

ROLLING HILLS
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rolling Hills Community Development District was held Wednesday, April 6, 2016 at 6:00 p.m. in the Rolling Hills Amenity Center, 3212 Bradley Creek Parkway, Green Cove Springs, Florida 32043.

Present and constituting a quorum were:

Bill Tew	Chairman
Jody Smith	Vice Chairman
Rose Bock	Supervisor
Kurt von der Osten	Supervisor
Stephen Grossman	Supervisor

Also present were:

Jim Oliver	District Manager
Sarah Warren	District Counsel
Keith Hadden	District Engineer
Freddie Oca	Riverside Management
Brian Stephens	Riverside Management
Danielle Simpson	Riverside Management

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Audience Comments

There not being any, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the February 3, 2015 Meeting

Mr. Oliver stated the next item is approval of the minutes of the February 3, 2016 meeting.

On MOTION by Mr. Tew seconded by Mr. Smith with all in favor the minutes of the February 3, 2016 meeting were approved.

FOURTH ORDER OF BUSINESS

Review of Amenity Center Policies

Mr. Oliver stated the next item is review of amenity center policies and we try to do this on an annual basis before swim season starts, however, it is important for the board to remember that you can change your policies at any of our meetings with a simple board vote if there is a need for change. I would like to go through the policies that were in your agenda packet and this is a living document we amend it as needed based on what happens on the ground. They are very similar to the policies for most of our districts and keep in mind that this district is a governmental entity, we are not a private country club, there are certain standards that we have to maintain and the most important is to provide a safe environment for all of our patrons.

This is a redline version and that means we took the last policies and made changes by having deletions or additions and this is based on a conference call that we had last week with the vice chairman, counsel and the amenity manager. I will highlight some of the proposed changes then I will turn it over to Danielle Simpson and she is going to talk about the way lifeguards operate as well as the storm policy. We have to have a serious storm policy and that is not negotiable we have to follow the rules when it comes to taking care of our patrons and watching out for the liability of the district. Then we will have board discussion and you can make any changes you want and we can vote on the policies. If you decide you want to change it again at the June meeting you can do that.

On page 1, I want to point out something that is not a redline change under section 2, definition, the second definition is amenity pass. It says a photo ID card issued to residents and annual pass holders 8 years of age and older and was something developed by the original developer, East West, when they first opened the amenity center. Since then we have gone away from those types of cards long before the new developer came on and the new developer funded an access control system so that now access cards are issued to the residents. I can wordsmith that with counsel and change that language to access card so it is reflected correctly.

On page 4 in the top paragraph you will see that we deleted language that says, with the exception of his or her children a nanny may not bring guests to the facilities. This was a sweetheart deal that the previous developer put in so that as they were trying to drive home sales and there were very few people living here they let nannies bring their client's children to the pool and also bring their own children to the pool. As we moved toward build-out we want to make sure the pool is available for residents and a nanny is going to be able to take their client's

children to the pool but we recommend that the nanny not be able to bring their children to the pool. We do not have the language in our other policies.

Mr. Tew stated the goal is to be consistent with other district's policies as we move through this.

Mr. Oliver stated as much as possible. You try to be uniform and try to hold the line on that because there is a reason you have policies and if there is an age restriction there is a reason for that and you can't constantly make exceptions or the rule is almost worthless. As we have a larger population some of the things have to be adjusted anyway.

The next item is the guest policy. Years ago we allowed each resident to bring six guests and now we have there can be four guests per household. During the busy season especially during the summer and on summer weekends when a family comes to the pool they are going to be able to have space on the deck rather than have to turn around because it is overcrowded. We recommend changing that from six to four, which is consistent with other districts.

Item 5 says pets are not allowed at the facilities and amenities except in the dog park. We took that out because there is no dog park but we don't want animals at the facility with the exception of service animals.

This is an item we talked about and is a legacy item from the original developer they actually brought the age down and we are asking to return it to an age, which is more consistent with other districts and it says that children 14 and up may swim without the supervision of a companion. If they are under 14 they need to be accompanied by someone who is 18. Previously, the item that was deleted said children under 11 must be accompanied and supervised by a companion who is 13. We feel that is too young and that is not in line with any other districts and that was brought down probably around 2008 or so by the original developer and we are suggesting we bring that up to something that is more reasonable and it is a safety and management issue.

Mr. Smith stated that original language was written by the original developer to help out the original residents because it was such a small group. We want to go back to something that is more consistent and realistic.

Mr. Oliver stated on the next page is the fitness center. You can bring two guests to the fitness room. It is a small fitness room and a lot of people like to have workout partners but we took out a line saying a guest fee will be charged we don't have fees for guests. If someone

brings a guest they don't pay a fee but we have limits on how many guests you have and you can't pay a fee to exceed that limit. It is not about the revenue it is about space in the facility for the patrons.

Danielle will talk about the lightning policy and proposed clarifications so residents have an understanding of the rule, as well as the intent of the rule. Then she can talk about how the lifeguards operate.

Ms. Simpson stated I believe it was last year we had the signs done and it looks more defined with pool rules posted but we always go by the 30 minute rule so if we hear anything or see it if there is any rain, we are supposed to clear the pool deck and get everyone out because at that point in time we can no longer effectively do our jobs and if something should happen then we are at fault. It is to keep you safe as residents. I would like to implement and add to the policies that lifeguards or amenity facility staff is in control of the operations of the pool area during thunderstorms and heavy rain. Lifeguards and amenity center staff will control whether swimming is permitted or not during the times the pool is attended during any periods of rain, thunderstorms and other inclement weather the pool area will be closed. When lightning is in the area the district shall call the 30 minute rule and the pool deck and pool will be cleared and closed at any visual sighting or lightning or audible sound and shall not reopen until 30 minutes has lapsed from the last sighting of lightning or sound of thunder. This is very clear and straight to the point and I believe what we are doing at least this year as far as lifeguards and we did it last year, if there is a rental going on especially on the back covered veranda, the pavilion area they are allowed to stay in there or they are allowed to come here and be in the facility. We can open the kids area downstairs or they could be underneath the deck here. To save money we normally have two or three lifeguards on duty, all of them clock off but one person and that one person does stand out here to listen and they do look for weather. They are also keeping track of the time. It doesn't always work that way so we make notes of it on our daily logs and try to note their names and try to get to know residents because we are out here and we are here for your safety.

Mr. Oliver asked will you talk about your role with regard to the slide tower?

Ms. Simpson stated all of our lifeguards are water park lifeguard certified, which is an additional certification above and beyond a lifeguard certification. We are required to have two lifeguards operate your slide. That is in addition to what a lifeguard is, a description of a

lifeguard for Red Cross is to ensure safety by enforcing the rules and policies. We are here to prevent something from happening. We are here to protect you first and then to operate the slide.

Mr. Oliver asked is there anything in the policies that you want to change?

Mr. Smith stated those are fine and I want everyone to understand that the idea is to bring these amenity center policies consistent with other districts so that we are operating the same because consistency across the board makes it a whole lot easier to manage and enforce. As far as the adverse weather policy that is not a negotiable item, that is not a debatable item, the adverse weather policies are for your safety. We can't start bending and trying to be flexible on adverse weather policies, they are what they are, the lifeguards are paid to enforce those policies and that is what we expect them to do. That is for your safety.

A resident asked have you considered lightning detection technologies that are available to take some of the guesswork out of that?

Mr. Oliver stated we looked at that for Bartram Springs.

Ms. Simpson stated there were concerns from counsel at Bartram if that device or that technology malfunctions in any way, shape or form.

A resident stated the reason I brought it up is because I coach football for many associations that have all the same rules for lightning, they have taken the guesswork out of that. There are required tests in order to have that operation and they are not terribly expensive to have.

Mr. Oliver stated I'm fine with this district as well as any of my districts using that as a secondary device. but I'm a big believer in human leadership on the ground and that is what I want to rely on. As far as I'm concerned there won't be any disputes because the lifeguard makes the call and I'm going to back them on the call. If someone says the lifeguards weren't fair in applying their policies, I'm happy to have that discussion with them later. I'm fine with taking a look at technology and use this as a test case. I do know that at Bartram we looked at it and didn't do it, but I'm fine to check that out.

Mr. Smith stated some of the other changes were made because we are growing, things like shrinking the guest policy from 6 to 4. We are growing but the fire code on the pool deck doesn't. If we keep growing and don't shrink the guest policy down to a realistic number then that pool deck is going to start filling up really quick and residents are going to be affected by

that at some point. Just like me, you pay a lot of money to be able to use these facilities and they are beautiful facilities and we want to be able to use them and the goal is to make sure that the residents are able to use what they are paying a lot of money to use.

A resident asked as it relates to the new policy on the number of guests how do you enforce that?

Mr. Oliver stated when staff is here and staff sees that occur they will likely go to the family and let them know what the policy is and if it is on a day in February when there is some latitude they will make some type of accommodation if possible but on a crowded day they are going to say sorry this is the limit. It will be self-policing to a degree also because we are not always staffed. We can't manage when we are not here and people have to follow the rules.

Mr. Smith stated there is a lot of self-policing that goes with that.

On MOTION by Mr. Smith seconded by Ms. Bock with all in favor the policies were approved as revised.

FIFTH ORDER OF BUSINESS

**Board Guidance Regarding Fiscal Year 2017
Budget Preparation**

Mr. Oliver stated the next item is budget guidance regarding the fiscal year 2017 budget preparation. As I looked at the budget and the discussions we have had over the past year the two biggest items we need to look at is more funding for maintenance and for next summer, the summer of 2017, you are going to have a more robust staffing for lifeguarding. Right now you have a limited amount of hours that the pool slide can be open and on the crowded days and as the population issue comes up you are going to have to have the pool monitored, that third person here.

Mr. Smith asked at what point are we going to put a monitor there that is dedicated to doing that?

Mr. Oliver stated I talked to Danielle about that and although we will budget for it for FY17 we will certainly try to find funds to do it this summer because it is a good point you bring up and there were comments at the last meeting about the gate being left open. I don't want the person managing the slide to worry about the gate. Let's get a third monitor and a third monitor works at a lot of districts and they can be the pool patrol.

Mr. Smith stated that is the whole reason that kiosk was built right by the gate, for a monitor.

Mr. Oliver stated hopefully, some day when you are closer to build-out you are going to be much more heavily staffed but we are just not there yet. We are going to try to find a way to do that this summer. Would you agree that those are the two main things we need to look at in the budget?

Mr. Smith stated yes as it relates to the budget.

Mr. Oliver stated we will bring the proposed budget to you at your next meeting. Once you approve a proposed budget we will send a copy of it to Clay County and set a public hearing to be held in September, adopt the budget and then we will provide that to the tax collector so it can go on the tax bills that go out November 1st. We are just starting the budget process for FY17.

SIXTH ORDER OF BUSINESS

Other Business

Mr. Oliver stated we just received a request from Clay High School Varsity Swim Team to use the pool. I think there are several residents on that team and in years past you have delegated the vice chairman to work with staff to reach an agreement on that. Their practice doesn't even start until August 18th but we will start that process and bring back an agreement to your next meeting if the board is okay with that.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney – Consideration of Fee Increase

Ms. Warren stated this is the second part of a two part fee increase that started last year. Katie's fee increase will be an additional \$40 per hour and mine will be an additional \$30 an hour. We don't anticipate this will affect your annual budget for attorney's fees because we don't anticipate the board will meet this frequently this year as it did last year.

On MOTION by Mr. Tew seconded by Ms. Bock with all in favor the fee increase for the attorney services was approved.

B. Engineer

Mr. Hadden stated one of the things I want to talk about is grassing of the new homes adjacent to the lake; they are putting sod in the yard and not down the lake bank. I have checked our plats and the approved plans and it has to be grassed. There is nothing in the engineering plans or the recorded plat that requires it to be sod it could be seed, mulch, whatever and they are grassed. Most of them were grassed years ago and the grass is there but the builders of new homes are putting in sod on the part that is level but they are not putting anything new down the embankment. I talked to the vice chairman and the standard in the past had been when someone new moved in they would put new sod down to the water's edge. I cannot find anything in the records that is enforceable from the CDD engineering standpoint. It may be the HOA or it may be a good neighbor policy that everyone has always done.

Mr. Smith stated the C&R requires the resident once they move in to maintain the lake bank down to the water's edge even though their property line technically stops at the top of the hill. Every builder with the exception of now LGI has always cleared and sodded every lot down the lake bank, primarily because of that very reason. I'm hoping that David Guy with the assistance of Kurt can come to some agreement with LGI because now you have some lots look one way and other lots look completely different. We can debate another time whether we want to call what's on the lake banks back there behind LGI's lots grass. I just don't want to allow the establishment of a bar being lowered aesthetically by a builder. The residents who buy here buy for a reason and they expect a certain maintenance level and aesthetic level to be maintained and I just don't want to set a precedent with a builder in the infant stages of allowing them to buy a whole lot of lots to cut aesthetic corners that are going to look bad.

Mr. Hadden stated talking to David and him going to the builder will probably carry more weight. All I can look at is what is recorded and what can be enforced from a CDD standpoint.

When we get to the sign issue as everyone knows from the entrance off of Sand Ridge down to right out front there are marketing signs for Richmond America and LGI and they are nice signs and expensive signs. They are all in the county right of way, the ones at issue and this is not the "for sale" signs these are the ones for the sales center, most of them are 4 X 4 on top of which is plastic weather protection. They are in the ground very well and are in the county right of way between the curb and sidewalk, which is owned by the county. I have asked the county if they could mandate that they come out. It is illegal to put a sign out there but the county has not enforced their sign policies for the last four or five years with respect to real estate. The ones on

Sand Ridge are also in the right of way. The county is not going to pull them up or fine the two homebuilders. I have reached out to both of them and said they are illegal and the residents think they are an eyesore. I talked to David about it the same as with the sod.

Mr. Smith stated speaking as a resident when that community bulletin board finally gets here and Brian tells me he is ready to stick that in the ground, that is going right where one of those Richmond signs are at and that sign is going to go away.

I'm going to ask again, is there any process in place that anybody knows of that requires builders in communities to sanitize their request to put a sign anywhere through anybody? Did they just have carte blanche to throw signs up wherever they want to or do they have to at least sanitize that request through the board, through me, through you, through Keith, through anybody?

Mr. Oliver stated this board only has authority over district owned property and if the request were to be on district property this board would have that jurisdiction. Anything outside of this, this board has zero jurisdiction and if we took action without that authority we could be subject to some type of legal action.

A resident asked what about signs for children in the community with disabilities, is that something we need to get approved through you or the county?

Mr. Smith stated that would be the HOA. If they have to put some sort of special signage in their house to designate that house as a special needs resident or something like that I'm assuming that is okay.

Mr. von der Osten asked are you talking about something in your driveway or a real street sign?

The resident stated a sign such as a child is blind or child has autism or a disability that could be something that people need to be aware of.

Mr. Hadden stated if you apply to public works the county will come out and put up a sign so far from either side of your home saying caution blind child.

Mr. von der Osten stated if we wanted a decorative post that would be a CDD expense to upgrade from a standard post.

C. Manager

Mr. Oliver stated we did get a letter from the Joint Legislative Auditing Committee regarding the Fiscal Year 2103 Audit. As they review negative comments on audits that are submitted to them on an annual basis, they send a letter to the governmental agency to determine if appropriate correction action has been accomplished. The letter we got for the FY13 audit the comment was the district failed to make the scheduled debt service payments in the current and prior fiscal years. As you know, the CDD recently restructured the bonds. Our response to the chairman of the auditing committee was please be advised the district has corrected the finding with the issuance of its capital improvement revenue refunding bond series 2015. The series 2015 bonds refunded and replaced the existing bonds and eliminated all outstanding debt service obligations. That has been fixed after having gone through several years of financial distress.

D. Operations/Amenity Manger - Report

Mr. Stephens gave an overview of the operations report, copy of which is attached hereto and made a part hereof.

Mr. Smith stated speaking as a board member when the bulletin board arrives, the sign that is currently in the way will be professionally and carefully removed and given back to the builder.

EIGHTH ORDER OF BUSINESS

Supervisors Requests

Mr. von der Osten stated along many of these lots along Bradley Creek there is a drainage easement in the backyard of the lots abut that is dedicated to the CDD. We have homeowners submitting applications to the HOA to install fences along the property line and the question came up are fences allowed to go over the CDD drainage easement. Currently, we have a document they sign where if it is placed in the easement it can't interrupt drainage flow and if the CDD needs to perform maintenance it should be removed, etc. I would say it is general language and I don't know if the CDD wants to set a policy or provide specific language that homeowners can sign off on if they put up a fence.

Mr. Oliver stated typically the application for a fence or other improvements would start with the HOA and to the extent it would involve CDD property, the request would need to come to the CDD. If the board approves that request to encroach on CDD property and it is signed off by the engineer and attorney, we would then approve that portion of it and return the application

to the HOA . The HOA would have the final approval authority over such issues.regarding improvements.

Mr. von der Osten stated it is over the homeowner's property there is just the easement.

Mr. Oliver stated we handle this in a lot of different districts and if the engineer can come to a conclusion it is not going to in any way violate any of our permitting requirements or impede drainage, we are probably going to be in a position to approve that.

Mr. von der Osten stated we are getting quite a few requests for fences in that area.

Mr. Oliver stated keep the requests coming in between meetings.

Mr. Hadden stated I would like to look at them.

Mr. Oliver stated the Board and staff we will consider each request on a case by case basis.

Mr. von der Osten stated I see there is going to be a CDD website and we recently created an HOA website. Is there any prohibition to having links from each website?

Mr. Oliver stated no that is a good idea. Just send it to us and we will do that.

Ms. Bock stated it says district lakes function as detention ponds. Are they retention or detention ponds?

Mr. Hadden stated in the State of Florida detention and retention are the same thing.

NINTH ORDER OF BUSINESS

Audience Comments

A resident stated I recently moved in and there is a lot next to me and at the very end there is another lot and I believe they are owned by an individual not a builder. Who is going to enforce that property owner to build a sidewalk?

Mr. Hadden stated those sidewalks will be built when the homes are built. The county does not want you to build a sidewalk until the home is in place.

Mr. Oliver stated after the meeting if you give me the address of that lot we will do some research because typically these lots are sold to homebuilders.

A resident asked what is the policy of soliciting?

Mr. Oliver stated these are all public roads owned by Clay County so the district doesn't have any policies against soliciting, we don't control private lots. All you can do is put a no soliciting sign right at your door and that will prevent them from soliciting at your house if they do they are breaking the law.

TENTH ORDER OF BUSINESS

Financial Reports

A. Balance Sheet & Income Statement

Mr. Oliver stated you have the unaudited financials through February 29, 2016.

B. Assessment Receipt Schedule

Mr. Oliver stated behind Tab B is the assessment receipt schedule and through that period you are 70% collected through the tax roll.

C. Approval of Invoices

Mr. Oliver stated behind Tab C is the invoice register and check register for your approval

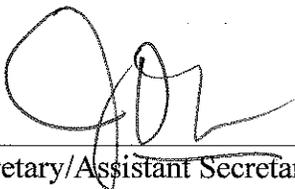
On MOTION by Mr. Tew seconded by Mr. Smith with all in favor the invoices were approved.

ELEVENTH ORDER OF BUSINESS

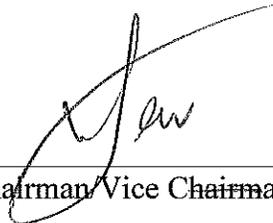
Next Meeting Scheduled for June 1, 2016 @ 6:00 p.m. at Rolling Hills Amenity Center, 3212 Bradley Creek Parkway, Green Cove Springs, Florida 32043

Mr. Oliver stated the next meeting is June 1, 2016 at 6:00 p.m. at this location.

On MOTION by Mr. Smith seconded by Mr. Grossman with all in favor the meeting adjourned at 6:45 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman