

TURNBULL CREEK
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Turnbull Creek Community Development District was held Tuesday, January 8, 2019 at 6:00 p.m. at the Murabella Amenity Center, 101 Positano Avenue, St. Augustine, Florida.

Present and constituting a quorum were:

Lee Clabots	Chairman
Wil Simmons	Vice Chairman
Chuck Labanowski	Supervisor
Brian J. Wing	Supervisor
Chris DelBene	Supervisor

Also Present were:

Ernesto Torres	District Manager
Jennifer Kilinski	District Counsel
Mark Insel	Vesta/Amenity Services Group
Dan Fagen	Vesta/Amenity Services Group
Lourens Erasmus	Vesta/Amenity Services Group
Michael Johnson	Duval Landscape Maintenance
Andy Howard	Ancient City
Jennifer Hoffman	Fighting Turtles

The following is a summary of the actions taken at the January 8, 2019 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Torres called the meeting to order at 6:00 p.m. and called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

Mr. Howard stated I would like the board's guidance on marketing the soccer program. Other than the website where we have been advertising, we have been precluded from direct mail and signage.

Mr. Wing stated there is an item on the agenda that will be part of that discussion.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Oath of Office for Newly Elected Supervisors

Mr. Torres being a notary public of the State of Florida administered the oath of office to Mr. Wing, Mr. Labanowski and Mr. DelBene.

B. Election of Officers, Resolution 2019-04

On MOTION by Mr. Wing seconded by Mr. Clabots with all in favor Lee Clabots was elected chairman.

On MOTION by Mr. Clabots seconded by Mr. Simmons with all in favor Mr. Simmons was elected vice chairman.

Mr. Clabots asked Mr. Wing to continue to chair this meeting.

Mr. Labanowski asked should Dave still be on the resolution?

Mr. Torres stated the actual resolution has my name replacing Dave deNagy as secretary and putting him as assistant secretary. For the record we will make that change if everybody is okay with that.

FOURTH ORDER OF BUSINESS

Staff Reports (Part 1)

A. Landscape Manager (Presenter: Duval Landscape)

Mr. Johnson gave an overview of the landscape maintenance work accomplished since the last meeting

B. Engineer

1. Pond Banks

C. Future Horizons

Mr. Erasmus stated I received the proposal too late to be included in the agenda and the only thing that I'm missing is the total acreage of the ponds. According to my documents we have roughly 38 acres of ponds and I need your approval to use Mike to see if I can get aerials to measure it so we can get those numbers to you.

This item tabled and Mr. Erasmus to have the engineer and a representative of Future Horizons present at the next meeting, budget numbers, and a priority list of ponds that would benefit from aeration.

FIFTH ORDER OF BUSINESS

**Ratification of Agreement with Duval Asphalt
(Presenter: Ernesto Torres)**

Mr. Torres stated this is an item we approved in an amount not to exceed \$10,000 a few months ago to repair the sinkhole near the field and the payment was actually \$4,353.90.

Mr. Wing asked has Mike signed off on this?

Mr. Torres stated we consulted with Mike when we reviewed the proposals, he approved the scope of the work that each contractor submitted but I don't recall he inspected the site.

Mr. Wing stated I think he normally has done inspections before we paid for it.

On MOTION by Mr. Labanowski seconded by Mr. Clabots with all in favor the agreement with Duval Asphalt for sinkhole repair in the amount of \$4,353.90 was ratified.

Mr. Labanowski stated we need to note in the minutes that the HOA should be taken off that document. It is the not the HOA it is the CDD.

SIXTH ORDER OF BUSINESS

**Discussion of Future Horizons Proposal for
Treating of Ponds (Presenter: Lourens
Erasmus)**

This item deferred.

SEVENTH ORDER OF BUSINESS

**Discussion of Street Lighting (Presenter: Lee
Clabots)**

Mr. Clabots stated we discussed this at previous meetings and we voted to ask the HOA if they would fund it. At the last HOA meeting there was some discussion about whether they would or would not fund it. I believe this is security infrastructure and if anyone should pay for it, it should be the CDD and I believe the HOA is of that opinion. I suggested we bring the issue back to this board to look at our obligation to provide additional security via lighting, the cost and how we might work that into our capital plan.

Mr. Labanowski stated the we have a map showing the locations that have been identified. FP&L broke it down by the numbers and there is a cost for each light and the total cost of 10 lights is \$7,611.18, the conduit was \$4,200. In talking with Duval Landscape they can run the pipe a lot cheaper than that; all they have to do is run conduit and FP&L does the wiring.

Mr. Simmons asked how are we budget-wise if we took this on?

Mr. Torres stated we would have to take it out of capital reserves, it is not a budgeted item.

Mr. Clabots stated I think it is a good idea, but my preference would be to wait a few months and see how we are running on the capital reserves and take a look at it in June or July.

Mr. DelBene stated I see no reason to put it off; an \$11,000 expenditure is not going to hurt our \$102,000 capital reserves.

On MOTION by Mr. DelBene seconded by Mr. Clabots with all in favor the installation of the streetlights was approved in an amount of \$7,611.18 with the conduit approved in an amount not to exceed \$4,200 in anticipation of a lower proposal from Duval.

EIGHTH ORDER OF BUSINESS

Consideration of Proposal from Fighting Turtles Swim Team (Presenter: Jennifer Hoffman)

Ms. Hoffman gave an overview of the proposal for the Fighting Turtles Swim Team to use the pool for practices, up to three meets and approval to go outside Murabella and World Golf Village if needed to fill all the spots.

Mr. Clabots stated someone has to watch the parking situation.

On MOTION by Mr. Labanowski seconded by Mr. Simmons with all in favor the proposed agreement with the Fighting Turtles Swim Team was approved.

NINTH ORDER OF BUSINESS

Discussion/Consideration of 5K Charity Race (Presenter: Ernesto Torres)

Mr. Clabots stated this is a fundraiser for a resident in Murabella that had a death in the family.

On MOTION by Mr. Clabots seconded by Mr. Wing with all in favor the request for the 5K charity run was approved.

TENTH ORDER OF BUSINESS

Consideration of Facility Use for Soldier Ride Team for the Wounded Warrior Project, Inc. (Presenter: Ernesto Torres)

Mr. Clabots stated this is a request of the Wounded Warriors to use the Murabella Amenity Center to set up water tables and use the facilities.

Mr. Torres stated it is a police escorted bicycle ride with about 40 riders. Their estimated time to be here is between 10:30 a.m. to 11:00 a.m. and the date is February 9, 2019.

On MOTION by Mr. Wing seconded by Mr. Clabots with all in favor the request for the bicycle ride for the Wounded Warriors on February 9, 2019 was approved.

ELEVENTH ORDER OF BUSINESS

Discussion of Proposed HOA Amendment to the Declaration of Covenant, Conditions, Restrictions and Easement (Presenter: Jennifer Kilinski)

Ms. Kilinski stated I think you have seen some of the back and forth and information regarding the HOA amendments and changes to the declaration of covenants. When it came to my attention I briefly reviewed them and identified a few items for CDD consideration, keeping in mind that declaration of covenants as it relates to the CDD are only as good as the CDD signing off on them. I did have an opportunity to speak with the HOA lawyer today to express some of my concerns and she indicated that the intent of the HOA covenants is to identify and flesh out what is happening live on the ground now with the idea that if a resident were to download the covenants they know exactly who is responsible for what and if there were an issue they would be able to identify and contact the right party. I think some of the language is still a little confusing, she sounded amenable to taking our comments, suggestions, edits to the amendments and bringing it back to the HOA board. She said there was no ill intent, she thought the CDD was aware that these were going on and from her perspective it didn't change any of the responsibilities anyway so she didn't think we would have a problem with them. I indicated again that there are a few things that are inaccurate, for example giving the CDD enforcement authority for restrictive covenants particularly as it relates to private party property isn't even something that we are capable of doing; I think it can make it more confusing to residents than less confusing. Again, she sounded very open to taking some of those suggestions and indicated it was the goal for having

CDD language in there was removing developer responsibility where it stated what the developer is going to do or the developer is going to give authority to somebody to do this and since we now know who that authority has been given to she wanted to make it as clear as possible for the community. The good news is I sent them a letter to put them on notice that the CDD was not aware of this and has not discussed this, but she sounded very open and optimistic to any changes we were suggesting to clarify the responsibility.

They are not asking the district to sign off on this, they are not asking for district feedback because the belief is that anything that is in here is stuff that has already happening anyway, so it doesn't require any district sign-off. I do think there is some language that is confusing and some of it is conflicting and some I don't think is enforceable, but it is small compared to the entirety of the changes it is probably five or six sentences in the entire restrictive covenants. I also understand how expensive these things are to mail. I have highlighted changes that I can send to all the board members so that you can see what kinds of things I was thinking about.

I can continue to express concern with the language that we think is ambiguous, some of it unenforceable and it is going to cause more consternation for the community. We are not looking to fight with the HOA so we are requesting that they delay the vote, which they could but if there are changes they are going to have to re-mail it. If they have the vote we can't stop them but we can go on record as objecting to some of the language.

TWELFTH ORDER OF BUSINESS

Consideration and Discussion of Amendment to Vesta Agreement for Share Revenue (Presenter: Ernesto Torres)

Mr. Wing stated to my knowledge as part of the agreement with Vesta we pay for the website and pay for the newsletter but the revenue from advertising is all going to Vesta. I asked Ernesto to look at it and many of the communities in the area have revenue sharing agreement where the proceeds are shared.

Ms. Kilinski stated when it was asked of me what is typical in terms of cost share all the districts are a little different and some are 10% share gross revenue, some of them are a huge operation so there are different kinds of charges that are entailed but I have not personally seen an agreement that had revenues incoming that was not shared by the district. That is different for me. I sent you different contract language that we have used in St. Johns County districts.

Mr. Torres stated in our team we have districts, Bartram Springs and Bartram Trails and Aberdeen that have language in their agreements for revenue share. I had a conference call with Dan when we were drafting this item and I did learn and he can explain in a little more detail about the actual newsletter where the proceeds are offset by the webmaster that provides the service for the district and for advertisement, the banners you see on the site but there are some revenues in the newsletter and also in the events that are hosted by the amenity athletic league that is here.

Ms. Kilinski stated the other difference in this agreement than ones I have seen before that may explain the no revenue share is that our other agreements typically have an exclusivity clause where Vesta is the sole provider of services without their consent, here there is no exclusivity so you could conceivably have competing everything if you wanted to, which may explain why there wasn't a revenue share.

Mr. Clabots asked how much net revenue are we really talking about sharing? Are we making a big to-do out of this or a big to-do out of that?

Mr. Fagen stated I can speak to a little bit of this. The advertising revenue I think is \$210 for the past 12 months. The website is not owned by us or the district it is through a third party so anyone who wants to advertise contacts that third party.

Mr. Insel stated it is a neighborhood network and the ad they put on there, offsets any cost to us and/or the district. There is no revenue coming in from the website to us.

Mr. Fagen stated as far as the newsletter, we were collecting funds and continue to do so but the premise is when we were doing hard copy newsletters a number of years ago that was offsetting the printing cost. We are no longer printing those newsletters and it has been such a small number, regardless I know by spirit that we should discuss, the premise behind it originally.

Mr. DelBene asked what about amenity services recreation lease, how much per kid per league?

Mr. Fagen stated \$95.

Mr. DelBene asked how many kids from Murabella participate?

Mr. Fagen responded 125. There are costs associated with that from field paint to equipment, referees, admin, the website but that is something to consider and there are many districts that we do and there are many districts that we don't revenue share with. Primarily especially with Murabella we want to keep our fees to the district reduced, we were very aggressive so we are not making money off of the district as much as we want to drive revenue it is to all the

residents in the community so we are providing service at a reasonable fee to the community instead on the backs of the entire district it is to the user. Athletics is by no means a cash cow, but it is profitable and some districts we share revenue and some we don't.

Mr. DelBene stated Andy with Ancient City Soccer came in with an offer of \$5 per head. How long as Vesta been operating in this community?

Mr. Fagen stated ten years, since the beginning.

Mr. Howard stated to clarify that, we upped it to \$10 in the final proposal for 2019, every child playing and every child playing is a Murabella resident. It is currently 47 children at \$10 each.

Mr. DelBene asked in your other communities that use your services, Heritage Landing, is there a profit sharing with them?

Mr. Fagen stated correct. Your kids play there and we actually pay the district \$5 per head at Heritage because Murabella plays at Heritage. A number of years ago we were told they took the play on Murabella fields primarily because of the condition so we practice here, play at Heritage and Heritage collects additional fees for Murabella residents, not Vesta but the district.

Mr. DelBene stated the only difference is that we don't play games there but their kids practice at our fields and for some reason our agreement is different than their agreement.

Mr. Fagen stated both agreements go back many years again as far as Murabella is concerned being aggressive with our fees to the district we have to offset those fees to the district and we do so by offering programs and creating revenue based on those programs. That way instead of saying we have to increase our fees by 5% or 10% for our services we keep them low and say we are going to make money somewhere, it is on the programs and it is not a cash cow.

Mr. Clabots stated that goes back to being transparent. If you tell me it is \$210 a year that we are going to revenue share that is not going to break the bank but all the question about where the revenue is coming in, what you use it for, what the net revenue is, transparency is the issue. I'm not saying anyone has been dishonest I'm saying there needs to be more transparency.

Mr. Howard stated you should have our agreement from the last meeting. We are being somewhat withheld from the marketing program here at Murabella and we are non-profit organization so what money we raise goes back into equipment. We have an open house on January 19th, and we are going to do some soccer demonstrations and that comes out of our pocket.

Right now all we are able to do is advertise on the Murabella website, which we have done at a fee but we can't place stickers, we can't do direct mail, we can't put anything on the notice boards.

Mr. DelBene stated they are our email addresses not Vesta's email addresses they collected on our behalf so for them to say a business is not allowed to do something without check with this board first, they have overstepped their bounds.

Mr. Insel stated the agreement at the last meeting didn't discuss sending out sole e-blasts. I was going by what was discussed at the last meeting and that was not discussed.

Mr. DelBene asked was he told no or was he told he needed permission of the board to do so?

Mr. Insel asked to send out an e-blast? I said generally that is not what we do. If everyone in this room asked me to send out an e-blast, I would say no unless it is in an agreement like the Fighting Turtles. We don't have an agreement in hand. I'm just going by what was on his handout and I have done that and he has asked for meetings and I have given him those but he hasn't shown up. I hear about the date of the clinic, but I haven't gotten any information on when, what time.

Mr. Fagen stated if we have an agreement similar to what we have with the Fighting Turtles everyone is clear as far as the expectations.

Mr. Wing asked is the agreement in process?

Ms. Kilinski stated yes, I think I dropped it the day after the board meeting last time.

Mr. Torres stated I will look in my email and send it to Andy and Mark for review.

Mr. Wing stated finalize the agreement and the two things I suggest is the board do all their comments but since we have approved Ancient City Soccer being able to use the fields, it is serving our kids, include in the agreement their ability to put something together that Mark would send out via email blast and also if you have recruitment signs you should be able to put those up too on CDD property.

Mr. Labanowski stated I would like to see the document before we approve it.

Ms. Kilinski stated I can do that. We already have an agreement with Ancient City. This one was more robust because there were more parameters around the continuing agreement, the port-o-lets, those sort of things that came out at the last meeting so I can send it to you. It is not a lot different than the one you saw for the original, it just has more parameters. We discussed website accessibility, the district doesn't own so we can send it over and ask them to put it in but if you want to add more it sounds like it hasn't been executed yet so if you want to add more

parameters around how often they are going to be able to send out email blasts. The Vesta agreement when this first came up has direction on sending community e-blasts and posting to the website anything the district has approved as an activity. I think that qualifies so I think Vesta has the authority to do under their existing agreement; it is a matter of what you want to provide through a license agreement with Ancient City like the Fighting Turtles.

Mr. Clabots stated we are still missing the other item and that is revenue sharing. If you have some language from other districts of what that revenue sharing looks like so we might consider that. I would like to have greater transparency from Vesta as to revenue coming in, revenue use, net revenue. There has to be more than \$210 a year. Maybe we should have this on the agenda for March.

Ms. Kilinski stated I know Vesta has done pretty user friendly, rudimentary profit and loss statements for this, which may be helpful to you. Then you know exactly what is coming in and going out.

Mr. Clabots stated I would rather not handle it by email, let's get the information to the board and have a discussion at the next meeting.

THIRTEENTH ORDER OF BUSINESS Staff Reports (Part 2)

A. Attorney (Presenter: Jennifer Kilinski)

Ms. Kilinski stated we usually go over general sunshine law and public records law. I think the new member got a welcome packet in the mail from me with a lot of information six weeks ago or so. Our office sends out email and hard copy a big binder of information. I will follow-up with you on that. The two big things that I will highlight for you is public records; any records that you have that pertain to district business you need to keep separately so that if you ever have a public records request you could turn over all those things or give them to Ernesto's office who is the official records custodian for the district and he can retain those for you. It is not intuitive in terms of when and if you can destroy records, there is a records retention schedule based on the content of the record not the type of record. Emails it depends on that it says, it is not just because it is an email. If you have any questions about that feel free to talk to us offline or after a board meeting. The sunshine law is a big one as well because you all live in the same community but any matters that either are pending before the board or may conceivably come before the board are off limits outside of a board meeting.

B. Manager – (Presenter: Ernesto Torres)

Mr. Torres stated I would like a clarification on the lights that were approved for a not to exceed. I worked with Chuck on that project and just for the record I want to make sure he is appointed as the supervisor I can work with on that.

Mr. Wing stated fine by me.

Mr. Torres stated the other issue is, Supervisor DelBene has requested to waive his compensation and he would like to see that added to the events line. The only way to do that is to amend the budget to decrease the supervisors' budget line and increase the events line by the amount of meetings that we have and we can do that if the board is agreeable.

It was the consensus of the board to have that as an item on the next agenda.

C. Operations Manager (ASG) (Presenter: Lourens Erasmus)

1. Report

Mr. Erasmus stated we are going to start some cutting of the pine trees next week. One of the pump motors sounds like it is running extremely rough. It could die tomorrow or could run for six months and I want to give you a heads up that this could be an expense that is coming. To replace it with the same pump it is \$4,500 or replace it with the new plastic system it is \$10,000. We have a line item for 2018/2019 for pool equipment \$5,150 that we could use it for that. Over New Years weekend the smaller kiddie feature pump ruptured and flooded the whole place and we replaced the front end on that.

The electricity in this pump room is on the ground. When I walked in I walked in water and there is 220 volt boxes sitting there. I'm concerned about that and I will see if I can get an electrician to give us a price on lifting the lines lying on the ground up and rerouting them.

Mr. Wing stated I suggest you get that estimate.

D. Amenity Center Update (Presenter: Mark Insel)

1. Report

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

2. Discussion of Residents Gym Equipment Inquiry

Mr. Insel stated the result of the surveys that we put out in the gym was included in the agenda package. I feel it is unreliable. The only thing I recommend is doing preventive maintenance, the cardio is past its prime and it is recommended to be replaced.

Mr. Simmons stated I feel that I have a good handle on what we need for equipment and floor plan since I spend a lot of time in the gym, I have visited other gyms in the area and have talked to three vendors. I would like to provide a copy of what I have to Vesta and the other board members so that we can discuss this at the next meeting.

FOURTEENTH ORDER OF BUSINESS Approval of Consent Agenda (Presenter: Ernesto Torres)

- A. Approval of Minutes of the November 13, 2018 Meeting**
- B. Balance Sheet as of November 30, 2018 and Statement of Revenues & Expenditures for the Period Ending November 30, 2018; Month-to-Month Income Statement; Assessment Receipt Schedule**
- C. Approval of Check Register**

On MOTION by Mr. Clabots seconded by Mr. Wing with all in favor the consent agenda items were approved to include amendments to the minutes.

FIFTEENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

SIXTEENTH ORDER OF BUSINESS Supervisor's Requests and Audience Comments

Mr. DelBene stated Murabella residents want to hold a networking group meeting in this amenity center. I'm proposing that we approve that request. I want to add this to the next agenda. They are Murabella residents and Murabella business owners.

Mr. Insel stated you may want to add to that changing your policies because the community use room, I spoke with the folks requesting that and it is a for profit since they will all be making money from people coming in and as a community use group one of the main things in the policies was it cannot be for profit.

Mr. DelBene asked what are you saying needs to be changed?

Mr. Insel stated when we created a community use group that is one of the things that was put into the policies to be not for profit. That is why they were denied to this point.

Ms. Kilinski stated I would see a differentiation. Usually what we are talking about in a commercial context is if you are selling or offering the sale of goods or services. If you are meeting to discuss possible ventures, especially as a group of residents I don't think there is a real prohibition on that based on the language I'm seeing here or in our normal course. It is a gray area and I can see why you questioned that. When we talk about commercial enterprises we are talking about for profit enterprises that are here to sell you something. A lot of times wealth management companies will want to come in and sell you their services and some will have Mary Kay and that sort of thing is what we are trying to prevent. Based on what you described that is not something we are concerned about and why we would be concerned is for our bond covenants.

Mr. Wing stated I don't think that needs to come back. You have clarified the definition of a use group and work it out with Mark.

Mr. Clabots stated I would like to meet with Ernesto and Jennifer within the next week or so.

Mr. Torres stated I ask that it be the following week and I will email the group.

Mr. DelBene stated September is when Vesta's contract comes up. I would like to have an agenda item in March to review a proposal that we can get ahead of this. I think it is prudent to get it done sooner rather than later so we can see what we want as proposal items so we can get that out to Vesta as well as other vendor proposals.

Ms. Kilinski stated just so I'm clear, you want to see a draft RFP package for those services.

Mr. DelBene stated yes. Part of the idea is that Ernesto pointed out that other districts have employees that run those amenity services. I would like the board to be provided with material from Oakleaf and Eagle Creek regarding the cost effectiveness of going to an employee run district where the board employs the people who run it.

Mr. Wing asked is that information you can get?

Mr. Torres stated I can get something and give it to Chris to see if it meets his intent and then put it in the packet.

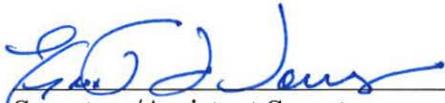
Mr. Schroder stated several years ago we planted a lot of seedlings and I wonder how they are doing.

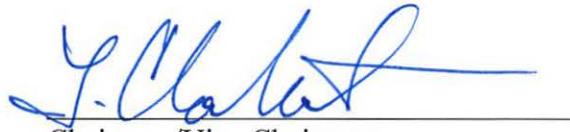
Mr. Wing stated we planted 1,000 and 20 survived but that was a terrible year and the irrigation system hadn't been fixed. If anyone is interested I will look into getting another grant and do it again.

SEVENTEENTH ORDER OF BUSINESS Next Scheduled Meeting – March 12, 2019 at 6:00 p.m.

Mr. Torres stated the next meeting is March 12, 2019 at 6:00 p.m.

The meeting adjourned at 8:00 P.M.


Secretary/Assistant Secretary


Chairman/Vice Chairman