

TURNBULL CREEK  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Turnbull Creek Community Development District was held Tuesday, March 15, 2016 at 6:00 p.m. at the Murabella Amenity Center, 101 Positano Avenue, St. Augustine, Florida.

Present and constituting a quorum were:

Aage G. Schroder, III	Chairman
Kathleen Venezia	Vice Chairperson
Joseph Quinto	Supervisor
Brian J. Wing	Supervisor
Chuck Labanowski	Supervisor

Also Present were:

David deNagy	District Manager
Mike Eckert	District Counsel
Preston Doub	District Engineer
Mark Insel	Vesta/Amenity Services Group
Jeff Branch	Vesta/Amenity Services Group
Lourens Erasmus	Vesta/Amenity Services Group
Michael Johnson	Duval Landscape Maintenance
Rhonda Mossing	MBS Capital Markets (by telephone)
Kevin Mulshine	MBS Capital Markets (by telephone)
Angela Koby	Resident – Fighting Turtles Swim Team

The following is a summary of the actions taken at the March 15, 2016 meeting. A copy of the proceedings can be obtained by contacting the District Manager.

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. deNagy called the meeting to order at 6:00 p.m.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

Mr. Clabots stated I sit on the HOA board and am treasurer and I have a budget concern. The HOA this last meeting was asked to consider two proposals to spend capital dollars on projects. I don't know if that is right or wrong but I have a comment about process. If something were to come to the HOA for a capital development project on CDD property I would

hope that would come from the board and is something the CDD board has properly considered and thinks it is a priority to do rather than it be outside some kind of process.

My wife is a master planner for the National Guard and the State National Guard wants to apply for federal funds to do new buildings. The Federal National Guard asked them to do three things, prove that you maintain your existing facility, you sustain your existing facility and you modernize or renovate your existing facilities before they will give you dollars for new facilities. As we look at the budget process I urge the board to pay attention to the amenities and property the CDD controls and look at maintaining, sustaining, restoring and renovating those things first before you look at large, new projects to do. If you aren't maintaining the existing amenities to a level of satisfaction the board thinks is appropriate or the community thinks is appropriate adding something new just adds to the ongoing burden of maintaining existing properties. Those are my comments about the budget and you can take them as you will.

Mr. Schroder asked are you suggesting that before it goes to the HOA for action it should be cleared with the CDD board?

Mr. Clabots responded I think it should be. What we were talking about were two projects, a parking lot and a dog park and all those would be on CDD property. I think the board should have at least a first shot at we think our CDD property could be used for this purpose rather than just random capital projects being brought to the HOA.

Mr. Schroder stated there has been discussion about those things but we have not acted on them.

Mr. Wing stated both of those items have been discussed at CDD meetings in the past and neither went anyplace for reasons primarily due to the lack of funds available.

Mr. Clabots stated I understand that. I would like the CDD to put those in some kind of priority. You may not have the funds to do it but I heard when those were discussed they were approved by the CDD board pending funding and I didn't hear of any action on the board that those were approved projects.

Mr. Wing stated the proposal several months ago was the CDD was to circulate a questionnaire to residents about possible new amenities if funding were to be available and the board decided not to send that out.

Mr. Clabots stated I know the CDD has no control over AT&T but I think the contractor doing the laying of the conduit in preparation of the cabling has been rather untidy in their

working area. They have been untidy in where they park their vehicles and I hope that is not an indication of AT&T service in the future.

Mr. Quinto stated AT&T outsources the work, it is not AT&T so if there is a problem you have to get with them.

**THIRD ORDER OF BUSINESS**

**Affidavit of Publication**

A copy of the affidavit of publication of the notice of public hearing was included as part of the agenda package.

**FOURTH ORDER OF BUSINESS (Part 1) Staff Reports**

**A. Engineer**

**1. Work Authorization No. 7 Phase 2 Pond Bank Scope**

Mr. Doub stated you have work authorization for Phase 2 of the pond bank work that was tabled at the last meeting. We put together some hourly projections for the work and that is in the agenda package.

Mr. Schroder stated we are talking about the spreadsheet in the agenda package. We had considerable discussion at the last meeting and I see no change in the amount and very little effort to look at the numbers and give us other numbers. We talked about specific things that we have done such as walking the ponds and coming up with where we think they need to go and where not to go. I look at this and according to the spreadsheet we would spend \$20,000 just to walk the pond and that is not acceptable. There is no way we need all of the man-hours and that amount of funds to walk the ponds. I am very disappointed that we are not getting an effort to help keep the costs down. I understand that Preston is between a rock and a hard spot because his superiors in the company do it but half a dozen things on this sheet that bother me. Mr. Schroder then reviewed the items and associated costs that he did not agree with.

Mr. Labanowski stated I agree with the chairman.

Mr. deNagy asked are we tabling this item?

Mr. Eckert stated this is the third meeting we have talked about this and your engineer has said this is an estimate and said this is what he feels comfortable as the estimate. The board has said we are not comfortable with that estimate, we are not comfortable with the assumptions in that estimate. I'm not sure what is going to change between now and the next meeting if you

table this. I'm not speaking for Preston but if he wants to say something about this it is fine but I don't see the reason to keep having this discussion every month. We will get to a point where we will have to start doing something about that.

Mr. Schroder stated I don't know how to proceed either and there are other implications as it relates to the bond issue. If we need a loan and to issue a bond we will need to know what it is going to cost so we need to proceed but the first thing is walking the ponds and there is no way that is a \$20,000 item or even close.

Mr. deNagy offered to meet with the chairman and Preston and go through the spreadsheet in more detail and bring it back in April and stated but if you are firm on the \$65,000 then there is no need to meet.

Mr. Doub stated we have had numerous in-house discussions about this and we are firm with that number.

Mr. Eckert asked is that based on walking all the ponds?

Mr. Doub stated it is based on the 18 ponds but I know we are talking about not doing some of these. The problem is it is difficult to quantify what that is and the last thing I want to do is be low on an estimate. I tried to be conservative and I hear what the board members are saying but at the same time I don't want to come back asking for more money.

Mr. deNagy stated what you are saying is this is on the high end.

Mr. Doub stated I hope so. If you look at Meskel's number of what they have done in the Phase 1 project there is about \$12,000 left in their existing contract that I estimate will not be used.

Mr. Schroder stated I don't think the numbers have changed since we provided the information about the ponds that don't need to be looked at.

Mr. Wing asked is it possible to see about a different engineering firm?

Mr. Eckert stated that is one of the things the board can decide to do if they want to.

Mr. Wing stated I assume the information our current engineer has is available to us so a new engineer doesn't have to recreate it.

Mr. Eckert stated yes they should be public records and Preston has acknowledged that.

Mr. Doub stated if you go with somebody else we will certainly work with them to help them as much as we can.

Mr. Wing stated I suggest we do that.

Mr. Eckert stated you would go out in April and get stuff in to review in May then you have to negotiate a contract with them because you can't negotiate rates upfront until you have ranked them in terms of qualifications. You are probably looking to have someone on board in June. They are going to have to get up to speed on whatever the issues are. We can provide them with the documents but there is going to be a period where they will get up to speed to be able to do the evaluation that needs to be done on the ponds.

Mr. Wing stated that time is not so far off and it sounds like the board is not interested in going with the current rates and Preston is saying he can't come off those rates. I don't know that it makes sense to keep tabling and talking about this.

Mr. Schroder asked do we have to come back to this when we talk about the pond bank issues?

Mr. Eckert stated we can come back to it if you want to. You don't have to take any actions on it at this point in time let's see how the meeting goes. You have already instructed us to put an RFQ on the agenda for April and we can bring this back at the same time and I will put together a timeline. If your new engineer gets up to speed in July then you might be able to get something done by September/October. You are going to have a new engineer preparing those documents and preparing everything that we then need to go to validation and use for the bonds.

Mr. Labanowski stated at this point the refinancing of the bonds and the construction bonds are totally separate.

Mr. Eckert stated right now they are totally separate and if I thought that was going to change your approach I would be bringing it up earlier in the meeting but ultimately you have to make decisions on which avenue you want to go in terms of a private placement bank financing versus a public financing. If you want to do the RFQ in April we will go as quick as we can but you are probably not looking at having the ability to issue bonds until probably early fall.

## **2. Consideration of Proposal from MAE for Geo-Technical Work on Remaining 18 Ponds**

## **3. Other Pond Bank Issues**

Mr. Doub stated when Besch & Smith started work in Area 5 that was supposed to be March 15<sup>th</sup> but I think they started a little earlier and substantial completion is 60 days but from what I'm hearing they are going to be well ahead of that. One of the things that had to be done

was for the surveyor to reset lot corners for the baseline control and he did that today and we are online to approve them going ahead to get that done.

I passed out a requisition summary for invoices we need to clean up. Two are for ETM \$280 and \$70, one for Hopping Green for \$302.57 and is requisitions 36 through 38 for a total of \$652.50.

On MOTION by Mr. Wing seconded by Mr. Labanowski with all in favor requisitions 36 – 38 in the amount of \$652.50 were approved.

Mr. Doub stated one other thing that has come up in the last week or so is an invoice from Metric Civil they did the work about a year ago in Areas 1 and 2. We held out a small amount of retainage of 2% for a year to make sure the grass was established and there weren't any issues. His final invoice is \$1,724 and I have looked at it and I think Chuck looked at it.

Mr. Labanowski stated I looked at it and the only issue I saw was in the drainage area you go from low to high back down to low then back up to high again so there is an area that is going to hold water, probably not a lot of water so I don't know how big of an issue that is.

Mr. Doub stated we kind of signed off on the as-builts and construction of the work a year ago this was for any grassing issues.

Mr. Labanowski stated grassing issues were fine.

Mr. Doub stated I would like the board to approve the final pay request and I will put together a requisition and we can process it.

Mr. Eckert stated it doesn't need to be a requisition.

Mr. Doub stated it looks like it is lacking some maintenance and one thing in particular is one of the inlets was hard to find because there was so much grass thatched over the top of it. I have seen it like that where the grass will eventually cover it up. The grass needs to be pushed back and trimmed around the inlet.

### **Staging Area**

Mr. Schroder stated I have had some pushback from some of the residents where the work has started and I assume the actual work started because I saw the backhoe this morning. They are concerned about interrupting the activities in the area and the board has been very concerned about the kids and their safety. This is a little bit different than the work we did

before because for that work there was a staging area adjacent to the work areas and moving equipment back and forth was all on CDD property. In this particular case we have to access the work area through a drainage easement that crosses two yards and that is not a problem but because there is no area for staging the contractor has to use part of Damiano Lane as a staging area. That road right of way is grass and maintained by the property owners like it is their yard and it is technically county road right of way. We have a right to be there and the drainage easement is public so we have a right to be there too to maintain our assets. We were proactive in a sense that we went to the school board understanding that with the existing bus stop was at that intersection at Porta Rosa Circle and Damiano Lane and worked with the school board and looked at moving it to the next intersection and the property owner came forward and said don't move it that far just move it to my driveway for the temporary location. There will be times when motorists, pedestrians, bikers, whatever are going to be in those roads and the contractor is going to be moving equipment in and out of the easement across Porta Rosa Circle and down Damiano Lane. We need to be a little more careful about how we do that. I assume Jeff Brooks is the inspector on this. I want to make sure that Jeff understands how important it is to monitor not just the work area but the staging area and access between the two so we don't have a problem. There are a lot more houses and a lot more people and children so we have the area fenced in and signs but those need to be maintained. I drove by this afternoon and the school bus dropped the kids off in the middle of the intersection, the old bus stop, but the contractor had already gone for the day. The fencing is up and the silt barrier in the back looked like it was partway falling down but we had problems the last time with the contractor maintaining the fence. Let Jeff know that we expect that fence to be secured at the end of every day.

Mr. Labanowski stated we have run into an issue with the staging area, they need additional space and we tried to keep them to one side. If there is no issue with the chairman I would like to allow them to use the opposite side as well to stage piping and stone.

Mr. Schroder stated I don't know that it is a problem as long as the road is clear I think we are okay. Another problem according to an email I got this afternoon is there was a worker parked on the road. If we do that I think we need to make sure the contractor parks off the roadway.

Mr. Doub stated there is an exhibit attached to the change order that illustrates they are allowed to use both sides of the roadway.

Mr. Eckert stated you are saying our contract allows them to stage on both sides but whether or not they have permission from the county to do that is not what you are saying.

**Final Payment to Metric Civil**

Mr. deNagy asked if there were any questions from the audience on the final pay request since it was not on the agenda and there were none.

On MOTION by Mr. Labanowski seconded by Mr. Quinto with all in favor the final pay request from Metric Civil in the amount of \$1,724.00 was approved.
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**B. Landscape Manager**

Mr. Johnson gave an overview of the landscape maintenance projects completed during the month.

Mr. Johnson and Mr. Doub left the meeting at this time.

**FIFTH ORDER OF BUSINESS**

**Update on Refinancing Efforts**

Mr. Eckert stated I think it would be good if Rhonda and Kevin could give the board an update from where we left things when you were pursuing a rating for the 2006 area and where things have progressed from there.

Ms. Mossing stated since your last meeting the rating agency assigned a BBB- rating, a little lower than we expected but the value of the lien ratios were low and for A rated investment rating they look closer to 20 to 1.

After that we went to AGM to see if we could get bond insurance because getting bond insurance would provide the district an insurer's rating, which is a AA right now and we talked to them and they said they were not going to issue insurance because it is too small of an assessment area and the assessed value of the assessment area is \$43 million and the minimum is \$100 million.

We then pursued talk with a bank that we have worked with that would only do a 20 year amortization and this happens to be 21 years so we sent them a package and to help the process we also requested a debt service reserve fund at 40% of MAD and typically they look at 50% MAD, maximum annual debt service. They came back with a term sheet that had a few caveats

in it that we were struggling with over the last week. One, was if we put the bond with them they would require to be trustee on the bond and we already have a trustee on our other bond issue and the master indenture so we weren't sure if we could even accommodate that request. We have been pursuing that. They also are going to want a banking relationship with the district in the event the bonds are placed with them.

We ran the numbers to show the board what a private placement would look like under the terms of the term sheet if we could get there with the trustee services, what it would look like if we did a BBB- public offering, the rating we got from Standard & Poor's and what the numbers would look like that went out in the mail and do a comparison. In summary if we did the private placement the par amount of the debt is about \$5,000 less than the amount we would have to do for the public offering, the par per unit is less than what was in the mailed notices, the annual per unit is a little bit higher and the annual savings instead of being around \$157 per year would come in about \$135 per year per unit. The term sheet we received from Hancock Bank is at 2.7% if we were to do a BBB- public offering it would be around 3.9%. It is not less than everything that was in the mailed notices but it is close.

Mr. Eckert stated I think the other issue that Rhonda researched is I had asked her the question in terms of if we wait and do the pond bank reconstruction bonds in conjunction with the refinancing because Rhonda explained we would have a bigger assessment base, because that pond bank reconstruction is everybody in the community not just this discreet area, whether or not the bond insurance company would treat that favorably and my understanding is that the insurance company would consider that and that would be a positive thing. Whether it would get us over the hump and be able to get insurance is something we wouldn't be able to tell until we actually got to that point.

Ms. Mossing stated I talked to AGM about including the assessment area as new money and they said they would consider it but it all depends on how much new money we are planning to issue. They would look at the value of the liens on the new money debt as well as the refunding debt and get back to us and let us know if it works. As of today we don't know how much new money you are looking for and when you are going to be ready for that and in waiting you have interest rate risk by pushing this off.

Mr. Schroder asked what did we use last time for the assessment base, was it all 753 lots?

Mr. Eckert responded in terms of the pond bank reconstruction new money that was every lot within the entire district. In terms of the Series 2005 refunding, that was the bulk of the district. It was probably two-thirds to three-fourths of the district that was involved in that refinancing. We have a smaller assessment base here and these are good problems to have. You are trying to make sure that you have the most savings you can get for the residents. What we put in the notices is what we thought the savings would be about \$157 because we got the BBB-rating that savings would only be \$80 and that doesn't seem to make the most sense. The private placement investigation, which the underwriter did, you are looking at savings of \$135 instead of \$80. She did say there were a couple of conditions on that bank loan in terms of them being the trustee and custodian of the accounts, which isn't unheard of for those requests to be made but we need to talk to you about it because it is a different financing process.

Mr. Schroder stated I'm still not sure about the assessment base. If we did the two together do we use the larger assessment base, all of the lots if we include the improvements and how does that affect our rating?

Mr. Eckert stated my understanding is if we did that all together, it doesn't mean we are comingling assessment bases in terms of how we bill people, people will be billed the same but in terms of the way the insurance company may look at that they may look at that as all one big transaction therefore, we get the benefit of possibly getting the insurance if we did all of that at one time versus just doing an assessment base of 200 lots at this time.

Mr. Mulshine stated we are still a ways out before you will be spending on the pond bank improvements so I'm not sure it is worth the interest rate risk of waiting as opposed to locking it in if we can do some heavy lifting on this commitment letter from the bank that we received today. It falls into our area as much as district counsel working with trustee's counsel to make sure that we can accommodate the trustee request.

Mr. Eckert stated one of the things we are going to be asking the board to do tonight is to take whatever public comment people have on the refinancing because notices did go out to residents on that. Receive the comment, take it into consideration and continue the public hearing in progress. The commitment letter that Kevin is talking about I received a draft about 20 minutes before the meeting so I didn't have time to print out anything and give that to the board. We are going to look at trying to continue everything in progress if the board is comfortable with us trying to work out the private placement financing, which is pretty close to

what was in the notices in terms of the annual savings and in fact it is actually a little less than what was in the notices in terms of the overall par that would have to be issued.

The public offering route with the BBB- rating right now seems to be leaving money on the table in terms of savings from what I can tell so far. I don't know if Kevin and Rhonda agree with that.

Mr. Mulshine stated I agree 100%. Whatever the board decides to do if they want to hold off and wait until the pond stuff is done, if we did the bank placement if we can work on it and come back in a couple of weeks to see if we can make it work that is really kind of the last chance to reduce assessments on the upcoming tax bill or the next budget cycle because anything we do if we decide to wait with the pond banks and the other stuff clearly we will go past the time of adopting budgets for the coming fiscal year.

Mr. Labanowski stated if I understand this we could possibly jeopardize the savings to the homeowners if we held off.

Mr. Eckert stated yes if the interest rates move up. That is where the savings to the homeowners come in is the interest rates at which we can refinance the bonds now are lower than what we currently pay and that translates into savings for the residents. I think what you are hearing from me is the recommendation that we continue for a couple weeks, we try to hammer out a term sheet we can bring to you that addresses those issues on the private placement and then move forward from there. Certainly we want to take whatever comments there are and you will have to give me some direction because the annual savings if we did the private placement are about \$20 less than the savings that we put in the notices and you will have to let me know how you want to distribute that to the residents to let them know that it is slightly less savings than we had originally anticipated.

Ms. Venezia asked what is the issue going to be with having this trustee?

Mr. Eckert responded there are a couple issues, one is you already pay trustee fees for that existing bond issue so you have to pay trustee fees for this bond issue, which you would have to pay a bump up in the existing trustee fee so it may be a couple thousand dollar issue there. The documents are going to have to be recreated because you have co-trustees. I have not seen that before it doesn't mean you can't do it, apparently they used to do it back in the 1980's. There is a solution but you will have co-trustees and if you ever have a default on the bonds then it has to be clearly delineated who is going to be responsible for calling the shots from the

trustees' perspective because each lot will be secured by one assessment that goes to U.S. Bank as trustee and one assessment goes to Hancock Bank as the trustee. We have to work out those issues.

Mr. Schroder stated but you think that is doable.

Mr. Eckert stated I think it is doable. I just want to make sure that you have a clear term sheet that says if you agree to this, this is what it means.

Mr. Schroder asked Rhonda and Kevin what is going to happen in the next two weeks? Is there a chance this will actually go up?

Mr. Mulshine stated there will actually be a blend of rates and the bank will stand by the rates as long as we try to work out this issue of the documentation. They will lock that in as long as we are working diligently on trying to get the terms right. What that requires is more money, bond counsel and trustee counsel crafting the documents.

Mr. Schroder stated this amount of reduction in assessments is comparable to the one we did with the other residents last year. I think we move forward and try to accomplish the same for the residents of Pescara and San Marino.

Mr. Wing stated I understand trying to move quickly to try to take advantage of the bond rates now. If you go through this and I'm just raising this question when you start considering working through these documents you get down to the point of should we reissue this bond issue and then you come down and say but we need \$1 million for pond bank renovations. Where does that put the CDD and the ability to pay add to that next bond issue or to do another borrowing to just pay for the pond banks? If you reissue this bond does it limit your ability to access money to do any other pond bank restorations for a while? Is that a concern?

Mr. Eckert responded it is a concern we looked at but refinancing these bonds now will not affect our ability to do another bond issue if we need to for pond bank reconstruction later, in fact when we did this whole drill last year we wrote into the documents that we didn't have to get consent from any of the bondholders to do the next refinancing and the next series of pond bank repairs. We will have that same issue addressed in this current refinancing.

Mr. Mulshine stated there are no restrictions and the prudent way forward on that is the board has a business decision to make on pond bank improvements and when you decide the course of action you are taking and we are going to come in with an analysis that shows you different scenarios and financing the improvements you want to finance.

Ms. Mossing stated when we talked to Hancock Bank they expressed an interest in financing the future new money improvements when you are ready to go with those. We didn't show them last year's deal because that deal was the senior/sub structure and they want it to be 99% to 100% developed and when we refinanced the phase 1 area there were still several lots that were developer owned and vacant. They will be interested in looking at the new money bond issue when you are ready to do that.

Mr. Eckert stated just so the board is aware I have another district that just refinanced with a private placement with Hancock Bank. We need to continue the public hearing where the people have a chance to provide comment. At this point in time we are going to continue the commitment letter and we will put that on the next agenda and we had the information provided by the underwriter.

**A. Consideration of Commitment Letter**

This item continued.

**B. Consideration of Information Provided by Underwriter**

This information provided earlier.

**SIXTH ORDER OR BUSINESS**

**Public Hearing Related to Series 2006 Bond Award Resolution**

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

**A. Resolution 2016-06 Supplemental Assessment Resolution for the Series 2016 Bonds**

**B. Resolution 2016-07 Delegated Award Resolution**

Mr. Eckert stated Resolution 2016-06 is not ready to be acted on today based on the discussions we just had and 2016-07 is a delegated award resolution that may be unnecessary if we go the private placement route so we should defer that issue as well. I will make a couple preparatory comments then we can open it for board member questions on the assessment process as well as members of the public if they have any comments they can make them then.

We were just talking about refinancing the Series 2006 Bonds and Dave will describe the area those relate to.

Mr. deNagy stated the 2006 Bonds cover the San Marino and Pescara areas, those are the annexed properties with roughly 219 lots that we are talking about refinancing.

Mr. Eckert stated initially when we sent out mailed notices to all those owners we had hoped if we had gotten the rating we were looking for that the annual savings would be about \$157 but I think at this point on the private placement the savings on an annual basis would be more like \$135 if we go the private placement route. It is a savings but about \$22 different than what was in your mailed notice. At this point in time if the board members have questions I can entertain them but if not it would be the appropriate time to have the members of the public provide comments and we are going to continue this hearing in progress so there will be another opportunity for people to provide comments on the refinancing program in the future.

Are there any members of the public who have comments on the proposed refinancing?

A resident asked does the maturity get extended?

Mr. Eckert responded no, the maturity does not get extended. All we are trying to do is reduce the amount of interest rates so people's annual payment will go down.

At this point in time I will ask that the public hearing be continued and that we arrive on a date, time and location when we can continue it to. I suggest March 28<sup>th</sup> if that works for the board in the evening. Kevin and Rhonda does that give us enough time?

Mr. Mulshine stated yes, we are working on it.

On MOTION by Mr. Wing seconded by Mr. Quinto with all in favor the public hearing was continued to Monday, March 28, 2016 at 6:00 p.m. at the Murabella Amenity Center, 101 Positano Avenue, St. Augustine, Florida.
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Mr. Eckert stated the final thing on this item is does the board want a letter to go out to the residents in that area informing them of the continued hearing date and also what the projected annual savings are based on the private placement scenario?

Mr. Quinto stated I think it is a good idea.

Mr. Eckert stated I think it should go out tomorrow and it will be a supplement to the notice technically because we are not raising the principal amount of the assessment we don't have to provide it but I think it would be a very good thing for us to do.

**SEVENTH ORDER OF BUSINESS**

**Consideration of 2016 Fighting Turtles Swim Team Proposal**

**Consideration of License Agreement Regarding the Use of the District's Competition Pool for 2016 Season**

Ms. Koby stated this year we are requesting pretty much the same practice schedule that we had last year and since it runs a little bit longer this year we are asking for one home meet this season. In the proposal we had asked for up to four.

Mr. Eckert stated if you approve the agreement that is in the agenda package it would be in substantial form and authorize the chairman to execute it and we will revise it based on one home meet.

Mr. Wing moved to approve in substantial form the license agreement with the Fighting Turtles Swim Team for the 2016 swim season and to authorize the chairman to execute the final agreement and Mr. Labanowski seconded the motion.

Mr. Quinto asked they have been using our facilities for three different times. Is the fee waived on those three in the clubhouse?

Mr. deNagy stated we have waived it in the past.

Mr. Quinto asked why is that waived?

Ms. Koby stated the children eat outside they don't eat inside.

Mr. Quinto stated when we rent this facility we have to pay for it.

Mr. Wing stated there is precedent because for private parties that are individuals and by invitation only those get charged. There are some community groups that are really not open to everyone have their events. This is something that benefits the community with our kids in there.

Mr. Quinto stated when homeowners rent this facility they have to pay for it and put \$500 deposit. What happens if there are damages here and they are not paying for it?

Mr. Eckert stated there is an indemnification provision in the agreement. If there is damage we will definitely be talking to them.

Mr. Quinto stated okay.

Mr. Labanowski asked as far as manning the gates I have been up here for all the meets last year and it is a big concern and I know the parents try to watch their kids swimming and everything else but it is very important that the gates be manned especially the side gate.

On voice vote with all in favor the motion passed.

**EIGHTH ORDER OF BUSINESS**

**Consideration of Resolution 2016-08  
Confirming the Use of the St. Johns County  
Supervisor of Elections to Conduct the  
District's Election of Supervisors in  
Conjunction with the General Election**

Mr. deNagy stated Resolution 2016-08 is confirming the use of the St. Johns County Supervisor of Elections to conduct the district's election of supervisors in conjunction with the general election process that will take place in November this year. There are two seats whose terms are expiring this November, seat 2, which is Kathy and seat 4, which is Joe. Seats 1, 3 and 5 remain intact until 2018.

Mr. Wing moved to approve Resolution 2016-08 and Mr. Labanowski seconded the motion.

A resident asked how long are the terms?

Mr. deNagy responded it is a four year term.

A resident asked is there any conflict of interest with members of this board being on the HOA board and if not why?

Mr. Eckert stated there is not a conflict, like a status conflict that you can't serve on both and the reason why is it is not in the statute, Chapter 190. Other laws still apply in terms of sunshine law, public records law, conflict of interest laws for somebody's special and peculiar gain.

A resident stated the reason I'm asking is at the last HOA meeting they were talking about the RV park and how they had to approve it at the HOA before they sent it over here to be voted on. If there are already two votes happening there approving something and it comes here

for a vote for approval that is already two automatic votes on that approval. Am I correct? How is that not a conflict?

Mr. Wing stated Chuck and I are both on the HOA board. I don't think it is an assumption that a vote supporting something on the HOA would mean a support in the CDD or vice versa.

A resident asked how would that be an assumption? If I'm a resident as I am and for instance the RV park everybody voted on it and you two happened to vote on it then you come over here to get approval from the CDD you already want that to happen so it is two locked in votes out of five so all you need is one more person to approve it.

Mr. Wing stated I will give you an example. Maybe the HOA board agreed with my vote in the positive that they wanted to do something. When it gets here there may be other considerations that other board members have raised that could very easily change my mind.

A resident stated the assumption from us as residents is it is two locked in votes.

Mr. Eckert stated I'm not sure what the agenda item we are on now.

Mr. deNagy stated this has to do with the elections.

Mr. Eckert stated we are not going to get into all of the conflict laws that are out there, we are not going to get into HOA law; we are going to talk about the election resolution. There will be another chance for audience comments at the end of the meeting and the board can respond to those if they want to but I really don't want us to get sidetracked on these issues when we are talking about what two supervisors are up for election next year.

On voice vote with all in favor the motion was approved.

**NINTH ORDER OF BUSINESS**

**Discussion of Seeking Bids for Small Machine Grading for Minor Grading/Regrassing Work not Included in the Phase Two Pond Bank Repairs**

Mr. Eckert stated we were asked to put together a form of contract to allow the board to have contractors on call to provide bids for smaller projects, that we at least had them under contract and you wouldn't have to pay them unless you actually used them for the job and the thought was to have two or three so if one was busy you could go to the other one or shop them all in terms of bids. The form of the contract is in the agenda package. I know there are a couple contractors the chairman mentioned he talked to that might be interested in doing this kind of

work. I have not seen the information for specific contractors but the board could approve the form of this contract to be used once the board is approached with the names of actual contractors.

Mr. Schroder stated I contacted two of the contractors. I have a question or two about the form. I'm working on a rate sheet, which is a list of the pay items, what the unit is and what the cost is. In other words if it is top soil that we might be buy by the cubic yard. My plan is to develop that list and incorporate that as Exhibit A in this agreement. One of the questions I had is can that list be added to later? How do you amend the dollar amount and can you add an entirely new item for example if you wanted to do a path between the kiosk and the parking lot. Is there a mechanism to add those if we have a situation where we didn't think of it as something we would like to do?

Mr. Eckert stated the intent as I understood this agreement was that you would solicit from those contractors their standard rate sheet and that standard rate sheet would get attached to this agreement but the work would not be authorized until there was a specific project and they would have to submit a work authorization under this agreement and if there are additional line items not covered by the initial schedule of values you would be approving them when you approve the work authorization.

Mr. Schroder stated the two contractors I talked to don't have a standard rate sheet I think we are going to have to provide that and seek their unit cost.

Mr. Eckert stated that is fine.

Mr. Wing stated before you get that information because they don't have a list you may want to keep that list very small. How much for a backhoe for an hour and how much for a bulldozer?

Mr. Schroder stated my point originally would be these are the things that are more maintenance than construction, that don't require a lot of engineering. Do we need to reflect that in the language or not.

Mr. Eckert responded no, the work authorization is going to detail the scope of the particular project that you have. You can approve this form that you can use with various contractors and once we get the list filled out for a specific contractor we can bring it back to the board for ratification. We need to make the decision and I think I heard this at the last meeting when we get a work authorization for somebody to actually do work under this contract and us to

spend money under this contract is that something that is going to come before the board and I think the board last time said yes. You are going to have another say before you actually commit dollars to any project.

On MOTION by Mr. Wing seconded by Mr. Quinto with all in favor the form of agreement for small contracts was approved in substantial form.

**TENTH ORDER OF BUSINESS**

**Staff Reports (Part 2)**

**A. Attorney**

Mr. Eckert stated we will try to get you the most savings we possibly can in the refinancing.

Mr. Quinto asked is there any update on AT&T or Comcast?

Mr. Eckert responded no, I'm still waiting to hear back from Comcast.

Mr. Schroder stated there is some confusion about whether their construction is completed or not and there are little flags the surveyors put out to identify where the utilities were. Who should ask the contractor when people can start taking those flags down in their yards? People want to mow their grass and their front yard is covered with these flags.

Mr. Labanowski stated once the new sod is laid they can pick them up.

A resident stated it is the contractor's responsibility to pick up those flags when they are done with their work.

**B. Manager**

Mr. deNagy stated I provided a handout that is in front of you. This is the amenity policies and at the last meeting we had language about motorized vehicles that has been revised. I will read it into the record; "Motorized vehicles including but not limited to golf carts, motorcycles, motorbikes, segway's, hoverboards and scooters are prohibited from use on district owned property. For purposes of this section district owned property is defined as walking/jogging trails, athletic and open space areas of the pond banks. This section shall not apply to motorized wheelchairs and other adapted devices used by disabled individuals or law enforcement and emergency vehicles." If the board is okay with that language I would look for a motion to approve.

On MOTION by Ms. Venezia seconded by Mr. Quinto with all in favor the language read into the record regarding motorized vehicles was approved to be included in the amenity policies.

Mr. deNagy stated there has been a question about the number of people who can occupy The Social Hall. In the policies we have 50 people that can occupy the social hall, that has been in the policies since 2009. You can see that we have gotten from the fire marshal, as of January 27, 2015, that 62 persons with tables and chairs in place can occupy this room, 133 can occupy when there are no tables and no chairs. Is the board interested in amending the policies to coincide with what the county fire marshal has?

On MOTION by Mr. Wing seconded by Mr. Labanowski with all in favor the policies shall be amended for the occupancy of the social hall to now be 62 persons with tables and chairs and 133 can occupy it with no tables and chairs.

Mr. Schroder stated I had a conversation with Mark after that last HOA meeting where people were outside the door and couldn't get in including myself. That particular situation was unanticipated and it was difficult to enforce and the people were standing up there, people were going in the gym, going out the door, coming back through the kitchen and standing.

Mr. Labanowski stated there were 67 signed in and that did not include kids and people who didn't sign in.

Mr. Schroder asked what do we do if that happens again? For those HOA we have one staff person.

Mr. Insel stated they are not here for the whole time. I asked the chairman who has a key to lock up afterwards. It has never been well attended so it hasn't been an issue. Since that meeting and talk with out board members on the CDD and HOA we narrowed it down that for HOA meetings they will delegate one board member to be outside the door and when they hit 62 they are done. The fire marshal said you can't be out here you can't prop these doors open. If these doors are open our security goes off and the sheriff will be notified.

Mr. Schroder stated then we don't have to have amenity staff here enforcing it. If we have a big meeting can we recruit people in the audience to enforce it?

Mr. Eckert stated what I suggest is the HOA is using the district facility and the district is saying great, use it but with any rental you need to use it within the limits of capacity that the fire marshal has set. That is up to the HOA to make sure that they don't exceed the limits. I think that is an HOA expense if they need to have somebody else here to monitor that but if they are going to use the facility they have to use it within the bounds of that restriction. If it keeps coming up where the room is just not big enough for HOA meetings then the HOA needs to find a bigger place to meet.

**C. Operation Manager (ASG)**

- 1. Report**
- 2. Pictorial Maintenance Report**

Mr. Branch highlighted the items listed in his report.

**3. Consideration of Mail Kiosk Painting**

Mr. Branch stated we took bids on painting two kiosks, which were included in the agenda package.

On MOTION by Mr. Wing seconded by Mr. Labanowski with all in favor the contract for the painting two mail kiosks was awarded to DiLorio Property Services, Inc. in the amount of their bid of \$899 for the kiosk on Pescara and \$1,588 for the kiosk on S.R. 16.

**D. Amenity Center Update - Report**

Mr. Insel highlighted the work items in his report.

**ELEVENTH ORDER OF BUSINESS                      Approval of Consent Agenda**

- A. Approval of the Minutes of the February 9, 2015 Meeting**
- B. Balance Sheet as of January 31, 2015 and Statement of Revenues & Expenditures for the Period Ending January 31, 2015**
- C. Month-by-Month Income Statement**

**D. Assessment Receipt Schedule**

**E. Approval of Check Register**

On MOTION by Ms. Venezia seconded by Mr. Schroder with all in favor the consent agenda items were approved.

**TWELFTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**THIRTEENTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience Comments**

Ms. Venezia stated I would like to make a motion to bring back Gail Hanson from the University of Florida so she can continue her talk with us and the residents to discuss things that we could possibly put on the pond banks to stabilize them going forward. She has dates available in April and it will be set up like a workshop.

On MOTION by Mr. Venezia seconded by Mr. Labanowski with all in favor a workshop will be scheduled for the April timeframe to have Dr. Hanson conduct a workshop on vegetation that would stabilize the pond banks.

Mr. Labanowski stated I would like to have the fishing on the ponds brought back up at the next meeting because we gave it a test and I would like to readdress it.

Mr. deNagy stated we had it scheduled for May.

Mr. Quinto stated I'm not too happy with the work that the workers are doing putting in the pipeline. The sod is half dead then they don't lay it level. Who do we go to?

Mr. Labanowski I posted the numbers on Murabellacommunity as well as Murabellahood. It is county right of way and you go to the contractor first and if he doesn't fix it then go to AT&T and as a last resort you can go to the county.

Mr. Eagan stated what about shading in the playground area? What is being done about that?

Mr. deNagy stated we are going to be working on our budget, our operations and capital budgets. We do have a capital reserve plan and we will be looking at those items. If you have any interest in putting sun shades or whatever over the playground send me an email and I will make sure that we talk about that as part of our budget process.

Mr. Eagan stated this meeting is every month and sometimes it is at 2:00 p.m. The agenda is not distributed to anyone.

Mr. deNagy stated the agenda is posted a week before the CDD Board meeting on the website.

Mr. Eagan stated the HOA was last updated in August.

Mr. Eckert stated the HOA is totally separate from the district. In terms of the district's official records if you want to see agendas and meeting minutes, go to [turnbullcreekcdd.com](http://turnbullcreekcdd.com) I just pulled it up and it has the approved minutes for January, which were approved in February and it has the March agenda package, the February agenda package, the January agenda package.

Ms. Koby stated regarding the room capacity if the HOA needs more space they would have to find somewhere else. Should that happen with the CDD, which is open to all the residents it is not usually an issue. What would happen if there were a big issue and there were 100 people who want to get in, the first 62 get in and that is it?

Mr. Eckert stated what we would likely do is probably cancel the meeting and arrange to have it at a different location and if that meant we set up a tent or meet at a local school that has a cafeteria and auditorium that is likely what we would do.

Mr. Clabots stated Mark somewhere in the newsletter you may want to have a specific link that people should to go.

Mr. Insel stated we can do that.

Mr. Allen asked when do the financials get issued?

Mr. deNagy stated we usually have the prior month's financials in the agenda package, we have January 31<sup>st</sup> in this agenda package. You will find the agenda package on the website we just talked about.

Mr. Philosphos stated I was one of the residents who was very upset about the situation of moving the bus stop. First there was no communication from the CDD to us. I have three children and I cannot come to every CDD and HOA meeting. Every time I reach out I'm told you should have come to the meeting. We need a way to communicate to give our suggestions

and thoughts to have our voice be heard in this community because right now nothing is communicated. I moved here last May and am still figuring out the ins and outs as far as what is CDD and what is HOA. I take my kids to the park in the summer and they can't touch the equipment it is so hot because there is no shade for the equipment. This is a family community but it does not feel like it is being run like a family community. I feel it is being run more like a senior community in the sense of the focus on these ponds and everything. Because of the ponds we are going to have a 5 year old walk an extra quarter of a mile to the bus stop with no consideration of the 25 families that affects. Then you cause a day of five people on the phone all day with the St. Johns School Board upset about the decision that was just decided by the CDD. The response we were given was you should have come to the meeting.

Mr. Schroder stated it was not decided by the CDD it was decided by the school board.

Mr. Philosphos asked why don't we have swings in the playground for the kids? You talk about thousands of dollars on the ponds. We need to do more for the kids in this community. This amenity center is a ghost town and not one thing was discussed about the families or kids or anything it was ponds, ponds, ponds. Who would put swings at the amenity center?

Mr. Eckert stated the board is supposed to listen to the comments and take them under advisement. We have talked many times before about recreation facility upgrades. We typically do that in connection with the budget and the minutes will reflect that if you go back and look at them. It is certainly appropriate for you to bring those issues up to the board's attention for them to think about and make decisions on. The CDD owns the playground and to the extent that there are swings installed on the playground that would require the approval of the CDD, regardless of where the funding might come from.

Mr. Labanowski stated I would not look for swings until other things are done, the shade over the equipment unfortunately that is over \$40,000 to do that. I priced four different companies to put shade structures up and we don't have the funds to be able to do that.

Mr. Philosphos stated I know Heritage Landing was able to do it for a very affordable cost so why don't we go with one of those? Somebody might find out what they did because someone brought it up at one meeting and it was there the next month because they found it affordable. There are other options as well, you could plant some trees in the park so it is not direct sunlight. I have read over some of the minutes and it is ponds, ponds, ponds and I

understand the importance of it but I ask the board to think about all of the rest of the things because my kids are only going to be kids once and if it is going to take five years to fix all these ponds what else are we doing in those five years.

Mr. Mauldin stated I live by the staging area and on our street there are 28 kids under the age of 10 so safety is the biggest concern and I appreciate the chairman mentioning that. I am not on the pond but I'm willing to chip in and do what we have to do but I was disappointed when I noticed what was done to my yard, 2000 feet were cleared off. The fact that I woke up the other day there is 2,000 square feet taped off in my yard with no notice that was frustrating. They could have knocked on the door. I have sprinkler heads that are damaged. The timeframe is 60 days but if someone had knocked on the door and let me know what was going on it would have gone over a lot better. You can't correct what happened to me but going forward if someone has that kind of intrusion on their property you should let them know.

Mr. Allen stated here it says please call me, what is the number? There is no number.

Mr. Philosphos stated last summer a woman's car got broken into and her purse was stolen out of it. On that same day I noticed three cars pull in from out of the neighborhood and start using the basketball courts then when they were done they got in their cars to leave the neighborhood. They were not from our community and I know that it is hard to tell who lives here and who does not. If there is something we can put in place such as an ID card or something that shows I am a resident so we don't have people from all over the place come in using our things.

Mr. deNagy stated it is difficult to monitor. Mark is our point person here watching out while he is on duty and we have Jim who works hours outside of when Mark is here.

Mr. Insel stated we just recently updated our database so as long as everybody is registered we can find out. We have books and will go out there. I was watching 35 kids on the basketball court and we know kind of who lives here and who doesn't but our policies allow each kid can have five guests out there. It is an open community but you need an access card to get in the amenity center. You are allowed two guests in the gym and five guests in the pool. You get 25 per year and then you have to pay for a card.

Mr. Quinto asked on the basketball court how many guests can they bring?

Mr. Insel stated the policy states five.

Mr. Philosphos asked what is the reason to have an early afternoon meeting?

Mr. Eckert stated it started out that all board meetings were in the afternoon, then we moved several to the evenings to see if that resulted in more audience attendance.

Mr. Philosphos asked is there anything we can do to have them all in the evening for those of us who work?

Mr. deNagy stated we will be talking about next year's meeting schedule in a couple of months.

Mr. Quinto stated we have had many evening meetings here and we generally have about four attend the meetings. This is the largest number we have had.

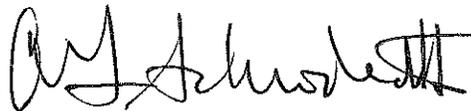
**FOURTEENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – March 28, 2016 at 6:00 p.m. at the Murabella Amenity Center**

On MOTION by Mr. Labanowski seconded by Mr. Quinto with all in favor the meeting adjourned at 8:25 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman