

ROLLING HILLS
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rolling Hills Community Development District was held Wednesday, June 7, 2017 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 (by telephone)
Jody Smith	Vice Chairman
Rose Bock	Supervisor
Kurt von der Osten	Supervisor

Also present were:

Jim Oliver	District Manager
Wes Haber	District Counsel
Keith Hadden	District Engineer
Freddie Oca	Riverside Management
Brian Stephens	Riverside Management
Shawn Thomas	Clay County – Engineering Project Manager

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 April 5, 2017 Meeting

On MOTION by Mr. Smith seconded by Ms. Bock with all in favor the minutes of the April 5, 2017 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Sandridge Road Improvements

Mr. Oliver stated the next item is an update regarding Sandridge Road improvements and Shawn Thomas is here from Clay County.

Mr. Thomas stated as you are aware we are looking to do a road project on Sandridge, put in a box culvert and we have had some problems for quite some time. We are early in the stage of design at this point but we are beginning the process of determining what the limits of that box culvert are going to be for the width. We are planning for future widening so that we build the box once and not have to come back later. At this time the direction we have is to build it in a manner where we are shutting down the road. Those are extreme terms but at the same time the cost associated with maintenance of traffic for such a narrow driveway would be very extreme. We are attempting at this time not to start construction this summer but possibly next summer so we can try to fit it into when school is not in session and we will narrow it down to a couple of weeks of impact. I don't have hard dates yet I don't have hard timelines yet for the closure. This is something that we feel is a benefit to residents of Clay County even though it is a hindrance for a couple of weeks.

The other item I would like to talk about on the same project is currently with the platting of Rolling Hills Community there is a 25 foot easement that follows along just outside the driveway by the box culvert. That easement is for utilities and ingress/egress over the top of the boardwalk. At this time the maintenance responsibility is the CDD for that boardwalk obviously it is wood and not something that is going to last forever and the cost associated with that can be high so along with planning of the headwalls we are planning an area for future location of sidewalk, we aren't planning to build a sidewalk with the drainage project but with the road we could build a sidewalk. If for some reason repairs need to be done and it was a significant number it is cheaper to build a sidewalk with the CDD and there is room enough to do so.

Something I would like to leave the board with is the option to release the deed over the same easement, you have the rights to a 25 foot easement now and if there is a potential of deeding the county that same 25 feet where we could move the headwall even further or closer to that boardwalk so it leaves us more room for future potential of meeting our right of way if we were to do a three or four lane facility on this road. The terms are not set and I'm not here today to discuss those but I wanted to put that thought in the board's minds and if you have opinions on it discuss it with the county so as we are working through this project we can hopefully build the

box culvert as wide as possible so we don't have to change things later. The detour is the biggest item and we will continue to communicate that to the public.

With your permission I would like to touch on a couple brief subjects.

Mr. Oliver stated we would appreciate the information.

Mr. Thomas stated currently the CSX and County Road 220 is closing tomorrow morning it will be closed for 10 days until the 18th and it is a major detour, it detours through Kingsley and is a very large detour. The other is discussion on Henley Road we have shifted traffic over on Russell Road and that work still falls under warranty, the problems we are seeing with it is not a failure of the base it is actually the road is sliding and even though you see cave-ins in the road it is not going to be a catastrophic cave-in. We monitored it for a year now and made the decision to shut the traffic down at hopefully the right time to be safe. At this point in time we are in discussions with the engineer and contractor to settle this case. It is a lawsuit and is in mediation and we are trying to resolve this as fast as possible.

I am also the NPDES coordinator for the state, National Pollution Discharge Elimination System. This is illicit discharge that is anything that is not stormwater going into a stormwater system. This is something the state and EPA is constantly fighting against, they are consecrating rules and part of that regulation is a permit we are required to keep tabs on each and every weir so we are proving to the state that we are checking control measures during construction, that we track all the material being removed from ditches and things and much of the qualifying tasks that we have to continue to do throughout the year. If we don't keep that permit up we lose the ability to develop in Clay County, to issue permits. It is vital that the permit stays in tact. One of the things that we are strongly going after right now is resident home construction that is where we continue to see home builders not putting up a silt fence around properties while under construction and silt is going into the ditches and filling in your ponds. That is something that with the help of the community when you see things let us know, call the engineering department if you see illicit discharge let us know.

Ms. Bock asked can we get a phone number on the community website so that all kinds of departments don't get the call and we get the right one?

Mr. Oliver stated yes, we will put a short article on the website along with the phone number.

Mr. Thomas stated it is 904-284-6310.

Mr. Hadden stated if I could add the contractors know what they are supposed to do, the county does a very good job of telling contractors about silt fencing and keeping dirt out and all that. That is not to say you will have a subcontractor doing it but for an example people go into the woods with yard debris and house debris and all that and here especially everything goes right in the creek and right into Black Creek and St. Johns.

Mr. Smith asked what about construction debris? Is there a level of responsibility that builders should be encouraged to take with regard to construction debris getting into these ponds? The district pays to have somebody come out and clean these ponds but the majority of what comes out these ponds is put in the ponds by construction. In my opinion there should be some sort of shared responsibility in that maintenance. That is probably the worst thing we see in these ponds is construction debris. Do you go around and do spot checks on these sites?

Mr. Thomas stated we do on all developments we don't for single residents. The building inspectors check for building code requirements and that is their limit because the building department is funded directly through the fees for inspection they can only look at building code issues. They can't look at silt, driveways or tearing up the curb so we are working on getting a staff member who can chase this. We are also encouraging lot as-builts so when a residential lot is built they actually provide as-builts of the grading for the lot.

Mr. Hadden stated in talking about Sandridge they are going to put in a box culvert. Are you planning on leaving the elevated walkway as it is right now? You don't anticipate having to move that when you put in the new box culvert?

Mr. Thomas responded at this time no. This is a drainage project so we are looking to solely take care of the box culvert.

Mr. Smith stated putting in a bigger box culvert now in anticipation of widening the road later as a taxpayer I'm in favor of doing that now rather than split it up and end up costing more money.

Mr. Thomas stated we can't do the sidewalk improvement now. There have been discussions on us obtaining 25 feet and there will be give and take so if the board chooses to have options there may be something there.

Mr. Hadden asked when the road gets widened you would want to get rid of the elevated sidewalk?

Mr. Thomas stated absolutely, when it is widened there is a plan for bike lanes and sidewalks. The question is when do we widen the road and capacity wise it is not first on our list that needs to be widened. We have a “needs list” and it is on the needs list. The needs list hasn’t transferred to a five, ten year, twenty year plan. What is good now in Clay County is that we just had a referendum to extend the 1¢ sales tax, which is not more money it is the same money but we get to keep it for the next 30 years. They also extended the 5¢ gas tax option, which is not big money but it is extra capital improvement money for infrastructure needs.

Mr. Smith stated capital improvement is specifically what that was for.

Mr. Thomas stated yes. Of course what we are all seeing is the impact of the toll roads coming through. The state has funded the toll roads for next year, fiscal year 2019, and I’m told there is a good chance that those bids will be on the street before that fiscal year hits so construction starts shortly after. Things are changing drastically and there is improvement and we are trying to stay ahead of it and our goal is to continue to do studies and counts so that we know the impacts and that we are choosing wisely which ones get funded first.

Mr. Oliver stated thank you very much for coming here tonight and for working closely with our district engineer.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2017-04 Approving the Proposed Budget and Setting a Public Hearing for Adoption

Mr. Oliver stated the next item is consideration of Resolution 2017-04 approving the proposed budget and setting a public hearing for adoption. Before we start the discussion I want to go over the difference between approval and adoption. Approval statutorily means we are approving this proposed budget so we can start the budget process. We are required by Chapter 190, F.S. to provide an approved budget to local government by June 15th. We will meet that deadline and provide it to Clay County. We also cannot set a public hearing for adoption any sooner than 60 days after approval of the proposed budget. In this case rather than having a public hearing in August I would like to propose that we have it on September 12th that gives us over 90 days to refine this budget and get it right. It is important for us to go through each line item and also get board input on the budget. As we approach the public hearing in September, Board members and staff can take in the resident’s input over the next three months. Once we adopt a budget, we will certify the assessment roll and provide it to the Clay County Tax

Collector's Office for inclusion on the Clay County property tax bills that will be mailed out November 1st.

The budget before you has an increase of about \$18,000 annually to fund slight increases in landscape maintenance. You have some additional common areas coming on line. The proposed budget includes a new line item with \$17,000 for mulching throughout the community. Another thing we are looking at with the vice chairman is additional pool monitor staffing during the summer. Although we are discussing next year's budget, we are working to see what we can do for this summer and also determine if we can come up with some type of additional on site management staffing on the weekends, using someone that is a little more experienced or older than some of the young adults or teenagers that serve as lifeguards. I think they can help run a tighter ship. Funding will be the key issue.

Mr. Smith stated I'm okay with starting the process, but there are some things I want to talk about.

Mr. Oliver stated the history of this district is that the original developer made a commitment to the purchasers of homes that assessments would never go up more than \$60 in a year, or \$5 per month.. Even with this proposed increase for FY18, the operations and maintenance assessment would be \$888 gross assessment per platted lot. Of that amount, the CDD net is \$835. The Tax Collectors office retains 2% of collections. Property owners who pay their tax bills by November 30, 2017 will receive a 4% discount. A comparable district in terms of facilities and rooftops is St. Johns Golf & Country Club with 799 homes. Their maintenance assessment is \$1,203. Johns Creek has 583 homes with an annual O&M assessment of \$1,152. Eagle Landing's O&M assessment is \$1,010 plus another \$100 for its Capital Reserve Fund. This does not include the annuyal golf operation fee of \$256. As we grow our funding base, the Board will be in a better position to expand services. Earlier this evening Shawn Thomas was talking about the projects needs list exceeding available funding. He converts those needs into a 5, 10, 15, 20 year plan, but cannot proceed without the necessary funding for it. Collectively, the Board can work with staff to deterime proceed with the highest priorities based on funds availability, and decide what needs to stay on the needs list for a future year.

The proposed budget being considered tonight can change substantially over the next 90 day. Witin the document is the general fund budget, which funds the community appearance as well as the administration and operations & maintenance of the district. There is also a debt

service budget to funds the semi-annual interest payments that are made on the bonds on November 1st and May 1st of each year, as well as the principal payment that is paid on May 1st of each year. It is the same budget you have seen and we will refine it over the next couple of months. I suggest you approve this budget knowing that you will adopt an actual budget in September and setting the public hearing date for September 12th.

On MOTION by Ms. Bock seconded by Mr. von der Osten with all in favor Resolution 2017-04 approving the proposed fiscal year 2018 budget and setting the public hearing for September 12, 2017 at 6:00 p.m. in the same location was approved.

SIXTH ORDER OF BUSINESS

Consideration of Renewal Agreement with Clay High School Swim Team for Use of Amenity Pool

Mr. Oliver stated the next item is consideration of renewal agreement with Clay High School Swim Team for use of the amenity pool. This is something that the district has been doing for the past several years. As I understand it right now there are no changes on the horizon for the terms of the agreement should you approve it. What this board has done in years past is approved it in substantial form and authorized the vice chairman to work with staff and counsel to draft an agreement to get executed by the vice chair as well as the Clay County School Board.

On MOTION by Mr. Smith seconded by Mr. von der Osten with all in favor renewal of the agreement with Clay High School Swim Team for use of the amenity pool was approved in substantial form and the vice chair was authorized to work with staff and district counsel to draft an agreement to be executed by the vice chair as well as the Clay County School Board.

SEVENTH ORDER OF BUSINESS

Discussion of Process and Potential Request to Clay County Board of County Commissioners for Designation of Rolling Hills as Golf Cart Community

Mr. Oliver stated the next item is discussion of resident feedback regarding a potential request to Clay County Board of County Commissioners for designation of Rolling Hills as a golf cart community and the vice chairman has taken the lead on this item.

Mr. Smith stated at the last meeting we talked about this, it has been an ongoing request and something we have been trying to get going out here. I have had some communication with the county commissioner for this district and he has offered to put this process in place for us we just have to formally request that the process begin via a letter. At the last meeting it was decided that just so there is a current tally or current vote on this within the last 90 days we waited until this meeting so I could hold another vote. I put two polls out there on a couple different Facebook pages involving the residents and the development and it was an overwhelming landslide in favor of the golf cart community process beginning. At this meeting since we are heavily in favor of that I'm asking permission to sign the letter on behalf of the development to our county commission representative, Gayward Hendry, to start the process of designating Rolling Hills as a golf cart community.

Ms. Bock stated I live in a golf cart community and school is out now, we don't have any construction going on but we have children driving golf carts, they are not licensed and there is nothing you can do. If I stop them and want to talk to them about where you live somebody is going to be counting it against me. I would like to get the police in to start writing tickets, taking these kids home. I see this happening here but there is one thing that is worse that I don't think the people who said yes have thought about and that is the fact that you have construction going on here. I just think there is too much heavy equipment, too many trucks it is just not a good idea. I think the board would be hanging the CDD out for a lawsuit when the first kid has a tragic accident. I think in our wisdom we need to take that stance.

Mr. Smith stated me signing a letter, I'm not saying I'm representing the board, I'm signing a letter as a representative of the community, which is all Gayward was asking. He is not asking for a letter from the board he is just asking for a letter from a representative of the community, community leadership. I don't think he is asking for anything specifically from the CDD board. I think he knows he can't make that request. I can clarify that.

Ms. Bock asked why don't we do that?

Mr. Tew stated we can't stop you from signing the letter, but the developer will not support the letter because I asked him. Rose's comments were spot on. I deal with communities in Central Florida that have similar issues and it turns into a bad neighborhood problem. With the construction going on and everything that is happening the developer can't support you signing the letter.

Mr. Smith stated okay.

Mr. von der Osten stated I would like to add that I live in the same community as Rose and while it starts off great with golf carts and it will only be adults or licensed drivers it quickly escalates to the kids' play toys. I had them going by my house with six kids hanging off a golf cart at 9:00 or 10:00 p.m. with the radio blasting and that is something the community can deal with but I agree we get so many complaints about construction traffic I would hate to see the kids out there in that at least at this time. It might be a better time in the future when construction is done. We have an issue and now we have enforcement issues and the issues and complications just multiply.

Mr. Smith stated I was willing to sign the letter on behalf of the residents but if the board is not comfortable with me signing the letter then I won't because the board is not going to authorize me to do that. At this point I would have to go back to Gayward and tell him that I can't sign the letter but will he accept a signature from somebody else and if the answer is no then I guess this is a dead issue. Obviously I will do what the board votes in favor or not in favor of doing.

Ms. Bock asked what kind of letter?

Mr. Smith responded Gayward wants a letter basically on Rolling Hills letterhead that says we as a development are asking the county to begin the process of designating Rolling Hills as a golf cart community. Gayward is offering to start the survey process and everything that is involved with designating a community as a golf cart community. There is no guarantee that is even going to happen all this does is start the process. If they come out here and do a survey and the survey comes out and says it is unwise that we shouldn't do it then it is dead at that point anyway but that is all he was asking for is a letter from the community requesting that the county start that process. If the board is uncomfortable with me signing that letter then I won't sign it but I will ask Gayward if he will accept another signature and that is up to him. He made the offer on behalf of the county commission and I appreciate the offer.

Ms. Bock asked who owns the roads?

Mr. Smith responded the county.

Ms. Bock asked can this happen without board approval?

Mr. Smith stated yes, as I understand it the CDD as an operating unit has no dog in any golf cart designation hunt. But I was willing to sign the letter as a resident if the board had no

problem with me doing that. The process of designating a community as a golf cart community can be done completely separate from any government body in the community as far as I know. The residents can do that completely on their own.

Mr. von der Osten asked who bears the cost if it is not a CDD item? There are costs associated with signs and potential widening of the path.

Mr. Smith stated one sign has to be posted at the front of the community designating the community as a golf cart community and I have multiple resident volunteers to cover that. These are county roads and the county would have the final blessing and it is their survey, their process.

A resident asked who could sue whom if a kid is driving a golf cart gets hurt? I don't understand that part.

A Resident stated you have people 14 years old driving a golf cart on a county road and the speed limit is 35 mph the liability rests with the person who owns the golf cart, the liability wouldn't be on the CDD.

Mr. Smith stated again, I'm signing the letter as a resident not as a member of this board. The only reason I asked permission to sign that letter is because I sit on this board and if the board is not comfortable with me putting my name on something because I sit on the board I wanted to give the board the opportunity to say that. It is not a CDD request.

Mr. Haber stated if a lawsuit is filed a lawyer representing somebody is going to sue anybody that they can think of suing. There are a number of suits where CDDs get added where possibly they shouldn't be. For example, if these roads are designated legal for golf carts even if the CDD has nothing to do with it because the county unilaterally does it with the residents approval if the district originally constructed the roads and the district's engineer designed the roads a lawyer could very well find a creative way to say these roads were designed in such a way that accident this golf cart got into was caused by the design of the road or the failure on the part of the CDD to maintain the landscaping. This could happen with a car as well. You have that many more vehicles on the road so is there a potential increase of liability, I can't say there is absolutely no chance of liability because lawyers are going to sue anybody and everybody. I think the CDD is in a better position to be able to say this came up to us and we specifically decided that we wanted nothing to do with it, we didn't think it was a good idea the county chose to do it with the residents involvement. I think that helps limit the CDD but that being said I do

think a lawyer will try their best to find any deep pocket, which is a term you have probably heard, if they can find it.

A resident stated residents could obtain golf cart insurance.

Mr. Haber stated if the county designates the roads as legal for golf carts then anybody who wants to ride a golf cart on these roads can ride a golf cart on these roads, they are county owned roads, they are public roads neither the CDD nor the HOA or any other organization has the power or authority to require anything that Florida Law doesn't require. I don't think anybody could put additional requirements such as insurance or something else, your hands are tied somewhat on our ability to do that.

Mr. von der Osten asked what are the insurance requirements for a golf cart on the road, the same as a vehicle?

Mr. Haber responded I do not know I assume that.

Ms. Bock stated no.

Mr. von der Osten asked Jim would the minutes reflect that the board did not support this and we are not saying the residents can't go forward.

Mr. Oliver stated yes.

Mr. von der Osten asked what do you think is the best?

Mr. Haber stated it doesn't sound like he is asking for any board action so I don't think you necessarily need a board vote. I think you can make a distinction because you are not looking for board action if the letter was clear that you are signing this letter in your capacity as a resident and in no way in your capacity as a member of the CDD board or the vice chair.

Mr. Smith stated the reason for bringing this to the board was I was trying to take the lead on this for the residents and as a courtesy to the board give the board the opportunity to say whether they were comfortable with the vice chairman of this board putting his name on that letter. So the record is clear, I'm not asking the CDD to take any responsibility designating Rolling Hills as a golf cart community.

Ms. Bock stated or just sign the letter, don't put anything else, just sign your name.

Mr. Haber stated without a motion the minutes will reflect the board's opinion on the matter.

EIGHTH ORDER OF BUSINESS

Ratification of Change to Amenity Center Policies

Mr. Oliver stated the next item is ratification of change to the amenity center policies. You discussed these changes at the last meeting and there was some confusion on the age someone can come to the pool unaccompanied. Policies had some conflicted language confusing a 14 year old with someone under the age of 14. That has been corrected.

On MOTION by Mr. Smith seconded by Ms. Bock with all in favor the amendment to the amenity center policies was ratified.
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NINTH ORDER OF BUSINESS

Other Business

Mr. Oliver stated I did want to bring up that Freddie had talked to me and I was talking to the vice chairman earlier about capacity issues out here. Freddie mentioned that there are occasions when you have two parties going on simultaneously with people having access to the pool and it being overcrowded to the point where residents cannot use the pool. Your initial solution for discussion or consideration by the board is that you limit it to one party at a time having pool privileges.

Mr. Oca stated we can do that. We can have one party just three hour blocks so it would be three parties for the whole day whether it is in the kid zone or the pool. Having two parties on the pool deck is too much. The community is growing and there is a lot of overflow in the pool.

Mr. Smith stated this is a concern I brought up before. I'm not sure that parties in the kid zone actually, legally impact the fire code but I know that parties in the pavilion impact the fire code because the pavilion is considered part of the pool deck. I don't want to put the residents in a position where if we keep allowing large parties as the community grows that is going to negatively impact residents' ability to use the pool and that is something I cannot support. I don't ever want a resident not be able to use something because we are pushing the fire code because we are allowing too many parties or too big of a party. If we need to start shrinking the amount of people we allow at these parties and set a limit of 25 and no more instead of 50 or whatever then that is something we need to look into.

Mr. Oca stated if you have the top social room you can't get to the pool but downstairs you are able to and sometimes that factors into it.

Mr. Oliver asked what is your recommendation?

Mr. Oca stated have one party at a time and if one party is from 1:00 p.m. to 4:00 p.m. then the next party can't go until 4:00 p.m. to 7:00 p.m. when that party is done, never have a party at the same time. We can have three parties in one day but a different complex.

Mr. von der Osten asked what is the typical size of these parties?

Mr. Oca stated some of the parties are getting to be over 25 a couple times we have had parties where we have two parties of 50 and that is pushing the limits.

Mr. Smith stated that is why I asked the question. Does the kid zone because it accesses the pool deck impact the fire code?

Mr. Hadden stated I think the kid zone stood on its own as far as the building itself. Then there was a number for the pool area itself.

Mr. Smith stated pool deck fire code is 248. I just don't know if a party in the kid zone impacts that fire code just because they have access to the pool deck.

Mr. Hadden stated if there are 240 people at the pool and we have a CDD meeting and everybody decided to walk out and go to the pool deck we would surpass the code. You have to allow for a certain amount of overlap.

Mr. Smith stated the point I'm getting at is our discussion holds water because if we are going to rent the kid zone out part of renting that kid zone out is an expectation of having access to the pool. We need to strengthen the amount of people we allow to be at the parties so we don't negatively impact residents who want to use the pool who are not part of the parties then that is something we need to look at doing long term.

Mr. von der Osten stated I think it is a good idea.

Mr. Oca stated the max we have now is 50 and that is way too many I think 35 should be the max total and go from there. From what I have seen two parties of 50 is a lot on the lifeguards and a lot of people in the community don't want to come to the pool if there are 75 kids in the pool.

Mr. Oliver stated I recommend that the board authorize staff to work with Jody, we will come up with the right number, issue that policy and ratify it at the next meeting and adjust it again at the next meeting if necessary.

Mr. Smith stated we will figure out the right number and bring it to the next meeting. Does that make sense?

Mr. von der Osten stated yes.

Ms. Bock stated yes.

TENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Haber stated I know Katie had mentioned that our firm was keeping track of the legislative session with respect to any bills that directly impact CDDs. There really wasn't that much that came out of the legislative session, there were no changes to 190, which is the CDD statute, there were a few public record laws that got passed that our firm is currently reviewing and we are going to put together a summary, nothing that directly impacts your day to day operations but I'm sure Katie will have that summary for you at an upcoming meeting.

B. Engineer

Mr. Hadden stated the request that you made at the last meeting to have the county look at the speed limits out here, the county does not do any traffic studies on Monday or Fridays because they are not typical traffic days and they don't do any in the summer because kids are out of school. We are scheduled as soon as the kids are back in school. I don't think there would be an issue getting the speed limit down to 25 mph but they can't do the study until school is back in session.

C. Manager

1. Report on Number of Registered Voters (391)

Mr. Oliver stated a copy of the letter from the supervisor of elections indicating that there are 391 registered voters residing within the district was included in the agenda package. In the 2018 general election you will fill two seats by general election and that means registered voters living in the district will go to the supervisor of elections office and register to run for office on the general election ballot. The qualification period is usually the third week in June and we will publish that information when it is available and you are on the same general election ballot as every other state, local and federal office. Resident will be elected to two seats in 2018 and two more seats in 2020, taking majority control of the board in 2020.

2. Letter to Joint Legislative Auditing Committee

Mr. Oliver stated included in your agenda packets is my letter to the Joint Legislative Auditing Committee or JLAC. JLAC reviews the annual audits that are provided by all forms of local government in the state, including CDDs. Audit which include any exceptions result in JLAC letters to the CDD for explanation and corrective action. Q. This particular JLAC letter and response is in regard to the FY 2015 audit and debt service reserve levels. As you will recall, before the current developer took over, the previous property owner had problems paying their debt service on the bonds. To make the semi-annual interest payments over the years as well as principal payments, they were drawing down the debt service reserve. The JLAC asked why the debt service reserve wasn't fully funded and we explained the history of that. Similar situations occurred throughout Florida as a result of the great recession a few years ago.

D. Operations/Amenity Manger - Report

Mr. Stephens gave an overview of the operations manager's report.

Mr. Oca gave an overview of the amenity center report.

Mr. Smith asked can we put bollards at both ends of that bridge to stop golf carts, etc. from using that bridge and causing the maintenance problems?

Mr. Hadden stated if the board wanted to I think we can do that. If there is an ongoing problem with a golf cart or ATV or anything of that nature we could put up bollards at either end to stop that. The heavier the vehicle and the frequency of that type of vehicle the more damage it is going to do.

Mr. Smith stated we can talk about that with the budget discussions over the next couple of months. That is probably something that needs to happen to save the long term wear and tear and costs on that bridge.

Mr. Oliver stated at the very least we can get some cost proposals to review.

Mr. von der Osten asked don't they make bollards that actually lock at the bottom and are removable so if you have to do maintenance you can get a utility vehicle out there?

Mr. Hadden stated they do.

Mr. Smith stated we just need a small, inexpensive, permanent bollard that will deter anything other than foot traffic on the bridge.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests

Mr. Smith asked where are we at with parks? Brian didn't you recently get quotes to do some landscaping, shrubbery, bushes, something in the small pocket park where the Jr. High bus stop is?

Mr. Stephens stated I did that as well as a shade structure and a couple picnic tables.

Mr. Oliver stated unfortunately, the CDD doesn't have funding for proposed project.

Mr. Smith stated that is something we can talk about over the next couple of months of getting into the budget. The CDD property that we are responsible for in the back of the neighborhood is there a plan to develop that, to landscape that? It seems that we have a dividing line between aesthetics in the neighborhood, the back of the neighborhood is 60% to 70% developed now. I think we are doing a disservice to the residents who live in the back aesthetically between what is around that lake in the back versus what is around the lake in the front. I understand there is a huge cost involved and I get that but is there a long term plan to develop that area?

Mr. Oliver stated I will have to take a look at that area you are talking about to see if it was intended to stay in a natural state or supposed to be landscaped.. As more construction is completed and more common areas come on line for landscape maintenance, we'll need to expand the scope of the landscape maintenance agreement. The good news is that as landscape maintenance costs increase due to the new common areas, more platted lots will come on line, also. This will expand the assessment base to pay for community appearance, staffing, services and projects.

Mr. Smith stated I understand I just want that to be on record because this isn't the first time we have talked about that. With the number of residents here now I think it is imperative that the deck monitor starts when the lifeguard starts and whether that is April or whenever that is there needs to be a deck monitor in place when the lifeguards start the pool season versus waiting until school gets out because there are too many residents now. During April and May there was too much chaos at the pool over guests and residents versus non-residents and things that could be eliminated if there were a deck monitor there. The deck monitor started this past weekend and things ran a whole lot smoother than they have been running. I would like to get that into the budget. We talked about possibly hiring an additional Riverside Management representation to help Freddie out with things like that as well.

Mr. Oliver stated I made notes of those.

TWELFTH ORDER OF BUSINESS Audience Comments

A resident asked does there need to be that many Richmond American signs in the front?

Mr. Oliver stated as homes are built and sold, we'll continue to move toward buildout, meaning a larger assessment base and more money so we can achieve some of these improvements we have been discussing tonight. I can't tell you from a marketing perspective how many signs are good, but we want to find the right blend of good community appearance and helping builders to sell homes so we can complete the project and put construction behind us. The issue you bring up is common for all CDDs during the construction stage. We do need to make sure signage counts and placement do not detract from the beauty of this neighborhood that attracted most of you to move here.

A resident stated the Rolling Hills Subdivision advertises that this is a walking community but there are no trash receptacles where you can deposit trash, there are no receptacles where you can pick up after your pet. I think if there were receptacles where you could deposit your pet deposits more people would pick up after their pets. I see a lot of people who do not pick up after their pets.

Mr. Oliver stated the pet waste stations are a pretty costly proposition, not only the purchase and installation, but also the ongoing maintenance. It would seem that some irresponsible pet owners should not cause the District's residents to incur pet waste maintenance costs. We have a very few communities that maintain pet waste stations at a cost of \$10,000 a year. This item can certainly that can go on the needs list that we talked about earlier. The first part of your comment regarding the trashcans I think it is real important to have standard garbage cans in common areas, particularly such as park and recreational areas. We can look into that.

A resident stated you mentioned the pool in relation to the community growing and things happening there. Have you considered adjusting the hours of the gym? A similar situation is occurring and there are certain times when it gets a little full in there. I know at one time there were security concerns but I feel we have ADT and security cameras in there so I think we could identify if there was an issues and hold that card holder accountable for it.

Mr. Oliver asked other than 24/7 what would be looking at?

A resident responded maybe midnight or something like that.

Mr. Stephens stated the alarm comes on at 11:00 p.m. but we can adjust that.

Mr. Oliver asked does 4:00 a.m. to midnight work?

On MOTION by Mr. Smith seconded by Ms. Bock with all in favor the policies for the fitness room were amended to be open from 4:00 a.m. to midnight.

A resident stated we have kids working at the pool and the new deck monitor is young and without hesitation she is going to back down from a resident. When there are parties there is no way for them to know who is a guest at a party and when the party is over all these people move out to the pool. Non-residents come in here and act like they have as much right to be here as residents and it makes people uncomfortable. You need someone who is adult enough to not give in and there has to be a way to monitor the parties and when their time is over they need to leave. That is probably the biggest issue going on at the pool every weekend.

Mr. Smith stated I sponsored a party here Sunday and the deck monitor to her credit came over multiple times during that party to ask if everything was okay and she was monitoring and asked how many people did we think were going to be staying afterwards, are they going to be guests of residents, how many residents were at the party. Freddie trained her and that is what she is supposed to be doing.

Mr. Oca stated she is strictly there checking people this past weekend and I don't want confusion that the deck monitor responsible for the pool area too because it is not she is just there checking because we had a lot of people sneak into the pool. The deck monitor is a separate title, separate position. When things are slow she checked on the party and I would too.

A resident stated in another community they issued wrist bands with different colors for different parties and if you had a blue band your party was over at 4:00 p.m. and you had to leave. You can have the same thing and control that group easily through that method.

Mr. Smith stated if you are a resident or guest of a resident who is going to stay after the party you are not going to be wearing a band.

Mr. Oliver stated these are good suggestions you have made. At other districts, if the sponsoring resident refuses to comply or be responsible for their guests, they are subject to losing their access privileges. That makes an impact. It only has to happen a couple of times before people get the message. I don't think we have ever done that here but it makes an impact. This approach to dealing with amenity policy violations happened recently at both at Eagle Landing

and Pine Ridge Plantation.. This is the summer we need to make those adjustments. The quickest way to get suspended is to get confrontational with staff.

A resident stated in regards to the number of people at the parties, I understand reducing the numbers I am concerned about removing access to the pool from the kid zone. I rent that area a lot because we have our end of the season baseball parties down there it is a great area for having access to the indoor kitchen and being able to give out trophies and things like that for older adults who can't be out in the heat. I would be concerned.

Mr. Smith stated we are not going to restrict the access from the kiddie area the reason I wanted that discussion was to make a point that having two large parties at the same time have the potential to have a negative impact on the fire code and restrict other residents from being able to use the pool so maybe we need to shrink the amount of people we can have at the parties.

A resident stated the walkway here you have golf carts going over it all the time. The landscaping around that is overgrown and may be contributing to some of the issues you have with having to replace boards.

A resident stated about the conversation at the pool when I saw it I said you should call the police and she said she did call the police and they said it is an HOA incident that has nothing to do with them. It was an actual confrontation and people were saying nasty things. When we had the meeting here with the sheriff's department they told us not to confront people like that to call them. What do you do, you tell us to call you and when we call you say that is an HOA issue.

Mr. Oliver stated in most of our districts the sheriff's office prefers that we call them to report that.

A resident stated I am a police officer and work with the Clay County but when it comes to the association we are very limited on what we can do. Association rules we can't enforce.

Mr. Oliver stated this is a CDD and is governmental property.

A resident stated the CDD or Association we can't enforce certain things.

Mr. Haber stated it is not necessarily relevant to Clay County or Duval County or Jacksonville but I'm working with St. Johns County right now on a similar issue in that St. Johns County Sheriff's Office has said the same thing to the CDDs in St. Johns County that because you are an HOA or equivalent to HOA we can't enforce. I have gotten some of the St. Johns County officers to acknowledge the fact that because we are in fact a CDD, which is a unit of

government that we should be treated the same way as the county or city. In other words the best analogy that I was able to give that they found persuasive was if somebody went to a county or city owned building and had a confrontation or violated the rules of a library for example and the library staff asked that person to leave and they wouldn't the sheriff indicated that they would go and deal with that because it is a unit of government. Similarly these amenities are owned by the CDD, a unit of government, which is entirely separate from an HOA, we have taxing authority, eminent domain authority, they are very much like a municipality or county as opposed to an HOA. We made some progress there and maybe Clay County could strike that same conversation. I know my firm represents a number of CDDs in Clay and Duval as well. There is a distinction.

Mr. Smith stated deputies have come out when we have had kids out here at 11:00 p.m. on the tennis courts riding bikes and skateboards and we had our off duty guys come up and run them off. They would leave and come back another night and I would get a call and they said if you authorize us we could trespass them.

A resident stated a member of the CDD could fill out a trespass authorization form, which is a blanket trespass that Clay County can use so anyone who is not a resident or out here after hours when it is closed they can be trespassed without having to find someone to contact. A resident can't be a complainant for the CDD it has to be a member of the board.

Mr. Smith stated I don't mind signing something like that.

A resident asked if residents through fund raisers or whatever could raise some funds for a park in the back would the CDD match those funds or help out?

Mr. Oliver stated the CDD could accept such funding for park projects. This board could decide what to do with funds raised from assessments, but we still would need additional money from the developer, depending on what kind of park you want.

THIRTEENTH ORDER OF BUSINESS Financial Reports

A. Balance Sheet & Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

B. Assessment Receipt Schedule

A copy of the assessment receipt schedule was included in the agenda package.

C. Approval of Invoices

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

Mr. Oliver stated the check register for October and November was supposed to be approved at the December meeting and that meeting was cancelled.

On MOTION by Ms. Bock seconded by Mr. Tew with all in favor the October and November check registers were approved.

FOURTEENTH ORDER OF BUSINESS **Next Meeting Scheduled for August 2, 2017
@ 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 August 2, 2017 at 6:00 p.m. at this location. The following CDD meeting and budget hearing is September 12, 2017.

On MOTION by Mr. Smith seconded by Mr. von der Osten with all in favor the meeting adjourned at 7:42 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman