with that, but your sister districts authorized withholding funds for June, giving the whole list of deficiencies. We have preliminarily drafted that based on the information that Jason had sent and as soon as they come up to the 80% mark you can release the June amounts. Your contract allows between 70% to 80% to withhold 10% for each point of that total amount for any of those line items. The contract is comprehensive in what it requires so at this point since it has been two months of attempts and Jason and Jonathan are spending a lot of time trying to get that up to 80%, that would be my recommendation that you withhold the funds. As soon as we find out that they have complied we will release it.

Mr. Saks stated I would like to show solidarity and match what the other districts have done.

Mr. Saks moved to authorize staff to withhold the June Payment until they have brought the contract up to 80% and Mr. Cameron seconded the motion.
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Mr. Baron asked how much time are they allowed for this corrective action?

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Ms. Kilinski stated our contract has 30-days to become compliant and that would be our goal. We always take very seriously withholding funds from a company. We don't do that lightly, we do it with a lot of trepidation, especially when we have been working with them for so long. To the extent there is damage done, irreputable damage, plant materials dying, not being maintained, you have turf that was lost because it isn't properly hydrated or fertilized, that doesn't negate the requirement that they replace that to the extent that it is a failure to maintain. In terms of releasing the funds they have 30-days to become compliant or essentially you waived that right so we would be working with them to do whatever we can to get them compliant up to 80%.

Mr. Baron stated they have six weeks of deficiencies. Are they working on week no. 1 or are they working week no. 5 to get it fixed and now we have a mix match of whether or not the discrepancy has been cleared.

Ms. Kilinski stated from my perspective from the scope of services what we are looking at is a comprehensive review of compliance with all of the scope. There is not a more significant or less significant contractual requirement, so they have a whole list of deficiencies that haven't been met and all of them need to be at least at 80% or more in order to get release of those funds. If half of them are in great shape and we are not seeing something that we need to withhold funds for to replace or repair then we release a portion of those funds.

Mr. Baron stated the board has sent a letter out for the past six weeks. I would like to see no more than two weeks a letter written if it is deficient.

Ms. Kilinski stated keep in mind the letter from my perspective is really withholding the funds. They are getting weekly deficiency reports from the district now. That doesn't negate the requirement to be compliant with the contract or the deficiency reports that Jason has been giving them every week. This letter is just making sure and clear that we are withholding funds pursuant to the contract because of the deficiencies. In other words, I don't know that you need to spend my time writing weekly letters to them, they are on notice that until it becomes compliant you are withholding funds until they get into compliance. You may be withholding July funds if you come back here in August, and they are still at 70% or lower.

Mr. Baron stated that answers the question.

On voice vote with all in favor the motion passed.

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E. Landscape Team - Report

Mr. Sterling stated we have additional workers come in and this week you have probably seen a lot more people on property there are a lot more things getting done. We have additional staff to help get things caught up. Billy and I are on property throughout the day, and we are going to continue to push and make sure everything is up to your standards. We did meet with Jason and Jonathan, and they established a common email address of Rivertown.com to help communicate and we all have access to that. It was put in place in the last couple of days and that will help streamline the process and work together to get this up to where it needs to be.

Mr. Cameron asked are we going to send that email to the community so that people can send in what deficiencies they see?

Mr. Davidson stated it is heavily utilized, a lot of this is specific towards maintenance than irrigation and landscaping. What we are going to do with that as well, we will start including those in the weekly reports that we send everyone so you are aware of the community's concern.

FOURTEENTH ORDER OF BUSINESS Supervisors' Requests and Audience Comments

Other items discussed: no additional patrols for special events, Jennifer to bring adopted policies that includes things that are not allowed on CDD property, cannot block streets during special events or have excessive noise, budget increase in security, tighten up non-resident use of pool, golf cart accident.

FIFTEENTH ORDER OF BUSINESS Next Scheduled Meeting – Wednesday, August 17, 2022 @ 11:00 a.m. at the RiverTown Amenity Center

Ms. Giles stated the next meeting will be August 17, 2022 at 11:00 a.m. in the same location.

On MOTION by Mr. Cameron seconded by Mr. Baron with all in favor the meeting adjourned at 11:45 a.m.

DocuSigned by:
Marilee Giles
383269E1043B434...
Secretary/Assistant Secretary

DocuSigned by:
[Signature]
31D007FF685E4D1...
Chairman/Vice Chairman