

ROLLING HILLS
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Rolling Hills Community Development District was held Tuesday, October 8, 2019 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:

Rose Bock	Vice Chairperson
David Church	Supervisor
Shannon Jordan	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan	District Counsel (by telephone)
Freddie Oca	Riverside Management
Chris Hall	Riverside Management
Sete Zare	MBS Capital Markets (by telephone)

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 being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the August 13, 2019 Meeting

Mr. Oliver stated I have already incorporated some changes that were provided by Supervisor Jordan.

On MOTION by Ms. Jordan seconded by Mr. Church with all in favor the minutes of the August 13, 2019 meeting were approved.
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FOURTH ORDER OF BUSINESS

Consideration of Agreement with MBS Capital Markets, LLC

Mr. Oliver stated as you will recall the infrastructure for the district was built using bond proceeds, bonds were issued when the district was formed and those bonds were restructured in 2014. As the developer in the district gets ready to put in infrastructure for the rest of the lands to be platted the developer and district want to look at options so either the bonds can be refunded with additional new money bonds being issued or some other option that would be developed by the underwriter. Right now, the engineer is developing plans for platting the rest of the property so that all 736 lots would be platted. We will start the process to issue bonds if that is what makes sense to the board but before the underwriter can do any work they are required to enter into an agreement with the district for underwriting services.

Before you is an underwriting agreement with Rolling Hills Community Development District and the basic header says, MBS Capital Markets, the underwriter, offers to enter this agreement with Rolling Hills CDD with the proposed issuance of bonds for the purpose of refunding the district's outstanding 2015A3 Bonds, those are for unplatted lands and acquire and construct certain public infrastructure improvements. The underwriter intends to serve as the underwriter, not as a municipal advisor in connection with the issuance of the bonds. The rest of the agreement shows their scope of services in this transaction. The fees are on the second page and the fee for this particular service would be 2% of the par amount of the bonds or \$50,000 whatever is larger of those two. The 2% is very much what the market rate is. When you go into larger bond issues sometimes MBS Capital Markets has it at 1.5% but in this case it is a pretty small bond issue. The district as well as MBS Capital Markets could terminate this agreement with 90 days written notice and that is common with all of their deals. Before we enter into any purchase of bonds the underwriter would deliver to the district a purchase and placement contract setting forth the rights and duties in connection with the purchase and placement as well as detailing the terms of the bonds. All this will be done at public meetings. We will also have public hearings before any bonds were issued. We have a requirement to notify them when we have meetings to that they can keep the board informed or call special meetings if needed to keep this moving. We are talking about a bond issue in the March to June 2020 timeframe. There are certain disclosures that are required like MSRB Rules G17 that stands for Municipal Securities Rulemaking Board. There are quite a few disclosures that are made and there is an exhibit that shows all the disclosures regarding the underwriter's role, the disclosure considering their compensation, conflict of interest, credit default swaps. This is a public document and this is what

we need approved tonight so that they can start their work to develop options for the board to consider.

Ms. Zare stated I want to highlight that our fees are contingent on closing of the bond issuance and that is the greater of 2% or \$50,000.

Mr. Oliver stated if there is no bond issue there is no payment.

On MOTION by Ms. Bock seconded by Ms. Jordan with all in favor the agreement with MBS Capital Markets, LLC was approved.

FIFTH ORDER OF BUSINESS

Ratification of Audit Engagement Letter with Berger Toombs Elam Gaines & Frank for Fiscal Year 2019

Mr. Oliver stated next is ratification of an audit engagement letter with Berger Toombs at a cost of \$3,800 and as budgeted for FY20. This district is a form of government recognized by the State of Florida much like a city or county or other governmental entity. As such we have to go through financial audits every year conducted by an independent CPA firm. This board selected this audit firm through the request for proposals process that is required by Chapter 218, Florida Statutes.

On MOTION by Ms. Jordan seconded by Ms. Bock with all in favor the engagement letter with Berger Toombs to perform the fiscal year 2019 audit in the amount of \$3,800 was ratified.

SIXTH ORDER OF BUSINESS

Ratification of Agreement with Riverside Management Services, Inc. for Facility Management and Field Operations Services

Mr. Oliver stated next is ratification of an agreement with Riverside Management Services, Inc. for facility management and field operation services. At the last meeting they presented a proposal for FY20, which is reflected in your budget and that proposal was for services of an amenity manager, operations manager, pool services, janitorial services and lifeguard services. At the board's direction we pulled the lifeguard services from this agreement and we are going to get new proposals for lifeguard services. They are at the same fees previously proposed and they are in the fees you approved in your FY20 budget.

Ms. Jordan asked why would the fees not be adjusted if they are not covering lifeguard services?

Mr. Oliver stated they took out that fee, that was \$35,000 and that is not in the agreement.

On MOTION by Ms. Jordan seconded by Mr. Church with all in favor the agreement with Riverside Management Services, Inc. was ratified.

SEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

Mr. Oliver stated right now the board is comprised of two residents and three people who were voted by landowners; two of them are associated with the developer and one is not. In the next election cycle two more seats will be filled by residents and this will be qualified electors, which are registered voters, living in Rolling Hills and that election will be held with the general election on November 5, 2020. The qualifying period for that is June 8 to June 12, 2020 and you went through that process with the supervisor of elections and anyone wishing to do that for those two seats would do the same thing. We will list some information about that in subsequent meetings.

D. Operations/Amenity Manager - Report

Mr. Hall gave an overview of the operations report and Mr. Oca gave an overview of the amenity report.

Mr. Church asked did you receive anything from Yellowstone about the improvements?

Mr. Oliver stated he sent me the renditions but there was no price associated it. I will forward them to the board, but we will need the pricing.

NINTH ORDER OF BUSINESS

Supervisors Requests

Ms. Jordan stated I have talked to Freddie about a couple things and I would like to see if we can make sure we request that the security guards are here on weekends, primarily if possible. I know you are looking at bidding cameras and you are going to present a few to us as well. The trees in the pool area we have some issues with the irrigation there where the mulch ends up in the pool. I know we were looking at options for that.

Mr. Hall stated when they built the pool they put the mulch right next to the pool. Rubber mulch looks similar, it goes down and stays and lasts for years. We have done one of my districts about 12 years ago and it still looks nice. It is more expansive but lasts a long time. I can get a price and we can do the work in-house.

Ms. Jordan stated I would like the board to consider that because long term it will be more beneficial than having mulch in the pool.

Mr. Church asked did they fix the sprinkler heads that were broken? I called Yellowstone last week.

Mr. Hall stated I talked to them and we will get it done this week.

Ms. Jordan stated I would like to take a vote and see if we could look at extending the hours at the tennis court. The lights go off at 11:00 p.m. but our signage says 9:00 p.m., which causes some confusion. If we could extend the hours at the tennis courts to 11:00 p.m. I think it would be beneficial to the community and erase some of that confusion.

Ms. Bock asked are there no houses that would be touched by those lights?

Ms. Jordan stated I'm not sure. You have the entire parking lot in between the houses. Freddie, the lights are already on.

Mr. Oca stated I'm not concerned about the lights; I'm worried about the noise.

Mr. Church stated that is where we were getting complaints.

Ms. Jordan stated I wasn't getting complaints on noise. I was getting complaints on presence and getting called quite a lot. Hearing someone say the sign says 9 why does someone appear at 9:30, not because of noise but just presence. Even if we pushed it to where the lights

turn off at 10:00 p.m., which is the county statute, the lights go off at 10:00 p.m. the tennis courts close at 10:00 p.m.

Ms. Bock asked what if they closed at 9:00 p.m. like the sign says?

Ms. Jordan stated we could do that but the county statute is 10:00 p.m. so if we match the county statute nobody can really complain.

Mr. Oca stated we can adjust the timers to shut off at 9:00 p.m. and match the policy or adjust it to whenever you want.

Ms. Jordan asked is there any liability issue to that?

Mr. Oliver stated no liability issue. It is a board decision and you just weigh different things, the surrounding homes the impact on them and is there a strong demand that people don't have access to the tennis courts and people are being chased away from playing tennis at 9:00 p.m. You have a lot of courts I don't know that you have a usage problem.

Mr. Church stated personally I haven't witnessed what is going on there, just once. It wasn't tennis related it was just people hanging out at the courts. 9:00 p.m. is fine with me I think if it matches the sign we can stay at 9:00 p.m. instead of keeping them on until 11:00 p.m.

Mr. Oliver stated one of the tennis pros at Oakleaf Plantation is trying to put together a tennis program here and he will come to the next meeting and make a presentation. We could consult with him and he can find out what they do at other local communities with tennis programs if you can wait until then to make a decision.

Ms. Jordan stated we can do that.

Ms. Bock stated it will be two months, it will be December.

Mr. Oliver stated yes and likely some of his programs will be at night and it may be advantageous for him to be able to do it until 10 or 11 at night. If he can come in and give his expertise I think that would help with the decision.

Mr. Church stated I have a couple suggestions, if we could extend lifeguards on weekends until the end of October or just one day on the weekends. I had a lot of people ask me if we could do that since the slide is closed they want to be able to slide, it has been in the 90's and they were wondering if we could at least do one day of the weekend. They have a lifeguard here for only a few hours.

Mr. Oliver stated I can check with Riverside and if they have a lifeguard available and there is still funding left in that line item I have no problem with that. We have entered a new

fiscal year and now the lifeguard budget for FY19 was \$40,000 for FY20 it is \$35,000 so there is a little less to work with this year. I just don't know how quickly these temperatures are going to change. Let me ask about their availability. The number of students serving as lifeguards is pretty large; I don't know if they have gotten into the whole high school scene now and they are tied up with classes and extracurricular activities, but we will check on that.

TENTH ORDER OF BUSINESS**Audience Comments**

Ms. Amanda Arizaga stated I'm 18 years old and I have lived in Paddle Creek Drive since 2009 and I'm here to represent the group of kids that got a trespassing violation from the tennis courts. Everyone who got a trespass violation wrote letters that I have with me. Usually it is about eight or ten people with a variety of ages as young as 9 and we started it in June and we did it all the way until we got the violation. During the summer we used to do it every Monday and we did it until 11:00 p.m. because that is when the lights went off and that is what we assumed was okay. We are playing a game called bound ball, it is a lot of fun and a lot of people know how to play it because it is a sport played at Clay High School. It is a mixture of volleyball and tennis, played with a volleyball but played on a tennis court. We really don't need skill to play the game, which is why people love it. During the summer we played every Monday and once school started we played every Friday. We played it more at night because some people work and it was easier at night. Also we like playing here because the lights are on. About two months ago we were playing bound ball and it was 10:00 p.m. or 10:30 p.m. and someone called the cops and the police officer asked who the resident was and it was me and I talked to him and he told me that, are you aware it is closed at night and I said yes, I was aware we just kept playing because people were there playing separately, a different group, but they were playing and the lights were on and we assumed it was okay. He told me that people called with a noise complaint and we said we are sorry we didn't know we were that loud. He said we were fine staying there as long as we kept the noise down. He said he doesn't care as long as the lights are on we can be there. We followed everything the police officer said. I never got another noise complaint after that. Then September 13th around 10 or 10:30 and someone called the police again and it was Ms. Jordan and the police officer told us that we got a trespassing violation because we were there past 9:00 p.m. and we were already confused because the last police officer told us we could be there until the lights were off. Everyone who wasn't a resident got trespassed and they are not allowed to come back for two

years. We were wondering why we didn't get a warning but one or two kids with us when they got the trespassing violation they went to the pool and they were there past the closing time and they were confused because they thought that applied to the pool when Ms. Jordan came, they thought the rules of being in the pool applied to the pool and not the tennis courts. Because they got the initial warning everyone with them got the trespassing. Only those two individuals got a warning everyone else just got a trespassing right away.

Mr. Church stated I'm glad you cleared it up because that is a whole different story; I was told the kids were back talking the police and that is why trespassing was done.

Ms. Jordan stated I'm glad you brought that up now because there was another supervisor's comment I wanted to bring up and that is before we bring on new board members we should bring some sort of supervisor code of conduct.

Mr. Oliver stated let's close this up. Thank you for coming tonight and it is very responsible for you and your parents. I see this as an opportunity.

Ms. Jordan stated these are very responsible kids. They have reached out and we resolved it.

Mr. Oliver stated any sanctions or trespassing notice, all that is being released or has been released.

Ms. Jordan stated it has all been released.

Mr. Oliver stated what we have here is a fresh start. I would like to see our staff work with this group and come up with a program and you can be the leadership of the program and work with Freddie to develop something.

Ms. Jordan stated this is one of the reasons I would like to push the time back to 10:00 p.m. This is a respectful group of kids and while I understand having the hours at 9:00 p.m. is reasonable, they are respectful. If they begin getting rowdy not only are the parents extremely respectful the kids are extremely respectful. Any adult can walk up to this group of kids and say you are being loud and they will bring it back down.

Mr. Church stated maybe we can do weekends later.

A resident stated the proposal is Sunday through Thursday for the lights to go out at 10:00 p.m. and Friday and Saturday at 11:00 p.m.

Ms. Jordan stated right now I would at least like to get it to 10:00 p.m.

Mr. Church stated I had the same issue when the swim team was parking all over the grass when I called Clay County they said unless I was present they would not ticket the cars or tow the cars, because I represent the CDD. Is that why the first time they were just warned?

Ms. Jordan stated you have to be present as a CDD board member to do anything.

Ms. Bock stated you should both be proud because it took a lot to get up here and speak and you explained everything well.

Mr. Oliver stated thank you very much for coming tonight and we will turn this into a positive.

You mentioned code of conduct, several districts have enacted code of conduct for the board and staff and Rose is the chairperson of another district, St. Johns Golf & Country Club that came up with the initial version of this and it has been instituted in other places. I can email copies of the code of conduct to the board, you can take a look at it, offer revisions and we can bring back a revised version to the next meeting. We can go through it and you can adopt it if you would like to do that. I find it very helpful.

A resident stated you talked about the splash pad earlier. Is the pipe that was broken being repaired?

Mr. Hall stated it is, yes.

ELEVENTH 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. Check Register

Mr. Oliver stated I noticed there were late fees on some Clay Electric invoice and I have instructed the accounting department that GMS will pay those late fees back to the district or we will get a credit from Clay Electric. I looked at the invoices and the stamped in received date was August 5th and the due date was August 8th.

On MOTION by Ms. Jordan seconded by Mr. Church with all in favor the check registers were approved.

TWELFTH ORDER OF BUSINESS

Next Meeting Scheduled for December 10, 2019 @ 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 December 10, 2019 at 6:00 p.m. at this location.

On MOTION by Mr. Jordan seconded by Ms. Bock with all in favor the meeting adjourned at 6:33 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman